

**HOUSING AUTHORITY OF TRAVIS COUNTY
REGULAR MEETING
502 East Highland Mall Blvd.
Suite 106-B
Austin, Texas 78752
December 15, 2011
12:00 p.m.**

MINUTES

The Housing Authority of Travis County, Texas held a Board of Commissioners Meeting at 502 East Highland Mall Blvd., Suite 106-B, Austin, Texas 78752 on the above date. A quorum was established, and Chairman Melvin Wrenn called the meeting to order at 12:15 p.m.

ROLL CALL

Roll Call of Commissioners: Chairman Melvin G. Wrenn, Vice Chairman Richard Moya, Commissioner Willie S. Anderson; Commissioner Philip Barnes. Absent: Commissioner Sarah Anderson. Staff in Attendance: Executive Director Craig Alter, Administrative Assistant Debbie Honeycutt, Section 8 Assisted Housing Supervisor Lupe Riojas, Housing Manager Jose Villanueva. Executive Director Craig Alter certified the quorum.

CITIZEN COMMUNICATIONS

Anyone desiring to discuss or comment on items directly related to the HATC is always welcome; sign-in must be completed prior to the opening of the meeting. Please limit all presentations to 3 minutes or less. If the item is deemed related to an agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.

There were none at that time.

ACTION ITEMS - CONSENT

Item 4: Review and approval of Minutes from the August 19, 2011 Annual Board Meeting.

Vice Chairman Richard Moya made a **motion** to approve the minutes as presented. Commissioner Philip Barnes seconded the motion which, **passed** unanimously.

Item 5: Review and approval of Minutes from the August 20, 2011 Annual Election Board Meeting.

Commissioner Philip Barnes made a **motion** to approve the minutes as presented. Vice Chairman Moya seconded the motion which, **passed** unanimously.

Item 6: Review and approval of Minutes from the October 10, 2011 Special Board Meeting.

Commissioner Willie S. Anderson made a **motion** to approve the minutes as presented. Mr. Barnes seconded the motion which, **passed** unanimously.

Item 7: Review and approval of Minutes from the October 18, 2011 Special Board Meeting.

Vice Chairman Moya made a **motion** to approve the minutes as presented. Mr. Barnes seconded the motion which, **passed** unanimously.

REPORTS

Item 1: Presentation of Public and Affordable Housing Properties Report.

Section 8 Assisted Housing Supervisor Lupe Riojas presented the Section 8 Report from November 1-30, 2011 and it is available.

Housing Manager Jose Villanueva presented the Public Housing Reports, which are available.

Mr. Villanueva said he had spoken to Commissioner Willie Anderson about reaching out to the residents. He said there is a Church near Summit Oaks that is helping out. The Church held a Thanksgiving dinner for the residents. Mr. Villanueva said he would be speaking to that Church to see if he could reach out to other Churches down south to help out.

Item 2: Presentation of Board Committee Reports.

There were none at that time.

Chairman Wrenn said the Board would be setting up a Residents Commissioners Review Team.

REPORTS

Item 3: Executive Director's Report.

Executive Director Craig Alter said the Housing Choice Equity account has been increased since the last Board meeting because the Authority has been able to make some repayments to that program.

Mr. Alter said the Housing Authority would be collecting \$31,000.00 from Dallas Housing Authority and some additional funds from Elgin Housing Authority. He said what that has done is extend out by an estimated six months when the Authority would have a critical point that the equity account would no longer support the housing assistance payments.

Mr. Alter said what the Housing Authority has been doing to date is using funds that were in savings, plus bringing in the additional funds. He said the Authority has been able to meet the first of the month requirements by using the revolving line credit from IBC Bank. He said the funds are requested the last day of the month and used for HAP payments, and then on the 7th or the 10th of the month, the revolving loan is repaid.

Mr. Alter said he had spoke to Commissioner Barnes and they had discussed a three month time frame the Board would need to look at the HAP Equity account, and evaluate what the prognosis looks like or how much longer the Authority could keep supporting the level of expenses that are supporting the Voucher program.

Mr. Alter said the reason the Authority is issuing the number of vouchers that we are issuing is to maintain that level of expense then HUD will meet that level in year 2012.

Mr. Alter said the Public Housing Operating Program would be funded one billion dollars less than received in 2011. He said the Public Housing Capital fund would be funded one hundred sixty million dollars less than last year. He said the Authority has already built in the decreases into the budget. Mr. Alter said there would be no funds available for Public Housing Conversions. He said the Housing Choice Voucher HAP Program would be increased by five hundred seventy three million dollars and the Housing Choice Administration fund would be ninety seven million dollars less than last year. Mr. Alter said Home Funds, which are currently used for City View Apartments, would be one billion dollars, which is six hundred seven million dollars less than last year. He said the CDBG funds would be about equal to last year.

Mr. Alter said that the Green Doors organization has decided that Carson Creek is not suited for them.

