

To: PHA Board of Commissioners
From: Jon Gutzmann, Executive Director
Date: September 22, 2004
Subject: Executive Director Performance Evaluation for FY 04

AGENDA

PERSONNEL COMMITTEE (COMMITTEE OF THE WHOLE)

September 22, 2004

9:00 - 10:00 AM

PHA BOARD ROOM

Evaluating the performance of the Executive Director for the period of April 1, 2003 through March 31, 2004 (FY 04).

- 1. Summary of Agency accomplishments for FY 04**
- 2. Discuss Approved Agency Goals for FY 05**
- 3. Other business Board members may wish to discuss**

Summary of Agency Accomplishments for FY 04 (April 1, 2003 - March 31, 2004):

The performance of the Executive Director is measured against specific goals for the Agency. The Board of Commissioners approved eleven Agency Goals for FY 04. In this report the accomplishments relating to specific Agency Goals are listed first.

Agency Goal #1: Maintain “High Performer” status under HUD’s Public Housing Assessment System (PHAS). Ensure that PHA properties continue to be managed to the highest possible standards, including thorough and uniform applicant eligibility determination, fair lease enforcement, regular preventative maintenance, prompt responses to maintenance work orders, full occupancy and timely turnover of vacant units, and all other components of quality property management and maintenance..

1. PHAS: The PHA has achieved “High Performer” status for the *thirteenth and fourteenth* consecutive years (FY 2003 and FY 2004), as reported to the Board most recently on August 25, 2004. At the May 26, 2004 meeting the Board approved the Agency’s performance under the PHAS Management Assessment indicator for FY 2004. The Agency’s **overall score for both FY 2003 and FY 2004 was 95%. Some highlights:**

- **Vacant unit turnaround:** The PHA’s FY 2004 average turnaround time of 26.66 days (excluding modernization days) scored 2.8 out of four points (down from 29.09 days in FY 2003). Calculated from vacancy days and the total number of unit-days available, the PHA’s occupancy rate for FY 2004 was 98.46%, or 98.60% after excluding vacancy days related to modernization work (98.62% and 98.72%, respectively, in FY 2003). The average month-end occupancy for FY 2004 was 99.3% (99.2% in FY 2003). Occupancy exceeded 99% every month during FY 2004 and all but one month in FY 2003.
- **Capital fund (modernization):** The PHA scored “A”s on all components.
- **Maintenance work orders (emergency and non-emergency):** The PHA completed all 6,709 emergency work orders within 24 hours, and all 25,909 non-emergency work orders in an average of 3.6 days.
- **Annual inspection of units and major systems:** The PHA inspected all units and major systems during the year.
- **Security:** The PHA scored “A”s on all components.
- **Economic self-sufficiency:** The PHA scored “A”s on all components.
- **Physical inspections:** Because the PHA scored high on the previous PHA physical inspections (March 17 to April 18, 2003 for FY 2003), HUD used those scores for our FY 2004 PHAS rating without another round of inspections. Our final adjusted score was 27 out of 30 points (90.3%). The next inspections should be in January – March 2005.

- **Resident satisfaction surveys (RASS):** Staff coordinated required advance notice to residents from February through April 2004. The RASS score for FY 2004 was 92%, the same as the previous year.
- **PHAS reform:** The PHA continued to play a role in furthering the national debate on PHAS implementation and content. Hank Petro, Betty Lou Authier and the Maintenance staff led our efforts on the physical inspections preparation and implementation. (The inspections were “for FY 2003” but lasted well into FY 2004.) Al Hester continued to lead our efforts to appeal certain inspection scores and to offer common sense solutions on the indicators and commenting on HUD interpretations.
- **Quality Assurance: The High Performer designation for the public housing program should provide assurance to the Board and the public that the PHA is well run and its staff remain committed to the mission of helping families and individuals with low incomes achieve greater stability and self reliance by providing safe, affordable, quality housing and links to community services. Staff at all levels of the PHA deserves credit for this remarkable record of sustained performance!**

Agency Goal #2: Maintain “High Performer” status under HUD’s Section 8 Management Assessment Program (SEMAP). Continue successful strategies to maintain high voucher utilization. Successfully implement and administer current agreements for Project-Based Assistance (PBA). Attract new Section 8 resources.

2. SEMAP High Performer status: The PHA achieved “High Performer” status again for FY 2003 and FY 2004 (now three consecutive years), as reported to the Board most recently on August 25, 2004. **The Agency’s overall score for FY 2004 was 96% (93% for FY 2003).** Under the direction of Rita Ander, Barb Sporlein and now Lyle Schumann, staff worked diligently to accomplish these goals, including:

- Average unit utilization was 101% in FY 2004, for the reasons discussed at many Board meetings. (Utilization was 99.4% in FY 2003).
- Monitored spending levels. Implemented various strategies to reduce over-leasing liability. In spite of ending FY04 at 457 unit months over leased, closed out FY04 with \$102,000 in HAP reserves and \$196,000 in admin fee reserves. **(Since April 1, 2004, our efforts to salvage fiscal solvency for the Section 8 program consumed hundreds of hours of staff time and will be summarized in a separate document.)**
- Completed HUD RIM Review with no systemic findings.

2 A. Other voucher production statistics:

- Conducted 24 regular briefings; 189 port-in briefings; and 56 PBA briefings
- Issued 495 vouchers (includes FUP and port-ins), (393 vouchers in FY 03).

- Processed 523 new admissions (473 in FY 03).
- Conducted 8,415 housing inspections (8,507 in FY 03).
- Completed 3,735 annual re-exams (4,372 in FY 03) and completed 3,877 interim re-exams (3,601 in FY 03).
- Processed 302 portability move-ins.
- Processed 175 portability move-outs (205 in FY 03).
- Processed 481 end participations (530 in FY 03); and processed 37 FSS enrollment/end participations (55 in FY 03).
- Conducted 57 hearings.

2 B. New vouchers:

- Applied for 50 Mainstream vouchers; none awarded.
- MPHA declined to provide any additional Hollman vouchers.

2 C. Section 8 Project-Based Assistance (PBA) program:

- Participated in December 2003 MHFA SuperRFP process (2 projects awarded 27 PBA units).
- Worked with HUD and previously awarded organizations to obtain needed waivers and work out other program issues.
- Leased up final stages for two projects and signed HAPs and leased up five new projects.
- New PBA regulations not issued until March 18, 2004. Will comment in FY05.
- Did not work on PBA vacancy loss procedures. This was a low priority for FY04 but will remain on FY05 goals.

Agency Goal #3: Capital Improvements: Continue renovation of McDonough Homes and complete first stage of the Central Duplexes renovation. Maintain high standards in all PHA capital improvement projects, including efficient, high quality and timely design, bidding and construction. Continue to actively involve residents, staff and the community in planning capital improvements.

3. Program administration, fund obligation and expenditure: Technical Services Director Marilyn Porter with the special assistance of Technical Service Manager Dave Lang directed these activities. Staff met or exceeded all HUD deadlines and PHA goals for grant applications, fund obligation and expenditure:

- '01 Phase 701, expend 100% of the \$9,776,323 grant by 9/30/04 HUD goal date: Goal Achieved. Receipt of ACC from HUD was 8/15/01. Goals were established as 3/31/03 for 100% obligation and 9/30/04 for 100% expenditure. Funds were 100% obligated as of 2/28/03 and 100% expended as of 3/17/04 well ahead of the stated goals. The 01 CFP program was closed out on 3/18/04 when the Actual Modernization Cost Certificate was submitted to HUD.
- '02 Phase 702, obligate 100% of the \$9,305,516 grant by 3/31/04 HUD goal date, expend 100% of the grant by 9/30/05 HUD goal date. Goal Achieved. Note: HUD goals for obligation are 100% obligated within 24 months of ACC date and 100% expended within 48 months of ACC date (Quality Housing and Work Responsibility Act of 1998). The previous goals were for 100% obligation within 18 months and 100% expenditure within 36 months.
 - Receipt of 2002 CFP ACC from HUD was 7/26/02. Goals have been revised to be 7/26/04 for 100% obligation and 7/26/06 for 100% expenditure. Funds were 98.9% obligated as of 3/31/04 and were 100% obligated as of 4/30/04, which is well ahead of the 7/26/04 goal date. 2002 CFP funds were 97% expended as of 3/31/04 and were 98% expended as of 4/30/04. Staff will have no trouble meeting the stated 100% expenditure goal.
- '03 Phase 703, No ACC date for the 03 CFP is available at this date. Obligation and expenditure goals will be 18 and 36 months after ACC date per HUD goal dates.
 - Update: The 2003 CFP application was submitted as a part of the Agency Plan in December of 2002. HUD issued the 2003 CFP allocations in two parts. The ACC for the PHA's first part in the amount of \$7,656,440 was 9/9/03. The ACC for the PHA's second part in the amount of \$1,525,900 was 2/13/04. The PHA will have 24 months to obligate these funds and 48 months to expend them. The goals for the 100% obligation and 100% expenditure of the PHA's FFY2003 first part funding are 9/9/05 (obligation) and 9/9/07 (expenditure). The goals for the 100% obligation and 100% expenditure of the PHA's FFY2003 second part funding are 2/13/06 (obligation) and 2/13/08 (expenditure). As of 3/31/04 94.45% of the first part funds were obligated and 35.49% of the second part funds were obligated. As of 3/31/04 59.58% (\$4,561,887) of the first part funds were expended and .52% (\$7980) of second part funds were expended. Staff should have no trouble meeting HUD's goals for obligation and expenditure.
- '04 Phase 704, submit application to HUD along with required Agency Plan.
 - Goal Achieved: The PHA's CFP application for FFY2004 funding was submitted in January of 2004 with the PHA's Annual Agency Plan. HUD has not announced the amount of the PHA's FFY2004 CFP funding as of 4/30/04.

