

Fayetteville Housing Authority Meeting Minutes

Thursday, August 29, 2019

I. Roll Call

Evelyn Stafford called to order the regular meeting of Fayetteville Housing Authority at 6:00pm on August 29, 2019 at City Hall Room 326, 113 W Mountain Street, Fayetteville, AR 72071.

- a. The following persons were present: Commissioner McMahon, Commissioner Bensinger, Commissioner Stafford, Executive Director Angela Belford, Joy Hunnicutt, and Victoria Dempsey.

II. Approval of minutes from previous regular board meeting, July 25, 2019

Commissioner McMahon made a motion to accept the meeting minutes from July 25, 2019. Commissioner Stafford 2nd the motion. All in favor.

III. Approval of minutes from special board meetings, August 14, 2019 and August 21, 2019

Commissioner Stafford made the motion to accept the special board meeting minutes from August 14, 2019 and August 21, 2019. Commissioner Breashears 2nd the motion. All in favor.

IV. Guest Speaker: Peter Nierengarten, Environmental Director - Cultural Arts Corridor Work on West Ave.

- a. Discussion about Cultural Arts Corridor and retaining wall along West Ave side of Hillcrest Towers. There would be two phases: Phase 1 of Cultural Arts Corridor would take place on West Ave between S Spring Street and S Meadow. Phase 2 would be the Civic Plaza that would take place at the parking lot at Dickson St. and West Ave. There would be improvements on the Fay Jones Woods Trail including ADA graded trail and accessibility. CAC Phase 1 would include sidewalk improvements, crossways, lighting, landscaping, etc. Showed renderings and diagrams of what the area could look like. Stated that in order to add widen sidewalks for Phase 1, it would require a 12-foot retaining wall. Discussed options including constructing a building that could be residential or commercial space. There is the option to add multiple stories. It could be a source of revenue for FHA. The City of Fayetteville would pay for excavation for sidewalks and retaining wall and FHA would have to pay for the building. FHA will have to decide within the next 2 months what direction to take as far as having a building or not. An item to consider is FHA would lose 24 parking spaces. Commissioner Stafford wants to explore not only what the revenue but what would be the operating expenses. Commissioner Stafford made the motion to allow the Executive Director to explore the numbers of what we can do with these spaces. Commissioner Bensinger 2nd the motion. All in favor.

V. Old Business

- A. Resolution #1168 – Approval of audit (can be tabled, must be passed by September 30)

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- a. Commissioner Breashears motioned to approve the audit. Commissioner Stafford had questions about the financial statements themselves. If there are questions about the budget, Neil could answer those questions. He could come to the September meeting. Commissioner Stafford 2nd the motion. All in favor.
- B. Discussion of by-law changes, training recommendations and grievance policy and procedure updates
 - a. By-Law Changes: Angela Belford provided a printout of recommendations from the attorney. This is a draft and the attorney would like commissioners to fill in the number of meetings they feel commissioners should attend. Commissioner Stafford stated she would like FHA's requirements to match the city. Commissioner Breashears expressed he didn't understand why there was a need to change anything. Angela Belford stated the 3-meeting requirement listed in the By-Laws was targeted towards regular board meetings and doesn't account for special meetings. Commissioner Breashears started reading the recommended changes specifically how to remove a commissioner and he thought only City Council could remove. He stated that the second paragraph: removing officer in standing is new to him. Angela Belford explained that at her training she was told that you have your federal, state, and by-laws and you are to use whichever one is the most restrictive. Commissioner Breashears made a motion to remove the second paragraph. Angela Belford expressed that these are proposed amendments that we could just add the first paragraph and not the second. Discussion of reasons why a commissioner may need to be removed from the board and the involvement of the city council. Commissioner Breashears would like to ask regarding the first paragraph can we vote to remove a commissioner, or do we vote to recommend to city council to remove a commissioner. Commissioner Stafford made a motion to ask attorney for recommendations to changes to our By-Laws regarding special meetings, notices, and any other changes he sees fit from reading through our By-Laws. Commissioner Breashears 2nd the motion. All in favor.
 - b. Training Recommendations: Angela Belford uploaded a list of recommended trainings. FOIA, Sexual/Race/Age Harassment, Disability Accommodation, and general board training. On September 16th at 3pm new staff will be attending Fair Housing Training, the board is welcome to attend if interested. Commissioner Breashears will be attending Commissioner Ethics training in Hot Springs September 10-13th. Commissioner Basics Training is held in the fall and spring. Commissioners are to attend at least one training a year. Our attorney hosts general board training but also has a training specific for resident commissioners. Commissioner Bensing asked if commissioners should attend all these training at some point. Angela Belford stated that these are the recommendations but do not have to be done at once. Commissioner Stafford stated that commissioners will acknowledge these trainings and strive to complete them in the future. Angela Belford stated that the attorney did not have time yet to work on the grievance procedure for residents to file a complaint on a commissioner. Commissioner Breashears stated that there is a procedure already in place and that they file a written complaint and if there are findings, then move forward with an informal hearing. Angela Belford clarified and said that process is in place however there isn't a process for a non-resident to make a complaint against a commissioner.