Mr. Alter said that HUD has implemented a new requirement where each Housing Authority has to report the top five highest compensated employees in their organization. He said the Authority has complied with their request.

Mr. Alter said in June or July a division of HUD from Fort Worth and Oklahoma came to the office to review the Authority's Voucher Management System (VMS) data. He said the data that is reported to HUD every month is the number of vouchers issued, the amount of money received and the amount that was spent. Mr. Alter said that information was compared to the financial data. He said the time period that was being reviewed was July 1, 2009 through December 31, 2010. Mr. Alter said not to the Authority's surprise and shock it was discovered that the numbers did not line up, because the Authority has been working on revising the system. He said the Authority responded with the new procedures that the Authority was using effective January of this year. Mr. Alter said the Authority received a letter from HUD, which he handed out to the Commissioners, that stated the new procedures were acceptable to make the improvements and to report all of the changes that needed to be reported in the Voucher Management System.

Mr. Alter said what has been really difficult is the Authority has been using four systems. He said the Authority would be eliminating the Peachtree Accounting Program and converting to Housing Management System (HMS). Mr. Alter said that program is capable of providing the information needed in report form so the VMS could be done correctly. He said the Authority has not been able to use the HMS completely until the accounting system was set up in the HMS and that could not occur until the Authority received the release from HUD stating that the numbers were accepted. Mr. Alter said when we do the full conversion that data base would basically be destroyed. He said now the Housing Authority would be able to fully upgrade and use the new software system. Mr. Alter said it has taken Betty an enormous amount of time to create the spread sheet to generate the support for what the numbers should be.

Mr. Alter said Natalie was done with the September financials in terms of producing financials she has been helping set up the general ledger in the HMS. He said Brown Graham and Company, P.C. has been working with the Authority to get things ready to produce the October 1st financials.

Mr. Alter said just a quick look forward in things to concentrate on in 2012 are getting out of troubled status. He said that could be done with a pay-off of what the Public Housing program owes other programs which is about \$330,000.00 and as soon as the Authority comes into that amount they will pay off that liability. He said then the Authority would no longer be troubled.

Mr. Alter said he wanted to restructure the Manor Mortgages to allow greater income.

Mr. Alter said the Authority would like to increase the Housing Choice Voucher HAP Equity account to have a least one year worth of funds to increase the vouchers up to full capacity.

Mr. Alter said another priority is fully implementing the HMS and new accounting system.

ACTION ITEMS - CONSENT

Item 8: Presentation, deliberation and possible action regarding the September 30, 2011 Housing Authority of Travis County financial statements and any impact upon the FY2012 annual operating budget.

Mr. Barnes presented the Financial Statements and they are available.

Mr. Barnes said the finance committee held a meeting today, December 15, 2011 at 11:00 a.m. He said the meeting consisted of the Executive Director and himself because Sarah Anderson was not available.

Mr. Alter said he had spoken to Mr. Barnes regarding changing the terminology from change in net assets to net cash flow. Chairman Wrenn said to check with the auditors before making any changes regarding the language to make sure that they are in agreement with the change.

Mr. Barnes said there was another change that was discussed which was to reflect the funds that HUD is holding for the Authority that the Authority has not drawn down yet that would reflect that as an asset on the balance sheet. Chairman Wrenn suggested checking with the auditors.

Mr. Alter said one last suggestion that was discussed was to show on the financial statement the transfers that balance out the expenses.

Mr. Alter said he had handed out to the Board members a summary of the Authority's Bank accounts with the balances as of today, December 15, 2011 after all bills have been paid. The summary is available. He said all the accounts in the top table are IBC accounts with only two accounts left at Wells Fargo. Mr. Alter said he wanted to let the Board members know where the savings goes. He said the HATC Reserve Savings has \$22,006.00, and the Certificate of Deposit with a balance of \$55,000.00 guarantees the line of credit that the Authority has been using at the first of the month for HAP payments that is repaid each month. Mr. Alter said the Authority used \$50,000.00 of savings for the first payment to HUD, which begins the 10 year repayment agreement.

Mr. Barnes asked if the \$44,000.00 that was paid to the Housing Voucher Equity Program from the Shelter Plus would count towards the repayment plan. Mr. Alter said that is correct, however, Shelter Plus still owes Voucher a lot of money.

ACTION ITEMS - DISCUSSION

Item 11: Presentation, deliberation and possible action regarding the current status of the U.S. Department of Housing and Urban Development Office of Inspector General acceptance of the repayment plan offered by the Housing Authority of Travis County.

Mr. Alter presented the report to the Board and it is available.

ACTION ITEMS - DISCUSSION

Item 13: Presentation, deliberation and possible action regarding establishing a preference for and the number of units available to homeless individuals on the public housing and housing choice voucher wait lists in response to the Austin/Travis County Leadership Committee on Permanent Supportive Housing Finance plan to produce permanent supportive housing.

Mr. Alter presented the report and it is available.