3 A. Designing with residents:

- Residents continue to be involved in the modernization process for McDonough Homes through newsletters, presentations at Resident Council meetings and staff information sessions with residents undergoing temporary relocation.

- Residents were actively involved in the entire planning process for both the McDonough Homes and Central Duplexes modernization. They continue to be involved in meetings during the actual construction of the improvements.
- Maintenance, Resident Services, Technical Services, Administration and Finance Department staff continued to work together, along with residents, to develop and prioritize funding needs for the Non-Routine Operating and the Capital Fund Budgets.

3 B. Capital fund program coordination: Marilyn Porter, Technical Services Director, the TS Managers and Project Leaders demonstrated design leadership and coordinated the efficient and timely design, bidding and construction of modernization projects including major work at McDonough Homes, Central Duplexes and other sites

3 C. Energy conservation: Staff worked to incorporate and implement energy saving strategies and water conserving materials, fixtures and systems in modernization and contracting work wherever feasible.

3 D. Procurement: Staff conducted annual purchasing training for all staff who are authorized to purchase and/or to request a purchase. Staff provided procurement assistance, compliance review and approval, periodic updating of procedures, and on going training to support our decentralized procurement activities. The PHA Purchasing Manual was revised by the Technical Services Procurement Manager (John Wright) and distributed to all staff during the fiscal year.

3 E. Service contracts and charge accounts: Service contracts were revised and new service contracts were created to meet the Agency's ongoing needs. The use of charge accounts continued with great success. Charge accounts allow staff to make small incidental purchases quickly, thereby improving the efficiency of maintaining our properties. Charge account vendor selection was re-evaluated, new vendors added, and existing vendors not needed, were dropped.

3 F. MBE/WBE participation: Staff continued efforts at maximizing outreach to provide bidding opportunities to M/W/DBE's:

- Outreach efforts included: PHA directory of M/W/DBE firms for use by staff and prime contractors, mailing of invitation to bid to M/W/DBE firms, advertising in all known M/W/DBE newspapers, and attending various scheduled events organized by minority contractor organizations including construction exchanges. The PHA is a member of the National Association of Minority Contractors (NAMC). Technical Services staff regularly attended NAMC meetings and discussed contracting opportunities available at the PHA.
- Progress toward meeting M/W/DBE goals was reported to the Board quarterly. The results through March 2004: Capital Fund Program: MBE participation was 23.5 % and W/DBE

41.9 %. Operating Budget: MBE participation was 9.5% and W/DBE 8.0 %. **Contracts totaled \$523,396 to MBE firms and \$732,967 to W/DBE firms in FY 04 .**

- Technical Services Department and EOD Department continued to review and edit contracting documents to ensure compliance with Affirmative Action laws, policies and goals. Established a working group consisting of EOD and Technical Services staff to ensure effective and ongoing efforts to maintain and improve Affirmative Action compliance. Met with staff from Minneapolis Public Housing Authority to discuss and identify processes, goals and best practices. Participated in the City of St. Paul Minority Contractor Forum.

3 G. Pest control: Staff developed and implement procedures to effectively deal with pest control issues. These procedures continued to result in low roach infestation rates at all PHA developments. The cockroach infestation rate at the end of the year at the Hi-Rises averaged less than 1.9 %. Each family dwelling unit was treated three times during the year.

- The use of baits rather than insecticide spray reduced the infestation rates, is more environmentally safe, and is easier for residents to prepare for treatment.

Agency Goal #4 - Equal Opportunity and Diversity: Promote and enforce equal employment opportunity and affirmative action. Attract and retain a diverse and qualified work force. Manage workplace diversity by fostering respect for and valuing of diversity.

Agency Goal #5 - Employee and Organizational Development: Promote education, growth and advancement of employees through career planning, training opportunities and other resources. Continue internal rethinking strategies to promote organizational development, continuous improvement, and appropriate responses to budget challenges and program changes.

5. Staffing: All Senior staff, but especially the Director of Human Resources (Mike McMurray) and the Director of Equal Opportunity and Diversity (julius erolin), assisted in performing the following as the PHA continued to attract and retain a qualified workforce:

- Overall staffing activity was lower than last fiscal year due to low turnover (8.1%, down from 12% last fiscal year) and resulting vacancies (21 new hires and 14 promotions, lateral transfers).
- Of the 243 staff members employed by the PHA at the end of FY 04, **47% are women and 36% are people of color.** Both groups work in all levels of the organization.
- **Of the 21 staff hired for regular positions, 71% were employees of color and 38% were women.**
- **Of the 14 staff members promoted in FY 04, 21% were people of color and 36% were women.**

- Enhanced recruitment and retention efforts included: Staff participated in the launch of the “Changing the Face of Housing Initiative” initiative sponsored by the Family Housing Fund, Corporation for Supportive Housing and LISC that aims to bring more people of color into governing and high level staff positions of housing organizations.
- HR and EOD staff met with 19 current employees of color to discuss retention issues.
- Completed an EEO/AA exit interview for most outgoing employees in protected classes.
- Completed EEO/AA review of employment applications and discussed results with supervisors prior to the applicant interviews.
- The Executive Director continued offering formal internship opportunities (two individuals this past fiscal year, both women of color), and continued informal mentoring of many more current employees.
- To aid in the workload because of turnover, 21 67-day temporary employees were hired throughout the fiscal year (35 last year). This included temporary employees for the seasonal maintenance positions.
- Continued to work with PHA residents whose skills match PHA temporary and on-going employment needs and assisted in developing resident economic development initiatives.
- Continued to expend a large percentage of time on a comprehensive applicant-testing program. Approximately 86 applicants were tested for various positions during the year.

5 A. Equal employment opportunity: Provided direction and guidance to PHA staff in the interpretation and enforcement of equal opportunity and civil/human rights policies and laws:

- Conducted and resolved 10 formal and informal complaint investigations. Recommended follow-up trainings and work plans to avoid future complaints.
- Counseled and advised on more than 30 personnel matters (not formal complaints) including disciplinary actions, performance issues and staff conflict.
- Reviewed and analyzed 55 hiring, promotion and transfer processes to help ensure compliance with equal employment opportunity laws and policies.
- Conducted training and consultation with staff in areas related to EEO policies as needed.
- Reviewed EEO/AA policies including reporting procedures to all staff during EOD departmental and workgroup presentations.
- Conducted EEO/AA orientation for all new employees.
- Attended EEO-related external trainings to ensure that the PHA is consistent with EEO laws, trends and best practices. Trainings included the Minnesota Department of Human Rights Disability Issues Forum, the annual Human Rights Day Conference, and the Outfront Training on LGBT issues.

5 B. Affirmative action: Provided direction and guidance to PHA staff to help enhance employee recruitment and retention efforts:

- Provided recruitment resources and assistance on as-needed basis to aid in attracting job applicants from communities of color and persons with disabilities.
- EOD reviewed and analyzed 31 hires and promotions. Discussed employment applications with supervisors and reviewed PHA affirmative action goals. Conducted adverse impact analysis on hiring and promotions.
- Discussed recruitment and retention efforts with AHANA (African, Hispanic, Asian, Native American) Alliance members during leadership and quarterly meetings.
- Participated in the University of Minnesota Career Fair for graduate students.
- Continued to meet with LGBT (Lesbian, Gay, Bisexual and Transgender) employees to discuss issues related to workplace environment and retention of GLBT employees.
- Encouraged and facilitated informal mentoring activities with AHANA members. Explored establishing a formal mentoring program in FY05 for staff, particularly for people of color and women.

5 C. Training and employee career development: The PHA continued to follow its comprehensive strategy for employee training and career development in FY 04:

- Presented training sessions as listed in the FY 04 Employee Training Opportunities Catalog.
- Performed routine training programs such as individual new employee orientation (met with 42 new employees individually, including 21 regular staff and 21 temporary staff), new employee group orientations (2 sessions for 17 employees), conducted large group orientations (including a tour of PHA properties, 1 session for 13 employees).
- Offered Employee Right to Know training to new maintenance and CHSP employees.
- Provided in-house computer training using the Prove-it software.
- Human Resources conducted a training program for all supervisory/management staff covering employment and personnel issues. Topics included the hiring process at the PHA, coaching/counseling/disciplinary process, leaves of absence including FMLA, and the performance appraisal process.
- Staff from many departments and work units continued training to recognize behaviors and issues related to mental illness, so they can interact appropriately with residents who have mental disabilities. This training makes residents more comfortable and staff more effective in dealing with residents, and reduces the likelihood that a resident will allege discrimination.
- In Resident Services, Rental Office staff, Housing Managers, Assistant Managers, and Re-Exam Techs all participated in 2-day training by professional trainer, Nan McKay and Associates to update staff on recent HUD guidelines and requirements regarding rent calculation; Family Management staff planned and participated in 4 trainings; Termination Settlements and Court Issues, Rent Calculation Review/Most Common File Findings,

Dealing with Most Difficult Lease Compliance Issues, and Review of After Hours Response Procedures; All Hi-Rise Services staff met as a team on a monthly basis to review procedures, responsibilities and to track information; CHSP staff participated in a week long job shadowing training for career development.

5 D. Rethinking the organization:

- Resident Services and Section 8 staff continued their efforts to update programs forms, assuring that all staff has access to most recent revisions of forms and lowering costs.

