

**DERBY HOUSING AUTHORITY**

**SPECIAL MEETING**

**THURSDAY, AUGUST 10, 2017 – 6:30 P.M.**

**JOAN WILLIAMSON ALDERMANIC CHAMBERS**

**MINUTES**

Chair Linda Fusco called the special meeting to order at 6:31 p.m. All rose and pledged allegiance to the flag.

**Roll Call**

Present: Linda Fusco, Kathi Ducharme, Adam Pacheco, Robert Lisi

Also Present: Janet S. Wortman, CPA, LLC  
Peter Hance, Housing Authority Consultant  
Ellen Oczkowski, Derby Housing Authority

**APPROVAL OF MINUTES OF HOUSING AUTHORITY MEETING DATED JULY 5, 2017**

**A MOTION** was made by Ms. Ducharme with a second by Mr. Pacheco to approve the Minutes of the July 5, 2017 meeting as presented. **Motion carried.**

**ADDITIONS, DELETIONS, CORRECTIONS TO THE AGENDA**

Ms. Fusco stated as this is a Special Meeting no additions, deletions or corrections to the agenda can be entertained.

**PUBLIC PORTION**

Mrs. Fusco asked if anyone wished to address the committee.

Loretta Sexton, 29 Stygar Terrace, Derby, CT

Ms. Sexton had a question about the election and some individuals who cannot walk to the community room and wondered if someone could bring the information to their home?

Ms. Ducharme said they will look into it and noted that the League of Women Voters is running it. She asked Ms. Sexton to call the office and give Ellen the information.

Ms. Sexton then asked about the agenda item - commissioner training on finance reports and wondered if the resident commissioner going to have to partake in that training.

Mrs. Fusco said our CPA, Janet Wortman, is here this evening and she is going to give us an overview on the process and procedures and if it's deemed that they need it then we will set it up.

Leona Harvie, 27 Stygar Terrace, Derby, CT

Ms. Harvie said an old issue keeps coming up and she wants to know if anybody is working on it. It has to do with allowing animals on the premises. In the lease it clearly outlines all the rules and regulations that we must adhere to. The lease clearly states no pets and all personal pets, cats and dogs, are not allowed and in order to seek exemption from the rules and regulations it must be first determined by a licensed doctor that the animal in question is either a certified licensed service animal or a companion animal. Then you must bring all the paperwork to the Derby Housing Authority offices. You must also provide updated rabies shot verification and the dog must have a valid City of Derby dog license yearly. Why do the rules apply to some and not all? She said there is a couple that has pets and are not abiding by the rules and regulations. Ms. Harvie said their dog wakes her two to three times due to the barking.

Roseanna Velez, 14 Stygar Terrace, Derby, CT

Ms. Velez asked about making ADA improvements to the apartments and suggested adding grab bars in the bathrooms and ramps in and out of the apartments. She noted that the public access to the Community Room is awful – just maneuvering around the door is difficult.

Linda Swinski, 15 Guardiano Terrace, Derby, CT

Ms. Swinski commented on the condition of the parking lot. Mrs. Fusco said she was under the impression that it had been cold patched. Mrs. Fusco and Mrs. Ducharme will follow up and contact McManus Construction. Ms. Swinski asked if ballots are going to be mailed. Mrs. Ducharme said they will not be mailed and they will be available where you vote. Ms. Swinski said she also keeps hearing that new windows are going to be installed. She knew that a grant was applied for; however it is her understanding that it was submitted too late to be considered. There was also discussion at one point about having students from Emmett O'Brien install the windows. Mrs. Fusco said that is correct but there was a concern over liability.

Roseanne Velez, 14 Stygar Terrace, Derby, CT

Ms. Velez told the committee members that there are ½" holes in the parking area at Stygar and she almost tripped and fell. Mrs. Ducharme said they will look into the lot before winter.

Sue (did not get last name), Stygar Terrace, #3, Derby, CT

Thanked Mrs. Fusco for taking care of the problem that she sent via a phone message.

Mrs. Fusco asked three more times if anyone else wished to address the committee. Hearing no requests...

