

**Housing Authority of the City of Fort Myers (HACFM)**  
**4224 Renaissance Preserve Way**  
**Fort Myers, FL 33916**  
**Board Meeting**  
**September 26, 2018**

A meeting of the Housing Authority of the City of Fort Myers (HACFM) was held on September 26, 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 Meg Geltner  
Commissioner Israel Suarez  
Commissioner Douglas Hogg  
Sherri Campanale, Deputy Executive Director/Interim Executive Director  
Attorney Justin Stockman

**ABSENT:** Commissioner Joseph D'Alessandro  
Commissioner Peter Routsis Arroyo

Chairman Strayhorn called the meeting to order at 4:01 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 July 25, 2018, August 23, 2018 and September 11, 2018 board meetings. Having reviewed the minutes, Vice Chairwoman Young inquired if there were any corrections, additions or deletions required. Commissioner Young made a motion to accept the minutes, seconded by Commissioner Suarez. The motion carries.

Ms. Campanale stated we applied for some main-stream vouchers and we received the approval for 40 of them. These will be put in place between November 1, or December 1, 2018. Next month we will get board approval in our Administrative Plan as there are some preferences we have to add. The total amount we received is \$279,140.

Chairman Strayhorn stated we will move on to the executive director's reports as there is no discussion to the consent agenda. Commissioner Suarez made a motion to approve to approve the consent agenda, seconded by Vice Chairwoman Young. The motion carries.

Ms. Campanale stated we purchased a duplex on Oakley Street in Fort Myers and will be closing soon. We have \$328,000 in replacement housing factor money to be spent. The unit was appraised at \$197,000. These units will be Annual Contribution Contract (ACC) (public housing). We have asked HUD for an extension for this because the money must be spent by a certain date. We hope to use the remaining money to re-hab the duplex. We looked at several units. Ms. Campanale will follow up with this tomorrow.

**Police/Crime Reports**

Lt. Tellis stated there is nothing new to report. Commissioner Suarez asked if the crime has gone down. Lt. Tellis stated crime in public housing is usually very low, right now it is very low. It is a team effort with the property managers. Ms. Campanale stated since the opening of the police sub-station at Southward Village Apartments it has been very quiet. Horizons Apartments has been very quiet too.

**Vicki Collins, CPA, Chief Financial Officer**

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

**SUMMARY**

**COCC**

For the first four months of the fiscal year the COCC was over budget \$139,110 due to: timing difference between CFP and Asset Mgt Fees budgeted and collected\$ 75,000

Unusual expenses incurred in July contributing to negative variance:

Pay out of Mr. Goodson’s accrued leave in July	\$55,000
Painting expense COCC	\$31,000
COCC new wall signs	\$17,000
	\$103,000

**Public Housing Program**

For the first four months of the fiscal year the 4 developments owned and managed by the housing authority, plus the Palmetto Court AMP, had expenses that exceeded income by \$101,260; \$22,792 more than projected. This negative variance is due to timing difference between CFP Operations income budgeted and collected; \$80,000 year to date.

**Section 8 Program**

YTD the Housing Choice Voucher Program (HCV) program has a Loss of \$81,257; a negative variance of \$74,858. The NI/Loss is broken down between HAP and Admin is as follows:

	<b>Actual NI (Loss)</b>	<b>Budget NI (Loss)</b>	<b>(Over) Under</b>
Admin	\$ 7,940	\$ ( 14,368)	\$ 22,308
HAP	<u>( 70,482)</u>	<u>5,836</u>	<u>( 76,318)</u>
Total	\$ ( 62,542)	\$ ( 8,532)	\$ ( 54,010)

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

HAP	\$ 387,391
Admin	\$ 525,782

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

**Results of Operations**

	<b><u>July 2018</u></b>	<b><u>Four Months Ended 7-31-2018</u></b>
<b>COCC</b>	(99,966)	(145,330)
<b>Renaissance Preserve Developers, LLC</b>	(715)	(715)
<b>Southward Village</b>	(81,711)	(54,971)
<b>Bonair Towers</b>	2,045	1,620

<b>Palmetto Court</b>	(6,116)	(21,907)
<b>Royal Palm Towers</b>	(7,084)	(44,476)
<b>Horizons</b>	(31,667)	18,474
<b>Tax Credit Developments</b>	3,403	27,058
<b>HCV Program</b>	18,715	(62,542)
<b>HOPE VI Program &amp; CSS</b>	(1,681)	(3,765)
<b>TOTAL</b>	<u>(204,777)</u>	<u>(286,554)</u>