5 E. Compensation review:

- Continued to be in compliance with Minnesota Pay Equity Act.
- With Fox Lawson, re-evaluated three positions. Worked with each department to continue to update job descriptions and performance standards.

5 F. Benefits: Continued to work with the benefits consultant and continued the employee task force comprised of representatives from each of the Agency's bargaining groups and S&C. Also:

- Received and reviewed proposal from Health Partners for premiums effective July 1, 2004.
- Notified, recorded and tracked 27 staff and their use of leave time under the Family Medical Leave Act. Continued to notify staff and their dependents of their right to continue medical insurance coverage under federal law (COBRA).
- Continued to compensate employees proficient in a **second language \$1,000 per year** and to contract with vendor to test language proficiency and determine who meets the qualification.

5 G. Workforce diversity management: Continued to develop and implement initiatives to help create and maintain a workplace environment that respects and values diversity:

- Developed and initiated a 3-year training plan on Cross-Cultural or Intercultural Competency for supervisors. Designed and facilitated required supervisor training sessions "Introduction to Cross Cultural Competency" and "White Privilege and Anti-Racism".
- Continued the Diversity Learning Series (DLS) – training sessions on different dimensions of diversity – for all PHA staff. The FY04 DLS covered issues around racism and sexual orientation in the workplace. Future topics include cross-cultural competency, religion and the workplace, and disability awareness.
- Worked with AHANA Alliance and other PHA staff to provide opportunities for the Agency and staff to celebrate diversity. Weekly events were held for Asian American Heritage Month (May), Hispanic Heritage Month (September) and Black History Month (February). Events included guest speakers Senator Mee Moua and Judge La June Thomas Lange, cultural performance by a Mexican dance troupe and band, and films and discussions. For the first time at the PHA, the EOD Department and other staff held a "PHA Heritage Day" to

celebrate the heritage and experiences of individual staff members. The celebration included food representing various cultures, 12 staff displays of their heritage and 6 staff speakers. Approximately 80 employees attended the PHA Heritage Day celebration.

- Facilitated and guided employee resource or network groups. Provided guidance and training opportunities to AHANA Alliance leaders. Assisted and coordinated AHANA activities including quarterly meetings with the Executive Director and cultural celebrations. Met with PHA staff to explore developing other employee resource groups around issues of age and sexual orientation.
- Continued to research and explore “best practices” in managing workplace diversity and analyzing possible application to the Agency. Identified and purchased diversity training guides, videos and other resources.

Agency Goal #6: Safety and Security: Maintain safety and security at all PHA housing and work sites for residents, staff and the public. Promote non-violence in all aspects of the PHA’s work. Continue and enhance safety efforts such as the ACOP, Officer-in-Residence, Resident Doorwatch and Police Storefront Office programs.

6. Workplace violence prevention: Senior staff, and especially EOD staff under the leadership of Julius Erolin implemented workplace violence prevention initiatives and coordinated with other departments to identify needs and provide solutions. Staff continued to work together on strategies that support a safe, secure, productive and inclusive work environment.

- Conducted quarterly meetings of the Third Floor Action Team to identify ways to improve the safety, security and work environment for all staff and clients. .
- Completed a draft of the Domestic Violence Prevention policy and procedures to be reviewed and implemented in FY05. Worked with Wilder Community Services to develop and coordinate domestic violence prevention training for supervisors and staff. Supervisors worked with EOD and Human Resources to provide support to employees who are victims of domestic violence and to ensure a safe workplace for all staff.
- Worked with front desk supervisors to conduct a safety and security needs assessment for front desk staff, and developed a front desk manual.

6 A. Community Safety and Security: EOD staff, especially Oi Mattison, worked with PHA staff, St. Paul Police Department, PHA residents and community partners to maintain safety and security for residents and staff.

- Continued to work closely with ACOP, PHA staff and residents to problem-solve around specific operational issues and incidents. Worked to improve communication between PHA managers and ACOP officers, reporting and follow-up, and identification of needs.
- Collaborated with St. Paul Police Department to obtain additional PHA funding of \$10,000 for overtime details to provide specific and additional police presence in public housing sites.

Worked with the St. Paul Police Department, Mike Driscoll and PHA staff to finalize FY05 contract.

- Although ACOP staff was cut in half due to budget constraints, family management staff worked closely with ACOP officers to monitor problem properties, complete knock-and-talks where drug activity was suspected and to foster positive community/police/management relationships.
- There were 19 “one strike” terminations in family housing for drug-related and/or criminal activity. ACOP action in most of these situations provided the necessary documentation for staff to take action.
- Coordinated presence of ACOP officers at multiple hi-rise and Resident Council sponsored family events, including picnics, special community celebrations, and resident recognition events. Coordinated with ACOP the McDonough National Night Out activities.
- ACOP supervisor continued to meet bi-monthly with family Managers to discuss mutual concerns.
- ACOP officers attended Resident Council meetings and participated in Admission Orientation Programs for new residents in each family development.
- Coordinated presence of ACOP officers at multiple hi-rise and family events, including picnics, special community celebrations, and resident recognition events. Coordinated the National Night Out ACOP Open House in which over 100 residents, staff and police officers attended.
- Worked with ACOP to coordinate special trainings for PHA staff and residents related to crime prevention and personal safety including Auto Theft Prevention and Sex Offender Notification.
- Weed and Seed Grant. Managed and implemented the Weed and Seed Program at Edgerton including coordination of four crime prevention trainings; a presentation by Family Services on chemical dependency; and purchase of planters, lighting fixtures and cameras to improve security at Edgerton. Participated in monthly community Weed and Seed meetings to discuss community safety concerns and issues. All administrative work was accomplished and timelines met including required reports, budget and contract compliance monitoring, and closeout of the grant.
- Officer-in-Residence (OIR). Successfully worked with St. Paul Police Department and PHA staff to hire officers for the program. All 16 hi-rises had an OIR by March 2004. Provided orientation and assistance to new officers. Successfully worked with staff, residents and officers to identify and resolve issues including getting approval for an OIR to retain his former K9 pet dog in a no-pet hi-rise.
- Doorwatch and Storefront Programs. Continued to strengthen safety for residents through the Doorwatch and Storefront Programs. Coordinated the 2nd Annual Doorwatch/Storefront Event to provide recognition and training to all volunteers. Worked with individual hi-rises to provide guidance on procedures and expectations and to identify specific needs and issues. Initiated a new Doorwatch Program at Ravoux Hi-Rise.

- Maintained and developed ongoing relationships with various police districts to help ensure safety and security in PHA hi-rises. Worked with staff including Mike Driscoll to resolve issues regarding reporting and communication.
- Continued efforts to research other funding opportunities to strengthen safety and security for residents and staff.
- Dunedin and Roosevelt management staff worked with Police and residents to develop crime watch meetings where residents are provided with safety tips and are able to share any information related to safety in their areas. Regular meetings are ongoing.
- Staff from the Rental Office was involved in the planning of security measures for the new administrative building at 555 North Wabasha.
- Used Resident Participation Dollars to install and upgrade security camera systems in individual hi-rises and Community Centers.
- New digital video recorders were integrated into the security monitoring systems at 6 hi-rise buildings and one community building.
- The new Central Administrative Office Building at 555 N. Wabasha has state of the art card access systems and closed circuit TV surveillance systems to maximize security.

Agency Goal #7: PHA Administrative Office: Complete construction of the new PHA Administrative Office. Secure tenants for commercial space as a means to generate reliable revenue in future years. Plan and implement the move to the new building in a way that minimizes disruptions to Agency operations and program participants.

7. 480 Cedar: Technical Services staff chaired a “Move Committee” that worked closely with the 85 PHA Central Office employees as they planned and completed a move from 480b Cedar to the new Central Administrative Office Building at 555 North Wabasha between 3/22/04 and 3/26/04.

7 A. 555 North Wabasha: The Executive Director and Technical Services staff worked with the architectural firm of Hammel, Green & Abrahamson, Inc. (HGA), the Central Administrative Office building staff and Maintenance staff to complete the design, bidding and construction of the new office building at 555 Wabasha to house the CAO functions of the PHA.

- The Board awarded the construction contract in the amount of \$11,925,000 to Lund-Martin Construction in January of 2003. Construction was completed on schedule by March 22, 2004.
- Staff, especially Marilyn Porter, marketed the commercial space at the new CAO to potential tenants through targeted mailings and meetings. Two organizations, Doctor Jeske and Citizen’s League signed leases for approximately 3,550 square feet of space. Technical Services staff worked with the Tenants to build out space that met their needs.

Agency Goal #8 Fair Housing: Work cooperatively with community representatives and other units of government to ensure non-discrimination in PHA programs and to affirmatively further fair housing objectives. Promote the value of diversity and respect for differences.

8. Non-discrimination: Public Housing and Section 8 staff continued to work cooperatively with community representatives, including SMRLS and the Community Stabilization Project and units of government to ensure non-discrimination in PHA programs and to affirmatively further fair housing objectives. The Equal Opportunity and Diversity (EOD) Department worked with Resident Services managers, other staff and Resident Councils to provide sound guidance, resources, services and programs to enhance efforts related to fair housing and diversity. EOD staff developed and implemented the Hi-Rise Diversity Initiatives aimed at promoting respect of differences among residents. The Diversity Initiatives include training on inclusiveness and community building, cultural celebrations, and assistance and guidance on conflict resolution. EOD staff also coordinated a Fair Housing Month speaker event attended by more than 30 employees.

