

**SOUTH METRO HOUSING OPTIONS
BOARD OF COMMISSIONERS**

**Minutes of Regular Meeting
February 4, 2015**

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Wednesday, February 4, 2015 at 5745 South Bannock Street, Littleton, Colorado 80120.

THOSE PRESENT: Chairman Andrew Hancock, Vice Chairman Stewart Meagher, Commissioners Libby Bortz, Aaron Heumann, John Ostermiller, and Esther Varela

THOSE ABSENT: Commissioner Kyle Henderson

ALSO PRESENT: Christopher Shaffner, Executive Director; Jo Hamit, Assistant Director; Gerald Humphries, Finance Manager; Jerry Hill, citizen.

Chairman Hancock called the meeting to order at 6:45 p.m. and declared a quorum present. The revised agenda was reviewed and accepted.

There were no scheduled or unscheduled visitors.

The minutes of the January 13, 2015 regular meeting were reviewed.

Commissioner Heumann provided one minor correction to the minutes.

It was moved by VICE CHAIRMAN MEAGHER and seconded by COMMISSIONER HEUMANN THAT THE MINUTES OF THE JANUARY 13, 2015 REGULAR MEETING BE APPROVED AS CORRECTED.

Ayes: Chairman Hancock, Vice Chairman Meagher, Commissioners Bortz, Heumann and Varela

Nays: None

Absent: Commissioner Henderson

Abstention: Commissioner Ostermiller

Motion Carried: 5:0:1:1

Finance Manager Humphries stated that the Libby Bortz Assisted Living Center (LBALC) financial reports have been separated from the rest of the agency consolidated reports since the revenue and expense line items are considerably diverse.

Finance Manager Humphries presented the December 2014 financial reports, representing the first two months of Fiscal Year 2015. Through December, the agency year-to-date (YTD) total revenue is \$2,623,396, which is 7.8% below projections. YTD expenses are \$2,652,115, which is approximately 1.7% below projections.

Mr. Humphries stated that revenue is down \$280,000. He explained that the main reason is due to the third equity pay-in for the Powers Circle Apartments that was expected in December 2014, but now is expected to be received in March 2015. The third and final equity pay-in will be higher than expected (\$382,000) and will compensate for the project cost overruns and developer fees.

Mr. Humphries stated that the agency audit is expected to be finalized once the Powers Circle Apartments audit questions are resolved. This is expected to occur in the next week, as the Powers Circle Apartments audit is due on February 15.

Mr. Humphries announced that the agency is very close to implementing a new paperless payroll reporting and processing system, including online time and attendance usage for employees. The transition is expected to take place over the next several months and be complete by April 2015.

Commissioner Bortz asked about the costs associated with the port-in/port-out process in the Section 8 Housing Choice Voucher Program. Assistant Director Hamit and Executive Director Shaffner explained how the portable program works, the difference between absorption and administration of vouchers, and the associated administrative fees for the program.

Executive Director Shaffner reported on the LBALC financials. The census has been down in recent months; however, staff has begun extensively marketing efforts and, currently, the census is at 108. Executive Director Shaffner stated that staff also is working on a cost analysis for a variety of services.

It was moved by COMMISSIONER BORTZ and seconded by COMMISSIONER OSTERMILLER THAT THE DECEMBER 2014 FINANCIAL REPORTS BE APPROVED AS PRESENTED.

Ayes: Chairman Hancock, Vice Chairman Meagher, Commissioners Bortz, Heumann, Ostermiller and Varela

Nays: None

Absent: Commissioner Henderson

Motion Carried: 6:0:1

The following administrative items were presented:

a) ***Rental Assistance Demonstration (RAD) Update***

Executive Director Shaffner explained that the Board previously had been briefed on the Department of Housing and Urban Development's (HUD) RAD program in late 2013. At that time, representatives from SB Clark Associates provided information to the Board on the feasibility of submitting an application to HUD to transition the agency's public housing to a multi-family model. HUD had a cap on the number of applications for the initial demonstration program, and subsequently ceased the intake of applications during 2014. The SMHO application has been delayed as a result. In recent months, a small number of additional applications were solicited by HUD, and staff had anticipated getting an application in the queue for the next round.

In the process of revisiting the application process with SB Clark Associates, staff has determined that there needs to be further analysis on financial and design issues before sharing the plan with the affected residents and submitting an application to HUD. Staff also believes there will be more openings for applications in the future. Therefore, the RAD application submittal will be delayed until a more concrete plan is put in place.

Executive Director Shaffner reported that staff has scheduled a meeting with a facilitator for a Board Retreat that is expected to be held sometime in mid-April.

Executive Director Shaffner stated that staff is in the process of completing an application for HUD grant funds to enhance safety and security features for the agency.

It was moved by COMMISSIONER BORTZ and seconded by COMMISSIONER VARELA that the meeting recess into Executive Session to discuss a real estate matter. The executive session convened at 7:40 p.m.

The regular session was reconvened at 8:00 p.m.

It was moved by COMMISSIONER HEUMANN and seconded by VICE CHAIRMAN MEAGHER TO ADJOURN THE MEETING. The motion carried. There being no further business, CHAIRMAN HANCOCK adjourned the meeting at 8:02 p.m.

ATTEST:

Andrew Hancock
Chairman

Christopher Shaffner
Secretary