**Actual to Budget Variances**

		<u>Actual</u>	<u>Budget</u>	<u>(Over) / Under</u>
<b>COCC</b>	(over) under budget	(145,330)	(6,220)	(139,110)
<b>Southward Village</b>	(over) under budget	(54,971)	(6,932)	(48,039)
<b>Bonair Towers</b>	(over) under budget	1,620	(5,668)	7,288
<b>Palmetto Court</b>	(over) under budget	(21,907)	(35,832)	13,925
<b>Royal Palm Towers</b>	(over) under budget	(44,476)	(14,000)	(30,476)
<b>Horizons</b>	(over) under budget	18,474	(16,036)	34,510
<b>Tax Credits</b>	(over) under budget	27,058	120	26,938
<b>HCV Program</b>	(over) under budget	(62,542)	(8,532)	(54,010)
<b>HACFM Total</b>		<u>(282,074)</u>	<u>(93,100)</u>	<u>(188,974)</u>

**Real Estate Development**

Ms. Campanale stated we will be interviewing the candidates for the developers Monday, October 1, 2018. We are interviewing the top 4 candidates. Ms. Campanale stated we are interviewing for potential developers for the grants that are being submitted. We must have a developer ready to go. This is for the 9% tax-credits for East Pointe Place and the Assisted Living Facility (ALF). This board has to approve entering into a Memorandum of Understanding (MOU) or contract. We may have to have a special called board meeting to approve this as the regular board meeting is at the end of the month which is too late as the application has to be submitted October 23, 2018.

**Sherri Campanale, Deputy Executive Director/Interim Executive Director**

- **First Quarter Collection Losses**

Ms. Campanale stated the collection loss amount is \$11,424.43. The highest amount is Section 8 fraud in the amount of \$7,645.00. This is due to unreported income. Commissioner Suarez made a motion to approve the first quarter collection losses, seconded by Commissioner Hogg. The motion carries.

- **Draft Annual Plan**

Ms. Campanale stated the draft annual plan is included in each board packet. We have our meeting with the Resident Advisory Board (RAB) on October 15, 2018. There were no major changes to the annual plan, we made sure we checked the appropriate boxes for any activities we thought we might be doing. Chairman Strayhorn stated our plan has always been to improve Royal Palm Tower (RPT). The appraisal price of it is \$6 million and the repairs are \$9 million. We will consider any offers to buy RPT. Nobody has offered anything to date. Jeanne Dufresne, Procurement Officer stated the parking lot has pooling water after a heavy rain, it is gone after a couple of hours, which is normal practice according to the city. The pipes are old and break and they are being addressed as it occurs. The elevators will be rehabilitated and work will begin in the next 10 days. The elevator company has agreed to add a new cab renovation to the elevators. The work should be completed by June 2019. We will try and budget some money in the 5-year plan for RPT and Southward Village Apartments. Chairwoman Young made a motion to approve the draft annual plan, seconded by Commissioner Suarez. The motion carries.

### **Renaissance Preserve/The Landings at East Pointe/East Pointe Place Reports**

These reports are enclosed in each board packet. Ms. Campanale stated Alex Moore of Stephenson & Moore, Inc. could not make this board meeting as they are having audits. They have inherited a lot of problems there as the past management was not taking care of things properly. We will have a new police sub-station there. Photos were shown.

### **Capital Improvements**

Jeanne Dufresne, Procurement Officer stated we received our first payment of \$35,000 for Hurricane Irma damage at Southward Village Apartments. The total we will receive is \$85,000. This should be coming in the next 10 days.

### **Compensation Package for Marcia Davis**

Chairman Strayhorn stated that all of Ms. Davis's references have come back with positive reviews. Commissioner Geltner has met with Attorney Justin Stockman and attorney Tom Dougherty and has looked at various housing authorities for their salaries. Attorney Justin Stockman passed out a drafted employment contract. Commissioner Geltner would like to offer Ms. Davis \$170,000 for a base salary. Ms. Davis makes \$140,000 at the Richmond Housing Authority. She has agreed to \$170,000 for a base salary and a \$400.00 a month car allowance, 10% of her base salary for an annuity for each year of service completed under the employment agreement, 5% pension and all of her and her family's health benefits paid for. She agreed to receive 4 weeks of paid vacation a year and 7 days of personal leave during this employment contract. Ms. Davis's whole package will come to the amount of \$250,000. Commissioner Young feels this is too much money to pay someone just beginning a job and can we pay her this much with no executive director experience, she would like her to start at \$160,000 with merit raises. Ms. Collins stated this is for the board to judge if this is too much money to pay for someone with no executive director experience. Commissioner Young stated she does not see the amounts in the contract. Commissioner Young asked if we were going to vote without the other 2 commissioners being present? Chairman Strayhorn stated it was announced that we would be discussing this tonight and they are not present. Attorney Justin Stockman stated the employment contract is listed so that it states what the executive director will receive, it is done this way so that it doesn't need to be continually changed so the way it gets modified is by resolution of the board. Mr. Goodson was making \$311,571.68 when he left this agency after 16 years. Vice Chairwoman Young would like to know if this salary size is in line with the HUD executive director caps that HUD put on executive directors' salaries that is consistent with this size agency. Chairman Strayhorn stated he talked with Dale R. Rector, CPA, Rector, Reeder and Lofton, P.C. who stated it

was okay to pay Ms. Davis more than the HUD limit as long as it was non-federal funds to cover the excess paid over the HUD limit.