**A MOTION** was made by Mr. Pacheco with a second by Mr. Lisi to close the public portion. **Motion carried.**

## **OLD BUSINESS**

### **a) Discussion of status of RFP (Request for Proposals) – Barron Building**

Mrs. Fusco said an RFP (Request for Proposals) was sent out and one response was received, which they have opened. Questions have been raised and they hope to schedule a meeting with the person for Thursday morning. She said they will have a full report prepared for next month's meeting.

### **b) Discussion of status of election for Resident Commission**

Mrs. Ducharme said everyone received their letters in the packet. She said there was a presentation on the voting process by Peter Hance. Petitions that initiated the voting process were received by July 20<sup>th</sup>. They built the list of candidates and everyone was notified regarding the date of the election. Per C.G.S. (CT General Statute) 8-41 the housing authority "must use its best efforts to have the election administered by an independent entity." Mrs. Ducharme said they have secured the League of Women Voters from Bridgeport to administer the election. Sample ballots are in the office and community rooms. The date for voting is Thursday, August 24. Mrs. Ducharme said they were originally going to hold voting from 9:00 a.m. to 1:00 p.m.; however the League said that is really too much time and suggested that the time should be 12:00 p.m. to 2:00 p.m. The League of Women Voters will be running this and they will tally the votes. There was a question raised if someone is not available at that time to cast their vote. Mrs. Ducharme said there is no proxy or absentee voting. The League of Women Voters will have the list of all residents and photo identification is required to vote. Mrs. Ducharme said the contract with the League of Women Voters is in the packet this evening, which we will have to execute. There is also a rough draft of the Housing Authority Resident Commissioner Policy. Mrs. Fusco commended Mrs. Ducharme on all the time and effort she has put into this and stated she truly appreciates it.

## **NEW BUSINESS**

### **a) Commissioner Training on Finance Reports by Janet Wortman, CPA, LLC**

Mrs. Fusco informed those in attendance that Ms. Wortman has been wonderful to work with and she has provided a lot of information for the board.

Ms. Wortman thanked the board for inviting her to the meeting this evening. She told them that she has the information regarding the accrued time for the former Director. Mrs. Ducharme said since that is a personnel matter that would be discussed later on in Executive Session.

Ms. Wortman proceeded to go through the financial accounting for the authority. She began with the Revolving Fund, which is one central account from which all bills are paid. She said the proper procedure for a revolving fund is at the end of the month everyone determines how much is owed by the State program, and the voucher program to pay their share of those expenses. Ms. Wortman said for a long time this fund has gone unbalanced. Programs didn't properly reimburse their share and the purchase of the property (Barron Building) contributed to that imbalance.

The balance sheet of the revolving fund stands at \$47,591 (cash in bank.) Advance to the business activity (Barron Building) \$305,000 is owed back into the revolving fund for that purchase. The Housing Choice Voucher Program (Section 8) has not reimbursing the revolving fund for several months. Both these items concern CHFA (Connecticut Housing Finance Authority.) Ms. Wortman said progress has been made on the Housing Choice Voucher Program and they are starting to have that program reimburse as much as they can of those expenses. Ms. Wortman then explained the other part of the balance sheet, which are the assets. She said we need to continue working on resolving the imbalance of the revolving fund.

#### Housing Choice Voucher Program (Federal Section 8 Program)

Ms. Wortman distributed the financials through July. The program is for individuals with low income and it is used to pay a portion of their rent. The balance sheet lists the following:

- Unrestricted Cash (no strings attached to this money)
- Restricted (cash we're holding for other people that is made up of pre-paid contributions from HUD to pay housing assistance payments)
- FSS (Family Self Sufficiency) Escrow – Restricted. This is money that we hold in escrow for family participants. As their income increases they get money put into escrow.
- Advance from the Revolving Fund – This is the money that the Section 8 program owes into the Revolving Fund.
- Administrative Fee Equity – Ms. Wortman said this concerns her the most. We are spending more than we are earning on administration fees on that program and we can't continue to do this. We did a budget last month and we need to abide by that budget. We need to be able to live within the money that HUD is making available to us.

#### Schedule HAP (Housing Assistance Program) Money

Ms. Wortman said we're earning \$18,000 - \$19,000 per month and that's all we can spend. She said you really look to break even.

