

**Public Housing Agency
Meeting Minutes
July 28, 2020 at 11:30 AM
Video Conference**

Pursuant to due call and notice thereof, a regular meeting of the Public Housing Agency was held in the Video Conference , on July 28, 2020, at 11:30 AM.

Roll call of the members was made as follows:

Call to Order and Roll Call

Agenda Amendments

Citizens to be Heard

Approval of Minutes

Request Board Approval of the June 16, 2020 Meeting Minutes

Request Approval for Payment of Bills

Request Board Approval of Payment of Bills - Resolution 7-28-20-17

Business

Formal Review of Section 18 Repositioning - Resolution 7-28-20-18

Updated Waivers due to COVID Resolution 7-28-20-19

Retirement Plan Amendments Resolution 7-28-20-20

Scattered Site Roofing Replacement Resolution 7-28-20-21

Other Business

Executive Director Updates

Executive Closed Session, Pursuant to Minn. Stat.13.D.05, Subd. 3, Executive Director Performance Review

Attorney's Report

Adjournment

APPROVED BY:

ATTEST:

Donna McMaster
Chair

Terry Braun
Secretary

I. CALL TO ORDER AND ROLL CALL

Chairperson Lemke called the Public Housing meeting to order at 11:30.

Members Present: Greg Lemke, Chairperson; Alexa Dixon, Secretary, Michael Carbone, Vice Chairperson; Shelly Dahlquist, Moorhead City Council Liaison

Members Absent: Rita Ryyth, Resident Commissioner

Others Present: Dawn Bacon, Executive Director; Toni Vondal, Housing Manager; Cynthia Yuen, Consultant; Amy Settergren, Human Resource Director

II. AGENDA AMENDMENTS

None

III. CITIZENS TO BE HEARD

None

IV. REQUEST APPROVAL OF MAY 26, 2020 REGULAR MEETING MINUTES.

Dixon moved, seconded by Carbone to approve the Minutes of May 26, 2020. All votes were in favor. Motion Carried.

V. REQUEST APPROVAL FOR PAYMENT OF BILLS-RESOLUTION 06-16-20-15.

Carbone moved, seconded by Dixon to approve the payment of bills as presented. All votes were in favor. Motion Carried.

VI. BUSINESS

A. Executive Director Performance Evaluation Process – Resolution 6-16-20-16.

Executive Director Performance Review is due next month. Amy Settergren, HR Director attended the meeting to discuss options for process that the ED and the board would like to proceed with.

Evaluation Form Format- Shared previous forms used as well as what the City utilizes for Directors. Board decided to stay with previously used version.

Soliciting Staff Feedback- In previous reviews staff feedback has been solicited. This was initiated by the ED to assist her in getting situated in her position. HR Director stated it is not common to have staff evaluations at an annual review. More common is a 360 review process that includes other external partners and colleagues in addition to internal staff. HR Director was asked how often that typically is done and if there are formal 360 policies that can be reviewed. The most frequent scenario she could recall was a person who had one done once every 5 years but generally it is done once and then not for a longer period of time. Not aware of specific policies, 360 process if more a tool that can be used. ED expressed preference to not do staff feedback this year. Board discussion was they want to find ways for staff to continue to have a voice but also be clear about the board's distinct role in evaluating the ED. Board would like to have further discussion about process to use in coming years. Board also indicated an interest in communicating to staff directly about the change this year.

Timeline- HR Director reviewed draft timeline for when board members can expect to receive and submit the evaluation.

There will be communication to staff from the Board on the revised process. The Board would like a policy done as to the procedures for the Executive Director Evaluation. The Board will ask former board member McMaster if she would be willing to fill out an evaluation form on last year's performance.

Carbone moved, seconded by Dixson to use the same evaluation forms as the previous years, to have staff provide feedback to board every 2 or 3 years.

VII. OTHER BUSINESS:

A. Repositioning Options (Informational and Discussion Only)

Repositioning options for 30 scattered site units – Streamlined Voluntary Conversion (Section 22), Homeownership (Section 32) and Rental Assistance Demonstration (RAD) are not good options for Moorhead Public Housing.

Demo/Dispo (Section 18) is a good option for the MPHA, where the scattered sites can be converted to all tenant-based or all project based.

