

VERMONT STATE HOUSING AUTHORITY
REGULAR MEETING MINUTES
JANUARY 26, 2022

1. Roll Call

The Regular Meeting of the Board of Commissioners of the Vermont State Housing Authority, held via ZOOM, was called to order at 11:02 a.m. by Chair Alex Farrell; and upon roll call, the following Commissioners answered present: Cory Richardson, Vice Chair; Caryn Feinberg, Mary Miller, Jo Ann Troiano, Chris Trombly and Aaron Jones.

Staff personnel present: Kathleen Berk, Executive Director/Secretary; Kelly Pembroke, Director of Finance and Information Systems; Susan Kuegel, Director of Property and Asset Management; Daniel Blankenship; Iris Gilbert; Samantha Green; Morgan Ledo; Tyson Leno; Ellen Liptak; and Bethany Lunn.

Tyler Maas, Program Director and Kelli Robinson, Director of Housing Programs Administration, were both absent.

2. Meeting Agenda

Executive Session is moved to the last agenda item of the meeting.

3. Public Participation

Jonathan Bond, Executive Director, The Housing Foundation.

Robin Barnett, from Kittell Branagan and Sargent – Presentation of the draft Fiscal Year End 9/30/2021 Audit.

Keith Roberts, Bond Counsel for VSHA – Update on Breezy Acres/Hillcrest bonding transaction.

4. Minutes – Regular Meeting – November 17, 2021

Richardson moved to approve the November Minutes. Troiano seconded. All voted in favor. The minutes are approved.

5. Secretary's Report – January 2022

Berk presented the following updates to the Secretary's Report.

The Board was provided a comprehensive Secretary's Report in advance of the Regular Meeting, as requested, allowing time during the meeting for Commissioner's to ask questions.

Commissioner Richardson had additional questions regarding the Authority's Plan to modernize IT operations – and acknowledged that complying this today's standards requires a great deal of staff time. Commissioner Farrell asked if the Authority would continue to make necessary updates in the years ahead. Director Pembroke stated we had no choice but to.

HUD has issued an extension to VSHA's performance-based contract administration contract from February 1, 2022, to January 31, 2023.

Troiano made a motion to approve the Secretary's Report. Miller seconded. All voted in favor. The Secretary's Report is approved.

6. Finance & Information Systems

Pembroke gave a brief overview of the Financial Report.

Management fees are over budget, specifically related to accounting fees, as Kuegel was able to increase the majority of the budgets this year. Salaries are under budget by \$58,000 as a result of two open management positions. Administrative is over budget – due to annual renewal of software programs . Benefits are also over budget. There were additional fees with the 2021 Workmen's Compensation Audit. General expenses are over budget. NFP has been hired to handle onboarding and employee benefits. Insurance premiums were also paid in October 2021.

\$20 million has been paid out through the VERAP program, in the last 3 months.

There is a current gain of \$88,000.

Berk indicated that there will be a second phase of the VERAP program – ERA2. This second phase will be extended through September 2025.

Jones moved to approve the Financial Report. Feinberg seconded. All voted in favor. The financials are approved.

Barnett joined the meeting at 11:26 a.m.

Barnett briefly went over the Independent Auditor's Report.

Summary of Audit Results –

- Unmodified opinion – No missed statements on the financial statements as presented
- No significant deficiencies and no non-compliance
- Two major programs tested – VERAP & RHSP

Richardson moved to approve the Audit, including the one adjustment to Note 11, as Barnett described. Troiano seconded. The Audit is approved.

Barnett left the meeting at 11:42 a.m.

7. Housing Program Administration

Berk gave updates to the Housing Choice Voucher Program.

The total available funding for the year is over \$31 million.

The total funding provided as part of the budget for 2021 is over \$29 million.

Program Success Variable –

- Success rate – 38% - an all-time low
- Annual turnover rate – 8.9%
- Percentage leased in 30 days – 18%
- Percentage leased in 30-60 days – 40%
- Projected 12/31 total HAP reserves – over \$3 million
- 95.3% lease up rate

No motion needed.

8. Property and Asset Management

Updates from Kuegel included in Secretary's Report.

9. Strategic Planning

Berk went over the 2021-22 Benchmarks

- Grown capabilities, upgraded technology, and working at a higher capacity
- Staff report feeling productive and appreciated at the end of the workday
- Achieved higher visibility in the community and getting substantive credit for all we do
- Our programs are demonstrating greater effectiveness and efficiency

Commitments by 2022

- Our financial position is stable and operational systems are improved
- Reputation for being a great place to work expanding
- Statewide housing policy discussions defer to us for leadership
- Housing programs are creatively adapting to changing needs

The Board asked that additional information, such as tying accomplishments to benchmarks and action items, be prepared for the next board meeting.

10. Other Business - Update on Breezy Acres/Hillcrest bonding transaction

Roberts joined the meeting at 11:44 a.m.

VSHA will issue bonds for the Breezy Acres Mobile Home Park and the Hillcrest Mobile Home Park, both in Colchester. Northfield Savings Bank will buy the bonds which will be lent to an entity called CDI Development Inc. Breezy Acres is about \$11 million. VSHA will issue 10.1 million. Hillcrest is \$2.5 million and issuing just over \$2 million.

There's a tentative closing date for February 9, 2022.

Roberts left the meeting at 12:16 p.m.

11. Executive Session - Discussion of Contractual Relationship

Farrell read the following Resolution to go into Executive Session.

"I move that the Board adopt the following resolution:
"WHEREAS, the Board needs to discuss a certain contractual relationship; and
WHEREAS, premature general public knowledge would clearly put the Authority at a substantial disadvantage;
NOW THEREFORE, the Board shall discuss the contractual relationship at issue in executive session."

Feinberg made a motion to go into Executive Session. Seconded by Trombly. All voted in favor. The Board went into Executive Session at 12:19 p.m.

The Board came out of Executive Session at 12:49 p.m. No action taken.

Farrell called for a motion to adjourn the meeting. Troiano moved to adjourn the meeting. Seconded by Trombly. The meeting was adjourned at 12:50 p.m.

Respectfully Submitted,



Kathleen Berk
 Executive Director/Secretary

