

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
PLUMAS COUNTY COMMUNITY DEVELOPMENT COMMISSION
& HOUSING AUTHORITY**

HELD IN QUINCY ON JULY 16, 2024

ROLL CALL

The meeting is called to order at 9:00 AM. Chairperson Greg Hagwood, Commissioner Dwight Ceresola, Commissioner Kevin Goss, Commissioner Jeff Engel and Commissioner Tom McGowan were present. Executive Director Roger Diefendorf, Finance Director Cindy Ramsey, Housing Director Susan Merriman, Finance Analyst Michelle Majeski and Board Secretary Tricia Romandia were also present.

ADDITIONS OR DELETIONS FROM THE AGENDA

Finance Director Cindy Ramsey requested to add to VIII.A & B CSD Desk Final Audit Report, CSD Transmittal Report, Grant Writer and Update on Repositioning.

APPROVAL OF CLAIMS

Claims for the period of June 14, 2024, through July 11, 2024, are presented for approval. Commissioner Engel for approval. Commissioner Goss second the motion. Approved.

PCCDC General \$299,242.23 (Checks #64217 - 64330, Checks #100569 - 100621)

USDA Operations \$24,773.24 (Checks #5564 - 5592)

PCCDC General \$323,496.00 (Direct Deposits #1031603 - 1031830)

APPROVAL OF MINUTES

The PCCDC Minutes from the meeting of June 18 2024, were presented to the Board for approval. Commissioner Goss motioned for approval. Commissioner Engel second the motion. Approved.

PUBLIC COMMENT

Chairperson Hagwood inquired if there were any public comments from anyone present or attending by Zoom. There were no public comments.

BOARD OF COMMISSIONERS ANNOUNCEMENTS OR REPORTS

Chairperson Hagwood inquired if there were any announcements or reports from the Board of Commissioners. There were no announcements or reports.

RESOLUTIONS - None

DEPARTMENTAL MATTERS

A. CSD Final Desk Audit Report

Finance Director Cindy Ramsey, reported PCCDC received the CSD Final Desk Audit Report on June 27, 2024. The report examines background, scope of the work completed and findings. The desk audit was enforced due to the late submission of the 2022 single audit and non-responsive communications. CSD imposed special conditions reporting on the Finance team. The special conditions reporting has been completed every month on time and is ongoing until CSD's executives determine otherwise. There were five (5) observations made:

- 1) Lack of Agency-wide Policies and Procedures
 - a. CSD requested three (3) specific policies and general agency-wide procedures and manuals. The policies, procedures and manuals were either outdated or nonexistent. The necessary steps are being taken to create and/or update each policy, procedure or manual.
- 2) Bank Reconciliations were not properly closed.
 - a. Previous management had a limited knowledge of the accounting software used by Finance. As of FYE2023 the bank reconciliations had been completed properly, saved and printed; however the status showed "open". Finance Analyst, Michelle Majeski spent time with the help desk and was able to update the procedures for the bank reconciliations so that the status now shows "closed".
- 3) Lack of Evidence for Vacation and Sick Leave
 - a. Previous management had inconsistent methods spreading vacation and sick leave, which made it difficult for the auditor to follow. The Finance team has created a new procedure, which has now made it easier
- 4) Improper Approvals in Paycom
 - a. Ms. Ramsey sought suggestions from the Board regarding who should approve of the Executive Director's timesheet. Chairperson Hagwood suggested the Auditor's Office or a Chair of the Board to approve the timesheet. It was decided Ms. Ramsey would contact the auditor and other agencies to find out who should review the Executive Director's timesheet. Executive Director Roger Diefendorf suggested Ms. Ramsey contact the Butte County Housing Authority as they should have an answer since they utilize the same auditors.