VI. New Business

- C. First look and discussion of Personnel Policy
 - a. Angela Belford stated that this is a rewrite of our Personnel Policy with the assistance of our new HR consultant as there were gaps and misalignments with our current handbook and

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policy. This is not a resolution but given early to provide plenty of time to review. Angela Belford stated that she wanted to point out a few specifics' points. First off, our HR consultant added all appropriate verbiage for all federal laws. They also broke down how you enforce policy. On page 10 there is a Code of Conduct and a Conflict of Interest. This is brought up because later in the meeting Angela will ask the board to pass a Code of Conduct for employees and she will work with the HR company to say that this Code of Ethics is required by HUD. We want to make sure everything is covered in the Code of Ethics as requested by HUD. We clarify very clearly the Fair Labor Standard Act on page 15 which talks about Exempt, Non-Exempt, Regular, Temporary employees. Also discusses how we handle overtime. On page 19, meal periods and breaks are specified. State law does not require FHA to give a 15-minute break, but we will be providing the breaks. We will need to clarify whether that 15-minute break happens one or two times a day.

On page 28, will be the biggest change proposed to the board. Currently our policy is we give 12 days of sick leave, 10 days' vacation for the first 2 years of service. Whether is it vacation and sick, if you give your proper 2 weeks' notice, FHA pays it out. It is budgeted under the liability line item. We allow employees to accrue 2 years of paid time off. What we are proposing is that instead of two separate calculations for sick and vacation we would like them to be combined. If someone doesn't get sick a lot, they will not have to worry about justifying time off. Commissioner Breashears commented that he thought FHA had a policy where we heavily recommended that everyone takes their vacation each year. Also stated that he believes we should stop paying out accrued sick leave. Angela Belford stated that she is unaware of such policy even though she encourages people to take paid leave. Commissioner Bensinger would like to know the opinions of the staff since this is a staff satisfaction topic. Angela Belford stated that this was first brought to commissioners, but that she would like to get it in front of staff soon. Also, if we were to stop paying out sick leave that would be a major change in policy. Our current policy allows you to accrue up to 6 months of sick leave. Employees are given the option to enroll in short-term disability plans through Aflac, but we could look into other short-term disability plans. Something that are HR consultant recommended that if you are an exempt employee (leadership) it requires that you take 5 days off in a row to avoid burnout. On page 35, bereavement leave is given at 3 days for an immediate family member and 1 day for an extended family member. Our previous policy did not articulate all the different relationships under immediate family members, so our HR consultant did that. Another recommendation that was given was a crime victim leave, that states if you were a victim of crime that you are given unpaid time off, other recommendations were bone marrow donation and voting leave. On page 44, we added cell phone usage and bring your own device policy which we do not have. This goes as far to say that if you are a non-exempt employee you are not allowed to check your email after work hours without authorization to avoid overtime issues. The last thing is we passed an extensive social media policy last year so we will replace our current policy with the one we passed last year. We also did not have a dress code and the updated one is very specific. Commissioner Breashears asked how often the HR consultant updates the policy. Angela Belford said she did not know but would assume on an annual basis. She will have to follow up.