In April 2004 Al Hester was a speaker for a HUD training session in Washington DC on Limited English Proficiency (LEP) requirements. (The Department of Justice and HUD say that an agency which fails to provide “meaningful access” to its programs is violating federal law by discriminating on the basis of national origin.) He described the PHA’s LEP practices to a nationwide “webcast” audience.

8 A. Section 8/Housing Voucher landlord recruitment:

- Annual workshop held October 15, 2003 with over 58 owners attending.
- Conducted six bi-monthly mini-workshops with new owners.
- Conducted five Section 8 presentations for various groups including Children’s Law Center, Wilder Roof Program, Wilder tenant training, Garsten Perennial, and Crime Free Multi-Housing.
- Continued relationship with MN Multi-Housing Association.

8 B. HousingLink: Continued to work with HousingLink to better serve PHA voucher holders in locating eligible units and willing owners, recruiting new owners, and enhancing other programs and services provided by HousingLink.

- Executed \$25,000 HousingLink contract for FY05
- HousingLink brochures were included in June and December checks to landlords.
- With HousingLink staff developed the processes to complete analysis of data for the SEMAP de-concentration factor.

8 C. Reasonable accommodation: Staff continued to respond to requests for reasonable accommodations from residents and staff.

- Forms were developed and implemented to provide consistent documentation of resident requests and required documentation from medical professionals.
- Staff continued to work individually with the Agency Attorney when dealing with requests for reasonable accommodation. Several trainings and discussions were conducted to assist staff in handling these situations.

Agency Goal #9: Linking Residents to Community Services: Promote links to community services through PHA Community Centers and at other sites to meet the changing needs of PHA residents, focusing on programs and services that enrich residents' lives, promote independence, increase community involvement and support successful tenancies in public housing. Continue CHSP and other assisted living programs.

9. Services to residents at community centers: Staff, especially Housing Managers and Human Service Coordinators worked hard to accomplish the following:

- Successfully managed four Community Centers in a manner that meets the changing needs of the residents, maximizes the number of services that can be offered to family residents and prioritizes space that work with residents with needs identified in the Family Needs Study.
- Human Services Coordinator, Manager and the Program Services Manager worked together to facilitate moving of ECFE program at Roosevelt from a dwelling unit to the Community Center and negotiated space moves with other providers to assure this valuable program was not lost to the community.
- Human Services Coordinators advertised the availability of the computer labs, worked with St. Paul Public Schools and STEP staff to provide teachers where possible.
 - Staff successfully managed 4 community centers, working with Technical Services staff to assure adequate daily maintenance by cleaning contractors and repair and replacement as needed.
 - Human Service Coordinators worked with service providers on a monthly basis to foster positive working relationships, resolve space and equipment issues, and facilitate new services coming into Centers to meet needs of changing populations.
 - Space in all Centers has been reallocated as needed to maintain focus on programs that help residents with employment and self-sufficiency.

- McDonough Human Service Coordinator and Service Providers developed a consistent focus, Healthy Families, for the work of all providers and conducted a very successful “Working Together” session for providers and staff utilizing the Center.
- Management staff and Technical Services worked together to prioritize facility needs and make upgrades within the allotted budget. Replacement of the community room divider at Roosevelt was a major accomplishment.
- Continued to provide computer labs and tutoring at all four family developments.
- Additional service provider space usage agreements were executed for ongoing use of space at the centers.

9 A. Employment and training programs: Staff, especially Joanne MacDonald and Connie Toavs, and management staff assisted with:

- PHA’s Resident Initiatives Director wrote a successful application for a ROSS grant from HUD, which will allow employment services through the STEP program to continue for the next two years. This application was the only one in Minnesota funded by HUD.
- All four Family Resident Councils have agreed to provide funds to the STEP program and jointly conduct three recognition and self-sufficiency building events in each family area during the coming year.
- PHA’s MIS department has supported the 4 family computer labs by recycling computers no longer in use at the PHA to the computer labs.
- FSS staff provided training and review of the FSS program to Re-Exam staff and Administrative Support Technicians to facilitate referrals and efficient transfer of information as needed.
- The 5-year Jobs Plus program ended November 30, 2003. 352 families participated in Jobs-Plus, with 537 adults receiving intensive employment related assistance including job readiness, job placement, specialized training, job advancement, basic skills improvement, life skills development and financial incentives for working.
- Financial Incentives for the Jobs-Plus program totaled \$1,488,548 and was fully reimbursed by HUD.
- In 1996, only 16% of all Mt. Airy households had earned income. In December, 2003, this percentage was 51%, even though many working families moved out and non-working families moved in during the 5-year program. Wages of Mt. Airy working families almost doubled, starting at \$12,691 per year and ending at \$24, 385 per year.
- 41 families in Jobs-Plus moved into home ownership.
- FSS program exceeded its goal: 120 participants served in FY04.

- PHA residents were employed by the janitorial and security firms that contract to provide services at the new Central Administrative Office (CAO) building at 555 N. Wabasha. Socon Construction and Minnesota Superior Exteriors hired residents to work on the McDonough modernization, and by Lund Martin for work on the new CAO through the Step-Up Pre-apprentice Training program. A resident owned janitorial company was hired to clean the McDonough Community Center.

9 B. Congregate Housing Services Program (CHSP):

- The CHSP manager attended several exhibits and gave presentations on CHSP to case managers and care providers across Ramsey County. Articles were published in the Care Option Network Newsletter, and ads were placed in the East Side Review. A CHSP Newsletter publication was created that is sent out quarterly to approximately 200 professionals, hospitals, and clinics.
- Utilization of CHSP is up and stabilized. The average number of participants served monthly this FY was 129 or 86% utilization compared to 114 or 76% utilization last FY.
- CHSP and management staff hosted an open house at Mt. Airy CHSP to the hi-rise residents and out-side agencies.
- Worked to implement CHSP at Mt. Airy Hi-Rise to provide services to an under-served and diverse population.
- Many efforts were put into place to attain full census with steady growth in the program as a result. Full census will be achieved in the new FY. At the end of FY04, the number of applicants in process to enter CHSP was 28 and the number of current participants was 132. The number of applications per month is averaging 8 this FY, compared to an average of 5 per month last FY, while the number of clients leaving the program per month is averaging 4.

9 C. Hi-Rise Service Coordinator Program:

- Grant funds were utilized to contract with outside providers to provide training for hi-rise residents on the subject of Grief and Loss.
- Grant funding provided exercise opportunities at nine hi-rises with an average of 64 residents attending each session.
- The grant provided funds to purchase New Resident Orientation Kits. These Kits include eight items for housekeeping and are given to residents who participate in the New Resident Orientation held by the Human Services Coordinators.
- Grant funded the services of Alice Moormann, consultant, to provide training to the Presidents Council Officers and to provide technical assistance and to serve as a resource to Resident Councils.

9 D. Service needs and satisfaction levels of hi-rise residents: In December 2002 Wilder Research Center completed a survey of PHA hi-rise residents (1,462 respondents) that found high levels of satisfaction with everything from pest control and building maintenance to social services and the congregate dining programs in most buildings. Although the service needs of hi-rise residents are largely met, the survey pointed to some opportunities for improving or expanding some on-site services (such as exercise classes and having access to computers).

- Hi-Rise staff met regularly to discuss the results of the 2002 Survey and identify focus areas and recommendations.

9 E. Adopt-A-Hi-Rise Program (AHP): Initiated by the Executive Director in 1987, the Adopt-A-Hi-Rise Program was developed to link PHA hi-rise communities to corporate and community organizations and volunteers. “Adopters” sponsor events and activities, donate goods and services, and provide time to hi-rise residents. The EOD Department, especially Elaine Anderson, worked with residents, staff and corporate and community volunteers to sustain and improve the program.

- Continued efforts to recruit and retain corporate and community “adopters”. Met and successfully retained the participation of St. Paul Companies and Regions Hospital. Successfully recruited Friends School to adopt Hamline Hi-Rise. Recruited Wells Fargo for possible future participation.
- Worked with adopters to plan hi-rise events, increase resident participation, and identify collaborative projects. Worked with the Friends School to successfully obtain grant funding to develop a shared outdoor space to encourage intergenerational activities.
- Successfully planned and implemented a Recognition and Appreciation Luncheon for AHP volunteers.

Agency Goal #10: Housing Preservation and Development: Support the City’s Housing 5000 Plan and work with other agencies and organizations to preserve, develop, and/or manage affordable housing through programs such as the Section 8 Project-Based Assistance and Preservation Vouchers, through the disposition of property, and other cooperative and entrepreneurial efforts. Secure replacement units for any scattered sites that may be sold.

10. Housing 5000: The Executive Director serves on the Mayor’s Housing 5000 Advisory Committee and assists with the development of the annual Housing Action Plan and implementation of the Housing 5000 Plan. The PHA’s primary contribution to affordable housing production is through designating a certain amount of existing or new Section 8 vouchers as Project Based Assistance (PBA) and making them available to non-profit and for

profit developers for use in accordance with the Housing 5000 Plan guidelines. No other affordable housing product is as readily available to help the City meet its goals for housing assistance to persons at or below 30% of median income.

10 A. Section 8 project-based assistance program: See above, 2.C.

10 B. Hollman vouchers for PBA in St. Paul: Our initiative with the Minneapolis Public Housing Authority (MPHA) was the only reason we received 25 Hollman vouchers from MPHA for two PBA projects (Strauss Apartments and Upper Landing Block 7). We initiated discussion on possible future Hollman PBA projects as well. We regularly stress the value of these vouchers to City officials given that they are more available than new vouchers coming directly from HUD in Washington DC.