5) Inconsistent Claimed Expenditures

- a. After each month's expenditures have been fully processed, reports are compiled and sent to CSD via EAR's reporting software. This reporting has specific expenditure line items in which Finance has to enter all expenditures accordingly. The data that was reviewed consisted of reports that were from previous management. This data was inconsistent with the allowable expenditures for the line items or the auditor was unable to determine what specific amounts entered were based on. Finance has implemented new procedures that provide clear understandings of where expenditure amounts come from.

CSD has requested a response to this audit within 30 days from receipt of the report. Ms. Ramsey will ensure to utilize the suggestions of the Board in her response.

B. CSD Audit Transmittal Report

Finance Director, Cindy Ramsey, reported CSD reviews the annual audit report for accuracy. They specifically look at the Schedule of Expenditure of Federal Awards (SEFA) and compare it to their records and reports of what Finance submitted each month and what they reimbursed each month. For many years SEFA did not reconcile to their records which resulted in return of monies to CSD. The FYE2023 single audit fully reconciled with CSD's reports, which meant no findings and no monies being returned to CSD.

C. Quincy Office Roof Replacement

Finance Director, Cindy Ramsey, reminded the Board that they approved the replacement of the Quincy Office roof. The Agency received two quotes with similar amounts. The decision was made based on availability. Brennan Roofing Company began the work in the beginning of June and finished the work in early July. Finance continues to seek support from the County in understanding the process to use the Community Development Funds for reimbursement of the cost of the roof replacement.

D. Grant Writer

Finance Director, Cindy Ramsey, reported PCCDC had worked with a grant writer to procure additional funding for the Community Action Agency. This relationship stopped approximately five (5) years ago. Collaborating with a new grant writer has been a continual topic. Ms. Ramsey located a grant writer and has received approval from the Community Action Board to utilize funds from the 2024 Lassen-Plumas-Sierra Community Action Agency (LPSCAA) contract to fund the grant writer. The grant writer is based out of Reno, Nevada as an independent consultant. She primarily works with agencies that provide people services such as LPSCAA with a 90% approval rate. Commissioner Engel inquired if the grant writer had a 90% approval rate or success rate. Ms. Ramsey stated she had a 90% award rating.

E. Public Housing Repositioning Update

Finance Director, Cindy Ramsey, reported Executive Director, Roger Diefendorf, Housing Director, Susan Merriman, Financial Analyst, Michelle Majeski and Ms. Ramsey have been researching the strategies available regarding repositioning and plan to have a presentation for the Board's conceptual review in August.

F. Budget and Performance Review Update through May 2024

Finance Director, Cindy Ramsey, reported an overall performance review for 2024. The following changes have been made:

- Absorbed the Maintenance Supervisor position by two (2) lead positions.
- Absorbed the Manager positions for Pine Meadows and Wildwood Village by two (2) existing employees, and adding those duties to their existing duties.
- Switched many vendors for reoccurring expenditures (phones, propane, office supplies and property maintenance).
- Updated current contracts with vendors to include discounts or remove unnecessary options.
- Corrected, revised and improved nearly all procedures within the Finance Department.
- Established a Community Services Block Grant (CSBG) Program Manager to oversee all programs funded by CSBG.
- Established timelines and a calendar use to ensure timely submissions for all programs.
- Twice a year full agency staff meetings.
- Continued education.
- Solar panels are expected to be installed in 2024.
- Cross training.

The Agency has been in financial hardship for several years. Program equity and the General Fund has had to cover astronomical amounts for nearly all programs for many years. While small and medium sized changes have made a significant improvements on each program, more need to occur in order for the Agency's current programs to become sustainable. Repositioning can help, but it is a three (3) year process. Project Based Vouchers can also help, but it is not expected to begin until spring or summer of next year with no guarantees of that timeline. After careful consideration and the current fiscal year's data and the new fiscal year's budgets, Ms. Ramsey projected that program equity and General Fund monies will be greatly diminished. The Agency needs to make sure the new budgets are adhered to and that staff work towards being proactive instead of reactive to situations. Many situations cost more because they are not dealt with timely.

