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BHA FINANCE/CMS/PERSONNEL COMMITTEE MINUTES

FINANCE/CMS/PERSONNEL COMMITTEE MEETING OF THE BOARD OF COMMISSIONERS OF THE BREMERTON HOUSING AUTHORITY (BHA) HELD AT 4:00 PM AT 600 PARK AVENUE AND/OR REMOTELY, ON AUGUST 22, 2024.

1. CALL TO ORDER: Meeting was called to order at 4:00 P.M.

2. ROLL CALL:

Present:

(Subchair) Ryan Burton

Commissioner Diane West

Excused:

Chair Jeff Flood

Commissioner Susie Beil

BHA Staff Present:

Windy Epps	Finance Director
Paula Kennedy	Human Resources Manager
Carlita Alegria	CMS Director
Tim Schanne	Business Solutions Director
Tory Quinn	Director of Development & Acquisitions
Jonathan Bloomquist	Controller
Lorna Camacho	Office Manager/Executive Assistant/Minute Taker

3. SUBCHAIR COMMENTS: None.

4. FINANCE REPORTING: Comments by Ms. Epps.

4.1 Third Quarter Financial Report for FY 2024

Presented is the Third Quarter Financial Reporting for FY 2024. Ms. Epps reviewed and discussed the Third Quarter Financial Power Point Reporting in detail.

Unrestricted Cash, amounting to \$24.8 million as of June 30, 2024, experienced a decrease of \$1.14 million since the beginning of the year, largely due to BHA's portion of the Evergreen Bright Start acquisition, repositioning costs, and other miscellaneous expenses in the third quarter.

Restricted Cash, totaling \$4.9 million, saw a year-over-year increase of \$630 thousand by the end of June, primarily driven by the receipt of Community Investments in Affordable Housing (CIAH) funds from Kitsap County for the acquisition of the Evergreen Bright Start property.

Operating Cash & Receipt, totaling \$3.75 million in operating cash and totaling \$3.6 million in reserves. Tara Heights shows a negative operating cash. We budgeted for a transfer from the Firs, which we had not yet processed at the end of June.

Capital Investments reflect projects with no budget. There are often projects that are unbudgeted, but there are also many projects that do not take place. This information shows a more holistic view of capital investment.

Debt we added the Kitsap Bank line of credit. \$7.1 million for Kitsap Bank to acquire Evergreen Bright Start. Most of our debt is forgivable or soft debt.

Income Statement Summary, variance is \$343 thousand better than expected.

Revenue Summary, total year to date actual is \$206.8 million. Amount exceeds budget by 4.6%. This is due to Housing Choice Vouchers and CMS.

Expense summary, total year to date actual is \$206 million. This is due to CMS higher variance.

Housing Programs and Properties, net loss is \$456 thousand. Total revenue outperformed by \$1.8 million with offset by \$27.4 million. Grant revenue of \$968 thousand is over due to the additional HAP. Total expense is overbudget due to HAP expense.

Net Receipts after Expenditures was favorable to budget by \$838 thousand. This is due to the favorable administrative fee for CMS, partially offset by negative variances in HCV and the properties.

Bay Vista Commons, net cash close to budget projection.

Housing Choice Voucher is showing year to date loss of \$510 thousand without FSS. The variance of \$147 thousand is due to greater administrative losses than anticipated.

Occupancy Public Housing we are monitoring closely.

Occupancy Non-Public Housing is lower than public housing.

Accounts Receivable Public Housing affects our PHAS score. We are working hard to have tenants enter into payment agreements. Signed payment agreements will allow us to move balance into accounts receivable. This is an ongoing problem that all housing authorities are facing.

As of June 30, 2024, we had a staff total headcount of 107 with 106.5 budgeted for the year with 4 open positions. CMS staff total 38 with 40 budgeted. Housing staff total 37.5 with 36.5 budgeted. Finance staff total 9 with 11 budgeted. The Development department was included in the finance budget and not the Executive.

Overall, net income totaling \$184.6 thousand, surpassed the budget by \$343.9 thousand.

5. CMS REPORTING: Comments by Ms. Alegria.

5.1 CMS Updates

HUD's PBCA Stakeholder Listening Sessions:

HUD organized a series of Stakeholder Listening Sessions as part of the Performance-Based Contract Administrator (PBCA) rebid process. The first round of sessions was held in person in May in Washington, D.C. The second round of sessions will be held next week in Washington, D.C. Ms. Alegria did request and will be attending the second round of sessions to be held on August 27, 2024. Ms. Alegria will fly to Washington, D.C. next week. These sessions aimed to gather feedback from various stakeholders, including Public Housing Authorities (PHAs), to better inform the rebid process. Ms. Alegria will update the Committee/Board as information is made available.

RAD Properties Assigned to CMS:

HUD has recently assigned to the CMS portfolio three Rental Assistance Demonstration (RAD) properties located in Washington State and Nebraska. This assignment marks the initial round of RAD property transfers from HUD to PBCA portfolios nationwide. This is an opportunity to increase our property count through this new type of multifamily program. The RAD properties go into effect September 1, 2024.

6. PERSONNEL REPORTING: Comments by Ms. Kennedy.**6.1 FY 2025 Pay Increases**

We may be recommending a pay increase for FY 2025 in line with our current CBAs. OPEIU, and Teamsters increase will consist of a step increase of 2% and a COLA of 3.6% for a total of 5.6%. For qualified non-union employees the increase will consist of a 3.6% COLA increase and a 2% merit increase for a total of 5.6%. This will be presented for approval at the September Board meeting as part of the overall agency budget. Increases will go into effect October 1, 2024.

6.2 FY 2024 Performance Evaluations

We are in the process of doing performance reviews. We held a staff presentation in July on what Performance Evaluation expectations were. We held a supervisor training in August. All staff will be evaluated on the same nine competencies. We collected feedback from one-on-one listening sessions along with our new system and revamp how we conduct Performance Evaluation going forward.

6.3 Performance Evaluation for the Executive Director

The Performance Evaluation Committee Chair, (Chair Flood) will finalize the Executive Director's performance review. The Executive Director has completed her self-evaluation and has submitted it to the Committee Chair. The Committee Chair will compile Board member's feedback. The Committee Chair will discuss the Executive Director's performance review during an Executive Session at the September Board meeting. The Committee Chair will present a final copy of the Executive Director's performance review to Ms. Stanton during their meeting (to be determined). At the October Board meeting, the Committee Chair will announce that the Executive Director's performance review has been concluded and that the performance review has been completed.

7. FUTURE FINANCE/CMS/PERSONNEL COMMITTEE MEETING:

September 19, 2024, at 4:00 PM

8. ADJOURNMENT: There being no further business meeting adjourned at 4:44 P.M.

Jill Stanton

Executive Secretary
SEAL

Jeff Flood

Chairperson of the Board