#### State of Revenues

Ms. Wortman said in July we earned \$18,459.00 in administrative fees and there was a total of \$22,465.00 in expenses. Mrs. Ducharme asked what are considered administrative fees. Ms. Wortman said it would be salaries, office supplies, utilities, etc... Mrs. Fusco said with one salary ending at the end of the month will that make a difference. Ms. Wortman said yes and noted that the reporting to HUD and CHFA has been done and we have until next March to rectify the situation.

#### Statement of Cash Flow

Ms. Wortman said we overspent administrative fees and we're trying to whittle away at the FSS escrow payment. She said there is an Excel sheet that is updated every month that tracks the HAP money that HUD has set aside and how we spend it.

### State Elderly Housing

Ms. Wortman said the financials have been done through July. The balance sheet shows \$163,000. CHFA says this is not adequate and we need to work on getting the cash balance higher.

### Tenant Accounts Receivables

Ms. Wortman said this is a significant amount and noted that most tenants are no longer in occupancy. She said the job of managing those 106 units is to keep the apartments leased, maintained and rent collected.

### Advance to Revolving Fund

The advance to the Revolving Fund is \$428,000. Per CHFA that amount should be sitting in the bank account. Mr. Hance said that is the Barron Building and the office building. Ms. Wortman said no – it does not include the office building. She said the Operating Statement shows income and expenses for 106 units. She said one thing that we need to delve into is the 20 units at Guardiano Terrace. I have been reporting units since the Executive Director has moved on as Housing Authority owned units that is all I know about those units and it is a work in progress. There is housing assistance payments of about \$11,000 a month that is going from our Housing Choice Voucher Program to Guardiano Terrace to pay rent for 20 units. Ms. Wortman said she is not sure that proper procedures have been filed with HUD so we need to find out. Mr. Pacheco said it seems we're unclear as to where that \$11,000 is going and asked if HUD finds we haven't followed proper procedures would we need to repay those funds. Ms. Wortman said we first need to get to the bottom of it and if we need to fix it then we fix it. Mr. Hance said there are two ways to (inaudible) voucher folder that has been (inaudible) at Guardiano on their own and (inaudible) rent and it has to come from Section 8 (inaudible) no problem whatsoever. If that voucher is attached to a unit and not a tenant and people moving in and out (inaudible) they did not follow the proper procedures. All we have to do is investigate to see whether or not those vouchers were for people who just walked in off the street and said I want to rent here, its fine or whether they've been steered there. Mrs. Ducharme said you know they're not attached to the unit. Mr. Hance said (inaudible.) Ms. Wortman said the other thing is comparable rents (inaudible.) Mr. Hance said because these units are owned by the Housing Authority there are two things that you are not allowed to do – you're not allowed to do your own rent reasonable test and you're not allowed to do your own inspections – it must be done by an independent party. Mr. Lisi asked if this is only for vouchers that are in question. Mr. Hance said that is correct. Ms. Wortman said if you have two units side by side and one unit is receiving assistance and the other isn't the reasonable rent for both of those units can't be \$1,000 for the unit that isn't receiving assistance and \$2,000 for the one that is. You are not allowed to charge higher since they're receiving assistance.

### Salaries – Year to Date

Ms. Wortman said the portion of salaries charged to this program was \$28,624.00. The budget was \$21,349.00, which makes us still over budget on the salaries and that will continue for at least this month. Mr. Pacheco asked how the budget is over since there is no overtime. Ms. Wortman said the budget was put together in June. Basically to give you an idea of the two options – you can go with a management company or

keep our in-house people. Mr. Pacheco said this is a conceptual budget. Ms. Wortman said she is not sure as far as adoption or CHFA approval but it is the best number that she has to go on. Mr. Pacheco said he is just trying to recall if there was a budget already approved sometime in early spring. Mrs. Fusco said there was no budget. Ms. Wortman said the budget is the roadmap for the Housing Authority for the upcoming year and she can't stress how important it is. Mrs. Ducharme stated that Ellen does a great job and since we're in transition she asked Ms. Wortman if she would be able to make sure that we're working within our budget. Ms. Wortman said there may be some areas that we would need to work on and she would hope that eventually you can get the information and reports from the Executive Director that is hired. There are also medical benefits that need to be considered. The HAS (Health Savings Account) is \$1,500 per employee. She noted that the expenses were \$158,000 versus the \$186,000 that was budgeted. So overall we were still under budget by \$28,000 and the net gain for the period (net income) was \$77,000 actual versus a budget of \$48,000.