10 C. Funder's Council: The PHA participated in monthly meetings of the Ramsey County/Saint Paul Funder's Council to oversee and coordinate public and private efforts to achieve the goals stated in the City/County Five Year Low Income Housing and Homeless Services Plan. Staff provided data, technical assistance and insight into issues of funding, managing and maintaining housing for very low-income families, as well as program rules for public housing and Section 8.

10 D. Sale of excess land to Habitat for Humanity: The PHA proposed selling excess land at two sites (Roosevelt Homes and Ravoux Hi-Rise) and went through an extensive disposition process, including offering the land to residents and non-profit affordable housing developers. Habitat for Humanity purchased both sites for approximately \$360,000. The PHA received net income and Habitat produced 30 affordable homes for sale. The Executive Director was recognized for his role in this project when Habitat for Humanity recognized him with their "Community Builder" Award this year.

Agency Goal #11: National Leadership Responsibilities: Continue active leadership in national and state housing organizations to improve national housing policy and funding. Continue to provide assistance to other housing authorities and organizations seeking organizational development, business systems, or program support.

11. National leadership: The Executive Director continued to serve on the **PHADA Board of Trustees and as Vice President of the Housing Committee.** The ED and other staff maintained contact with PHADA staff on a variety of issues related to HUD budgets, QHWRA, Harvard Cost Study, and PHAS and responded to PHADA surveys and inquiries as requested.

11 A. CLPHA participation: The Executive Director participated in CLPHA quarterly meetings to provide Saint Paul's perspective in the debates over national issues. Responded to CLPHA surveys and inquiries as requested.

11 B. NAHRO leadership: Staff to NAHRO surveys and inquiries as requested. PHA staff conducted presentations at MN NAHRO sponsored conferences.

11 C. Appropriations/Legislation advocacy: With special assistance from Lyle Schumann, Junella Pichelman, Rick Betz and Al Hester, the Executive Director led the PHA's efforts to fight the dramatic cuts to the Section 8/Housing Voucher program for FY 04 and FY 05.

11 E. QHWRA implementation: Staff, especially Al Hester and Resident Services staff continued to draft and revise procedures, notices and forms, and conduct staff training to implement the requirements of QHWRA (the 1998 Public Housing Reform Act), including; de-concentration of poverty, data analysis, earnings disregards, community service, HUD Tenant Data Reporting, and revised policies for Board approval.

11 F. HUD operating cost study: The Executive Director and other staff continued to monitor and provide comments with the housing industry groups and HUD on the Public Housing Operating Cost Study conducted by the Harvard Graduate School of Design (GSD) and the ensuing negotiated rulemaking. Controller Junella Pichelman and Resident Services Director Lyle Schumann analyzed the final recommendations.

11 G. Minnesota Legislature: Staff advocated for reform on the following topics:

- \$50 MFIP Cut: Staff, especially Al Hester, analyzed data for the Minnesota NAHRO, Minnesota Housing Partnership legislative advocates and supportive legislators, and met with legislators, to push for repeal of the "housing penalty" and to oppose legislative proposals to make the cuts even deeper.

11 H. Technical assistance to other housing authorities: PHA Senior Staff responded to numerous inquiries from other housing authority staff, students, public officials and staff, and general public about public housing and Section 8 regulations and policies:

- Staff provided technical assistance to the Metro HRA, Duluth HRA, and other MN NAHRO members regarding Section 8 utilization and financing issues and PBA.
- Staff provided technical assistance to housing authorities in Cambridge MA, Charleston NC, Allegheny County PA and elsewhere during the year.

- The PHA increasingly provided technical assistance through its Internet website, which includes a variety of form notices, letters, manuals and other documents for use by other agencies. The McDonough Modernization Master Plan and Resident Survey Reports from Wilder Research Center are also posted there.

Other Significant FY 03 Agency Accomplishments Included:

12. Other FY 04 budgets: Finance Department staff under the leadership of Junella Pichelman and Rick Betz, accomplished much in FY 04 relative to our budgets:

- Section 8 FY 04 unaudited close shows an administrative fee reserve of \$ 135,149. This is within the restriction by HUD, which limits administrative fee reserves to 5% of administrative fees earned.
- FY 04 Building Fund assets equaled \$1,137,175. This will be available for final construction related expenditures as well as start-up operations.

Note: The above figures may not be final; the books for FY 04 are not yet audited.

- Prepared three FY 05 original budgets for primary operations, totaling over \$60 million, (Low Rent Public Housing, Section 8, and Building Funds) as well as budgets for several special grant programs such as Service Coordinator Grant and CHSP.
- Eleven revised budgets were prepared during FY 04.

13. Agency Plan: Staff, especially Al Hester and Barb Sporlein successfully coordinated RAB meetings, performed data analysis, and submitted the FFY04/PHA FY05 Agency Plan (approved by HUD).

14. Accounting systems, reports, maintenance of sound fiscal operations, etc.: Finance Department staff under the leadership of Junella Pichelman, Ron Moen and Pat Riley, accomplished much in *FY 04*, including the following:

- Issued 7,218 payroll checks/direct deposits for \$10.9 million, 8,835 accounts payable checks to vendors totaling over \$26.8 million and 21,660 checks to Section 8 landlords (up from 19,279 last year) for more than \$35.3 million (up from \$31.0 million).
- Prepared and mailed 48,250 rent statements.
- Prepared and mailed 5,592 Certificates of Rent Paid. These documents are sent to all adults age 18 and older who lived in PHA units at any time during the calendar year. This document enables them to claim a renter's property tax refund from the state of Minnesota.
- Distributed quarterly financial statements to the Board and staff; internal cost center reports; encumbrance reports; and reports for position control, payroll distribution, etc.

- Provided timely and accurate distribution of all required IRS and HUD financial quarterly and year-end reports.
- Managed the agency-wide investment portfolio which at March 31, 2004 was \$16,340,554 invested at an average yield of 1.53%. For comparison purposes, at March 31, 2003 the PHA had \$25,677,919 invested with an average yield of 1.89% and as of March 31, 2002, the PHA had \$25,285,209 invested with an average yield of 2.85%. The significant reduction in portfolio size is directly attributable to expenditures for construction at 555 Wabasha Street.
- Continued participation in the Minnesota Revenue Recapture program with \$4,136,398 collected from former public housing or Section 8 participants. This program has been by far the most successful method employed by the PHA to collect what are commonly called “bad debts”.
- Continued to take part in the construction sales tax rebate program, filing for a refund of \$37,930.

15. Audits:

- The agency continued to qualify as a low risk under applicable provisions of OMB Circular No. A-133, for the year ended March 31, 2003. This designation reduces the amount of compliance work necessary and thereby helps contain audit cost.
- Audit work resulted in an **unqualified opinion with no findings** or questioned costs related to internal control or compliance issues in the financial or programmatic areas.
- The auditor’s management letter covered two topics:
 - Letter of credit. The letter of credit associated with the 10th Street property debt will expire in January 2005. To ensure the debt continues to be classified as long-term for fiscal year 2004 financial statements, we encourage the Agency to start the process of extending the terms of the letter of credit during fiscal year 2004.
 - We would like to commend the Agency and its staff on their preparedness for the 2003 financial and compliance audit. We understand Agency staff implemented new procedures which resulted in audit schedules being prepared at the same time as books were closed for the fiscal year. Because of these changes, both Agency staff and audit staff realized efficiencies during the audit process.
 - As the impending date of implementation of Governmental Accounting Standards Board (GASB) Statement 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, draws closer, we also commend the Agency’s staff for starting the process of developing the Management’s Discussion and Analysis with fiscal year 2003 information in preparation for the required implementation during fiscal year 2004.
- In August, local HUD staff conducted a Rental Integrity Monitoring Audit of public housing and section 8 admission and occupancy rent calculations, policies, procedures, verification processes and related issues. Staff worked with HUD staff for 8 months to implement new HUD guidelines, revise policy and procedure as requested by HUD, and

reach consensus on tenant rent calculations. In March 2004, PHA received notice from HUD that audit was completed and closed.

16. Management information systems (computer and phone systems: MIS, under the direction of Junella Pichelman and Rick Jordan, accomplished the following this fiscal year:

- Phone system:
 - Developed an inventory of all lines and services to support analysis and consolidation of services. Initiated cleanup of communications billing. Canceled 37 Intertech circuits saving the PHA over \$550 per month. Canceled 5 Qwest data circuits saving over \$700 per month.
 - After evaluation of alternatives, upgraded Central Office and Mt Airy PBXs from NEC Model 2000 IVS to Model 2000 IPS. The newer version is supported by the vendor currently and for the future, expands our current capacity, and allows us to move into IP Telephony for the CAO and remote offices of the PHA. Also upgraded Centigram Voice Mail system to increase capacity, reliability, and performance.
 - Documented and supported Automated Attendant telephone menuing system used by Rental Office operations to more efficiently handle volume of incoming calls regarding waiting list status.
- Computer system:
 - Installed Norton Symantec Antivirus System Console and we are now centrally monitoring all PHA computers for virus infections daily.
 - Selected and purchased WatchGuard Firebox Firewall Appliance to replace old MS Proxy Server.
 - Building new and rebuilding some current servers for other purposes also served as a test for disaster recovery. Simple data loss recovery is tested every time we restore from tape back up.
 - Documented Wide Area Network specifics to enhance problem-solving capabilities and aid in the analysis of alternatives.
 - Upgraded network communications equipment at new CAO to increase performance, manageability, and dependability.
 - Completed reorganization of network printing procedures for more speed and efficiency.
 - Participated extensively in the planning for the new building (network, telephone, security video cameras, digital video recorders, security card access planning), Boardroom A/V equipment. Designed layout for equipment and network at 555 Wabasha. Specified and ordered lines for environmental management systems, elevators, fire alarms, wide area data network, Internet connection, voice lines for incoming and outgoing calls, voice mail system. Specified and coordinated voice and

data communications wiring for new facility (PHA and Tenant spaces). Created and executed Backup Plan on all NetWare and Windows NT servers in the Server Room at 480 prior to transfer of equipment to 555. The move of servers caused no failures of equipment and no need for data recovery.

