



FRANKLIN COUNTY REGIONAL HOUSING & REDEVELOPMENT AUTHORITY

241 Millers Falls Road • Turners Falls, MA 01376
Telephone: (413) 863-9781 • Facsimile: (413) 863-9289

**MINUTES
REGULAR MEETING –August 8, 2019**

*******Amended*******

The Franklin County Regional Housing and Redevelopment Authority Board of Commissioners conducted the regular meeting of the Authority on **August 8, 2019** at the Franklin County Regional Housing and Redevelopment Authority Kulik Meeting Room , 241 Millers Falls Road, Turners Falls, MA 01376.

1. CALL TO ORDER

Commissioner Atwood called the meeting to order at 6:00PM.

Commissioners Present: D. Prest L. Brown S. Cottrell M. Slowinski
 F. Williams J. Atwood

Commissioners Absent: S. Hamdan

Staff Present: G. Govoni J.Carey L. Cornish

Guest: Michael Guyder, MARCUM, LLP

2. ACTIONS:

Approve HRA FY18 Audit Financials: Commissioner Prest moved and Commissioner Brown seconded a motion to accept the HRA audit for fiscal year 2018 as prepared by M. Guyder of MARCUM, LLP.

M. Guyder presented the FY18 audit in its entirety. He reported that this is the first audit prepared for HRA under MACRUM, LLP. The work was split between MARCUM, LLP and GUYDER HURLEY, P.C. as these two companies were merging. In the end the audit was adopted by MARCUM, LLP.

He began by reviewing the Independent Auditor's Report stating that as reported, the financial statements present fairly and the changes in financial position and cash flows for the year are in accordance with accounting principles generally accepted in the United States of America (GAAP).

He pointed out that the Authority adopted GASB Statement 75 (previously 45), a new accounting guidance, for accounting and financial reporting for postemployment benefits other than pensions. Current liabilities increased due to an accrued expense for GIC post-employment benefits, which were placed on hold awaiting invoice correction.

According to L. Cornish, actuals are calculated every 2 years and pension and health insurance are then adjusted yearly accordingly.

M. Guyder stated that this will be constantly re-evaluated.

M. Guyder reported that there was an increase in capital assets due to the purchase of the new building, land and equipment.

In summary, the opinion on the financial statements is unmodified. There wasn't any material weakness identified, but there was a significant deficiency identified. While the significant deficiency was also reported in the previous year, specific citing regarding internal controls of financial reporting, had been corrected during fiscal year 2018.

Two programs were audited, Section 8 and Community Development and the results for both programs were positive. There weren't any significant issues with the Authorities accounting for activity or the overall trial balance.

The current issue being addressed is the Authority not presenting the unaudited financial statements in accordance with the GAAP and additionally the unaudited financial statements are not materially in agreement with the general ledger. This is due to the Authority's year-end financial closing process not accounting for a sufficient review of the unaudited financial statements prior to presentation for audit.

L. Cornish reported that as is noted under the auditee's response and planned corrective action, she is working with the fee accountant to show a clear trail between the trial balance to FDS reporting which will then be reviewed by her prior to submission.

17-330 Vote 6 in favor; 0 opposed; 0 abstaining

Minutes: Commissioner Slowinski moved and Commissioner Brown seconded a motion to approve the minutes of the July 16, 2019 regular meeting of the Board as amended.

Commissioner Atwood noted an error on page 4 of the minutes under the action "use of advanced vacation time for Executive Director." She reported that the Board approved G. Govoni to acquire 3 weeks of vacation time as of her start date and that 75 hours (not 19 hours) of that time would be allowed to be used earlier than the accrual.

17-331 Vote 6 in favor; 0 opposed; 0 abstaining

AP Warrant: Commissioner Prest moved and Commissioner Slowinski seconded a motion to approve the accounts payable warrant for July 2019.

17-332 Vote 6 in favor; 0 opposed; 0 abstaining

Additional Signatories on all HRA Bank Accounts, Removing Signatory William H. Abrashkin: Commissioner Prest moved and Commissioner Slowinski seconded a motion to approve and authorize Franklin County Regional Housing & Redevelopment Authority Director of Finance, Executive Director, Gina Govoni and HRA Board of Commissioner Treasurer as additional signatories on all HRA Bank Accounts and removing Interim Executive Director, William H. Abrashkin.

