



**Louisiana Housing**  
Corporation

## **Board of Directors**

**Administrative & Finance  
Committee Meeting Minutes  
June 1, 2018**

**February 13, 2019**



# *Louisiana Housing Corporation*

*\*An audio recording of these proceedings is available upon request by contacting the LHC\**

**LHC Board of Directors**

**Board Meeting Minutes**

**Wednesday, June 1, 2018**

**2415 Quail Drive  
V. Jean Butler Board Room  
Baton Rouge, LA 70808  
10:00 A.M.**

**Committee Members Present**

Willie Rack (Committee Chairman)  
Louisiana State Treasurer John M. Schroder  
Donald B. Vallee  
Gillis R. Windham

**Committee Members Absent**

Byron L. Lee

**Board Members Present**

Tammy P. Earles (arrived at 10:25a.m.)  
Derrick Edwards  
Board Chairman Lloyd "Buddy" Spillers

**Board Members Absent**

Larry Ferdinand  
Board Vice-Chairwoman Jennifer Vidrine

**Staff Present**

Barry E. Brooks  
Edselle Keith Cunningham, Jr.  
Bradley Sweazy  
Jessica Guinn  
Leslie C. Strahan  
Terrell Dupard  
Plezetta M. West  
Miriam Bowie

Carlos Dickerson  
Nicole Sweazy

**Others Present**

See Guest Sign-In Sheet

**CALL TO ORDER**

Administrative and Finance Committee Chairman Willie Rack called the meeting to order at 10:00a.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

**APPROVAL OF MINUTES**

Next item discussed were the March 14, 2018 AFC Meeting Minutes.

**On a motion by Board Member Derrick Edwards and seconded by Committee Member Donald B. Vallee, the Minutes of the March 14, 2018 LHC Board of Directors Administrative and Finance Committee Meeting were unanimously approved.**

**AGENDA ITEM #3**

The next item discussed was the LHC Operating Budget for Fiscal Year 2018-2019.

AFC Chairman Rack asked that everyone hold their questions until the end of the presentation, and to try to limit the time of discussion to five (5) minutes per person.

LHC Executive Director E. Keith Cunningham, Jr. advised that the Operating Budget for FY 2018-2019 would be approved at the June 13<sup>th</sup> BODM, and that the Operating Budget was “performance-based”.

LHC Chief Operating Officer Bradley Sweazy reiterated that the Operating Budget was “performance-based”, and that goal was to “operate LHC like a business”.

COO Sweazy gave an overview presentation and among the items he discussed were: Supportive Housing Administrative Fees, Energy Programs – LIHEAP and WAP, HOME and NHTF Administrative Fees, HUD Disposition Program Income, Louisiana Housing Authority’s Nine (9) Federal Programs, Compliance Monitoring, MF LIHTC Fees, M2M and Risk Sharing, MF Issuer Fees, MF MRB Application Fees, Section 8 Contract Administration, SF Homebuyers and Counseling Programs, SF Issuer Bond Fees, LHC Housing Conference Fees and Sponsorships, Fee from Cell Tower, etc.

COO Sweazy noted that there was a slight decrease in Operating Services (i.e., utilities, computers); an increase in Building Expenses due to an aged building and infrastructure repairs and maintenance.

ED Cunningham noted that Human Resources expenditures were based on production needs, and that there would be increased co-trainings with external partners with a focus on having a well-trained staff.

COO Sweazy continued and discussed the budgets for Supplies, Legal, Auditing, Professional Services, and Fixed Assets.

AFC Chairman Rack opened up the floor for questions and discussions.

Committee Member Vallee inquired as to how long would the flood programs be generating revenues, and requested a detailed financial analysis thereof to include number of employees and operating statements.

Committee Member Vallee inquired on the status of the PBCA contract with HUD.

ED Cunningham gave a brief history of the pending PBCA lawsuit, noting that the matter was being administered by LHC on an annual contract basis with HUD until the lawsuit is resolved.

Committee Member Vallee requested a listing of all Professional Contracts, and related details thereof.

Committee Member Vallee requested a copy of the LHC Procurement Policy.

Committee Member Vallee requested a copy of the LHC Organizational Chart, budget versus actuals reports, and expenses-to-date and future projections reports.

Committee Member Vallee voiced his concern that the Operating Budget information had only been received two (2) days prior and that he did not feel it was enough time was given to review that matter in order to make a recommendation of approval thereof.

State Treasurer John Schroder noted that he was honored to be able to attend his first LHC BODM, that he has served on the Appropriations Committee for ten (10) years, and that he recognized that the LHC did not receive any State funds.

Treasurer Schroder requested a meeting with the LHC Exec Management Team to look at where dollars are being spent administratively, as well as a three (3) year comparison of the actuals.

Board Chairman Spillers thanked the Treasurer for being able to attend and for this past and current state service.

Board Member Edwards welcomed the Treasurer and noted that he felt LHC was operating effectively under the leadership of ED Cunningham.

Committee Chairman Rack also expressed his thanks to Treasurer Schroder.

Committee Member Vallee requested that the three (3) LHC Properties be discussed next.

Mr. Frank Sagnibene, representing Latter & Blum Property Management, addressed the Committee.

Mr. Sagnibene noted that Willowbrook Apartments had 408 units and a 96.5% occupancy; that Village de Jardin had 99% occupancy; and the Mid-City Gardens with 60 units had a 98% occupancy.

Committee Member Vallee asked that staff do an analysis of the pros and cons of disposing of Mid-City Gardens Apartment and present at the next BODM. Said request was also concurred in by Committee Chairman Rack and also by Board Chairman Spillers.

Committee Member Vallee also requested an update on the HUD Audit at the next BODM.

Treasurer Schroder inquired as to whether LHC anticipated any liabilities that would affect the Operating Budget. ED Cunningham replied that no liabilities were contemplated.

#### **OTHER BUSINESS**

None.

#### **ADJOURNMENT**

There being no other matters to discuss, Board Member Gillis R. Windham offered a motion for adjournment that was seconded by Committee Member Derrick Edwards. There being no discussion or opposition, the motion passed unanimously.

**The Administrative and Finance Committee Meeting adjourned at 11:01 a.m.**

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**Board Secretary, Barry E. Brooks**