B. Retirement Plan Amendments (Informational Only)

Currently	Amendments being considered
<p>401A with mandatory contribution on the employee side of 7%. Employer matches contributions to 401A of 7%</p> <p>Hardship clause for employees who are having financial problems (meeting certain criteria) to get a 6 month suspension on their contribution.</p> <p>Option to take a loan out on the 401A.</p> <p>Employees who want to put more than the 7% of their money in can set up either a 457 plan or an ICMA plan (no employer match or contribution).</p>	<p>Removal of the mandatory 7% employee contribution for the 401A. Employees no longer make a contribution to a 401A and their contribution would go elective and to a 457 plan.</p> <p>Continue employer contribution to 401A of 7%. This could go to a match of the 457 amount but board seems to be leaning to a set amount of 7% regardless of what the employee contributes.</p> <p>Removal of the hardship provision for the 401A.</p> <p>Revision of loan terms- available funding for loans to come from employee elective contribution only. Current design gives participants the ability to take a loan out with employer monies.</p>

C. Executive Director Updates:

1. Clay County transfer of public housing units to the MPHA appears that it will go through. Still waiting for official word from HUD Headquarters.
2. Board Changes- Ezzat Haider resigned from the Board. Rita Ryth recently joined the board. We now have one vacancy (Ezzat’s position) that we need to recruit for.
3. Building Updates
 - Work on Scattered Site locations is out for bid (Shingle replacement and concrete work)
 - Sharp View elevator- MPHA is in the final stages of processing the documents for the end loan for reimbursement from MHFA.

- High Rise elevator- both cars are operational and final inspection has been completed. The air handler work at the high rise is on hold due to waiting for parts.

4. Board Meetings- Recent City Council resolution providing direction on board meetings. Recommendation to continue to meet remotely for the time being but we can take up non-essential items at upcoming board meetings.

VIII. ATTORNEY'S REPORT

None

IX. ADJOURNMENT:

There being no further business to discuss, the meeting adjourned at 12:48 PM.

Greg Lemke – Chair

Alexa Dixson – Secretary

CHECK REQUEST TOTALS

PREPARED: July 22, 2020

PAID IN: June and July 2020

	TOTAL AMOUNT	CHECK NUMBERS
PHA	\$56,724.84	13630-13723
Payroll- Direct Deposit	\$44,607.67 (3 payrolls)	**687-707
Capital Fund	\$96,971.07	30340-30344
AMHSIP	\$12,002.43	44389-44411
BRIDGES	\$14,599.05	53949-53976
BCOW	\$9,050.06	73543-73564
General Fund	\$0	80000
ROSS	\$8,353.88	60055-60058
TOTAL	\$242,309.00	

**The June Check request total document had an error for the payroll direct deposit check numbers. It read 673-679 but should have read 673-686.

BANK TRANSFERS made between funds:

DATE OF TRANSFER	FROM ACCOUNT	TO ACCOUNT	AMOUNT	REASON
6/29/20	Security Deposit Savings	Operating Checking	583.45	Reconcile to May Financial Statement

D. Bacon

Executive Director Approval

MEMORANDUM

DATE: July 23, 2020

TO: PHA Board of Commissioners

FROM: Dawn Bacon, Executive Director

RE: Approval to Proceed with Formal Review of Section 18 Repositioning Resolution 7-28-20-18