No discussion.

17-333 Vote 6 in favor; 0 opposed; 0 abstaining

Amended Director of Finance Job Description: Commissioner Prest moved and Commissioner Brown seconded a motion to approve the Director of Finance Job Description as amended, including additional legal and regulatory responsibilities and other related duties as assigned.

G. Govoni explained that included in the board packet is the Director of Property Management and Procurement Job Description to compare the change in responsibilities and duties.

17-334 Vote 6 in favor; 0 opposed; 0 abstaining

Amended Staff Accountant Job Description: Commissioner Brown moved and Commissioner Williams seconded a motion to approve the Staff Accountant Job Description as amended, including formatting changes to be consistent with current job descriptions and the addition of personnel duties and projects.

No discussion.

17-335 Vote 6 in favor; 0 opposed; 0 abstaining

Amended Asset Management Assistant Job Description: Commissioner Brown moved and Commissioner Williams seconded a motion to approve the Asset Management Job Description as amended, including formatting changes to be consistent with current job descriptions, change in title to Property Management Assistant, and clarification of work week hours from 15-18.75 to a set 20 hours.

No discussion.

17-336 Vote 6 in favor; 0 opposed; 0 abstaining

Application for Additional Mainstream Vouchers: Commissioner Prest moved and Commissioner Slowinski seconded a motion to authorize Katelyn Reardon, Director of Leased Housing, to submit an application for additional Mainstream Vouchers, specifically designated for non-elderly individuals who are disabled.

J. Carey read the following summary to the Board on behalf of K. Reardon as she was unable to attend this evenings meeting.

HUD released a Notice of Funding Availability (NOFA) for additional Mainstream vouchers. Mainstream vouchers are almost exactly the same as regular Section 8 vouchers, but they are specifically for non-elderly individuals/families who are disabled. This NOFA gives preference to Housing Authorities who will be working with local agencies such as the Continuum of Care (COC) to target the chronically homeless population. HRA will be partnering with the local Tri County COC to receive this preference as well as other local service agencies such as possibly Service Net, CHD, BHN, and United Arc. We are also looking into the possibility of project basing any vouchers that are received so the units will already be established and will make for an easier transition for the clientele.

17-337 Vote 6 in favor; 0 opposed; 0 abstaining

Amended Handbook Receipt Acknowledgement Form: Commissioner Prest moved and Commissioner Williams seconded a motion to approve the Handbook Receipt Acknowledgement Form as amended, with the intention that all HRA staff will be required to sign off on this Form as the "original" acknowledgment for receiving the Personnel Handbook; the most current version of the Handbook being provided to all staff; and with the understanding that staff will be informed of future changes to the Handbook via email.

L. Cornish explained that staff will be given the most recent copy of the handbook as being the "original" and be required to sign the amended acknowledgment form, which specifies that they will be notified via email of any changes made to the handbook, going forward.

17-338 Vote 6 in favor; 0 opposed; 0 abstaining

Amended and Added Language to Section 3.4.5.1-Transportation and 3.4.5.2-Conference, Training & Extended Travel of Personnel Handbook: Commissioner Prest moved and Commissioner Brown seconded a motion to approve the Personnel Handbook as amended for both sections 3.4.5.1-Transportation in which "Treasurer of the HRA" was added to the 3rd paragraph on pg. 18 and 3.4.5.2-Conference, Training & Extended Travel in which paragraph 3&4 on pg. 19 were amended for clarity on pay and comp time earned when attending trainings/conferences.

No discussion.

17-339 Vote 6 in favor; 0 opposed; 0 abstaining

Amended Travel Policy: Commissioner Slowinski moved and Commissioner Williams seconded a motion to approve the Travel Policy as amended to coincide with referring to Section 3.4.5.2 of the Personnel Handbook, change in HRA address, and the addition of language regarding reimbursement for mileage.

It was suggested that rather there be mention of a specific reimbursement rate, that it read the reimbursement rate will be set by the Executive Director.

