

HOUSING AUTHORITY BOARD

Minutes

May 22, 2008

The Tucumcari Housing Authority Board met for their regular monthly meeting on Thursday, May 22, 2008, at 5:00 pm. Members present constituting a quorum included Jimmy Sandoval, Jim Lafferty, Antonio Apodaca, Robert Lumpkin, and Jim Witcher.

City and Housing Authority staff present were John R. Sutherland, Jr., City Manager; Jeannette Maddaford, City Clerk; Wilhemina Martin, Housing Authority Executive Director; Maria Rodriguez-Thornton, Housing Authority Bookkeeper; and Hermalinda Diaz, Housing Authority Recertification Specialist.

Consideration of Additions/Deletions to the Agenda

None

Approval of Minutes

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the minutes of the April 24, 2008 Housing Authority regular meeting. Roll Call

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Abstain

Review of Financial Statements

Martin noted some corrections to the Happy Software Financial Statements on various pages. On page 1 of Section 8 Financials, she reported the TBRA account had been closed, so the amount should be zero. On page 2 Expense-Fraud Loss-Unreported Income of \$13,344, she noted that this figure was write-off and should be zero. On the Tucumcari Housing Authority Budget Comparison, she noted that April 2008 for the HUD Subsidy should be \$47,357.33. So for the entire year the subsidy would be \$144,000. She pointed out the HUD year starts in January and the City's fiscal year starts July 1, so there is still \$128,000 Public Housing Authority money to carry through until December.

On Section 8 expenditures, she noted a loss of approximately \$8,000. Each month Section 8 is only given so much money. Over a five year period, Section 8 has been building money rather than spending the money. Since the audit, at which time they found Section 8 was troubled, they have lowered the amount they give Section 8 from \$39,000 to \$34,000. Each month the budget will show a net loss, but at the end of the year, there will be less in the bank account due to covering the decrease in the monthly distribution. Also they require that Section 8 have in the bank a one-month cushion to cover expenses in case the check did not arrive.

Mayor Pro Tem Witcher inquired about the status of acquiring Section 8 housing. Martin explained she had two landlords come in last week about not renewing their contracts for Section 8 because they did not want to go to the expense of rewiring their houses that they were told by certain electricians it was necessary. She reported that she was referring landlords to other landlords who have met code without having to rewire. Commissioner Lumpkin acknowledged Martin's interview on the radio which helped to bring in several more landlords. Martin reported a California lady passing through town heard the radio and was interested in acquiring three maintained properties as she was familiar with HUD in California and would be willing to invest in Tucumcari.

Approval of Bills

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the bills. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Executive Director's Report

Martin reported the Housing Authority would like to wait another month on the contract decision for the fee accountant, as they are currently happy with the new Happy Software accountant who is doing Tucumcari's books, but wants one more month before a decision is made to renew the contract.

The gas leak protection work is currently being done by PNM to comply with the finding by HUD. The State will be back on June 5 to do an inspection of all the gas meters.

Martin explained that she was not aware that she was responsible for overseeing the Monarch management team for the Chaparral Apartments. Due to receiving a call from Isabel Padilla of USDA saying she needed to know what was going on with the apartments as they were 24% vacant and it was the City's responsibility, she inspected the apartments and found three units not rented with one close to being ready and two of them trashed and the air conditioners running at 65 degrees in all three. Since then she has received a copy of the contract and tried to set up meetings with the managers, but with no results. Mayor Pro Tem Witcher noted that this may be grounds to get out of the contract with Monarch and suggested that Eastern Plains Council of Governments might be interested in managing the apartments. Commissioner Lafferty asked the City Manager to write a strong letter to the Monarch firm stating the following problems have been encountered and this is not acceptable to the City, such as: no accounting for the rent collected, numerous meetings set up to address the problems with the manager, no budget, no financials, apartments not prepared to rent, not keeping the other apartments rented, the 1930-7 Quarterly Report to USDA, etc.

Concerning the Public Housing units, Martin reported there are five vacant units, there are two that are ready to rent, the third will be ready for move in this weekend, and out of the two one can not be rented because the renter's belongings have to be held for thirty days. She reported the cost to prepare a unit is from \$1,200 to \$2,100 which includes labor, turning on utilities, etc. She recommends the landlord check the renter's references.

New Business

RESOLUTION 2008-6 BUDGET 2009 PUBLIC HOUSING AND SECTION 8. Martin noted that Section 8 should have a positive balance of approximately \$22,000 at the end of the year while Section 8 2008-2009 budget has expenses greater than revenue and has an ending balance of (\$53,000), so she acknowledged that she needed to reduce expenses in order to have a balanced budget and asked the Commissioners for recommendations. According to the HUD audit, they gave Tucumcari Housing Authority a finding for being overstaffed. Martin explained the reason the Housing Authority is considered overstaffed by HUD was because various grants were lost so there is the loss of revenue and the loss of need for the help to run the programs, such as: TBRA, the Home Program, and the loss of the Chaparral Apartments. The Commissioners recommended that Martin and Sutherland discuss the budget and then bring back a balanced budget to a special meeting. A motion was made by Commissioner Lafferty and seconded by Commissioner Lumpkin to table Budget Resolution 2008-6 for Public Housing and Section 8 and have a special meeting Tuesday, May 27, 2008, at the Housing Authority building at 5:15 p.m. Commissioner Lafferty asked the City Manager determine how the Housing Authority shortfall could fit into the City budget in case it was necessary rather than lose necessary staff. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

RESOLUTION 2008-7 CLOSING CHAPARRAL SECURITY ACCOUNT. Executive Director Martin explained that the Chaparral Security Account would be closed and then transferred to Monarch Properties Management per the contract. Commissioner Lafferty asked if the Resolution could be tabled until the management issue with Monarch is resolved. Martin noted that this is a requirement from HUD and is being requested by Isabel Padilla. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve Resolution 2008-7. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

RESOLUTION 2008-8 CLOSING CHAPARRAL OPERATING ACCOUNT. Martin reported that this account has a balance of \$105,000 which Monarch will use as operating money. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve Resolution 2008-8 to close out the Operating Account for Chaparral. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

RESOLUTION 2008-9 - ANNUAL PLAN. Martin noted this Resolution should be tabled and approved at the same time budget Resolution 2008-6 is approved. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to table Resolution 2008-9 until the Special Meeting set for Tuesday, May 27, 2008, at 5:15 p.m. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

Items from Board Members

None

Adjournment

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to adjourn the meeting. Time noted 5:48 p.m. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Antonio Apodaca, Mayor

ATTEST:

Jeannette Maddaford, City Clerk