

**ERIE COUNTY HOUSING AUTHORITY
REGULAR MEETING
TUESDAY, JULY 15, 2014
11:30 A.M.
ERIE COUNTY CONSERVATION DISTRICT
1927 WAGER ROAD
ERIE, PA 16509**

Chairman McGoey called the Regular Meeting of the Housing Authority of the County of Erie to order at 11:30 a.m., with the following present:

BOARD

James McGoey, Chairperson
Diane Madara, Vice-Chairperson
Dave Robinson, Member

EXCUSED

Sister Christine Vladimiroff - Member

STAFF

Mike McNierney, Executive Director
Beverly Weaver, HR Director
Jarid Pettit, Controller
Rachel Petty, Administrative Assistant

OTHERS

Art Martinucci, Attorney
Doris Gernovich, CHA Chairperson

MINUTES

After discussion and On MOTION by Ms. Madara, seconded by Mr. Robinson, the minutes of the Special Meeting of May 28, 2014 were approved as submitted. AYES: ALL.

After discussion and ON MOTION by Mr. Robinson, seconded by Ms. Madara, the minutes of the Special Meeting of June 25, 2014 were approved as submitted. AYES: ALL.

NEW MEMBER APPOINTMENT STATUS

Mr. McNierney stated he went before the County Council Finance Committee Meeting to explain a correction of Erie County Housing Authority (ECHA) board terms and to propose Ralph DeRose as a candidate to fill the vacancy created when Bishop Rowe resigned. He advised that Mr. DeRose has a good business and banking background as well as experience with tenant issues. He noted no questions were asked by the council relative to the appointment of Mr. DeRose and that his formal appointment was on the agenda for tonight's meeting.

FINANCIALS

APPROVAL OF BILLS

Mr. Pettit reviewed the notable expenses, including the acquisition of new photocopiers for Weatherization and Section 8 departments.

Mr. Robinson asked about the numerous payables referencing the LIHEAP CRISIS Program and Ms. Weaver provided information as to the program which is administered through the Department of Welfare and how it assists Erie County residents who are without heat.

After discussion and ON MOTION by Ms. Madara, seconded by Mr. Robinson, the Erie County Housing Authority approved the bills paid from May 1, 2014 to June 30, 2014. AYES: ALL.

FINAL 2013 AUDIT

Mr. McNierney stated the 2013 Audit is complete and bound copies were distributed to board members previously. He reviewed the letter from the Auditors to the Board of Directors and stated there were no issues or findings.

Mr. Pettit reviewed the Management Discussion and Analysis, Operating Revenue and Expenses, Section 8 Housing Vouchers, Subsidized Housing, Depreciation and stated the number of housing units remained the same. He advised the board that the Fixed Assets also remained the same except for a few building improvements done through Capital Improvement Fund Programs. He noted the Financial Position shows assets increased mainly due to the inclusion of the Revolving Fund into the ECHA Audit this year. He advised that assets are greater than liabilities and overall finances are strong at this time.

Mr. McNierney reviewed the Audit Summary, stating there were no material weaknesses or non-compliance issues realized, no deficiencies identified, and ECHA is deemed a low risk housing authority. He stated the Audit will be on the September meeting agenda for the boards' acceptance.

STANDARD REPORTS

Ms. Weaver reviewed the Standard Reports relative to Public Housing waiting lists, delinquencies, evictions, vacancies and stated the Erie County Section 8 Housing Choice Voucher Program is leased-up at 725 vouchers. She answered questions relative to the various properties and provided clarification as to the family units.

She advised the Section 8 Voucher Waiting List may re-open once the Annual Applicant Waiting List is purged in late August.

UPDATES

CHANGE IN BOARD MEMBER TERMS

Mr. McGoey stated in previous years board member terms were designed to be staggered to avoid multiple terms from expiring in the same year. He noted that due to new members filling predecessor's unexpired terms, the expiration dates are no longer staggered. He advised that changes in the terms was reviewed with Kathy Dahlkemper, County Executive, and will also require approval by County Council. He read the proposed changes to the board member expiration dates and referred the matter to Mr. McNierney.