#### State Elderly Program

Ms. Wortman said this is a PILOT (payment in lieu of taxes) and there is \$138,628 owed to the City with the last payment made in April in the amount of \$59,458. Mr. Pacheco asked if there is a set formula. Ms. Wortman said there is an agreement made between the Derby Housing Authority and the City of Derby. She said it is important that this document is reviewed in case the City plows, fixes curbing, etc... Ms. Oczkowski will track down the agreement for the committee members to review.

#### Budgets

Ms. Wortman handed out the budget and asked the committee members to review at their leisure. She stated that accrued pension money is owed to the MERS system for past and present employees and stated if it is decided to get out of MERS the money that is due would have to be paid immediately.

#### Results of Operations

Rents went from \$673,000 to \$703,000. Grants and subsidies increased and cost of maintenance decreased. Ms. Wortman noted that there was a drop in legal fees. Mr. Hance said we have to get the number of vouchers up and stated that the authority is generating sufficient funds to operate. Ms. Wortman agreed with Mr. Hance and told the committee members that HUD and CHFA are on their side. Mrs. Fusco also said that she felt a great deal of support from both agencies. Ms. Wortman said the statement that went to CHFA for the first quarter is the first that we've reported under the new format. Mr. Hance stressed that getting the information in on time is a very big deal.

Mrs. Fusco thanked Ms. Wortman for her hard work. Ms. Wortman said there was a meeting on June 15<sup>th</sup> at her office and we need to follow up on the dissolution of the Corporation and noted that she met with Atty. Stamos at that time. Mr. Pacheco asked if we need to use Atty. Stamos. Mr. Hance said the authority can procure for new legal counsel. Ms. Wortman said we also need to close any unnecessary bank accounts. The FSS forfeitures need to be reviewed as it's unusual that we don't have any money that has to go back to HUD and it should be reported on the Voucher Management System. Mrs. Ducharme said we need to get a monthly statement regarding that

account. Mr. Pacheco asked Ms. Wortman and Ms. Oczkowski if this is something that they could handle. Both agreed that they would get the information.

**b) Discussion of and possible action on new draft job specifications – Peter Hance**

Mr. Hance said the board has been looking at reorganizing by creating two new positions and eliminating three. They eliminated the Director's position and Section 8 Coordinator. The new positions would be Administrative Head of the Authority and the other would be Subsidized Housing Coordinator. He said that person would take the place of what Ms. Oczkowski largely does now and adds responsibility in terms of staff supervision, contractual officer and other things dealing with more routine things having to do with the organization. Mr. Hance said the Housing Choice Voucher Coordinator would be in charge of running Section 8, which is similar to the job that Ms. Oczkowski has now but there are other responsibilities in terms of making sure the filing is done properly with HUD. He suggested that the committee look these job titles and descriptions over and when they are ready the board should make a serious effort to advertise the positions. Mr. Hance said he expects the current staff to apply for the positions. There needs to be a compensation level set. Once a candidate has been hired there needs to be a probationary period. He said if the person is retained then the three jobs are now eliminated. Mr. Hance said he has not read the board's personnel policy and he suggests having a waiver made of any inconsistencies and steps that you are taking to the personnel policy. He said he sent a draft resolution to the board this afternoon taking into consideration those changes. Mr. Hance distributed the job descriptions noting that there is one change in the Subsidized Housing Coordinator – something was put in twice, which he has changed. He said this eliminates the one position, which is going to make a huge difference in terms of your cash flow. This is the management that you're going to need to have in order to start to repay the accounts that need to be repaid and also balancing your budget. Mr. Hance again stated that the authority is getting enough money in to make the program work. Mrs. Fusco asked Mrs. Ducharme if she had any questions or comments. Mrs. Ducharme said she did and the only question she has is if Mr. Hance used the existing job descriptions. Mr. Hance said he did not. Mrs. Ducharme suggested reviewing the old job descriptions along with the proposed new descriptions. Mr. Pacheco said he feels this is just where we need to be. Mr. Lisi said he thinks the board needs updated information on a monthly basis with more reporting. We're at the point where we can only go up. He noted that annual evaluations and performance objectives are critical to meet the board's expectations. Mr. Lisi feels there should be yearly goals for the employees. Mrs. Ducharme said in the past the director would only give a short report. We just heard about our FSS shortcomings and wondered if that would be part of their job to have that in the report. Mrs. Fusco said that would be helpful since we didn't get that in the past. She asked the board members if they would like to take more time to review these proposed job descriptions and in the meantime she can get the old descriptions to compare. The board members said they would like to review this information and hopefully vote on it next month. Mrs. Fusco will add that to next month's agenda. Mr. Hance suggested having a labor attorney review your personnel policy.