Attorney Justin Stockman stated the conflict of interest clause in Section 3 page 2 of the employment contract state this is a provision that the executive director can do other activities but it cannot impede or impact the housing authority. Commissioner Geltner made a motion to approve Ms. Davis’s salary and benefit package, seconded by Commissioner Hogg. The motion carries.

The vote was as follows:

Chairman E. Bruce Strayhorn	<u>Aye</u>	Commissioner Israel Suarez	<u>Aye</u>
Vice Chairwoman Mattie Young	<u>Nay</u>	Commissioner Douglas Hogg	<u>Aye</u>
Commissioner Routsis Arroyo	<u>Absent</u>	Commissioner Geltner	<u>Aye</u>
Commissioner Joseph D’Alessandro	<u>Absent</u>		

Vicki Collins, CPA, Chief Financial Officer stated she is appalled with this amount being offered to Ms. Davis as Mr. Goodson has worked 16 years at this agency to receive this salary and benefits. He has done so much for this agency. Ms. Davis has no executive director experience and hardly any housing experience. Everything she did while she was working at the HACFM she had financial advisors such as TAG Associates Inc. to help her with. She did not do these tasks without help. Ms. Collins feels this is such an insult to Mr. Goodson. Ms. Collins is leaving the agency because she could not work with Ms. Davis in the past as Ms. Davis withheld important information that Ms. Collins should of had.

**Other Business**

Enclosed in each board packet are the Section Eight Management Assessment Program (SEMAP) and Public Housing Assessment System (PHAS) scores.

Royal Palm Tower (RPT) received a barbeque grill from the housing authority as they did not use it, it was like new.

Ms. Campanale stated she understood a letter was given to the board from James Muwakkil, president of NAACP. She has been accused of putting family to the top of the Section 8 waitlist. She has requested an audit of this housing authority especially the Section 8 waitlist. Our independent auditor’s contract has expired and HUD has given us approval to extend their contract to use them for this audit. If this is not satisfactory, we will have HUD conduct a Rental Integrity Monitoring (RIM) audit. Ms. Collins stated the auditor’s contract has not expired, they had a contract for 2 years plus 1-year extensions. The last contract they had was to do our March 31, 2018 audit. When they completed that, their contract expired. It is time for us to go out for another Request for Proposals (RFP) to retain auditors for the next 4 years. HUD did give us permission to hire them to do a special procedures audit and not go out for an RFP. This is good to have with Mr. Goodson and Ms. Collins leaving the agency as it will look at the finances and travel expenses. It will give us a good snapshot of the agency and how things were left. It will also look at the 1 finding the agency had in its last audit. We don’t know the price yet. Chairman Strayhorn would like the board to authorize a special procedures audit. Commissioner Suarez made a motion to approve this special audit, seconded by Vice Chairwoman Young. The motion carries.

Ms. Collins stated the letter from the NAACP accused her of rarely coming to work. Ms. Collins ensured the board she used her sick leave or vacation leave when she was out. She has taken care of her elderly mother.

**Contract for Abbie Weist**

Chairman Strayhorn stated that Abbie Weist submitted a contract for the executive director search in the amount of \$7,500.00, however this contract was never signed. In the contract it does not stated that Ms. Weist should be paid for any other services. She has been paid for additional services she has provided. Chairman Strayhorn stated he would like Ms. Weist to be paid extra for her services that she has provided. We will execute a contract so we can pay her for these services. Attorney Justin Stockman stated the motion will allow the change to address the expense issue and would allow us to execute a contract that resembles and shows that we have the authority to pay her for these expenses, we will get this signed and reimburse her for these expenses. Commissioner Suarez made a motion to approve Ms. Weist be paid for her additional services provided, seconded by Commissioner Geltner. The motion carries.

**Public Input/Comments**

There was no one to be heard.

**ADJOURNMENT:** Having no further business to discuss, the meeting was adjourned at 6:10 p.m.

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**ATTEST**      Cheryl L. LaBelle, Executive Assistant      Date