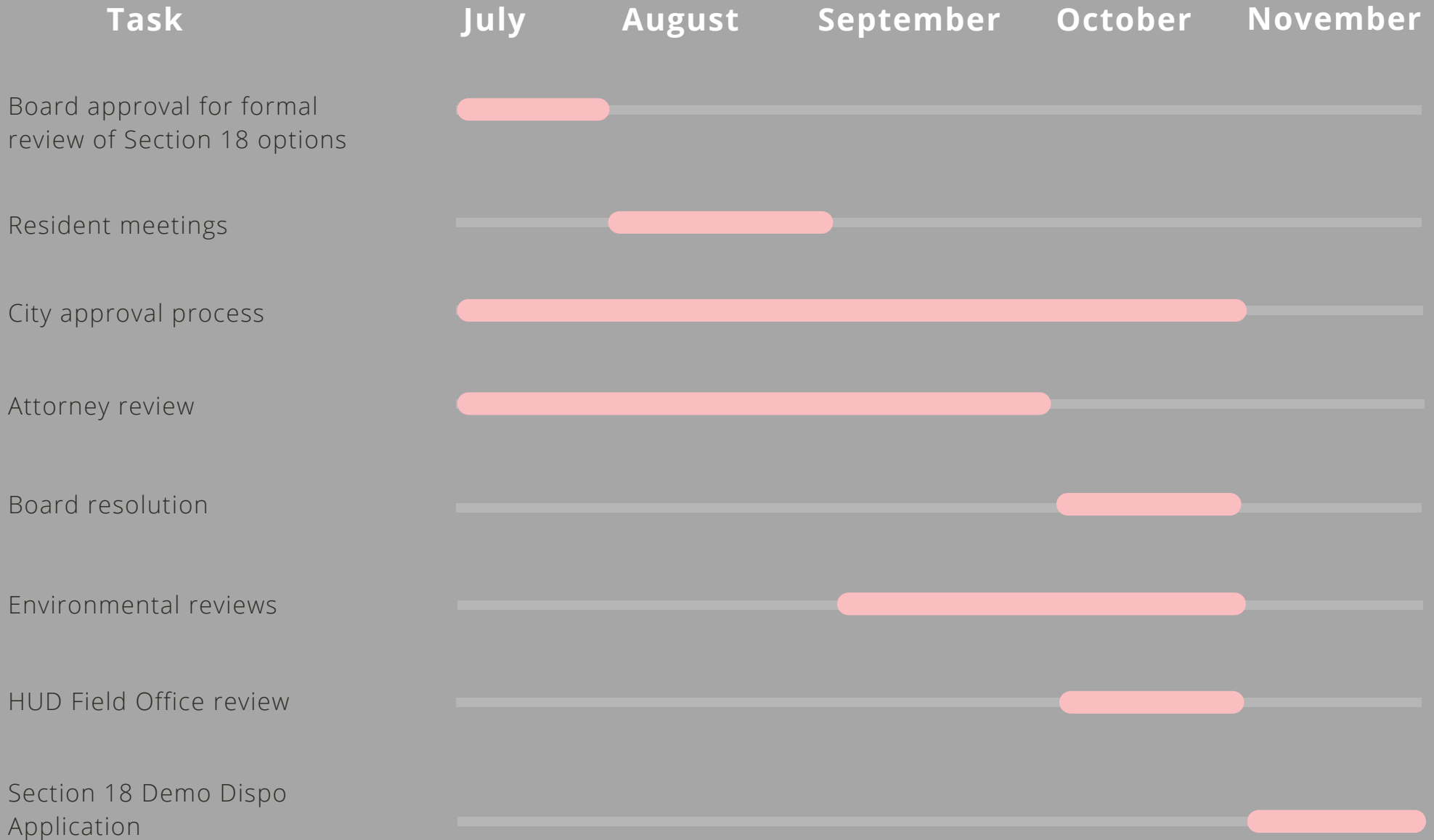
I am requesting board approval to proceed with a formal review of the Section 18 repositioning option for 30 MPHA Public Housing units using the Tenant Based Voucher option.

A timeline noting major tasks with this review will be included in the board packet and reviewed at the board meeting.

Here is a summary of major work that has been completed by the board and staff over the last several months.

<p>December</p> <ul style="list-style-type: none"> Adoption of Strategic Plan where repositioning is a top priority. <p>January</p> <ul style="list-style-type: none"> MPHA staff held two resident meetings. <p>February</p> <ul style="list-style-type: none"> Adoption of Agency 5 Year Plan to include repositioning goals Revision of 5 Year Capital Funding Grant to align with repositioning goals and Physical Needs Assessment. Resident meeting and informational flyer sent specifically to 30 units. <p>March</p> <ul style="list-style-type: none"> Signed agreement with consultant with grant funding from Greater MN Housing Fund. 	<p>April</p> <ul style="list-style-type: none"> Board presentation providing overview of repositioning and process <p>May</p> <ul style="list-style-type: none"> Board presentation on budget trends and fiscal considerations for repositioning Informational flyer/update information sent to scattered site units <p>June</p> <ul style="list-style-type: none"> Board presentation on options and why Section 18 is recommended for MPHA. Board review of options for Tenant Based vs. Project Based voucher for 30 units. Release for bids for reroofing and concrete work at scattered sites.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

MPHA Section 18 Demo Dispo Timeline



MEMORANDUM

DATE: July 23, 2020

MEMO TO: PHA Board of Commissioners

FROM: Dawn Bacon, Executive Director

REGARDING: Updated Waivers due to COVID Resolution 07-28-20-19

The board implemented a set of waivers for MPHA at the April Board Meeting. In July, HUD released an updated PIH Notice which provides revisions to the previously established waivers and additional requirements. I have updated the summary grid of waiver options with changes from the recent notice in red text for easy reference. Most changes are extended timelines but it also includes a few additional waiver options.