- Successfully implemented Elite Section 8/Waiting List module and transferred tens of thousands of records from MLS/DataFlex application to the Elite application. This was a major project requiring hundreds of hours of MIS time as well as extensive time from the Section 8 department. Curt Kline worked very closely with ECS over several months to identify software and conversion defects and develop fixes and work-arounds. ECS reports that the St Paul PHA conversion was one of the smoothest that they have witnessed.
- Archived 4 years' work orders (154,008 records).
- Supported installation of digital video cameras and digital video recorders for CAO and remote site building security.
- Implemented Network Fax reception for the Rental Office, reducing lost faxes due to misrouting or fax machine failure, and increasing timeliness of fax reception by end recipient. The Rental Office receives 1,500 to 2,000 fax pages per month using this service. We used this service to provide uninterrupted fax reception by the CAO during our move to 555.
- Supported over 2,000 existing Crystal in-house reports designed to provide specified management information, converted dozens of Section 8 and management reports from MLS to Elite using Crystal, and created more than 200 new reports

17. Insurance:

- Offered property/liability insurance training relate to incident reporting, coverage, and risk management sharing with vendors through appropriate contact writing.
- Although both the property insurance (\$464,944 premium, a 10% increase) and the general liability insurance (\$192,445 premium, an 18% increase) had significant increases, the increases are more reflective of general market conditions than of PHA claims experience. The value of the PHA's insurable property (excludes land value) is \$356,945,710.
- Continued to control our workers compensation insurance premiums. On March 24, 2004, the Board approved the current policy with an annual premium of \$139,672. (The prior year's premium was \$139,672.) We continued to aggressively manage claims and promote our return-to-work program. Overall premium decreased this year because of a reduction in the experience modification factor from .78 to .70.
- Continued coverage in the areas of automobiles, commercial crime, directors and officers, boiler, computers, and Section 8 Lead Based Paint liability cost a total of \$ 84,364. Fiduciary

coverage is provided for staff serving as Pension Plan Trustees/Administrative Committee members at a cost of \$6,171.

18. Risk management and general employee safety: Staff, especially Mike McMurray, Hank Petro and Junella Pichelman led our efforts to promote employee safety, including:

- Updated safety procedures and information, which is given to employees and residents.
- Continued to monitor and update the Agency's material safety data sheets. Continued the contract to maintain a database for all material safety sheet information. Continued to issue name and picture ID badges to employees including the 1-800 phone number for 24 hour, 365-day emergency information availability regarding material safety sheet information.
- Worked with staff and insurance carrier representative to provide on-site inspection tour of buildings. Met safety requirements to qualify for maximum insurance premium discount.
- Received a Certificate of Achievement from Housing Authority Insurance for completion of the 2003 Risk Control Work plan.
- Continued to aggressively work with workers' compensation management consultant and departmental staff to control and reduce workers' compensation claims and costs. Improved claim processing procedure to quickly notify consultant and insurance carrier of an employee injury. Analyzed and identified ways to reduce claims. Although the experience modification factor increased to .78, there was a significant reduction in days lost due to employee injury. **In FY 04 the total days of temporary disability was one. This compares to FY 03 of one day lost time (and to our high of 3,537 days of temporary total disability resulting in lost from claims filed in FY 92!)**
- Continued the combination of workers' compensation and general liability claims processing, claim administration, and data collection in Human Resources. This provided close monitoring, claim control and intervention by Human Resources and Accounting.
- Continued to cooperatively work with Regions Hospital and Clinic for pre-employment physicals and medical care for employee on-the-job injuries. Pre-employment physicals continue to be specialized and tailored to the physical requirements of the job. Physician examination of injured employees is coordinated with employee's department, the insurance carrier, and the workers' compensation management consultant. Light or alternative work continues to be assigned to employees to foster a quick return to work. This approach continues to minimize employee injuries and claims, which reduces premium costs.
- Continued to send wellness and health information to employees. The Hope health letter was sent to all employees monthly. Employees who requested were sent a Well Advised health book. The book was also given to all new employees at orientation.
- Resident Services staff arranged for resident safety training sessions in every hi-rise and family site to complete the third phase of requirements allowing the PHA to be certified as a member of the Minnesota Crime Free Multi-Housing Program. Staff promoted participation by advertising and other means to help residents gain from this training.

- Staff continued to review and conduct safety and security assessments at the Rental Office. Several changes were implemented to improve the safety and security of this work area.
- Staff continued to work and partner with the Wilder Community Violence Response Team and other crises intervention teams to defuse crises and violence that occurs.
- Staff continued the Employee Right To Know and Bloodborne Pathogen safety program. New employees at risk for occupational exposure are offered the vaccination at the time of their pre-placement physical and receive safety training as part of the orientation program.
- Continued to monitor infectious materials spill kits installed in each main employee work location and in all buildings.
- Instituted an informal ergonomic review program. Under the direction of an ergonomic specialist employed by the workers' compensation insurance carrier, staff completed ergonomic review of 6 staff workstations. A majority of the reviews resulted in physical changes to the work area and/or installing new or different equipment.
- Worked with the consultant from James Bissonett & Associates, HealthPartners and Health Fair Committee members to organize a "Health Fair" which consisted of: flu shots, heart information booth, proper lifting and back information booth, blood pressure readings, hearing test, cholesterol and glucose reading. Over 100 employees (about 50% of the total staff) attended and participated in all aspects of the fair. The goal of the Health Fair was to increase and promote health living and preventative health measures that will help keep employees health and eventually control health care costs.

19. Pension plan:

- The HRA/PHA Pension Plan is under the direction of its Board of Trustees (5 members). The Plan exits only to serve PHA employees and certain City HRA employees. Junella Pichelman currently serves as PHA administrative representative on the Board and as Chairperson of the Administrative Committee. Mike McMurray is also a member of the Board of Trustees and on the Administrative Committee. The Committee has the fiduciary responsibility associated with managing the **defined contribution plan** that had assets of \$28,912,513 as of December 31, 2002. This is an increase of \$3,199,795 in the plan valuation and is the net result of regular employer/employee contributions and positive market changes.
- Transferred \$515,871 as employee mandatory contributions and \$ 722,156 as PHA employer contributions to the Plan.
- Conducted 28 pension information interviews concerning pension fund options and potential tax impact. Conducted two different training sessions for pension plan participants, each repeated at least twice.
- Set up total cash distributions, rollovers to other plans/IRAs, installment cash distributions, deferred distributions, Minimum Required Distributions upon reaching age 70.5, etc.

20. Contract settlements and labor relations: Mike McMurray, Kathy Frits, Al Hester, and Hank Petro assisted the Executive Director in negotiating the following settlements which included salary and benefit changes during FY 04:

- **Local 132:** Negotiated with Local 132 for a two-year contract. 3% increase effective January 1, 2003 plus the Agency will contribute \$.10 per regular work hour to a new pension plan with the Laborers' International Union of North American National Industrial Pension Fund. (Total wage increase in first year approximately 3.53%.) 2.75% increase effective January 1, 2004 with \$.16 per regular work hour contributed to the pension plan. (Total wage increase in second year approximately 3.57%.)
- **AFSCME:** Negotiated with AFSCME for a two-year contract to include general increase and instituted a new step plan. 3% increase effective June 1, 2003, plus moved to the nearest step. (Total wage increase in first year approximately 3.84%). 2.75% increase effective June 1, 2004, plus one step movement. (Total wage increase in second year approximately 4.55%.)
- **Local 70:** Negotiated with Local 70 for a two-year contract. 3% increase effective January 1, 2003 plus \$.10 per regular work hour in lump sum payment. (Total wage increase in first year approximately 3.53%.) 2.75% increase effective January 1, 2004 plus \$.16 per regular work hour in lump sum payment. (Total wage increase in second year approximately 3.57%.)
- **Supervisory & Confidential:** Two-year policy included general increase and instituted a new step plan. 3% increase effective 12/1/02, plus moved to the nearest step. (Total wage increase in first year approximately 3.84%.) 2.75% increase effective 6/1/03, plus one step movement. (Total wage increase in second year approximately 4.55%.)
- As mentioned, these cost rates were negotiated using in-house staff. Continued to maintain positive employee relations by pro-actively addressing and resolving problems at the earliest stages. Continued to work to minimize number of formal grievances. The five grievances that were filed were settled at the first or second step.