- D. First look and discussion of Public Housing Budget (Most of the information is presented for HCV and PBRA as well)

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- a. There are 196 units as part of our ACC and 2 of the units have been offline for a year and a half. When it says Average Units Occupied that is what the 194 is. Its basis the number on 196 but the max we could have is 199. Tenant rent is an estimate based on what we have received this year so it can fluctuate each year. PUM stands for Per Unit Month. To be able to compare things across the board there are 196 units times 12 months a year so there is a possible 2352-unit months in a year. Everything is based on the percentage of unit months. Non-Dwelling rent included \$18,000 in the cell phone tower rent and \$6,000 from the voucher program but did not include money from the preschool. This is just a first look and the board will make recommendations. Part of the Capital Funds budget we talk through that we add a line for operations and that line is now reflected with the \$43,000 and this is the subsidy. HUD issues a subsidy January through December but every housing authority has their own operating year. FHA ends in September 30th. They estimate that we will have 1.1 million dollars in revenue. Discussed salaries, legal expenses, and training. Training comes out of capital funds. Public Housing does not have a line item for training, but the other programs do. All the utility expenses are estimated based on our previous months. Ordinary Maintenance and all associated costs are close to the prior year since Angela Belford has not been on board for an entire year. This was due in July to our accountant so when the numbers were ran for that, we were running close to the previous year's numbers. A big change is in our protective services. It is about a \$28,000 increase to add security guards to walk property 7 days instead of the current 5 and monitor Hillcrest Towers on the weekends. (At 8pm Commissioner Terry arrived). We participate in payments in lieu of taxes, which is a pilot program. We do not have to pay taxes, but we have to offer a value to the community. Part of this money goes to the Resident Engagement Coordinator's salary. Our bad debt expense is running lower than budgeted and our collection is running ahead, which we think is because we changed our policy to allow you to be on a waiting list with debt but not lease up. Extraordinary maintenance schedule will show you items that above and beyond ordinary maintenance. The only way to spend down the reserves is to budget to go into a deficit. At the end of this year it will put us around 5-6 months which is recommended. Commissioner Breashears stated that most budgets he is aware of match the budget to their income. Angela Belford stated that if we do that, we will continue to maintain a 14-month reserve. Commissioner Breashears asked if there was something else, we could do with the reserves such as buy housing. Angela Belford stated that HUD specifically told her that we do not use Public Housing funds to buy property it is for operating subsidy. Commissioner Breashears asked how we will know how close we are to spending up our reserves? Angela Belford stated that if we spend the money based on the budget, at the end of fiscal year 2020 we will have 5 months left. This budget kept the same budget as last year's maintenance until an entire year is seen. For positions that are laid across each department such as the Executive Director, Deputy Director, and Executive Assistance we are looking at have a central office cost program. If that happens then it removes a lot of overhead, if we do more building projects then the high-level salaries can be paid out of those entities. Commissioner Terry stated a precautionary principle, at what extent are we holding some of those reserves to the side knowing that we have some big expenditures coming up. Angela Belford stated that depending on what we do with some of our properties, we will not be able to take that reserve with us. Commission Terry stated that we need to take inventory of items that need to be completed and keep in mind that the reason we have this money is because we didn't spend the money when it needed to be spent. She also informed the board that we received the Americore grant so we can start to make a list of items they can work on. She will have orientation with them in Mid-September. More than likely they will get to us in November. Commissioner Breashears asked if this budget was only for Public Housing. Angela Belford informed the board that it was only for Public

Housing for the reason of nailing down administrative expenses such as salaries for Morgan Manor. Once these items are finalized, they can be plugged into the Morgan Manor budget. The same thing applies for the Voucher Program. Tonight, we are not approving this budget, but it was presented to look at and discuss. The only changes to salaries from last month is from adding a social worker, which was allocated across all entities. The social worker role will be to provide additional support to residents on our property sites. Angela Belford brought up the organizational chart to review and proposed to create a Supportive Housing Services Department which would be overseen by the case manager and would house the resident engagement coordinator and the social work intern. Commissioner Breashears asked about how the salary distribution. Angela Belford pulled up the schedule of salaries for reference and explained that a percentage of the salaries are allocated to public housing. Commissioner Breashears had several specific questions related to the budget and reporting. Commissioner Stafford stated that we will be having a workshop to work through any questions the board may have. Commissioner Terry reminded the board that the board is to serve as a governance body. The board meeting should be high level and any workshopping should happen before the meetings. Angela Belford stated that based on a poll that we could have the financial workshop September 23rd from 2-4p. Neal, the accountant from Lindsey will be available during that time. Commissioner Terry also requested going forward that the final agenda be available to the board, clerk, public etc. going forward. Commissioner Stafford suggested that it may be beneficial to have “workshop” meetings mid-month to keep the regular meetings cleaner.

