

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

APRIL 20, 2011 BOARD MEETING

CALL TO ORDER

Chairman Wait called the meeting to order at 1:30 pm.

ROLL CALL

Board Members present: Chairman Ross Wait, Samuel Baird, Paul DeSanctis, Neal Haney, Troy Hyde, Zeek Ojeh, Joseph Stegmayer and Roger Wendt.

Board Member absent: Catherine McGilvery

APPROVAL OF JANUARY 19, 2011 BOARD MINUTES

Motion made by Mr. Haney to approve the January 19, 2011 Court Reporter transcript and draft abbreviated minutes, seconded by Mr. Hyde and approved by the Board.

FINANCIAL REPORT

Deputy Director Blake presented the financial reports for December, January and February. Ms. Blake pointed out the annual supplemental payment received from HUD which is typically received by January or February each calendar year. This year it was not received until the last day of March; therefore, the year-to-date revenues appear to be lower than the previously year. The supplemental payment will be reflected on the April Report and it appears that the revenues will exceed expenditures for this fiscal year.

DFBLS Action Item: Provide to the Board via e-mail summary review of revenues and expenses for fiscal year 2010 and 2011.

As requested by the Board in the previous meeting, OMH staff added to the monthly report the current number of licensees for each license type, compared to the prior year's numbers. In addition, the number of Insignias reported as used by Installers & Manufacturers has also been added to Report. The Department is continuing to transmit via email on monthly basis public record information for all new Manufacturer, Dealer and Installer licenses issued.

LEGISLATIVE UPDATE

Compliance Director Soliere provided legislative update, as follows:

- HB1423 Manufactured housing; escrow account. This bill will require a licensed dealer or broker to establish an independent escrow account for each transaction involving a new home and pre-owned homes with a purchase price of \$50,000 or more.
- HB2395 Mobile Home Park designation change, from an age-restricted Park to an all-ages Park will allow tenant to qualify for relocation assistance for the relocation of a home to a different age-restricted Park.

Motion made by Chairman Wait to support the HB1423; seconded by Mr. Baird and approved by the Board.

DFBLS Action Item: Memorandum to the Governor on behalf of the OMH Board and Office of Manufactured Housing that supports the Governor signs HB1423.

FEE STRUCTURE

This is the annual quarterly meeting for the Board to set fees for the upcoming fiscal year based on statute/rule. Deputy Director Blake did not have any recommendations on changing any of the fees for the upcoming fiscal year because of the budget/accounting change implemented internally for fiscal FY11 and the actual year-to-date expenditures will not be finalized until the end of the fiscal year in June.

Chairman Wait recommendation is to decrease the fees by 2% based on the information to-date as provided earlier in the Financial Report. Two Board members expressed concerns about decreasing the fees without having all the expenditure information.

Following Board discussion, vote made to decrease the fees by 2% resulting in five "Aye" and two "No" votes. The decrease of fees passed including that the decrease fee amount would be rounded to the nearest whole dollar

RECOVERY FUND

Compliance Director Soliere provided an update on the balance, there's currently no claims pending payment. There are two claims pending hearing. Ms. Soliere gave a brief explanation of the claims.

As requested on the last Board meeting Ms. Soliere presented a report that lays out all upcoming claims, what the cause is and the cost of the home.

RULE PACKET REVIEW

Ms. Blake presented the approval notice received from the Governor's office allowing the Department to move forward with the rule-making, specific to updating the adoption of HUD codes and the International Building Codes. There are several other changes the Department would like to make for clarification purposes but unable to do at this time but will work on, once they know the status of the Governor's Moratorium on Rule-Making.

Ms. Blake reviewed the proposed changes in adopted codes with the Board.

Ms. Rosen informed the Board that the Department is currently accepting codes commonly used, so adopting all new codes will bring the Department in compliance with all International Codes. The Department is also incorporating the FEMA-85, the flood codes.

Motion made by Mr. Baird to adopt new codes; seconded by Mr. Wendt and approved by the Board.

CALL TO PUBLIC

Deputy Director Blake introduced Brain Miele to the Board; he is an Auditor from the Auditor General's Office. The agency is currently going through a Sunset Review Audit that happens cyclically every 10 years.

Mr. Anderson thanked the Board for the vote on the fee reduction.

NEXT BOARD MEETING DATE

Wednesday, July 20, 2011

ADJOURNMENT

The meeting was adjourned at 2:45 p.m.