

**SOUTH METRO HOUSING OPTIONS
BOARD OF COMMISSIONERS**

**Minutes of Regular Meeting
November 5, 2014**

The regular meeting of the South Metro Housing Options (SMHO) Board of Commissioners was held on Wednesday, November 5, 2014 at 5745 South Bannock Street, Littleton, Colorado 80120.

THOSE PRESENT: Chairman Andrew Hancock, Commissioners Libby Bortz, Kyle Henderson, Aaron Heumann, and Esther Varela

THOSE ABSENT: Vice Chairman Stewart Meagher; Commissioner Ostermiller

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

Chairman Hancock called the meeting to order at 6:40 p.m. and declared a quorum present. The revised agenda was reviewed and accepted.

There were no unscheduled or scheduled appearances.

The minutes of the October 2, 2014 regular meeting were reviewed.

Commissioner Heumann provided several minor grammatical corrections to the minutes.

It was moved by COMMISSIONER HEUMANN and seconded by COMMISSIONER HENDERSON THAT THE MINUTES OF THE OCTOBER 2, 2014 REGULAR MEETING BE APPROVED AS CORRECTED.

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

Operations Manager Humphries presented the September 2014 financial reports, noting that September completes the last month of Fiscal Year 2014. Through September, the agency year-

to-date (YTD) total revenue is \$10,927,132, which is 6% above projections. YTD expenses are \$10,563,456, which is approximately 4% below projections.

Manager Humphries reported that staff is investigating the feasibility of obtaining pest control insurance for the next year.

Chairman Hancock asked about the benefits budget. Assistant Director Hamit stated that most new employees have been hired through a temporary agency and the benefits budget is not impacted during the period prior to regular employment with SMHO.

Commissioner Bortz asked if the Yardi system is working well for the agency. Executive Director Shaffner stated that the potential of the system is substantial, and staff expects to begin using more Yardi features in the future.

Manager Humphries stated that staff is preparing for the annual audit, which will begin next week.

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

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

The following administrative items were presented:

- a) ***Resolution 14-24 – Fiscal Year 2014 Section 8 Management Assessment Program (SEMAP)***

Executive Director Shaffner reported that the SEMAP certification has been completed and staff has achieved all performance indicators. The submission to the Department of Housing and Urban Development (HUD) is expected to result in the designation of “high performer” for the Section 8 Housing Choice Voucher Program. The certification submission requires Board approval and must be submitted to HUD by November 30, 2014.

It was moved by COMMISSIONER HENDERSON and seconded by COMMISSIONER HEUMANN THAT RESOLUTION 14-24, AUTHORIZING THE SUBMISSION OF THE SECTION 8 SEMAP CERTIFICATION, BE APPROVED.

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

b) Resolution 14-25 – Section 8 Housing Choice Voucher Program Payment Standards for 2015

Executive Director Shaffner explained that housing authorities are required to establish payment standards for their Section 8 Housing Choice Voucher Programs each year, which are based on the Fair Market Rents (FMR) that are calculated annually by HUD. This year the FMR were finalized on October 1. The payment standards determine the maximum subsidy for families participating in the program.

Staff is recommending that the 2015 payment standards be set at 95% of the 2015 FMR for one- and two-bedroom units and 90% of the FMR for all other bedroom sizes. Furthermore, staff is recommending that the payment standard for assisted living centers be set at 110% of the FMR, based on a one-bedroom unit.

It was moved by COMMISSIONER HENDERSON and seconded by COMMISSIONER BORTZ THAT RESOLUTION 14-25, ADOPTING THE 2015 PAYMENT STANDARDS FOR THE SECTION 8 HOUSING VOICE VOUCHER PROGRAM, BE APPROVED.

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

c) Resolution 14-26 – Utility Allowance Schedule for Section 8 Housing Choice Voucher Program for 2015

Assistant Director Hamit reported that HUD requires housing authorities to establish utility schedules for various unit sizes and to review them on an annual basis to determine that they reasonably reflect average utility costs. In past years, SMHO has relied on a state-wide study conducted by the Nelrod Consortium for the Colorado Division of Housing, which developed utility allowances based upon reasonable consumption by energy-conserving families of modest circumstances.

This year, staff determined that a study of energy consumption in the jurisdictions SMHO serves, namely, Littleton and Arapahoe County, would more accurately reflect utility costs for families participating in the program. Staff requested that Nita Lynch, Section 8 Consultant, conduct the study, which was completed last week.

It was moved by COMMISSIONER BORTZ and seconded by COMMISSIONER VARELA THAT RESOLUTION 14-26, ADOPTING THE 2015 UTILITY ALLOWANCES FOR THE SECTION 8 HOUSING VOICE VOUCHER PROGRAM, BE APPROVED.

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

d) Resolution 14-27 – Amendment to the 401 Money Purchase Plan

Executive Director Shaffner explained that SMHO offers three retirement plan programs for its employees—a 401(a) mandatory money purchase plan with a 4% employee contribution and a 4% employer match, a 457 optional deferred compensation plan with no match, and a Roth IRA.

SMHO has traditionally offered the same retirement benefits provided by the City of Littleton. In late 2014, the City enhanced its 401 plan for 2015 to provide a 5% employee contribution and a 5% employer match. In addition, for the 457 deferred compensation plan, the City currently offers up to a 2% (of salary) match on employee contributions for full-time employees and a 5% match on 457 contributions for part-time employees working 20 or more hours per week. Staff believes it is in the best interest of the agency to enhance the SMHO retirement plans to be consistent with the City of Littleton plans. The projected increase has been included in the 2015 agency budget.

It was moved by COMMISSIONER BORTZ and seconded by COMMISSIONER HEUMANN THAT RESOLUTION 14-27, ADOPTING THE AMENDED 401 MONEY PURCHASE PLAN, BE APPROVED.

Ayes: Chairman Hancock, Commissioners Bortz, Henderson, Heumann and Varela

Nays: None

Absent: Vice Chairman Meagher, Commissioner Ostermiller

Motion Carried: 5:0:2

Commissioner Heumann moved that the Board recess into Executive Session to discuss a real estate matter at 7:35 p.m. The regular session was reconvened at 8:00 p.m.

It was moved by COMMISSIONER HEUMANN and seconded by COMMISSIONER BORTZ TO ADJOURN THE MEETING. The motion carried. There being no further business, CHAIRMAN HANCOCK adjourned the meeting at 8:05 p.m.

ATTEST:

Andrew Hancock
Chairman

Christopher Shaffner
Secretary