

★ **Roll Call Number**

Agenda Item Number

M.H.G.B. -2 ✓

Date June 25, 2012

**APPROVING PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) SCORE REPORT AND
DES MOINES MUNICIPAL HOUSING AGENCY RECOMMENDATIONS**

WHEREAS, the Des Moines Municipal Housing Agency (DMMHA) provides decent, safe, affordable housing to low-income qualified families; and

WHEREAS, the DMMHA has received a sub-standard Public Housing Assessment System (PHAS) Score Report; and

WHEREAS, the DMMHA must submit a proposed recovery plan within 30 days of the receipt of the notification; and

WHEREAS, the DMMHA has reviewed the PHAS Score Report indicating a sub-standard Financial Score due to cash on hand and available reserves; and

WHEREAS, the DMMHA has identified that this sub-standard score can be attributed to the following; 1) unfunded treatment of bed bugs (\$284,030); 2) HUD's recapturing of \$103,789 from the Agency's Public Housing Operating Fund; 3) Agency's use of reserves to carry operations while a decision is made on lay-offs or consolidating office operations to a single owner-occupied location; 4) internal policy to write-off monies owed; and

WHEREAS the DMMHA was also impacted by funding cuts of \$150,000 in Section 8 Administrative fees and \$750,000 in its workers compensation self-insured retention fund; and

WHEREAS, the DMMHA is implementing organizational changes to address its cash on hand and available reserves; and

WHEREAS, HUD allows for Public Housing Agencies to request a transfer of funds from their Disposition proceeds to cover funding shortfalls (PIH Notice 2012-7); and

WHEREAS, the DMMHA has identified \$537,819 that could be requested to be transferred to cover past operating debts and federal funding reductions and is recommending encumbering \$750,000 to cover catastrophic worker compensation claims; and

WHEREAS, the DMMHA is anticipating additional funding shortfalls in FFY13.

NOW, THEREFORE, BE IT RESOLVED by the Municipal Housing Governing Board to approve the Des Moines Municipal Housing Agency Director's transfer of funds from the Agency's Development Fund (Disposition Proceeds) and to encumber \$750,000 for catastrophic

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worker compensation claims subject to HUD approval and direct the Housing Services Director to submit a request to HUD to recapture FFY13 funding shortfalls.

APPROVED AS TO FORM:

(Board Communication No. 12-352)



Michael F. Kelley, Assistant City Attorney

Moved by _____ to approve.

M.H.G.B. ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City of Des Moines, Municipal Housing Agency Governing Board, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk