

**MINUTES OF THE MEETING  
of the  
PORTLAND HOUSING AUTHORITY**

Thursday, February 6, 2020

The meeting of the Portland Housing Authority was held at 14 Baxter Blvd, Portland, Maine. Upon roll call, quorum is declared. Meeting called to order by Mariar Balow, Chairperson, at 5:40 PM

<b>PRESENT</b>	<b>ABSENT</b>
Mariar Balow, Chairperson Robyn Tucker, Vice-Chairperson Monique Mutumwinka, Commissioner Christian MilNeil, Chairperson Shirley Peterson, Vice-Chairperson Tom Valleau, Commissioner Cheryl A. Sessions, Executive Director Jay Waterman, Director, Real Estate Development Larry Giddinge, Director of Finance Lourdes Alvarez, Administrative Support Specialist Mandy Merchant, CliftonLarsonAllen (call-in)	Kristin Blum, Commissioner

**1. Resolution to approve the minutes of the regular board meeting of January 2, 2020**

**Resolution #2983**

Be it resolved by the Commissioners of the Portland Housing Authority that the minutes of the regular meeting of January 2, 2020, be and hereby are approved.

The above resolution was moved by Shirley Peterson, Commissioner and second by Monique Mutumwinka, Commissioner, and upon roll call, the ayes and nays were as follows:

**AYES**

Mariar Balow, Chairperson  
 Robyn Tucker, Vice-Chairperson  
 Christian MilNeil, Commissioner  
 Monique Mutumwinka, Commissioner  
 Shirley Peterson, Commissioner  
 Tom Valleau, Commissioner

**NAYS**

None

Chairperson declared said motion carried and said resolution adopted.

## **2. End of Fiscal Year Audit Presentation**

Mandy Merchant, from CliftonLarsonAllen, joined the meeting over the phone. She proceeded to present the Audit results from fiscal year ending on 6/30/2019. Presentation was distributed to Board members to follow along. She proceeded to review the statement of net position, which showed an increase from the previous fiscal year. She also reviewed the assets and liabilities as noted in the report. She reviewed the summary of the significant changes in revenue and expenses that affected the net position of the agency. Expenses increases were across the areas of operations, maintenance, salaries, staff benefits and utilities. She also reviewed the significant disclosures revealed during the audit.

- Other retiree expenses were discovered this year that increased the post-employment liability for the agency. The correction is explained in the management letter.
- Analytical comparison was reviewed as seen in the HCV revenue/expense stream. Concerns were expressed due to the drop in the revenues against the increase in expenses in the HCV program. Larry and Cheryl did not know why this would be the case. But it was noted that the HAP revenue/expense streams levels out on both sides. The difference in the pie graph may be in error (a correction will be sent out). The current trend in HCV is more in line with more expenses than administrative fees coming in. In Public Housing, revenue was higher than expenses due to the collection of higher rents being paid. No audit findings in the Public Housing program.

Mandy proceeded to explain GASB actuarial reporting. Based on actuarial calculations, pension liability for current and future retirees is about 7 million dollars for OPEB. This includes health care, life insurance, and retirement funds. GASB 75, relating to Post-employment health insurance liability, missed being implemented last year and the correction is being worked in place this year. She summarized the employee benefit expenses, including those for the retirees. These costs have been discussed at Finance Committee meetings and will be revisited at the Feb. 25 meeting with the HR manager present at the meeting. Deferred inflows and outflows were missing – these only showed pension liability; these do not include life and health insurance. The audit finding was presented, and the corrective action is shown in the final audit report. On the management letter, two other items were noted: a payroll rate change not properly signed off and a small HAP overpayment due to the input of an incorrect value for medical expenses. She reviewed the communications and letters issued with the audit reports to end her presentation. All audit requirements have been completed as of 1/30/2020.

## **3. Executive Director Report**

Executive Director Cheryl Sessions updated the Board on the State Street Refinancing, which has not been completed but the mortgage was paid off and bonds have been retired. The payoff of the bonds was around 5 million dollars, with funding from the Agency reserves. The actual bank closing of the loan will be next week, probably on Friday with TD Bank. Certification based on the email SSHPC vote was prepared for the bank to show final approval. In the end, there is no mortgage on the 100 State Street property.

The next Finance Committee meeting is on February 25, and next Board meeting will be March 5. Strategic Staff Retreat is planned for February 8 at SMCC, with a start time of 8:30 or 9 AM.

She finalized her report with conference attendance updates; she just attended the mid-winter NERC/NAHRO conference and will be attending the NAHRO DC conference. Robyn Tucker attending the Commissioner Training and questions regarding the on-boarding of commissioners will be discussed on Saturday.

#### **4. Finance Committee Report**

Commissioner Christian MilNeil proceeded with the Finance Committee Report. Conversations concerning pension plans are being planned for the next meeting on 2/25 and should probably to be brought up to the HR committee as well. Income and Expense reports continue to show trends of being on point or below expectations.

Discussion on moving a resolution to accept all committee reports and minutes, or at least the financial reports, going forward.

As the Board moves forward with the simplification of pensions, history may need to be revisited at the issue was last reviewed 10 years ago at the last Executive Director change over.

#### **5. Resolution for monthly Finance Committee Report and monthly Financial Reports be approved by the Board going forward**

##### **Resolution #2984**

Be it resolved by the Commissioners of the Portland Housing Authority that all monthly Finance Committee Reports and monthly Financial Reports are to be approved monthly.

The above resolution was moved by Shirley Peterson, Commissioner and second by Monique Mutumwinka, Commissioner, and upon roll call, the ayes and nays were as follows:

##### **AYES**

Mariar Balow, Chairperson  
Robyn Tucker, Vice-Chairperson  
Christian MilNeil, Commissioner  
Monique Mutumwinka, Commissioner  
Shirley Peterson, Commissioner  
Tom Valleau, Commissioner

##### **NAYS**

None

Chairperson declared said motion carried and said resolution adopted.

#### **6. Resolution to approve the report from the January 21, 2020 Finance Committee Report and the Financial Report for period ending December 31, 2019.**

**Resolution #2985**

Be it resolved by the Commissioners of the Portland Housing Authority **to approve the report from the January 21, 2020 Finance Committee Report and the Financial Report for the period ending December 31, 2019.**

The above resolution was moved by Mariar Balow, Chair, and second by Robyn Tucker, Vice Chair, and upon roll call, the ayes and nays were as follows:

<u>AYES</u>	<u>NAYS</u>
Mariar Balow, Chairperson	None
Robyn Tucker, Vice-Chairperson	
Christian MilNeil, Commissioner	
Monique Mutumwinka, Commissioner	
Shirley Peterson, Commissioner	
Tom Valleau, Commissioner	

Chairperson declared said motion carried and said resolution adopted.

**7. Development update**

Director of Real Estate Development Jay Waterman started his report with an update on 47-49 Boyd Street. Project has received Planning Board approval, with cost per unit approximately \$200,000, which were discussed at the Finance Committee. There is potential to increase unit count from 9 to 12; but these are valuable in the short term, even though the site could support 41 units in the long term if current building were demolished. Cost comparison of a minor rehab instead of doing the expensive full rehab is being looked at. The other suggestion has been to make property a market rate development with HCV voucher holders allowed to apply.

On Washington Gardens, it has been difficult to line up all the necessary funding so if 47-49 Boyd is put on hold or delayed, the \$427,000 that was awarded to the 47-49 Boyd project by the City of Portland may be moved over to the Washington Gardens project. This project was second on the list behind Boyd Street and in conversations with the City of Portland, they seem to be amicable to the reappointment of the funds. Currently, 47-49 Boyd sits empty and safety concerns are being addressed. The Harbor Terrace Project is working on drawings and pricing as well as looking for solutions to the lack of insulation issue. Energy models are being completed for Washington Gardens and Riverton Park to weigh in on the cost for the projects. Riverton Park is also waiting on community center pricing based on the current drawings. The project at 58 Boyd Street is about 33 percent complete. Framing up to the 6<sup>th</sup> floor. Finally, the RFP for construction management was completed and award went to Reg Ryan.

**8. Resolution: Washington Gardens Project**

Mr. Waterman explained to the Board the revisions and approvals to the Resolution, including the need to have a resident meeting prior to the approval of the resolution. The meeting was held on January 22. The SAC application will go in this week. The relocation plan will also be approved in the resolution. Jay reviewed the relocation plan for Washington Gardens, which follows the requirements of the Uniform Relocation Act and was based off the Front Street Relocation Plan. Opportunity to return and relocation assistance is dependent on each resident to remain in good standing as a current tenant with no lease violations in order to retain their rights. Residents' needs are being assessed prior to the start of relocation. Each set of 3 buildings being rehab will be vacant for about 3 months while work is being completed. Resident may not get same unit but probably in same building or neighborhood. Returning residents will be properly sized into units as they move back in. Meetings are being planned for the Riverton Park project around April. Meetings have also happened with the area school principals and the Education superintendent in preparation of Front Street relocations.

**Resolution #2986**

Be it resolved by the Commissioners of the Portland Housing Authority **to approve** the support of the request to rehabilitate the Washington Gardens units with its accompanying relocation plan; and that the Executive Director is authorized to execute documents and provide certifications and submit to HUD for the approval of a Section 18 Demo/Dispo plan on HUD project number ME00300003, authorizing a SAC application for Washington Gardens and amending the existing option to purchase that development by PHDC for \$1, subject to HUD approval of SAC application or RAD Conversion approval of that application;

The above resolution was moved by Christian MilNeil, Commissioner and second by Robyn Tucker, Vice Chair, and upon roll call, the ayes and nays were as follows:

<u><b>AYES</b></u>	<u><b>NAYS</b></u>
Mariar Balow, Chairperson	None
Robyn Tucker, Vice-Chairperson	
Christian MilNeil, Commissioner	
Monique Mutumwinka, Commissioner	
Shirley Peterson, Commissioner	
Tom Valleau, Commissioner	

Chairperson declared said motion carried and said resolution adopted.

**9. Meeting adjournment**

With no other business to discuss, motion to adjourn meeting moved by Vice Chair Robyn Tucker, and second by Commissioner Monique Mutumwinka.

Meeting ended at 7:05 PM