

**Board of Commissioners Meeting
150 Highland Avenue
Bridgeport, CT**

Special Meeting of November 8, 2017

The Board of Commissioners of the Housing Authority of the City of Bridgeport met in a Regular Meeting at 150 Highland Avenue, Bridgeport, CT, on the 8th day of November 2017, the place, date and hour duly established for the holding of such meetings Chairperson Andrews called the meeting to order at 4:00 p.m.

The Recording Secretary stated that this meeting is being conducted in conformity with the Open Public Meeting Act.

HUD Staff Present:

Jennifer Gottlieb-Elazhari, Public Housing Director
Greg Ceballos
Damaris Reyes Goodman (via phone)
James F. Staunton, (via phone)

PCC Staff:

James A. Slaughter, Interim Executive Director
Deborah Woodson, Executive Operations Administrator
Sean Bagot, Director of Legal Services
Alan Cashmore, Chief Financial Officer
Dave Ghio, Interim Director of Planning and Development
Tiffany Maldonado, Director of Asset Manager
Coreen Toussaint, Director of HCV Program
Caroline Sanchez, Director of Procurement
Ralph Villages, Chief of Security

Asset Management Staff:

Greg Johnson, Housing Manager

The Meeting of the Bridgeport Housing Authority also known as Park City Communities will come to order. Ready for the Roll Call

[James Slaughter] Roll Call:

Commissioner Nightingale	Present
Commissioner Andrews	Present
Commissioner Garcia	Present
Commissioner Nelson	Present

[James Slaughter] Chairperson we have a Quorum.

[Cowlis Andrews] We are going to give the floor to Jennifer Gottlieb Elazhari for the purposes of discussing the Recovery Agreement.

[Jennifer Gottlieb Elazhari] Good Evening everyone. The purpose of this meeting is to give the BHA status and progress with respect to the Agency recovery. While there are extensive measures on the

Recovery Agreement between HUD and BHA, they are key to whether BHA will be able to continue its improvement process through Field Office technical or whether HUD will have to consider repositioning depend on a few measures in the Agreement that must be achieved this year and cannot be postponed to a future year. The changes that must be made this year are the Health Insurance and employee benefits are most important. It is no longer an option to delay those changes.

HUD has placed great importance on whether the Executive Director and Board of Commissioners are ready, willing and able to make the necessary measure to recover the Agency. The BHA has been troubled and struggled with poor performance in both the Board and Executive Director positions.

Since the BHA has a new Board and Executive Director, we are encouraged that we now have governance partners that are committed to making the necessary changes to achieve success. In particular, the board Chair shows outstanding leadership and commitment. While Bridgeport is a very challenging environment, the Executive Director must not waiver in his approach to key areas and maintain a high level of personal involvement in areas in need of improvement such as Public Housing Occupancy to strengthen the management process.

We would like to acknowledge certain achievements BHA has made during the recovery process:

In the past year, BHA has changed its approach to rent collection and is enforcing leases. This has dramatically improved rent collection. We recognize that this involves a great deal of hard work and we commend you for improving;

In the past year, BHA has filed audited financial statements on time which have been accepted by HUD for the first time in three years;

BHA has reduced its accounts payable from \$3 million to \$664,592 and plans to pay off the balance within one year;

BHA has reduced its operating loss. BHA has hired new General Counsel after a HUD OIG audit found high level costs posed a threat to the Agency. While the Bridgeport environment is challenging with a high crime rate, BHA has greatly improved the maintenance level at Greene Homes;

BHA obligated and expended a large backing of Capital Funds for the years 2015 – 2016, resulting in no recaptures by HUD. BHA has hired a very good HCV Director who has produced a final reconciliation on BHA's Project Based Voucher inventory.

Your achievements have been real and hard fought, yet BHA cannot recover until the key indicators are addressed to a great extent. The BHA has been in PHAS troubled status for three (3) years, with the lowest score being the most recent one of 2015. While the financial score remained at zero from 2013 – 2015, in 2015 the Physical (PASS) and Management (MASS) score deteriorated from the prior year. MASS rates the agency's occupancy and rent collection.

Currently, the BHA is in a position where failure to achieve certain goals in the next year may have disruptive consequences to BHA and its employees. We ask the BHA to focus their attention to certain measures which are "root causes" the achievement or failure of which will determine if BHA will recover. While other measures are important, we single out primary root cause measures as the following: Recovery Agreement measures that relate to reducing employee benefits and health insurance cost and terminating self-insurance. Management must achieve this. The most significant financial changes that must take place are in the areas of employee healthcare, worker's comp. employee benefits and overtime. BHA must achieve these measures in order to recover.

Recovery Agreement measures relate to the need to reduce workman's comp costs and limit or bar staff overtime. Related measures are those measures that require management to track staff efficiency, so that overtime is not needed to perform essential tasks.

These are the remaining secondary root causes that are needed to achieve recovery.

Recovery Agreement measures related to the need for improved LIPH management that results in greater productivity, higher occupancy rates, faster unit turnover and better maintenance. Greater occupancy affects both the management (MASS) and financial (FASS) sub-indicators. Better maintenance affects the Physical (PASS) sub-indicator.

