

**DMPM**  
**Board Meeting**  
**Minutes for November 5, 2024**

**PLACE:** Administrative Building-Victory Room

**TIME:** 12:00 PM

**ATTENDEES:** Jeff Cooley, Jerry Griese, Jennifer Leveque, and Janeal Kohler. Rick Poland was absent.

**READING AND APPROVAL OF MEETING MINUTES:** Commissioner Cooley motioned to approve the minutes from the August 6, 2024, board meeting. Commissioner Kohler seconded. All in favor. No discussion. Motion passed.

**STAFF REPORT:** Operating statements are through September 2024. There were improvements in the 20 fund and from Orchard Knoll compared to last quarter. Forest Village and Glenhaven are in the red. Gateway Village may be slightly in the red. Some capital improvements for Forest Village could be reimbursed out of reserves to help with account balances. However, cash flow for the property has been good and the reimbursement may not be needed before the end of the fiscal year. At Gateway Village, the vacancy loss is intentional. A unit has been left vacant because of needed repairs that couldn't be completed when the Rural Development loan fell through. Cash flow for Gateway has improved which may allow for the unit to be turned and rented.

Glenhaven's deficit is higher than expected at this point in the year. It has payables due to the management fund from last year when there was high vacancy. Payables are improving but there are still expenses to be caught up. There has been higher than usual tenant turnover at Glenhaven, keeping the part-time maintenance technician on site full time to get them completed. Additionally, the property manager was on maternity leave which has generated unexpected expenses to keep up with staff coverage and administrative tasks. If the property maintains its current high occupancy rate, the deficits can be caught up quickly.

All other programs are running well financially.

Update on HOTMA: the changes discussed at the last meeting will primarily impact Section 8 and public housing. However, some will carry over to multifamily properties. A 45-day comment period was opened on discretionary changes related to HOTMA and the HADCO board voted to implement those changes. The resident advisory board also reviewed the HOTMA changes. Since then, HUD has further delayed the HOTMA implementation, with a few small exceptions, because of issues with software. These changes were originally scheduled to go into effect on January 1, 2025. Therefore, the DMPM board review and approval of HOTMA changes has been delayed until HUD publishes additional guidance and updated timelines.

There is a variance in the Glenhaven security deposit amounts. The two totals should be the same. There is likely a delay in reporting between when a tenant moved out, when their refund was finalized and paid, and when the funds were moved from the security deposit account to the operations account to cover the refund payment. DMPM has up to 30 days to refund a security deposit after a tenant moves out. This variance can also happen if security deposit funds are deposited into operations; there can be a delay in getting them transferred to the security deposit account.

**PUBLIC COMMENTS:** None.

**REPORT OF THE COMMISSIONERS:** None.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**

Emerald CPA presented their fiscal year audit findings at the HADCO board meeting last month. The audit went well; it was completed faster than expected. The adjustments needed were minor and most were proactively suggested by finance staff. Cash flow was up significantly due to some large one-time deposits from insurance claims – water damage at Orchard Knoll and fire damage at Blueridge. These made revenues look higher than normal. Some of the insurance proceeds were for rent losses; the rest went to capital improvements for repairs.

Section 8 deposits for housing assistance payments were inflated for the fiscal year because they came in on the last days of the previous fiscal year instead of the start of the current year. Also, CFP grant funds were much higher this year because the program was getting caught up on projects that were delayed the past few years. The CFP grant funds had been allocated to projects but hadn't been spent until this year. There was over \$800,000 in capital improvements this past year.

HADCO received an emergency safety and security grant for new smoke detectors and wiring in all its public housing units. The wiring had to be replaced because there was a concern that the "lamp cord" connecting the smoke detector to the power junction could be a fire risk. An electrician was consulted; he highly recommended getting the wiring replaced to meet the current fire code. This lamp cord wiring was present in all units. It's unknown when this wiring was originally put in. This project was completed in the last fiscal year.

**MEETING ADJOURNED AT:** 12:15 PM