Additional Background

On March 27th, the President signed the Coronavirus Aid, Relief and Economic Security (CARES) Act in to law (Public Law 116-136). The Act provided HUD with broad authority to waive statutes and regulations for Housing Agencies. On April 10, HUD issued [PIH Notice 2020-05](#) detailing out specific short and long term waivers that Housing Authorities may elect to put in to place in order to prioritize mission critical functions given that normal operations are restricted due to the COVID 19 pandemic. On July 2, HUD issued a second/updated [PIH Notice 2020-13](#).

ITEM	Statutory and Regulatory Waiver	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH PHA 5 Year Plan Annual Plan Significant Amendment Requirements	Section 5A(a) (1), Section 5A (b)1, Section 5A(g), Section 5A (b) 903.5(a) (3), 903.5(b) (3), 903.21	Alternative dates for submission Changes to significant amendment process	Varies based on FYE 7/31/20 Extended to 12/31/20	No for the PHA 5 Year and Annual Plan. - MPHA already submitted annual plan Yes- for Significant Amendment process	4/10/20
Family Income and composition- delayed annual reexaminations	Section 3(a) (1) 982.516(a) (1) 960.257 (a)	Permits PHA to delay the annual re-exam of income and family composition	12/31/20 No change	No MPHA is able to continue with the reexam schedule and will process them without in person appointments.	
PH Annual reexamination Income Verification	5.233(a)(2) PIH Notice 2018-18	Waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification. PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later	7/31/20 Extended to 12/31/20	Yes- attempts will be made to obtain the highest form of income verification but self-certification will be utilized if needed.	4/10/20
Interim Reexaminations	Section 3 (a) (1) 5.233 (a) (2), 982.516 (c) (2) 960.257 (b) and (d) PIH Notice 2018-18	Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations.	7/31/20 Extended to 12/31/20	Yes	4/10/20
EIV System Monitoring	5.233 PIH Notice 2018-18	Waives the mandatory EIV monitoring requirements	7/31/20	Yes- MPHA will continue to run and monitor EIV reports	4/10/20

		unless requests otherwise	FYE dates of 3/31/21		automatically
Designated Housing Plan Renewals	Section 7 (f)	Extends the Plan's effective period through December 31, 2020, for Plans due to expire between the date of this Notice and December 31, 2020.	No changes 12/31/20	No- MPHA's designated plan renewal was already submitted.	
Public Housing Agency Annual Self-Inspections	Section 6(f) (3) 902.20(d)	Waives the requirement that the PHA must inspect each project	12/31/20	YES	
PHAS	24 CFR Part 902	Allows for alternatives related to inspections PHA to retain prior year PHAS score unless requests otherwise	HUD will resume issuing new PHAS scores starting with PHAs with FYE dates of 3/3121	N/A	N/A
Financial Reporting	5.801 (c) 5.801 (d) (1)	Allows for extensions of financial reporting deadlines	Varies by PHA FYE	No- MPHA has already submitted the 2019 FYE Audit report.	
Form HUD 50058	24 CFR Part 908, 982.158 PIH Notice 2011-65	Waives the requirement to submit the 50058 within 60 days Alternative requirement to submit within 90 days of the effective date of action	No changes 12/31/20	Yes	4/10/20
Designated Housing Plan	Section 7 (e) (1)	Allows for HUD to delay notification about designated housing plan	7/31/20 No changes	This waiver is for HUD Staff. This applies to Sharp View. Housing Plan already submitted and under HUD review.	N/A
Deadlines for reporting Operating and Capital Fund expenditures	Section 9 (j) 905.306 (d) (5)	Provides a one-year extension for all Cap Funding Grants open as of 4/10/20. No programmatic end date beyond one month (this would apply to ROSS).	No changes	Yes	4/10/20

MEMORANDUM

DATE: July 23, 2020
TO: PHA Board of Commissioners
FROM: Dawn Bacon, Executive Director
RE: Approval of Retirement Plan Amendments- Resolution 7-28-20-20

At the December Board meeting, there was discussion options to make changes to the current retirement plan for employees. Based on the preliminary feedback that I received from the board and staff, I have worked with our plan representatives on amendments to the plan.

The draft amendment language has been shared with staff and has been reviewed by our attorney. A summary of the changes is included below. Specific amendment language can also be made available to board members for review. Staff have not indicated any concerns with the proposed changes.

