

## CITY OF MANISTEE HOUSING COMMISSION

### Regular Meeting Minutes

March 27, 2012

The Regular Meeting of the City of Manistee Housing Commission was held on March 27, 2012 at 4:00 p.m. in the City Council Chambers at Manistee City Hall.

The meeting was called to order by President Dale Priester at 4:02 p.m.

Members Present: President Dale Priester, Vice-President Doug Parkes, Commissioner Donna Korzeniewski and Commissioner Lawrence Bacon.

Members Absent: Treasurer Elbert Purdom, excused.

Also Present: Clinton McKinven-Copus, Commission Secretary/Executive Director.

#### Approval of Minutes

There were no additions or corrections in the Regular Meeting Minutes of January 24, 2012 or the Work Session Minutes of February 9, 2012. **Doug made a motion to approve the Regular and Work Session Minutes as written.** Donna seconded the motion. All members present voted in favor. Motion carried.

#### Amendments to the Agenda

Under New Business – Resolution 2012-03 Amend 2012 Operating Budget

#### New Business

On March 2, 2012 Clint received a letter from HUD indicating that we had our Operating Subsidy decreased by \$138,395.00 for 2012. There is a PUM amount that HUD allows for all housing authorities per unit for Operating Subsidy. We used that per unit amount to calculate what the amount for our Operating Subsidy should be for 2012, and budgeted for that amount. When we had the REAC unit inspections there was issue with our unit count not being correct. It was determined that we did not have the unit count incorrect, and HUD did not have the unit count incorrect, but a vendor that had worked in the REAC System for HUD did have it incorrect. Clint also doesn't have the amount of our Capital Funds for 2012, either because of that error. This year we went to one AMP in the PIC System for HUD which lists our units. But that was not correct either, there were two AMPS listed, one with the units in it and one with nothing in it. Clint talked to Dan Micoff at HUD in Detroit, and he told him what to do. Somehow when the information was submitted to HUD in Washington from HUD Detroit, someone in Washington went in and manually over rode the PUM (Per Unit Amount) and put in a different number. Detroit HUD has been calling Washington HUD to find out why this change occurred. Washington HUD is not responding to their calls. This cut in our Operating Subsidy accounts for 38.2% of our Operating Budget and will be deducted from our Operating Subsidy over the next 9 months. The cuts in the budget will become effective April 1, 2012.

The change in the 2012 Operating Budget reduces management costs in the amount of \$29,653.00 and maintenance costs in the amount of \$27,460.00. Cuts will include the cost of travel for training, the postage meter, all cell phones are cut (except one for Clint and one for maintenance),

## Regular Meeting Minutes

### Page 2

payroll will be done in house, printing of tenant newsletters are eliminated, a 10% cut in salaries for the Executive Director and Housing Coordinator, a reduction of one maintenance staff to 30 hours with no benefits (benefits termination on May 1, 2012), and reduction in hourly attorney fees from \$175.00 to \$150.00 per hour and reduce vendor costs in all areas. Clint will also look into selling a maintenance truck, disconnecting the maintenance phone line, raising the deductible on our building insurance, and selling a tractor that we own and do not use. Clint also noted that there will be some on site assistance this summer from HUD staff for training in the EIV and PIC Systems. The Recertification Process and day to day processes will be streamlined. Printing costs in the office will be cut. **Donna made a motion to approve Resolution 2012-03 Amended Operating Budget for fiscal year 2012.** Lawrence seconded the motion. The Roll Call Vote: President Priester – Yes, Vice-President Parkes – Yes, Commissioner Korzeniewski – Yes, Commissioner Bacon – Yes, Treasurer Purdom – Absent. Motion carried.

Dale Priester, Board President will draft a letter to Mr. Garrett, Mr. Meiss and Mr. Berra of the HUD Recovery Team indicating that we will not be able to sign their agreement stating we will have three months operating expenses in our bank account by December 2012. We had planned to sign this agreement prior to the cut in our Operating Subsidy for 2012. Dale will also copy this letter to the City Manager and Mayor. Clint said he doesn't hold out high prospects for the 2013 Operating Subsidy either.

### Director's Report

The Recovery Team Review went well. The staff is doing very well with unit turn around. The unit turn time is less than 15 days per unit now. The board commended the staff for the changes they have made.

The City of Manistee wants our audit before they have their audit. There was discussion about changing our year end to accomplish this. Both our auditor and accountant do not want to change our year end date. The auditor has agreed to have the audit completed by July 31 so it will be done by the time the city needs it. The field work will begin May 14-16. Anytime after February 15<sup>th</sup> we should be ready for the audit.

Agreement Tracking Report Meeting is scheduled with the City of Manistee to begin planning for infrastructure.

The Board President and Board of Commissioners will need to get training and complete a regular evaluation for Clint.

### Finances

The December 2011 Financial Reports, January 2012 Financial Reports and February 2012 Financial Reports were reviewed by board members. Dale asked of Elbert had any questions about the reports. We had pre-paid several items in January that had been rectified in February with Charter Communications.

Clint a letter to the local judge about HUD Regulation and mandates regarding our eviction

## Regular Meeting Minutes

Page 3

process, since the judge did not want to meet personally with him. Clint said he feels that the judge read the materials since his court case went better this week. Eviction can take up to 90 days. We first have to send out a 14 day notice saying the rent is late and giving a date to pay by. After that a 30 day notice is sent out if the rent still is not paid. When the 30 days notice expires, a court date is then set for 2 to 3 weeks later. After we receive the eviction in court the tenant has an additional 10 days to move out of the unit. Great Lake Collections has been hired to help with collecting amounts that are owed to CMHC.

### Communications

The Century Terrace and Harborview Newsletters were included in communications.

### Public Comment

The Board of Commissioners received comments from the public present at the meeting.

### Commissioner Comments/Concerns

There were no commissioner comments or concerns.

There was no additional business to discuss. **Donna made a motion to adjourn the meeting at 5:10 p.m.** Doug seconded the motion. All members present voted in favor. Motion carried.



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Dale Priester  
President



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Clinton McKinven-Copus  
Executive Director  
Commission Secretary