**c) Discussion of and possible action on staff request to close to the public on Fridays**

Ms. Oczkowski informed the committee members that there is no one out front on Fridays and they need time to catch up on the items that were done during the week. Mr. Hance said he knows of no other housing authority that is open five days per week. He would highly recommend closing one day a week. Mrs. Fusco said the answering service would be available for emergency calls. Mrs. Ducharme thinks it would be a great idea to close on Fridays noting that she has been in the office on some Fridays and it really is crazy. Mr. Pacheco said as we go forward and the new job descriptions he imagines there would be training involved and asked if training would occur on the day that the office is closed. Mrs. Fusco said there would be some training on site. Mr. Pacheco said he just wants to make sure we have a clear plan of what skill sets need to be attained and a tool to measure them. Mr. Hance said Ms. Oczkowski would have to attend public housing management training, which is offered by NAHRO. Mr. Pacheco said he is a big advocate of education and he just wants to make sure we have a plan. He wants to make sure the public knows why we're closing on that day – to make sure people know we're moving forward in a transparent fashion. Mr. Lisi asked if Friday is a good day to close. Mrs. Ducharme said they are limited with staff on Fridays. Mr. Lisi said Ansonia has done this for years and it works.

**A MOTION** was made by Mr. Pacheco with a second by Mr. Lisi to close the office to the public on Fridays commencing August 18, 2017. **Motion carried.**

**A notice will be placed on the City's website indicating that the office will be closed to the public on Fridays beginning August 18, 2017.**

**d) Discussion of and possible action to move monthly meetings from the 1<sup>st</sup> Wednesday to the 1<sup>st</sup> Thursday of the month**

Mr. Lisi informed the committee members that he makes a monthly presentation to the Ansonia Board of Education on this evening. There was a brief discussion and no objections were raised to changing the date.

**A MOTION** was made by Mrs. Ducharme with a second by Mr. Pacheco to change the monthly meeting of the Derby Housing Authority from the 1<sup>st</sup> Wednesday to the 1<sup>st</sup> Thursday of the month. **Motion carried.**

**DIRECTOR'S REPORT**

**Elderly Resident Complexes**

**Stygar Terrace**

Unit #9 is leased up for August 1, 2017

**Cicia Manor**

Unit #87 is moving out the end of July 2017

Unit #10 is moving out the end of July 2017

**Lakeview Apartments**

No Vacancies



**Miscellaneous business/Section 8**

- Ms. Oczkowski said the bill payment report and paid vouchers and bills are available for review.
- Landlord checks for the month of August 2017 were processed and mailed.
- PIC reporting is 98%. It was noted that the CMAP score is 145, which is the highest we could get.

**EXECUTIVE SESSION - Personnel**

**A MOTION** was made by Mr. Lisi with a second by Mr. Pacheco to go into Executive Session at 8:33 p.m. inviting Peter Hance. **Motion carried.**

The meeting returned to Regular Session at 8:59 p.m. There was no further business and Ms. Fusco entertained a motion to adjourn the meeting...

**ADJOURNMENT**

**A MOTION** was made by Mr. Pacheco with a second by Ms. Ducharme to adjourn the meeting at 8:59 p.m. **Motion carried.**

Respectfully submitted,



Patty Finn  
Temporary Recording Secretary

**THESE MINUTES ARE SUBJECT TO APPROVAL BY THE HOUSING AUTHORITY AT THEIR NEXT MEETING.**