

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

APRIL 18, 2012 BOARD MEETING

CALL TO ORDER

Chairman Sam Baird called the meeting to order.

ROLL CALL

Board Members present: Sam Baird, Arthur Chick, Paul DeSanctis, Terry Gleeson, Neal Haney, Joe Hart, Everette Hoyle, Troy Hyde, and Zeek Ojeh

Board Members absent: None

Public/Industry Members present: Ken Anderson, President Arizona Housing Association; Scot Butler; and Susan Brenton, Executive Director Manufactured Housing Communities of Arizona.

Department of Fire, Building and Life Safety Staff and others present: Director Gene Palma; Deputy Director Debra Blake; Deputy Director Mary Ann Knight; Donna Grant, Licensing and Investigations Manager; Board Secretary Ayde Marquez; and Assistant Attorney General Mary Williams.

INTRODUCTION OF BOARD BY CHAIRMAN

Chairman Baird provided copies of Board members' biographies, and the Department Director's and Deputy Director's (Blake) biographies that he requested in advance of the meeting.

APPROVAL OF FEBRUARY 2, 2012 BOARD MINUTES

Chairman Baird entertained a motion to accept the prior Board Meeting Minutes; Hyde made motion to accept; motion seconded by Gleeson; and Board voted unanimously to accept.

FINANCIAL REPORT

Blake presented the December 2011, and January and February 2012 financial reports. In addition, Cash Flow Analysis Reports for FY09, FY10 and FY11 were presented to the Board in response to its previous request for historical financial information. Board members reviewed and discussed the financial reports and the cash flow of revenues and expenditures. Blake explained the Department as a General Fund Agency and the cash flow of revenues and expenses for OMH specific to the OMH General Fund appropriation.

Board members discussed powers and duties of the Board and requested a copy of the statute outlining those areas be sent via email to all Board members.

Chairman's Action item: Provide a copy of the statute that defines the powers and duties of the Board of Manufactured Housing to all Board members. Chairman Board agreed to email this information to Board members.

DFBLS Action item: Board member Chick made an individual public records request for historical fiscal year information of the cash flow of revenues and expenditures for the HUD Fund and Relocation Fund.

FEE STRUCTURE

Blake advised Board members that this is the scheduled Board meeting when the Board needs to establish a fee schedule for FY13, effective July 1, 2012.

Blake reviewed the cost analysis information provided to Board members in advance of the Meeting which is the methodology established by the Department for assessing actual costs of tasks associated with Office of Manufactured Housing fees. This information was presented to the Board to make fact-based decisions on fees. Board members' discussion and analysis of data provided resulted in a motion to increase the fee for a permit and installation inspection to \$300.00 which supports a gradual increase toward full cost recovery. Board member Haney made the motion to raise that fee; seconded by Board member Hart; and Board voted unanimously to accept. Board member Haney made a second motion to leave all the other FY13 fees as they were for the prior fiscal year; seconded by Board member Gleeson; and Board vote resulted in 7 "Aye" votes and 2 "Nay" votes; therefore, the motion carried.

DFBLS Action item: Board member Ojeh requested an analysis based on assumptions for what the results of the Board votes on fees may net in terms of the 95 – 105 percent proration required by statute.

RECOVERY FUND

Blake provided an update on the resignation of Compliance Director Beth Soliere who is developing her own retail business. Blake provided an update on the Recovery Fund balance as \$106,944.29 with only one pending claim that is scheduled for hearing/awaiting hearing in the required amount of \$6,406.00.

Board discussion indicated the chart depicting bond collection activities be eliminated from future Board Meeting Packets as most of the monies have already been collected that likely will be. Chairman Baird requested a verbal update at future Board Meetings when a surety or cash bond is collected with regard to a Recovery Fund case.

DFBLS Action item: Chairman Baird requested additional information be included in the complaint tracking chart provided in the Board Meeting packet to include the name of the licensee(s) involved in each complaint.

NOTICE OF PROPOSED RULE MAKING

Blake provided an update to the Board that the Department received an approval on its request for extension on the Five Year Regulatory Review with the new due date of June 28, 2012. Blake also updated the Board that the Governor's Regulatory Review Council approved our prior rule package on updating codes on April 4, 2012 with an effective date of 60 days from the approval date.

At its last scheduled Board Meeting, the Board directed Department staff to create proposed rules as required by statute and in conjunction with the new escrow law, effective July 1, 2012. The draft proposed rules were reviewed as previously sent via email to Board members. Industry stakeholders were present and offered feedback to the Board on this topic. A brief history of the background leading to the Bill leading to the new escrow law was also provided. Board member Hyde made a motion to send the proposed rule back to the Department for changes; seconded by Board members DeSanctis, Hart and Gleeson; and Board voted unanimously to accept.

DFBLS Action item: Review substantive policy information with Mary Williams to determine if that is an appropriate option for defining information in the new escrow law instead of creating a rule package at this time. If a rule package is deemed appropriate, then work with stakeholders in drafting and creating recommendations for Board consideration of a rule packet.

CALL TO PUBLIC

No response from Chairman Baird's call to the Public.

NEXT BOARD MEETING DATE

Wednesday, July 18, 2012

ADJOURNMENT

The meeting was adjourned at 3:44PM.