

Housing Authority of the City of Fort Myers (HACFM)
4224 Renaissance Preserve Way
Fort Myers, FL 33916
Board Meeting
March 28, 2018

A meeting of the Housing Authority of the City of Fort Myers (HACFM) was held on March 28, 2018 at 4:00 p.m. in the boardroom of the Housing Authority of the City of Fort Myers, 4224 Renaissance Preserve Way, Fort Myers, FL 33916. Notice of this meeting was duly posted.

ATTENDANCE: Chairman Bruce Strayhorn
Vice Chairwoman Mattie Young
Commissioner Peter Routsis Arroyo
Commissioner Lemuel Teal (arrived late)
Commissioner Israel Suarez
Commissioner Douglas Hogg
Commissioner Joseph D'Alessandro
Marcus D. Goodson, Executive Director

ABSENT: Attorney Justin Stockman

Chairman Strayhorn called the meeting to order at 4:13 p.m. followed by the opening invocation and the pledge of allegiance.

APPROVAL OF MINUTES: Chairman Strayhorn brought before the board the minutes from the February 28, 2018 board meeting. Having reviewed the minutes, Chairman Strayhorn inquired if there were any corrections, additions or deletions required. Commissioner Suarez made a motion to approve the minutes, seconded by Vice Chairwoman Young. The motion carries.

Sherri Campanale, Director of Housing Operations/Section 8

Chairman Strayhorn stated we will move on to the executive director's reports as there is no discussion to the consent agenda.

Vicki Collins, CPA, Director of Finance & Human Resources

Included for your review are the Results of Operations, before depreciation, Statement of Assets and Liabilities as of January 31, 2018; and the Budget to Actual Statements for the year-to-date ended January 31, 2018.

SUMMARY

COCC

For the first ten months of the FYE 3-31-18 the COCC has a negative variance of \$11,969. The reason for this is that January had 3 pay periods.

Public Housing Program

Year to date for the fiscal year ended March 31, 2018, the 4 public housing developments managed by HACFM, plus the Palmetto Court AMP, incurred a NI of \$249,331; \$506,971 better than projected. The main areas responsible for the positive variance are the following:

Capital Fund Operations Funds – Full year drawn in November; creating about \$40,000 of the positive variance.

Due to higher subsidy proration levels, subsidy is about \$120,000 more than projected for the period. Subsidy was budgeted at 89%, and it has been paid at 92.4%.

Expenses are lower in all categories – creating \$250,000 of the positive variance.

Section 8 Program

YTD the HCV program has a NI of \$269,699; a positive variance of about \$263,699. The NI is broken down between HAP and Admin is as follows:

	Actual NI (Loss)	Budget NI (Loss)	(Over) Under
Admin	\$ 23,921	\$ (6,500)	\$ 30,421
HAP	<u>245,778</u>	<u>12,500</u>	<u>233,278</u>
Total	\$ 269,699	\$ 6,000	\$ 263,699

Reserves held in our bank accounts at January 31, 2018 were:

HAP	\$315,533
Admin	\$555,284

Results of Operations and Budget to Actual Variances by developments and programs

Results of Operations

	<u>January 2018</u>	<u>Ten Months Ended 1-31-2018</u>
COCC	(55,450)	(11,969)
Renaissance Preserve Developers, LLC	(5,192)	130,653
Southward Village	(14,303)	142,772
Bonair Towers	(31,933)	41,527
Palmetto Court	(6,152)	(56,357)
Royal Palm Towers	(23,843)	61,882
Horizons	(15,689)	59,507
Flossie Riley	(949)	(48,636)
Tax Credit Developments	6,154	94,884
HCV Program	26,769	269,699
HOPE VI Program & CSS	(80)	747,524
TOTAL	<u>(120,668)</u>	<u>1,431,486</u>

Actual to Budget Variances

		<u>Actual</u>	<u>Budget</u>	<u>(Over)/Under</u>
COCC	(over) under budget	(11,969)	200	(12,169)
Southward Village	(over) under budget	142,772	(55,300)	198,072
Bonair Towers	(over) under budget	41,527	(31,000)	72,527
Palmetto Court	(over) under budget	(56,357)	(118,640)	62,283
Royal Palm Towers	(over) under budget	61,882	(32,450)	94,332

Horizons	(over) under budget	59,507	(20,250)	79,757
Flossie Riley	(over) under budget	(48,636)	(28,750)	(19,886)
Tax Credits	(over) under budget	94,884	210	94,674
HCV Program	(over) under budget	269,699	6,000	263,699
HACFM Total		553,309	(279,980)	833,289

Police/Crime Reports

Lt. Tellis, Fort Myers Police Department (FMPD) stated there were 11 traffic stops for the month of March 2018, 6 tickets were issued, 7 trespasses were issued, and 8 arrests in public housing. There were no major issues. Lt. Tellis stated they will be saturating the Dunbar area to keep everyone safe during the Easter holiday.