- E. Commissioner Stafford motioned to move to staff reports. Commissioner Terry 2nd the motion. All in favor.
- a. Operations and Voucher Program Manager, Victoria Dempsey
 - i. Currently 115 VASH Vouchers leased up, 5 are seeking.
 - ii. Currently 469 Housing Choice Vouchers Leased, 20 are seeking.
 - iii. Total HAP payments: \$222,630
 - iv. Commissioner Terry stated that she gets 2-3 calls a week from residents. She gave an example and asked what the proper procedure is to follow up with the voucher program to know that there was follow up with the resident. We will follow up with the field office and/or attorney for guidance on best practice.
 - v. Received notification that we were awarded \$45,000 for increase VASH Leasing Funds.
 - vi. We are working on the Mainstream Voucher Grant. If awarded, 119 permanent supportive vouchers for non-elderly and disabled will be provided.
 - b. Public Housing Director, Joy Hunnicutt
 - i. Morgan Manor and Willow Heights have zero vacancies, Lewis Plaza has one vacancy, and Hillcrest Towers is using vacancies for the renovation currently.
 - ii. Report on numbers and time taken for work orders for the month. Report on online applications and online rent payments.
 - iii. DFA Collection
 - iv. The REAC inspection for Morgan Manor was on Wednesday July 31, 2019. We scored 87 out of 100 possible points.
 - v. Currently preparing for our next REAC inspection for our Public Housing Properties. We will not get more than a 14-day notice. We expect to get notice for the inspection in September.

- vi. Ralph Nesson of NWA Books for Kids hosted an Eat and Read event on Saturday, July 27th at Walker Park.
- c. Executive Director, Angela Belford
 - i. Deputy Director, John Berry starts on September 3, 2019.
 - ii. We published the Director of Housing position and so far have 29 applications and 7 strong candidates.
 - iii. Our rezoning request went through Planning Commission and next Tuesday we are item agenda "F".
 - iv. During the last 30 days, we applied for the NWA CoC Grant with Ozark Guidance Center. We have worked closely with our HR Consultant on our personnel policies. We worked several hours with our account on our budget. Thanks to Commissioner McMahan for assisting with the phase of moving the laundry room to the first floor. Continuing to monitor the changes to the air conditioner units at Hillcrest Towers. We had a homeless meeting with faith community. The community is looking at ways to provide support to those who have been experiencing homelessness and are now housed. Connected with PACE of the Ozarks with great opportunities for our residents who are Medicaid and Medicare eligible. Services provided are transportation, day services, medications, doctor appointments, in home assistance, ADA services, etc. PACE provided a presentation at Hillcrest Towers for our residents. Had an informal meeting with Stan Green who is the ADFA Board Chair about future development opportunities and getting to know what they are looking for. Attended the Cultural Arts Corridor Steering Committee and followed up with Peter Nierengarten. They did pass the policy directive to explore the financing. Worked with Ali Quinlan to get the original blueprints scanned for ease of working on CAC project.
 - v. Next 30 days, we will complete grant applications. Angela Belford, Ezra Breashears, and Cassie Snider will be attending NAHRO Conference in Hot Springs September 10-13. HUD specialist, Davis Bacon will review our files on September 25, 2019. We are preparing for homeless meeting on October 3rd talking about Life Teams with the faith community. We will be training the Deputy Director. We will continue to work with pro-bono affordable housing consultant, Kevin on plans for Lewis Plaza. Hillcrest Towers renovation is continuing. The first phase was 11 weeks, the project manager switched and had a small crew. Now we have more staff working. Commissioner Stafford asked for an update with Welcome Health. Angela Belford stated she would follow up with them.
- F. Resolution #1171 – Authorization to convert temporary Receptionist to permanent Housing Assistant. We have reworked the job description to include inspections which is very helpful. Resolution #1172 - Authorization to hire Supportive Housing Case Manager (Social Worker). Commissioner Bensinger made the motion authorize to convert temporary Receptionist to permanent Housing Assistant and to hire Supportive Housing Case Manager. Commissioner Terry 2nd the motion. All in favor.
- G. Resolution #1173 – Authorization to extend Cell Phone Tower Lease. The lease agreement with AT&T expires in September. In summary large cell towers are becoming less and less and they are moving to smaller cell towers. We were informed that at some point they may no longer need our tower. We have been receiving \$1,500 each month for the lease of the tower. If we renew the lease, we

will be offered \$1,100 each month or we could get a lump sum of \$190,000 and we would give them a 50-year easement to allow them to put the tower there. If at any point they abandon our tower they would release the easement within 2 years. We will need to review the language with the attorney. The lease expires September 30th, and it takes 30 days to get it through legal. Commissioner Terry asked to table the topic until the attorney has time to review. Angela Belford stated that we don't have the time as it will take about 30 days for approval and by that time the lease will expire. Commissioner Stafford expressed that based on the math she completed they are asking us to make a decision on something that would go into 2069. If we did not do the lump sum it would take monthly payments through 2032 to breakeven with the lump sum amount. Commissioner Terry said the hesitation is that the technology will change. Angela Belford stated that this is not an exclusive agreement and we are able to speak to other vendors. Commissioner Breashears stated that he would like to investigate the rate of payment and he believes that we should be given more each month. Commissioner Bensinger stated that the easement is stronger than a lease. Commissioner Terry made the motion to table Resolution #1173. Commissioner Breashears 2nd the motion. All in favor.

- H. Resolution #1174 – Update of Fayetteville Housing Authority Policies on Discrimination in Housing and Sexual Harassment. HUD passed some regulation in 2017 and we had not updated. Over the last couple of weeks, all regulations regarding Discrimination in Housing and Sexual Harassment have been sent to our attorney for review. Angela Belford brought up the changes for commissioners to view. Commissioner Stafford made the motion to approve Resolution #1174 to update Fayetteville Housing Authority Policies on Discrimination in Housing and Sexual Harassment. Commissioner Bensinger 2nd the motion. All in favor.
- I. Resolution #1175- Code of Ethics for Employees. We must have an electronic version submitted to HUD. We have not had one. One has now been created. This is also a requirement for a grant we are applying for. The Code of Ethics covers external vendors, ethical standards for employees and commissioner, definition of fraud, responsibilities of executive director. Commissioner Stafford stated that she noticed in this document that it covers grievance procedures for commissioners. Commissioner Terry asked if this was reviewed by our attorney. Angela Belford stated it has not been. Commissioner Breashears expressed that he believes this is a terrible ethics document. Commissioner Bensinger motioned to approve Resolution #1175 Code of Ethics for Employees. Commissioner Stafford she would like an amendment with the attorney review before submission. Commissioner Breashears 2nd the motion. All in favor.
- J. Resolution #1176- Procurement Policy. Procurement Policies were updated both in State and Federal. The biggest change to come was to lower the small purchase price from \$250,000 down to \$75,000. Anything under \$75,000, three bids are required. Anything under \$20,000 is considered a micro purchase. You are only required to have two bids, both of which can be verbal or by email. Angela Belford proposed to remove the clause that the board must approve purchases of \$20,000. Commissioner Stafford made a motion to accept Resolution #1176- Procurement Policy as is with the suggested edits and changes. Commissioner Breashears 2nd the motion. Commissioner McMahon asked Angela Belford what would happen if she only received 1 bid. Angela Belford responded that it is in the Procurement Policy that she must adhere to the changes being proposed. Commissioner McMahon asked if this needs to be passed now. Angela Belford stated no. Roll call for vote,

Commissioner McMahon Aye, Commissioner Bensinger Aye, Commissioner Stafford No, Commissioner Breashears No. Item will be tabled and brought back at a later time.

- K. Resolution #1177 – Travel Policy. Currently we must save all receipt and provide a reimbursement. Would propose to look up government Per Diem Rate and provide a check prior to travel. Commissioner Breashears made the motion to approve to put a travel policy in place. Commissioner Stafford 2nd. All in favor.
- L. Resolution #1178 – Purchasing Card Policy. Arvest recommended to have a Purchasing Card Policy. We used their recommended policy and edited it to contain our staffs’ titles. Commissioner Stafford made a motion to table. Commissioner Bensinger 2nd. All in favor.
- M. Approval of May 2019 FHA Programs’ Balance Sheets & Income Statements and June Accounts Payable Summary. Commissioner Breashears made a motion to approve May 2019 FHA Programs’ Balance Sheets & Income Statements and June Accounts Payable Summary. Commissioner Bensinger 2nd the motion. All in favor.
- N. Executive Session: Discussion of Performance Objectives for Executive Director. Commissioner Breashears motioned to table. Commissioner Stafford 2nd the motion. Commissioner Breashears Aye, Commissioner Stafford Aye, Commissioner McMahon Aye, Commissioner Bensinger Neigh
- O. PUBLIC COMMENT

VII. Adjournment

Motion to adjourn by Commissioner Bensinger at 11:09pm. Commissioner Breashears 2nd the motion. All in favor.