21. Public housing admissions and occupancy: All staff at all levels did an exceptional job administering the PHA's admissions policies while maintaining full occupancy:

- **The PHA completed FY 04 with an overall combined hi-rise/family occupancy rate of 99.3% with all twelve months being at 99% or higher.** The average occupancy rate for the hi-rise units was 99.7% (many individual hi-rise buildings reached 100% occupancy with regularity); for the families the average occupancy rate was 98.6%. The lower rate in the family developments can be attributed to a number of units being unavailable for rental due to the modernization project at McDonough Homes and the ongoing upgrade to scattered site homes.
- **A total of 819 leases were signed in FY 04, a figure that includes both waiting list applicants (average of 50 per month) and resident transfers (average of 18 per month). The number of files denied each month averaged 42 with a fiscal year total of 502.** Management staff continued to participate in the bi-monthly Round Table sessions and serve

as members of the PHA-Resident Hearing Committee in order to provide input into the screening process and decisions

- The total number of unit turndowns in FY 04 was 386 or 32% of the total number of units offered. The location of the available housing was the main reason for a unit offer being rejected. This was followed by the applicant no longer being interested in public housing. The turndown rate for hi-rises continued to be higher than that for family developments or scattered site homes (61% vs. 39% for families). The higher number of turndowns for hi-rise units is likely attributable to the hi-rise policy of offering three units.
- Staff continued to refine the process of obtaining criminal background checks by exploring options to improve efficiency but remain cost effective. Additional resources were investigated for securing out-of-state criminal background checks and the electronic processing of information became more prevalent. The Ramsey County Sheriff's Department worked with the PHA to change their processing procedure resulting in a reduction of expenses and an improvement in response time.
- Continued mandatory Admission Orientation Program (AOP) for all family development residents.
- Continued mandatory Scattered Site Training Program for all new admissions and family development transfers to Scattered Site.
- The public housing waiting list was closed effective April 1, 2003 to all applicants except those whose heads of household or spouse were age 50 or older or disabled. Marketing efforts were geared primarily toward those populations that remained eligible to apply.

22. Public housing lease enforcement:

- Family development residents were required to participate in housekeeping and yard care classes for repetitive housekeeping issues or multiple yard care notices. Residents are required to participate in budget counseling where there is chronic late payment of rent.
- Staff initiated 148 termination actions. 75 resulted in vacates. 73 were either resolved or canceled, settled by stipulated agreements or are still pending at year-end.
- During FY 04, 75 resident households moved out of public housing because the PHA terminated their leases "for cause" excluding non-payment of rent. This figure was higher than the previous year's total of 66 households and represents about 2% of all public housing households.
 - 39 evictions were hi-rise residents (compared with 35 the previous year). Serious disturbances, drug and other criminal activity, and unauthorized persons living in the unit accounted for most of these lease terminations.
 - 36 evictions were family households (compared with 31 families the previous year). Drug related and criminal activity, unauthorized persons, and serious disturbances accounted for the majority of these actions.

- 49 termination actions were settled by an agreement that any further lease violations would result in a short-term notice to vacate without further hearings. 37 were for chronic late rent.
- 19 lease terminations were canceled because the resident complied with lease requirements before the lease termination effective date or in a few cases, because a termination was cancelled to be reissued for other causes.
- 5 lease terminations were pending at the end of the fiscal year.
- Staff worked with Agency Attorney to review all proposed terminations and to assure that at each step in the process, policy and legal requirements are being met.

23. Admissions and Occupancy Policy revisions:

Public Housing:

- In January 2004, Admissions and Occupancy Policy was amended to eliminate ceiling rents, to eliminate the disparity between ceiling rents and flat rents cited by HUD during their RIM Review. Clarifications were also made to the Community Service requirements and categories of exemption.
- The Grievance Procedure was revised to clearly indicate that the Grievance Procedure does not apply when the resident has signed a written waiver of his/her right to grieve a matter.
- Resident Services staff met with the Housing Policy Director to review and revise both policies and procedures as they relate to file documentation and rent calculations.
- Section 8: Amended the Section 8 Housing Choice Voucher Admissions and Occupancy Policies to incorporate the inspections schedule changes and new criminal background screening policy regarding the prohibition of admission to people convicted of producing methamphetamine on public housing property.

24. Public housing re-exams: Staff performed interim rent re-determinations and annual re-exams of all residents for continued occupancy and rent rate determination. Work included:

- Re-Exam technicians completed approximately 4,300 or 100% of annual income reviews and over 2,800 interim rent re-determinations. Managers certified all of the rent changes.
- Hired and trained two new re-exam technicians to fill vacate positions.
- Worked with re-exam technicians and other management staff to implement corrections and policy and procedure changes recommended by HUD RHIM audit.

- Met monthly with re-exam technicians to develop and revise procedures to assure timely and efficient processing of rent calculations.
- Rental, management and re-exam technicians participated in a 2-day training by Nan McKay and Associates to assure rent calculations are documented and verified according to HUD requirements and to prepare for a second audit by HUD.
- Developed new methods to track the timely completion of all ACOs, Interims and retro charges.
- Provided staff with additional and improved reports to follow and analyze re-exam data.

25. Public housing rent collections: Staff continued proper collection procedures for both current and vacated residents, coordinating efforts with the Accounting Department to ensure that collection losses met the PHAS “A” rating of less than one percent of total dwelling unit rental income. Staff worked with MLS, MIS, and Accounting and revised programs so that monthly rent statements are clear and understandable statements of amounts owed as follows:

- Total write-offs for the fiscal year were \$83,855 or **0.79%** of all amounts charged to tenants which meets and exceeds the HUD requirements for an A rating.
- Consistent application of procedures by Accounting and Management, close communication, and quick response by Management staff to work with residents with delinquent rents have resulted in an average collection loss of 0.29% for FY 04.
- Twenty-one residents vacated due to non-payment of rent.
- Staff initiated 63 terminations for chronic late rent. 37 signed stipulation agreements and have paid rent on time and met requirements of their stipulation.
- 26 households vacated due to termination for chronic late rent payment. 13 of those had a stipulation agreement, which they did not maintain.

Staff continued to provide warnings, assistance of Human Service Coordinators, and contracted one-on-one budget counseling for residents

26. Work orders for routine maintenance: Hank Petro and the entire Maintenance staff deserve credit for the sustaining the following production levels:

- During FY 04, 100% of emergency work orders were completed within the required 24-hour period. The total number of emergency work orders was 6,709.
- A total of 25,909 non-emergency work orders were completed within 3.69 days (average).

27. Occupancy and unit preparation: Maintenance, Resident and Technical Services staff performed essential tasks to achieve a public housing rating system score for occupancy, which maintained high performer status. PHAS grade “A” for occupancy is 97% or above or 98% excluding modernization days. The average turnaround time for vacant units in FY 04 was 29.09 days (improved from 36 days last year). Maintenance staff prepared 835 apartments for re-rental in an average of 6.03 days.

28. Preventive maintenance and housekeeping inspections: Maintenance staff under the leadership of Hank Petro performed annual preventive maintenance inspections (PM) on all 4,280 dwelling units and buildings (per Al Hester), to conform to PHAS requirements and to meet Uniform Physical Conditions Standards (UPCS). Resident Services staff under the direction of Lyle Schumann, Connie Toavs, and Nina Semmelroth led annual housekeeping inspection efforts as follows:

- All annual unit inspections, monthly grounds and building inspections were completed by staff along with required follow up on poor housekeeping or property damage issues.
- A computerized logging system was established to facilitate tracking of all steps in process to deal with ongoing housekeeping issues. 5 resident leases were terminated after all efforts to correct problems had failed.
- Staff continued to utilize resident housekeeping trainers to work with residents in their homes on housekeeping problems.
- CHSP Staff provided 7,651 hours of housekeeping assistance to program clients resulting in 100% of passed housekeeping inspections.

29. Heating, ventilation and air conditioning (HVAC) systems/energy consumption: Staff, under the leadership of Hank Petro and Al Borman maintained all HVAC systems in a safe and efficient manner to ensure resident/staff comfort and safety, and assured that all HVAC systems are in compliance with City and State regulations, including:

- All HUD and State required inspections and safety checks were performed as required this fiscal year. State required inspections and safety checks were performed this fiscal year. All boilers passed these inspections; performed by the PHA’s insurance company. The State and PHA insurance company required inspections. During modernization design stages, staff continued to advocate that all equipment replacement is of a high energy efficient rating.
- Maintenance Department staff worked closely with Technical Services staff to ensure that all improvements made during modernization projects regarding mechanical equipment were state of the art and energy efficient and also compliant with our EMS system.
- The Agency committed \$250,000 of Comp Grant funds and \$100,000 of non-routine funds to upgrade HVAC equipment.

30. Appearance of buildings and grounds: Maintenance staff, working with Resident and Technical Services staff continued to assume the primary responsibility for maintaining and improving the appearance of PHA buildings and grounds.

- Working in conjunction with Technical Services, maintenance spends the bulk of the Agency's budget money (Capital Fund, non-routine and routine) in upgrading and maintaining the appearance of the Agency's properties. These items include, but are not limited to , large modernization projects such as McDonough Homes, painting and carpeting non dwelling areas in hi-rises, rehab of vacant units, concrete and landscaping work, etc. In addition to all the contract dollars spent, the Maintenance Departments 87 full-time (plus some seasonal) employees spend all their time maintaining our properties. An example of this is the 19,200 hours spent by Maintenance staff during this fiscal year on grounds work alone.
- Maintenance and management staff continues to perform joint vacate and ready unit inspections in family areas and scattered sites to improve the quality of the unit at turnover. These joint activities promote the Agency vision of team property management.
- Management staff did weekly drive-by inspections of several Scattered Site units all summer in areas where neighbor complaints had been an issue. This effort greatly reduced neighbor complaints and negative comments about public housing.
- Scattered Site staff, with help from Mt. Airy and Roosevelt/Dunedin management staff completed a minimum of 5 inspections of yard and home exteriors of all scattered site properties and did necessary follow up.
- In all family developments staff assured that residents adequately maintained yards, sidewalks, and trash enclosures using techniques such as daily monitoring; recognitions such as "yard of the month", framed pictures of yards with outstanding flowers, providing flower seeds, encouraging planting of perennials, recognizing efforts by providing incentives to purchase yard care tools, tool lending programs and yard care classes for those who needed frequent reminders about yard care.
- In monthly joint inspections, Department Directors identified no significant yard care problems in family developments.
- Several family developments and the Scattered Site office continued and increased yard care tool loan services. Tools were purchased with Resident Participation funds.