Recovery Agreement measures related to reducing TAR's (Tenant Account Receivables). These funds are needed for BHA operation. The last audited financial statements reflected over \$449,908 of uncollected rent.

Recovery Agreement measures related to rating employee competence, productivity and performance and requiring a greater degree of management from Managers. Uneven performance among employees with little accountability leave operational goals undone and productive employees overburdened. With respect to productivity, management does not do enough to express expectations and monitor achievement.

Recovery Agreement measures related to Safety and Security Plan that gives residents an expectation of safety in their home. This should also improve occupancy and rent collection. Safe housing is more marketable.

While we understand that the recovery process is not an easy task for BHA, we recognize that key BHA staff have been working hard and that significant improvement has occurred. We must make it clear that there is no more time to postpone actual achievement of and no more discussion about the two primary root causes and the four secondary root causes after that.

FINANCE

The Board of Commissioners, the Executive Director, and the CFO will bear the main responsibilities of maintaining and monitoring the proposed internal controls for the agency. The 10-page document covers the following topics: task and responsibilities, Payments, On-Line Banking, Wire Transfers, Cash Management, Payroll, Fixed Assets, Materials Inventory, Budgeting, General Ledger, Journal Entries, and Investment.

The Finance Department maintains effective cost controls and accountability over grant funds received: a recently published HUD QAD report shows that the voucher program DOES NOT have effective accountability over grant funds as staff are paying ineligible HAP and it appears that a significant amount of ineligible HAP may be being paid.

The Finance Department maintains an inventory of assets, equipment and supplies. BHA has provide copies of Inventory Control and Fixed Asset Policies and Procedures for using PRQ for processing goods, services, and materials in Visual Homes. All relevant staff has received training. HUD acknowledges progress and would like to field test before closing.

HUD performed a site review in April 2016 to inspect BHA's inventory list. The Inventory and Fixed Asset lists were in fair condition but we are not clear how they are maintained and kept up to date.

The BHA relationships with some of its instrumentalities with nexus to the PBV program is still a “work in progress” (CHIP DIP etc.) BHA cannot give a full accounting for its PBVs and compliance at some 3rd party units (Maplewood) is tenuous at best, with BHA unclear what their roles and responsibilities are with respect to third parties and management failing to clarify.

GOVERNANCE

We have a four-member Board. HUD is pleased with the Board, and requests a fifth member. For over a year, HUD has also asked for the Tenant Commissioner’s term to be corrected with the City Clerk and we have received no feedback that this was done. The Tenant Commissioner is very good. Her term should be corrected so we are not at risk of loss.

HUD is pleased with new Board and while all members will benefit from more training, the Board Chair has extensive management experience, The Board Chair and Resident Commissioner stated that he took Lead the Way. Commissioner Garcia works at a PHA in New Haven so is pretty well versed. Commissioner Nelson would need training.

BHA is meeting the requirements for closure. However, we are keeping the measure open to monitor that BHA continues to perform after the Nan McKay Financial Consultant leaves.

We accept the determination no revisions are needed after BHA reviewed the Bylaws for the Board of Commissioners revised on April 14, 2014. A copy was submitted to HUD with a note that BHA considers them good by laws in no need of revision.

HOUSING CHOICE VOUCHER

Notable accomplishments of the Voucher Program include increasing utilization by 100 families in the past year and a “zero” leasing potential, the hiring of a good Voucher Manager, the beginnings of a PBV reconciliation. Issue of concern are noted below and include poor staff performance that results in extensive payments of ineligible HAP, poor staff attitude that bodes ill for performance improvement and a need to complete the PBV reconciliation. Additionally, how BHA handles homeless and other preferences in the voucher program needs to be overhauled and clarified to meet BHA’s policy goals.

The HCV QAD report issued in May 2017 illustrates that due to poor staff practices in the Voucher program, ineligible HAP payments are made that should be repaid from non-federal funds. Fortunately for BHA, QAD took a small sample size that limited the pay back but the percentage of errors in the sample indicate that when a larger sample is taken, a great deal of ineligible HAP can be expected. It appears an OIG audit of the voucher program would result in significant payments due back to the program. We are glad the ED has agreed to address this issue by hiring an independent third party to do a program audit. Staff errors, intentional or unintentional, are leading to significant loss of opportunity and ineligible expense in the voucher program. As in Finance, HUD thinks staff performance evaluations are important in the Voucher program.

In order to address performance issues, it is important to establish an annual performance evaluation system which we propose to add the Recovery Agreement.

Public Housing

We are going to dive into some of the measures relating to Public Housing. I am going to skip over Asset Management because we talked about that under Finance.

While the Asset Management Director does have maintenance staff reports, the function that reporting is supposed to serve, that is to manage time, tasks and efficiency is not being served by the form collection as little to no direction seems to be given to staff on what is expected and forms are not checked or used as management tool. It does not appear staff in high vacancy developments are assigned unit turnaround work from the reports.