Jeanne Dufresne, Procurement Officer stated the gate for Southward Village Apartments police sub-station is being powder coated and will be installed within the next couple of weeks. We had site visits with the contractors for the security cameras, we hope to have the cameras installed within 90 days. We will be able to stack 6 cars from the gate to Edison Avenue. The total price for the cameras and gates is approximately \$175,000. The cost of the gate by the exit to Dora Street police sub-station is \$60,000. We have received the bids on the police sub-station at the Landings at East Pointe and the contract is in the process of being signed. The price is \$264,000.

Real Estate Development

The developments are doing well and maintaining high occupancy. We haven't received any follow up reports from the on-site inspections that took place a few weeks ago. One was for the sprinkler system and the other was the corroded pipes at The Landings at East Pointe. Mr. Goodson will try and get a report before the next board meeting. We are still transitioning out the phases at Renaissance Preserve with the attorneys. Norstar Accolade will be exiting out and Stephenson & Moore, Inc. will be the new property managers at all four phases of Renaissance Preserve. Stephenson & Moore, Inc. is doing a great job, they've had a couple of minor issues, but have taken care of these per the auditor's request. Chairman Strayhorn asked if we should have someone from Stephenson & Moore, Inc. at every board meeting. Mr. Goodson we should stated especially once they take over managing the remaining phases. Commissioner Suarez would like to see them attend the board meetings. Vice Chairwoman Young would like to see them here if there are any issues with the residents.

Marcus D. Goodson, Executive Director

- **Budgets for FYE 3/31/19 (Resolution 2018-3)**

Included for your review and approval are the budgets for the Central Office Cost Center (COCC) and the HACFM developments/programs for the FYE 3-31-19.

This budget contains funding levels that, at this time, appear to be the most probable. Expenses are projected based on historical data and current operating policies/contracts.

- Subsidy is projected at a funding level of 90%. For calendar year 2017 HUD used 92.4% as the proration level.
- HAP Revenue is projected based on the current average HAP payment; we have 2,176 vouchers; regular vouchers are 100% leased up and VASH average 80% lease up. Admin Fees are projected at a funding level of 78%; the same as 2017.

- c. Budgeted wages for all entities is \$2,598,485; up \$91,500; this projected increase is composed of three things. (1) A part-time Residence Assistance position to cover the resident services that will be required once the NSP projects are project based. The annual cost will be about \$16,875. (2) A 2% Cost of Living Increase and (3) depending upon the employee evaluation up to a 3% performance increase.
- d. The budget includes \$50,000 to replace two of our older work vans, and \$35,000 to purchase a new 15 passenger van for resident services.
- e. For 2017 the Capital Fund award is projected to be \$1,200,000; \$240,000 is budgeted to be drawn down for the operations budgets for the 3-31-18 fiscal year.

Bonair Towers	\$92,000
Royal Palm Towers	98,000
Horizons	0
Southward Village	50,000

Public Housing anticipates a negative cash flow of about \$284,682; \$177,900 will be funged from the old Palmetto Court AMP, *if needed*, to the current 4 Public Housing Agency rental developments to assist them to break even. The balance of the negative cash flow will also be funded by the Old Palmetto Court AMP to provide resident services. The funds in the old Palmetto Court were from ARF, and the balance at 2-28-18 was about \$328,330. For the fiscal year ending 3-31-18 we projected \$215,000 would need to be funged from the old PC to the Public Housing Developments. This transfer has not been needed. As of January 31, 2018, the Quick Ratio for the developments averages 10:1, HUD looks for 2:1, and the MENAR average 5:1, HUD looks for 4:1. The transfer will only be made for 3-31-19 if needed to maintain our ratios at the HUD suggested levels.

HCV program is projecting a Net Loss of \$25,600; Administrative Loss of \$43,100 and HAP NI of \$17,500.

HAP – It is currently projected that we will receive HAP sufficient to cover our HAP costs. We have \$315,500 of HAP Reserves in our bank and about \$800,000 of HUD held reserves.

Administrative – Currently Admin Reserves are about \$383,000, which will cover about 4 months of expenses.