After a brief discussion, it was determined to keep the rate documented as is, as the Agency needs to go by this specific rate of reimbursement per DHCD requirements, and that it was decided it most likely wouldn't be changing any time soon as it has been the same rate for many years.

17-340 Vote 6 in favor; 0 opposed; 0 abstaining

RCAT Program Terms of Service Contract: Commissioner Brown moved and Commissioner Prest seconded a motion to authorize the Executive Director, as contracting officer, to enter into a Term of Services Contract by and between **Regional Capital Assistance Team (RCAT)** Program dated **July 1, 2019** applicable to the **Worcester Housing Authority** (herein, the "HHA"), having an address of 40 Belmont St. Worcester, MA 01650, and the **Franklin County Regional Housing & Redevelopment Authority** (herein, the "PLHA"), having an address of 241 Millers Falls Road, Turners Falls,

MA 01376 whereas the HHA shall provide the PLHA with all services set forth in and in accordance with the RCAT Guidelines and the PLHA covenants and agrees that it shall perform all obligations set forth in and in accordance with the RCAT Guidelines.

G. Govoni reported that RCAT provided services to HRA beginning in 2016. They assist with projects that are over \$10,000 but under \$50,000. An RCAT representative will be based out of HRA as the contact person for this area and will be paying a monthly fee to use an office space within HRA.

17-341 Vote 6 in favor; 0 opposed; 0 abstaining

CEDAC Consulting Agreement: Commissioner Prest moved and Commissioner Brown seconded a motion to authorize the Executive Director, as contracting officer, to execute a consultant agreement in which the Consultant, will provide construction monitoring services for the Home Modification Loan Program under the supervision of **Susan Gillam** as project manager and Contractor's contact person for the Project, **Brian McHugh**, in which the Contractor shall invoice CEDAC on a monthly basis for hours spent on his contract during the period of **7/1/19 through 6/30/20** only and in which the Contractor shall be paid **\$90** per hour in Franklin and Hampshire County and **\$100** per hour in Hampden, Berkshire, Western Worcester County based on approved invoices and documents of services provided.

G. Govoni reported that Brian McHugh has been the lead contact for this agreement for many years. There aren't any term changes from the last contract.

17-342 Vote 6 in favor; 0 opposed; 0 abstaining

3. STAFF REPORTS

G. Govoni reported that there has been an agreement in terms with the abutter regarding the Sunderland Senior Housing project and she has accepted the terms. It may be possible to submit a One Stop application to DHCD in February.

L. Cornish reported that phone conferences were held with both ORH (Orange Recovery House) and OTH (Orange Teen Housing) Boards. Both entities are low on reserves. OTH was given a loan of \$100,000 to be used for fixing the flooring throughout the building. This money can only be used for fixing the flooring, it can't be used to help pay for other costs associated with running OTH.

The additional costs of the audits for the past few years, along with the lack of rent from vacant units due to the flooring issues, financially things are not looking well.

L. Cornish went on to say that ORH and OTH are receptive to the possibility of combining both entities to save on costs associated with audits, taxes and management. There was discussion of the possibility of rolling both entities under RDI and rather than having 3 separate Boards, combining them as 1 Board and this again will help to distribute costs associated with audits, taxes and management.

Other options being considered are to see if the remaining loan funds can be used for additional capital improvements needed for OTH and to meet with service providers and come up with a plan to get the vacant units filled. Franklin County Sheriff, who's also an OTH and ORH Board member, Chris Donelan, stated that the jail could pay for 2 units designated for permanent use for released inmates.

All of this information will be presented to the audit team.

A question was raised regarding the mainstream vouchers. Will there be additional sources of support to assist the disabled individuals that receive these vouchers?

G. Govoni responded by saying that CHD, BHN, Service Net and other service providers are coming together and signing MOU's to provide their services. The total number of vouchers is most like not to exceed 15. Property Managers do the best they can to pair people and balance out positive living conditions for all of our residents. Taking into effect what the best living arrangement would be for an individual, can result in some vacancies if it doesn't appear to be a good match.

An inquiry was made regarding the Forgiveness Policy.

G. Govoni stated that a meeting with the committee is being scheduled. A check has been issued to the owner, but at this time there hasn't been any more forthcoming information.