Mr. McNierney advised several board members terms are due to expire in the year 2016 and that the current ECHA By-Laws state the board members' terms are due to expire from the date of appointment. He stated this matter has been ongoing for some time and that he started working with the previous County Executive to correct the situation.

Attorney Martinucci stated the previous County Executive preferred new board members to be appointed every few years to the authorities. He said he would review current By-Laws and would determine any need for changes. He stated the board has no control over appointments and would need to make sure By-Laws are in place and are worded properly so the Executive Director can monitor and ensure appointments are made by County Council in an appropriate and timely fashion.

OTHER BUSINESS

WEATHERIZATION WAREHOUSE

Mr. McNierney advised the Board that the Weatherization Program is currently leasing a warehouse where the crew meets in the morning to load their trucks with materials necessary for jobs they perform throughout Erie County. He noted the crew is currently working 4 – 10 hour days per week which he said is working out well.

He stated the current warehouse is housed in the same parking lot as an auction company and that during auction day, the area is very busy. He advised that foreign materials have been placed into the gas tank of a Weatherization vehicle, as well as insulation materials and a laptop have shown up missing.

He said a sales agreement has been signed for the purchase of property on Wayne Street in Corry, as discussed at the last meeting and at Mr. McGoey's insistence an inspection was done that determined various issues that will be corrected by the seller. He stated the building has a new roof and some new windows and has approved conditional use variances as a machine shop within a residential area. He noted the zoning committee would have to continue the conditional use status and does not know yet whether or not a hearing to determine this will be required. He noted that if a hearing is required, there will be a fee and the purchase process will be delayed.

He advised the lease for the current warehouse is due to expire the end of September and the new warehouse will require some work including painting before Weatherization moves in.

INTERIM FINANCIAL RESULTS

Mr. Pettit distributed interim financial results comparing budget projections to the first five months of actual income and expenditures of this year.

Mr. McNierney reviewed the comparisons and stated the budget is currently ahead of budget by approximately \$9,000.

AUDITS

Mr. McNierney advised that the engineer from the HUD Pittsburgh Field Office also reviewed various 504 Handicapped Improvements done at Marvin J. Schick Apartments in North East, as well as 504 improvements in Corry. He stated the physical inspection went well and expects a good report. He noted he was pleased with the documentation provided to the engineer and that the physical inspection went well.

He said monitoring sessions for Weatherization and an audit of Community Development Block Grant (CDBG) Programs covering the years 2007-2011 were also conducted.

HEATING AND COOLING UNITS

Mr. McNierney answered questions regarding the age of the heating and cooling units of various public housing buildings. He stated new units have been installed on the second floor of the Gerald S. Salsbury Building in Erie and the next priority will be to consider the replacement of a boiler system at College View Manor in North East, with electric based heating and cooling units. He stated contractors are currently meeting with the Facilities Manager and he should have additional bid information by the next meeting.

REAL ESTATE ASSESSMENT CENTER'S (REAC) AUDIT

Mr. McNierney advised Corry Public Housing did very well during their REAC Inspection. He stated REAC Inspections are scheduled for the South Hills Apartments in Corry on Friday and the Barnett Building in Albion in September.

ENERGY AUDIT

Mr. McNierney reminded the board that a company named EMG was selected to perform Energy Audits for both CHA and ECHA. He stated both audits have been completed but he has not yet seen the reports.

EXECUTIVE SESSION

Chairman McGoeys called for an Executive Session at 12:21 p.m. to discuss legal matters. All staff members were excused except Mr. McNierney and Ms. Gernovich.

RE-CONVENE AS ECHA

The Board re-convened as ECHA at 12:56 p.m. with all members present.

MOTION TO MAINTAIN SECTION 8 VOUCHER SERVICE

After discussion and ON MOTION by Mr. Robinson, seconded by Ms. Madara, the Erie County Housing Authority approved to maintain the same level of Section 8 Voucher Service, 15% plus or minus 3%, for the City of Corry upon the dissolution of the Corry Housing Authority as long as in doing so, it remains legal under both Federal law and regulation. AYES: ALL.

ADJOURNMENT

There being no other business and ON MOTION by Ms. Madara, seconded by Mr. Robinson, the Erie County Housing Authority adjourned the regular meeting at 1:05 p.m. AYES: ALL.