Fiscal Year End March 31, 2019

BUDGET SUMMARY
Fiscal Year End March 31, 2018

	<u>SWV</u>	<u>BAT</u>	<u>PC</u>	<u>RPT</u>	<u>HORIZONS</u>	<u>FLOSSIE RILEY</u>	<u>RP, EPP</u>	<u>HCV</u>	<u>TOTAL</u>
Revenue	1,759,100	703,000	2,400	669,800	1,034,700	2,000	1,209,800	16,383,800	21,764,600
Expenses	1,825,460	740,200	144,770	708,740	1,059,000	36,500	1,209,540	16,376,600	22,100,810
Net Income	(66,360)	(37,200)	(142,370)	(38,940)	(24,300)	(34,500)	260	7,200	(336,210)
Debt- Principal	(13,600)	(12,800)	(6,300)	(3,800)		34,500			(2,000)
Fixed Assets Pur.	(20,000)	0	0	0	0				(20,000)
Equity Transfers	100,000	50,000	(215,000)	40,000	25,000				0
Cash Flow	40	0	(363,670)	(2,740)	700	0	260	7,200	(358,210)

The **COCC**, Central Office Cost Center is projected to have a negative cash flow of \$18,660. If it is needed, we will make an equity transfer from excess cash flows from Renaissance Preserve to cover the difference.

3-31-19	<u>COCC</u>
Revenue	1,513,740
Expenses	1,532,400
Net Income	(18,660)
Equity from RP Cash Flow	18,660
Cash Flow	0

3-31-18	<u>COCC</u>
Revenue	1,488,440
Expenses	1,488,200
Net Income	240
Debt-Principal	(35,000)
Cash Flow	(34,760)

Commissioner Routsis Arroyo made a motion to approve the Budgets for FYE 3/31/19, seconded by Commissioner D’Alessandro. The motion carries.

Renaissance Preserve Reports

The reports are enclosed in each board books. Mr. Goodson stated we are working on getting the Renaissance Preserve Senior building exterior painted.

Capital Improvements

Ms. Collins stated we have the elevator renovation beginning at Royal Palm Tower (RPT) soon. Once this is completed we have to do the retro-fit of the sprinklers in order to meet the deadline that was given to us by the Fire Chief. Mr. Goodson stated RPT has plumbing issues and this is going to be very expensive to fix. Ms. Collins stated we could do another cleaning of the pipes. The main water lines are copper and the sanitary lines are cast iron. Chairman Strayhorn stated we better be very careful blowing out the lines as the pipes are very old and fragile. Ms. Dufresne stated the bids for the elevator should be in next Thursday. Ms. Collins stated the bid will be awarded the following week as we must obligate Capital Funds. Ms. Dufresne stated our hope is to be completed by November 2018.

Chairman Strayhorn asked what the Capital improvements were for Bonair Tower? Ms. Collins stated we’ve already installed new cabinets, floors, sewer pipes, installed new windows, roof replacement and a/c units. The elevators have been updated also.

Commissioner D’Alessandro wanted to know who wrote the specs for the elevator bid? Mr. Goodson stated that Jeanne Dufresne, Procurement Officer works with David Moore of Moore & Spence Architects to prepare all construction bids. The HUD requirement is that it must be published for two weeks in the metropolitan statistical area publication. It ran for two Sundays. Ms. LaBelle will get the price for the ad. The scope of work is posted on our website.

Section 3 Reports

There were no reports.

Other Business

Commissioner Hogg stated the ceiling tiles in the dining room area keep getting wet from a leak. An apartment above the dining room seem to be leaking. Ms. Dufresne stated some of the laterals up in the ceiling.

ADJOURNMENT: Having no further business to discuss, the meeting was adjourned at 5:08 p.m. The board meeting was re-opened at 5:32 p.m. and adjourned at 5:37 p.m.

Public Input/Comments

Hollis Creech, Royal Palm Tower (RPT) resident stated he appreciates what the Board of Commissioners have done with the elevators. Mr. Creech stated the police do not have to be notified about the elevator issue. Otis stated someone turned off the switch, therefore the elevators would not work. Mr. Creech was there when the Otis Elevator repair man showed up, he did not show up in an Otis truck and he didn't seem to know where the keys were? Mr. Creech stated we have a little problem with the tenants, there are 10% of people who would like to move, they have begun a petition. Mr. Creech is trying to convince them that this is not the way to go.

The board meeting was re-opened at 5:32 p.m. and adjourned at 5:37 p.m.

ATTEST Cheryl L. LaBelle, Executive Assistant Date