31. HOME (Home Ownership Made Easy):

- At the beginning of FY 04, a total of 204 families had become homeowners since HOME's inception in 1990. By the end of FY 04, that number grew to 219 (121 public housing residents and 98 Section 8 participants). Fifteen households became homebuyers in FY 04, meeting the goal of assisting 15 families.
- During FY 04, 41 new families were counseled by Thompson Associates, bringing the total number counseled since the program's inception to 1,344. Thompson also conducted follow-

up visits with recent homebuyers. The average income of the HOME purchaser in FY2004 was \$36,216 (compared with \$35,162 a year ago and \$31,114 over the life of the program). The average purchase price was \$159,780 (compared with \$130,907 a year ago and \$79,753 over the life of the program).

- On February 25, 2004, the Board approved the Year 15 HOME contract with the Family Housing Fund. The PHA and our partners (the Family Housing Fund, and Thompson Associates) are proud of the 219 families that have moved out of public housing or Section 8 into homeownership. Their units have been re-rented to other families on the waiting list.
- Much of the program's success can be attributed to the generous financial support provided by Tom Fulton and the Family Housing Fund, counseling and education services of Sue Didier of Thompson Associates, and the hard work of PHA staff and residents who prepare families for the responsibilities of homeownership. Tristy Auger also deserves credit for assuming the PHA's administrative duties for the HOME program this past year.
- The challenges facing the program continue to be rapidly increasing home prices that outpaced participant's purchase ability, and limited lender agreements.

32. HOMEWARD:

- The final family moved out of their HOMEWARD home without purchasing. That unit became part of the PHA scattered site public housing stock.
- Part of the reason families are able to complete a purchase is the availability of second mortgages from the PHA at very favorable rates. Seventeen families have taken advantage of this part of the program. Eleven of the mortgages have been satisfied upon subsequent sale of the property. The PHA financial statements include \$119,250 as a long term receivable related to the 6 remaining second mortgages.
- The PHA closed out the HOMEWARD program having helped 34 families purchase their first home. Although complicated, the program accomplished the PHA's original goals of dispersing affordable housing throughout the city, contributing to neighborhood revitalization and stabilization, converting rental properties to homeownership, and assisting public housing and Section 8 participants achieve homeownership. A Homeward PHA second mortgage subordination policy was adopted.

33. Other homeownership purchases: In addition to the HOME and HOMEWARD, the Family Self-Sufficiency Program (FSS) resulted in one homebuyer and JOBS-PLUS program has assisted an additional 11 homebuyers this year. Since inception, there have been a total of 33 families who have purchased homes through the JOBS-PLUS program and 17 families from the FSS Program. A total of 50 families purchased homes through these self-sufficiency programs.

34. Resident councils: Staff continued to provide necessary staff support to the twenty-two family and hi-rise resident councils, including attendance at all regularly scheduled resident council meetings.

- Staff attended all resident council meetings and assisted with council actions as needed.
- Family management staff introduced new residents to resident council opportunities through the Admission Orientation programs at each site.
- New Hi-Rise residents were introduced to resident council opportunities through the New Resident Orientation as well as through the Resident Orienter Program.
- Presidents Council and City Wide Resident Council each carried out an annual picnic for all residents. Staff supported their efforts.
- Hi-Rise staff collaborated with Presidents Council to develop new policies and procedures such as the Misuse of Funds procedure, payment of funds to the Councils and to update the Resident Council Guide.
- Family staff, MIS, the STEP Program, and the City Wide Resident Council developed and carried out a plan to upgrade computers in the 4 Community Center computer labs with computers PHA was recycling and funds from the City Wide Council to set up and maintain the computers. All four labs are well utilized by residents.
- Mt. Airy Human Service Coordinator facilitated a partnership between the Mt. Airy Resident Council, the State Department of Internal Revenue, and the Hiway Federal Credit Union which resulted in a 10-week tax preparation assistance program at Mt. Airy Community Center for all public housing residents and other low-income community residents. 492 persons were assisted including 206 public housing residents. \$653,311 in refunds came back to low-income households. Many PHA staff assisted as volunteers to the tax preparers.
- Hi-Way Federal Credit Union supported the volunteer effort and donated 4 computers to the Mt. Airy Family Resident Council.
- Hi-Rise staff coordinated efforts to bring qualified medical staff to the Hi-Rise buildings to provide flu shots for residents.
- A contract continues consultant services with Alice Moorman for the Presidents Council.
- The Presidents Council further developed the Resident Participation Committee to take a leadership role in handling increased funding through new HUD dollars. This committee implemented a Use of Funds policy and a new method for dispersal of funds.
- The Peer Problem Solvers Program helped councils develop more organized and effective meetings.
- Resident Councils were informed of annual resident participation dollars through HUD, and a procedure to disburse the funds in accordance with guidelines. The total allocation to the councils from Resident Participation funds was \$60,122. The PHA also had an

allocation of resident participation funds of \$40,071. This amount was fully expended on equipment, services and activities that increase resident involvement, safety and participation in PHA activity. Total allocation for Resident Participation was \$100,193.

35. Employee and resident scholarships:

- While on the Board, **Commissioner Richard Willits** donated \$2,185 to the PHA for staff scholarships. These scholarships can be used to supplement education related expenses not covered by the PHA's tuition reimbursement plan. When Commissioner Willits made the first donation, he wrote: "I would like this donation to be used by the PHA for the purpose of assisting an employee with their education. The education may or may not be related to their work at the PHA. Any education for the purpose of self-improvement is acceptable."
- Since taking office **Commissioner John Wilking** donated \$1,125 to the PHA for continuation of the "Willits Scholarship" activities. That fund had a balance of \$1,500 as of March 31, 2004.
- On September 24, 2003, the Board awarded five public housing residents scholarships of \$1,000 each through the PHA's Scholarship Award Program to pursue post-secondary education. This program was created in 1996. The PHA has awarded 46 scholarships to residents since the inception of the program.

36. Agency-wide employee recognition event: Held yearly banquet in October. In addition to the Employee Length of Service Awards, staff continued the Team Awards including the Outstanding Risk Taking Award (CHSP Staff) and the Outstanding Team of the Year (Jobs-Plus Program Team).

37. Monthly management report: This report continued to be the focus of detailed, semi monthly Senior Staff review of numerous operational indicators, such as: units owned, vacancy rate, turnover rate, families housed each month, waiting list and admissions, tenant accounts receivable, annual housekeeping inspections, annual preventive maintenance inspections, applications for continued occupancy, lease terminations for cause, maintenance work orders, resident satisfaction surveys, and Section 8 utilization.

38. Monthly Human Resources Employee Activity Guide: This monthly report provides detailed information to department directors and the Executive Director covering human resources/staffing activity indicators. Indicators include: employees hired, promoted/transferred/demoted, terminated/laid-off; recruiting activity by department; employee turnover; employee population by ethnic group; age distribution of all employees; employees on leave; health insurance cost; list of temporary employees; full-time equivalent employee count by department; and training programs attended by each employee.

39. Executive Director's training record for FY 04:

PHADA 2003 Annual Convention	6/11/03	32
CLPHA Quarterly Meetings - Executive Directors	6/20/03	16
Meeting with HUD Senior Staff on Rent	7/10/03	2.5
PHA Family Heritage Celebration	8/7/03	1.5
PHADA Legislative Forum in D.C.	9/10/03	40
PHADA Trustees Retreat	10/4/03	24
PHADA 2004 Annual Convention	1/14/04	40
HUD Meeting on Rent Simplification	1/20/04	1
Discipline, Documentation & Discharge of Problem Employees	1/20/04	8

40. Board briefings: Re-instituted the staff informational board briefings on the various aspects of PHA programs and operations. The City Wide and Presidents Councils continued their regular reports to the Board this year, covering accomplishments, issues and challenges.

41. Annual Report: Published (Special thanks to Tristy Auger, Executive Assistant; and Laurie Wachter, Business Systems Analyst and Graphic Designer).

42. Annual meeting, election of Officers, filling Board vacancies:

- On September 24, 2003 the Board conducted its annual meeting and elected the following officers: Chair, Andy Boss; Vice Chair, Kit Hadley; Treasurer, Kevin Lindsey; Secretary, Tom Reding; and Assistant Secretary, Shirley Kane.
- Board members completed their annual conflict of interest reports in September.
- On September 26, 2003 Mayor Kelly appointed John Wilking and Stephanie Slaton to the Board (replacing Richard Willits and Soua Yang) and reappointed Commissioner Hadley to the Board.
- Special thanks to Tristy Auger for her excellent performance as the Board's Recording Secretary.
- Special thanks to Tristy Auger and Al Hester for their assistance in assembling and editing this document as well.

Many thanks to the PHA Board, and PHA Attorney Mike Driscoll for your continued support and guidance: The Board meetings are effective and informative. A detailed record of your accomplishments in FY 04 is provided for the public record in the minutes and the various Reports to the Commissioners. **The public should be proud of the work you do in performing your policy-making obligations to this organization.**

Thanks to the PHA staff for their continued outstanding performance and dedication. I am especially proud of the depth of talent and the diverse individuals we continue to attract and retain at the PHA. Our mission is clear, our organizational climate is healthy and our ability to serve our clients intact. Thank you for the opportunity to be a part of this magnificent team.

Jon Gutzmann, 9/22/2004