If the board wants to proceed with the amendments, the changes could be effective January 1, 2021.

Summary of Proposed Change:

The 401 A Plan currently has a mandatory 7% employee contribution. MPHA also makes a contribution of 7%. Hardship clauses for employees having financial problems (meeting certain criteria) are in place that allow employees to get a 6 month suspension for their contribution. Exercising the hardship clause requires the employee to approach the Executive Director who has to review the request due to their function as the Plan Administrator.

The proposed amendment would remove the 7% mandatory employee contribution and hardship clause. Employees could decide how much to contribute with their own money. Employer contributions would remain with the 401A plan at the fixed 7% amount but employee contributions would go to a 457 plan and no longer to the 401A plan. Employees would also continue to be able to take loans out from retirement funds in both plans provided that it complies with terms outlined in the plan.

MEMORANDUM

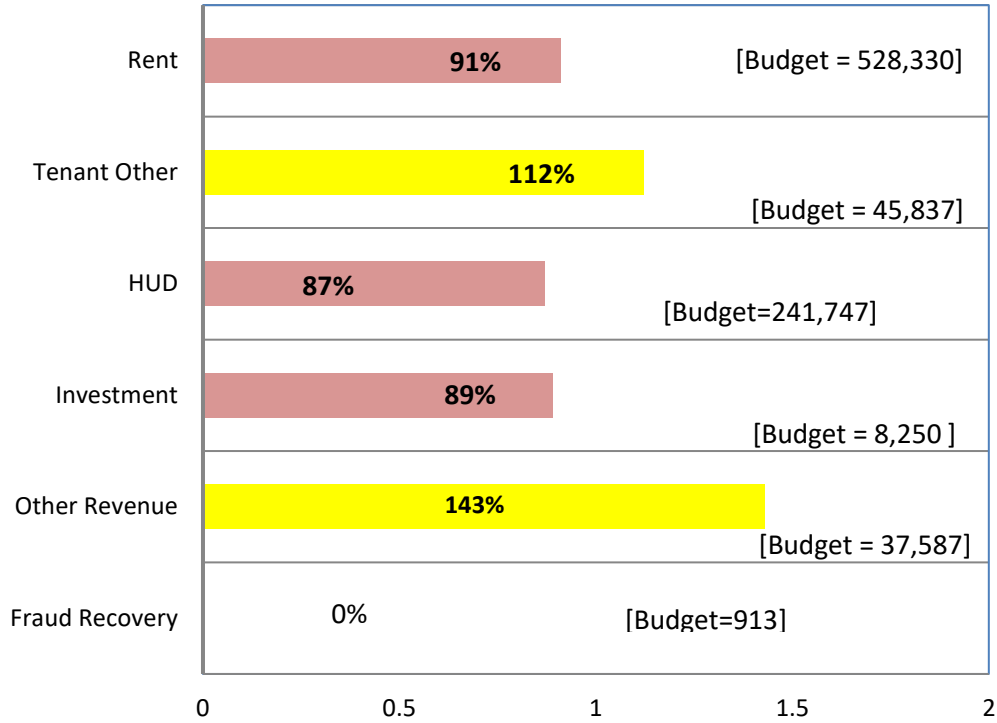
DATE: July 23, 2020
TO: PHA Board of Commissioners
FROM: Dawn Bacon, Executive Director
RE: Scattered Site Roofing Replacement: Resolution 07-28-20-21

The bid opening for the Scattered Site Roof and Concrete repair was held on July 16, 2020. Two bids were received and are currently under review by MPHA and FOSS Architecture and Interiors.

I will be bringing a summation of the bid opening to the board meeting and asking for board approval to proceed with a selected contractor.