There are some management improvements that need to occur. The completed forms show that the staff's efficiency is not managed, haphazard. Incomplete forms are filled out and accepted, vacant unit turnover work fails to be assigned to front line staff and completion of turnover work is not demanded. There are some management improvements that need to occur. It is important how people collect information and manage information and manage their relationships with other people; also holding people accountable and all of that is essential to management. And also breaking bad habits, communicating on what the expectations are. How much time does the AMD take to explain to front line staff what they wanted done.

Quality Control needs to be done, people can give you all the reports in the world, but once you go out and check what they told you, you find that it wasn't true or somehow when you start asking more detailed questions, then they get it into their minds that they are really serious about this. I had better make sure that my answer is right next time. So, all of this is essential to management and how people communicate with each other in terms of this report. We were actually here yesterday and Damaris of my staff had been down a couple of times. She has offered to come down on a regular basis to work with the Public Housing Director and Public Housing Staff to go over standard operating procedures.

The Asset Manager's regular reports reflect reporting is done but that vacancy and TARS do not appear to improve over time. The reporting, while a good start, is not used effectively as a tool to manage improvement by the AMD as it should be. The form is a good method to collect information but it is unclear what management does to use the information collected to assign and manage achievement of goals.

The weekly vacancy report is duplicative and unhelpful and we suggest that the AMD uses instead the fully filled out vacancy spreadsheet that she produces for HUD and add columns for AMD Assignment to assign and manage completion of work, rather than have another incomplete, fractured form that is disjointed from that sheet.

Asset Management Director has formats for her direct reports to report to her and formats for maintenance to report to site managers. However, what the AMD submits to HUD is incomplete and it appears that many staff under her do not comply with complete reporting. The ED has not developed a format to the Asset Manager to report to him but certain key indicators are tracked such as TARs, and Vacancies. They just don't seem to improve much.

A new ACOP was adopted but HUD has to monitor implementation. The change to the Scattered Site ACOP has not had the intended effect of increasing occupancy in scattered sites despite a great community need for the scattered sites units. It is inappropriate that Resident Selection report to ED. Resident Selection should report to AMD as occupancy and communication within the occupancy process is already a big challenge. We should not place more barriers to communication. Adequate referrals should be made to Scattered sites and other developments with low occupancy. AMD should train all staff on ACOP.

REAC

I did learn that the MOD Department was not involved in the REAC. The partnership between Tiffany and Dave is very important. In planning for REAC you guys might want to tell me what you did. I will say that in the interest of full disclosure, I wasn't talking to people over the summer about REAC. It was on the Recovery Agreement HUD was not micro managing it. I went to Arizona for a conference, I was asked to do many trainings. I was at CONN NAHRO. I did learn that the MOD department was not really involved in REAC prep.

And I think it would have been better if James, Tiffany and everyone got involved with REAC prep. But I am thinking that it's best to have a coordinated partnership, so that you can identify what went wrong with REAC last year. What are the things that we really need to take care of. Make sure they have a budget. Maybe next year we think that you should take a different approach. So., you have them their marching orders. Did you follow-up to make sure that those things had been done?

[Dave Ghio] We have already started to work on preparing for REAC next year.

[Tiffany Maldonado] Jennifer just so that you know, Caroline was very helpful in that process, preparing for REAC. Reports of previous REAC inspections were provided to staff so that they would know what to focus on, in preparation for the REAC coming up in the fall. Additionally, I met with the AMPS that had the lowest scores we had a whole Agenda, which I would be happy to share with you. They came up with a plan, which staff they would utilize to work on REAC and which staff would work on unit turnovers during that time. Because we didn't want to fully neglect the unit turns during that time period.

Also with Maplewood Courts there are only four units. The four reexaminations for the ACC occupied units have not yet been successfully transmitted to PIC per HUD. Successful transmission must by occur by MHA ASAP. These reexaminations are late by 4 years.

I don't know how the relationship is with Renee Dobos, those are your units, so she needs to work with you, answer to you and make sure that she is working in your direction.

[Cowlis Andrews] They have to pay us our money back.

[Richard Garcia] They have been a lot of changes with REAC. It's going to be a big challenge Green Homes is a large complex. They hit me for a whole side of the building because it wasn't the same mortar.

Well, I don't know what the problems were last year. I didn't look at it in detail what your problems were in the last REAC.

[Tiffany Maldonado] They vary from site to site. On some of the REAC scores, there is a lot of site work to be done, as Commissioner Garcia mentioned. That's really out of the staff's control. We have a lot of housekeeping issues. As I stated in my correspondence. I know smoke detectors were a big item, they can be taken down at any time. The guys can answer to a work order for a smoke detector and five minutes later residents are taking them down. Again, I am not making excuses, I just want to make everyone aware of what the staff is facing. Additionally, we have sent several of our Managers and Assistant Managers to REAC training back in August. So that they could get all of the updates and the changes that HUD put out.

I can't really comment right now, we have to just wait and see what the scores look like. If you continue to build on that, you can achieve that.

Meeting adjourned 7:30 p.m.