L. Cornish reviewed the 3rd quarter ending actuals for 6/30/2019. She provided a verbal and written summary for the Boards review. She highlighted the following points:

1. It appears that HRA will be positive by the end of the year.
2. While CDBG reserves are down from their second quarter, it's not as much as originally thought and they have gained some funds in the 3rd quarter.
3. Leased Housing is paying admin fees and rent.
4. Per DHCD, the HCEC Department for FY2021 HomBASE funding will likely be reduced by approximately half as the need for getting families re-housed from hotels is decreasing; and the "small agency floor" that HRA has historically been paid will be removed. With the small agency floor rate, we had been receiving an

artificially high stabilization fee, much more than twice as much as we would earn based on the fee per caseload. The fewer families in shelters and that are homeless, the less money the department receives.

5. The SHA Management Agreement expires at the end of this September. We're reviewing the current management agreement and calculated staff drive time, office work required at HRA, and maintenance staffed at Highland Village is totals to approximately 20 hours a week for these services. We are looking at increasing the management fee to come closer to covering the management costs incurred by HRA.

G. Govoni addressed the vacancy issues. There are vacancies at both the HRA properties and the private properties. The vacancies are due in part to transition of staff within the property management department; however she believes the department is working diligently in order to fill the vacancies. She will receive a vacancy report weekly for review and follow up with the Director of Property Management.

A question was posed as to why there was a vacancy at Winslow Wentworth for over 100 days.

G. Govoni explained that congregate housing has its challenges. Individuals need to be compatible with one another as there is shared living space including a shared bathroom. There are also 2 floors and no elevator. Many people are unable to live on the 2nd floor without an elevator.

5. OTHER BUSINESS

Leslie Brown RDI Update:

Commissioner Brown reported that the RDI Board isn't scheduled to meet again until August 23. She believes she will have a lot to report at the HRA September meeting.

HRA By-Laws:

G. Govoni reported that she's been unable to locate any updates to the original by-laws, however there was at some point an amendment made regarding quorum. She questions as to whether or not we're following the best course of action as to whether or not we're bringing everything to the Board.

It was requested that J. Carey check out the Secretary of State Website to see if there's any documentation of amendments made to the original by-laws.

Commissioner Atwood suggested a committee be formed to review the by-laws and decide on what needs to be changed. She volunteers to be on such committee. Board members are asked to contact G. Govoni if they are interested in also serving on such committee.

Board Member contact information:

No changes.

6. DOCUMENTS FOR INFORMATIONAL PURPOSES:

- June/July MassNAHRO Newsletter
- PHN 2019-02-Mobile Voucher Maximum Rents

7. OTHER BUSINESS NOT REASONABLY ANTICIPATED 48 HOURS IN ADVANCE

8. DOCUMENTS USED

- Minutes of the regular meeting held July 16, 2019
- AP Warrant for July 2019
- Director of Property Management and Procurement Job Description
- Amended Director of Finance Job Description
- Amended Staff Accountant Job Description
- Amended Asset Management Assistant Job Description
- U.S. Department of Housing and Urban Development Public and Indian Housing Mainstream Voucher Program Application
- Amended Handbook Receipt Acknowledgment Form
- Amended HRA Personnel Handbook section 3.4.5.1-Transportation and 3.4.5.2-Conference, Training & Extended Travel.
- Amended Travel Policy
- Regional Capital Assistance Team Program Terms of Services
- CEDAC Construction Monitoring Services Consultant Agreement
- Staff Report for July
- Franklin County Regional Housing Authority Bylaws
- FCRHRA YTD 3rd Qtr Ending Actual 6/30/19

9. ADJOURNMENT

There being no further business, Commissioner Slowinski moved and Commissioner Prest seconded a motion to adjourn the meeting at 7:44PM. The next *regular* meeting of the HRA Board of Commissioners will be held on **Monday, September 9, 2019** at **5:30PM** and will be located at the Franklin County Regional Housing and Redevelopment, Kulik Meeting Room, 241 Millers Falls Road, Turners Falls, MA 01376.

Respectfully submitted,



Gina Govoni, Secretary Ex officio