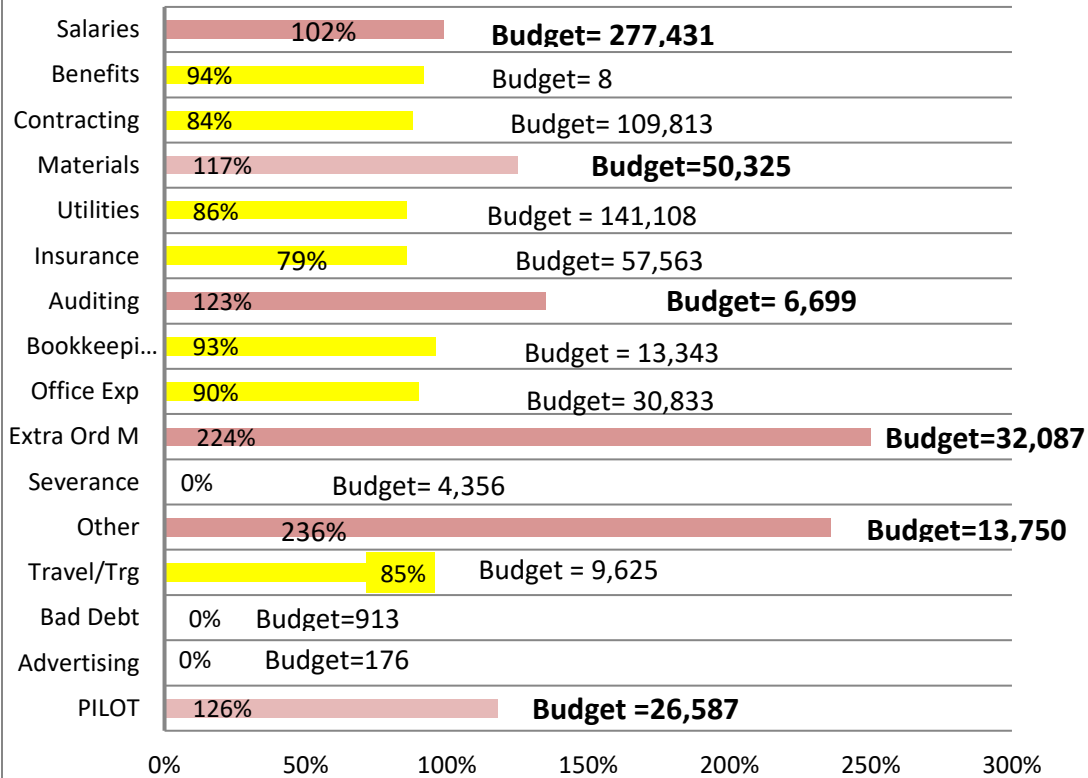
FYE 2020

MPHA Revenue: 11 Mth ended May 31, 2020



FYE 2020

MPHA Expenses: 11 Month ended May 31, 2020



ABOUT THIS DOCUMENT- This is Public Housing program only. 11 month budget compared to 11 month revenue and expenses. Categories were combined from financial statement for easier viewing. For example, utilities is a summation of multiple FDS line items (sewer, water, gas, etc.)

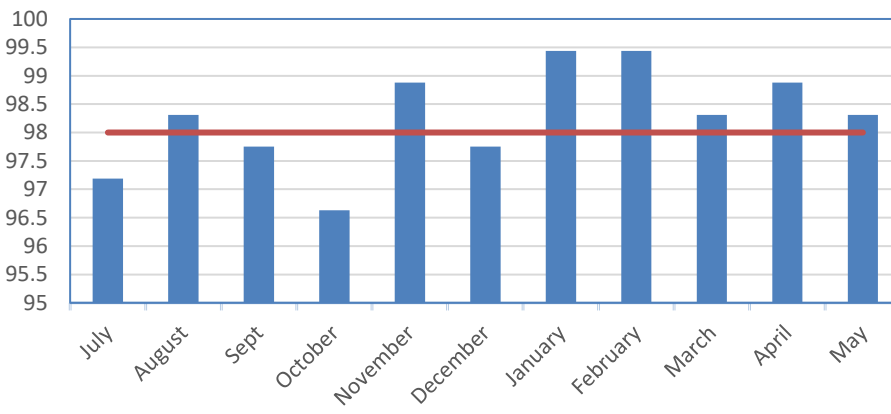
OVERALL SUMMARY:

- Year to date revenue total \$808,235. Without factoring in depreciation, YTD expenses were \$880,595.

NOTEWORTHY:

- Rent revenue is projected to come in significantly below what was budgeted. This is due to changes in tenant income (likely due to the implementation of the homelessness preference) as well as lack of historical data due to errors in recording rent revenue in previous years. Occupancy has been at or above standard. See graphs below.
- HUD funding is currently running behind budget. HUD funding runs on a calendar year requiring an estimate for the second half of the fiscal year budget. The 2020 fiscal year budget factored in a 9% increase for CY 20 funding allocation but actual CY funding (just released) is only a 6% increase.
- Extra Ordinary Maintenance is significantly over budget but will recover following POHP loan reimbursement of 58,000 for the Sharp View elevator repairs.

Occupancy Standard= 98% or Higher.
Current Average= 98%



Monthly Rent Revenue