Chairman Wrenn made a **motion** to gather all the information internally and put Item 13 back on the agenda for the February 2012 Board meeting to discuss what the Authority would be able to do, and then at that point, decide to move forward. Vice Chairman Moya seconded the motion, which **passed** unanimously.

Vice Chairman Moya made a **motion** to adjourn into Executive Session to discuss Items 9, 10 and 12. Ms. Willie S. Anderson seconded the motion.

The Board adjourned to Executive Session at 2:45 p.m.

Item 14: Executive Session – Pursuant to the Texas Government Code Annotated, the Commissioners may discuss the following agenda items. In addition the Commissioners may also discuss and consider any other item posted on this agenda if there are issues that require consideration in Executive Session and the Commissioners announce that the item will be considered during the Executive Session.
According to the Texas Government Code Annotated 551.071, Consulting with Attorney
According to the Texas Government Code Annotated 551.072, Real Property
According to the Texas Government Code Annotated 551.074, Personnel Matters

Item 15: Reconvene from Executive Session and take any action deemed necessary as a result of the Executive Session discussions.

The Board reconvened from Executive Session at 3:35 p.m. and took the following action regarding Items 9, 10 and 12.

ROLL CALL

Roll Call of Commissioners: Chairman Melvin G. Wrenn, Vice Chairman Richard Moya, Commissioner Willie S. Anderson; Commissioner Philip Barnes. Absent: Commissioner Sarah Anderson. Staff in Attendance: Executive Director Craig Alter, Administrative Assistant Debbie Honeycutt.

ACTION ITEMS – DISCUSSION

Item 10: Presentation, deliberation and possible action regarding consideration of filing an application with the U.S. Department of Housing and Urban Development for the partial or complete demolition or disposition of the Housing Authority of Travis County Public Housing properties, including considerations of the potential future uses of the Public Housing properties and necessary amendments to the Housing Authority of Travis County public housing program PHA Plan.

Vice Chairman Moya made a **motion** for the Executive Director to bring back to the Board, additional information for Item 10 as soon as possible, but not necessary the February Board meeting. Ms. Willie S. Anderson seconded the motion, which **passed** unanimously.

Item 9: Presentation, deliberation and possible action regarding real estate appraisal reports prepared by The Aegis Group for property owned by the Housing Authority of Travis County including possible future disposition of Housing Authority of Travis County real estate assets.

Mr. Barnes made a **motion** to look at Item 9 from any and all possibilities, and allow the Executive Director to bring back to the Board his recommendations, either as an agenda Item, or a report. Vice Chairman Moya seconded the motion, which **passed** unanimously.

Item 12: Presentation, deliberation and possible action regarding Housing Authority of Travis County staff mid-year annual salary compensation adjustments.

Mr. Barnes made a **motion** that the Board authorize a onetime per cap \$300.00 Christmas bonus for the staff. Ms. Willie S. Anderson seconded the motion, which **passed** unanimously.

Mr. Barnes said there was a discussion during Executive Session regarding a need for a compensation study when the budget permits. He said that the Board would commit to a comprehensive staffing compensation study to establish appropriate pay raises for all of the staff at the Authority. Chairman Wrenn said what we are talking about is actually hiring an outside entity that would perform the study.

Chairman Wrenn said most of the staff is doing multiple tasks, so we want to compare them. Chairman Wrenn said the comparison would not be equal because the staff is doing many different types of tasks. Chairman Wrenn said the Authority has to hire a professional that does that (compensation study) in order to get to a point where the Authority could compensate staff fairly and accordingly, not based upon job title, but based upon actual work, and what they are doing. Chairman Wrenn said he thought that was important. Chairman Wrenn said the Board needs to look at that, and get a clear understanding, and then proceed, based upon our ability from a cash flow point of view to finance that. Chairman Wrenn said that would be a benchmark, if we could put that together, this is where the Authority is, and this is where the staff is, to make sure the staff is being compensated fairly, and given all of the dollars they should be receiving, in accordance with the market place. Chairman Wrenn said, as one Commissioner has said, it doesn't matter that we jump up and say we're giving that person a certain amount of money, which is far more than others are getting, because that is what we think of staff. Chairman Wrenn said that should be part of the issue that is considered. He said, what we want, is to make sure staff is being treated fairly, being compensated and recognizing that they are special.

Mr. Barnes made a **motion** to reflect what the Chairman stated. Ms. Willie Anderson seconded the motion, which **passed** unanimously.

Item 16: Presentation, discussion, and possible action regarding any matters brought forth by the Housing Authority of Travis County Board of Commissioners.

Chairman Wrenn said tomorrow, December 16th at 12:00 noon is the Authority's Christmas lunch.

ADJOURN

Vice Chairman Moya made a **motion** to adjourn the Board meeting. Mr. Barnes seconded the motion, which **passed** unanimously. The Board meeting was adjourned at 3:42 p.m.

Respectfully submitted,

Craig Alter, Executive Director