Ms. Ramsey's recommendations are to:

- 1) Create a Maintenance Preventative Plan with the Weatherization Lead to mitigate issues when they are small and before they become bigger and a more expensive problem.
- 2) No incidentals or other costs such as a Capital Needs Assessment for Public Housing when repositioning begins.
- 3) Absorbing the Executive Director's position by reallocating those tasks and responsibilities to other executive staff members. Many of the tasks and responsibilities are already being managed by other staff members. With training, assistance and hard work it would provide the Agency with extra funds to keep all of the programs running. This measure is drastic, but Ms. Ramsey has not been able to find an alternative action or actions that would have the impact the Agency needs.

Chairperson Hagwood stated that would be a bold move and thanked Ms. Ramsey for the awareness and her thoughts, but for the purposes of this meeting the issue should be on a future agenda for further discussion, consideration, suggested or recommended actions related to multiple issues.

Ms. Ramsey stated that Mr. Diefendorf has talked about retiring for many years, and this would give him the opportunity to enjoy his retirement. Diefendorf, Ms. Ramsey and Ms. Merriman have discussed how this would look for the Agency and essentially he would work through the remainder of 2024. In that time, he would work with staff to ensure his typical tasks and duties were transferred with appropriate training. Lastly, Ms. Ramsey recommended that a consulting agreement be established so that when certain topics and situations come up, Diefendorf would be able to assist in the matter. This could consist of hearings, legal advice, project based vouchers, repositioning, and any other topic the executive team would need assistance.

Executive Director, Roger Diefendorf, pointed out that there are quite a few general counsel functions that are important to the Agency, and because none of the other staff have either the license or years of experience in the legal field that is an important issue to the Agency.

Chairperson Hagwood inquired if any other counties or jurisdictions are encountering the challenges of PCCDC.

Ms. Ramsey stated other counties might be experiencing the issues to some degree, but other counties have deeper pockets with excess funds whereas PCCDC's funds have been diminishing for several years slowly. Ms. Ramsey was open to reaching out to other authorities to inquire of other ways for corrective action.

Green Meadows Waterline Replacement Update

Executive Director, Roger Diefendorf, stated PCCDC has been looking at the waterline replacement issue for some time now because the Agency loses a substantial amount of money due to the water leaks that are on PCCDC's side of the waterline from Indian Valley CSD. PCCDC is much closer to having a full scope of work. The waterlines had to be

replaced on one of the units in Green Meadows last month, and the contractor gave us a good idea of what would be involved. One of the problems that PCCDC is facing is we are not sure of exactly what the connection would be in terms of where the connection is in each unit. Hopefully, we will be able to put this out to bid shortly.

Commissioner Engel inquired to how old were the buildings. Diefendorf stated the buildings were built in the 1980's. The connection from the meters to each unit was some low cost piping that is not Schedule 40. The connection to the exterior waterlines is through ¾" copper pipe whether it goes through the footing or through the slab. When the repair was done on the unit, we were able to connect to ¾" copper line that came down through the slab and it was replaced with HDPE, which should last a period of time.

Commissioner Engel inquired if PCCDC has any access to plans from when the place was built. Diefendorf stated that there are plans, but they are not necessarily as built plans. We believe the contractors built the units the same. When GFCI circuits were upgraded in public housing, Diefendorf was directly involved and found that some of the wiring did not make sense.

9:41 a.m. Commissioner McGowan arrives.

Commissioner Ceresola inquired if PCCDC had funds for the waterline replacement. Diefendorf stated that PCCDC did not have extra funding at this time.

PROJECTS/PROGRAMS - None

ADJOURNMENT

Chairperson Hagwood inquired if there were any further comments from the public or anyone attending by Zoom. There were no comments. The Board adjourns at 9:42 AM. Claims were reviewed at 8:45 AM.



Greg Hagwood, Chairperson

Attest:



Tricia Romandia, Board Secretary