



MINUTES
National Housing Development Trust Board of Directors Meeting
Wednesday, August 20, 2014
11:00 a.m.

1. Call to Order

The Chairman called the meeting to order at 11:42a.m.

2. Attendance

Name	Initials	Title	In Attendance	Apologies
Mr. George A. Powell	GP	Chairman	✓	
Mr. Kearney S. Gomez	KG	Deputy Chairman	✓	
Mr. Teddie C. Ebanks	TE	Director	✓	
Mr. Harwell A. McCoy	HM	Director	✓	
Ms. Lucille Barnes Rico	LR	Director	✓	
Ms. Louise Christine Burke-Richardson	LB	Director	✓	
Mr. Rayburn Farrington	RF	Director		✓
Mr. Allan Bush	AB	Director	✓	
Deputy Chief Officer, PLAHI Mrs. Leyda Nicholson-Makasare	LM	Ministry's Representative (PLAHI)	✓	
Ministry of PLAHI Designate Mrs. Tanya Vasquez-Ebanks	TV-E	Ministry's Representative (PLAHI)	✓	
Financial Secretary's Office Designate – Mr. Randy Myles	RM	FS's Office Representative	✓	
Mr. Julio Ramos	JR	General Manager/ Secretary	✓	

3. Welcome and Prayer

The Chairman welcomed all attendees and HM led the meeting with a prayer.

4. Chairman's Opening Remarks

Apologies were expressed for the change in meeting day, however was optimistic that this would not be an issue as there was sufficient attendance from the members to form a quorum.

5. Formal Approval of the Previous Board Meetings

5.1 Minutes of the Board of Directors meeting held on July 31, 2014 to were confirmed.

Moved: LB

Second: TE

Agreed: All members present

5.2 Minutes of the Board of Directors & Staff meeting held on July 31, 2014 were confirmed.

Moved: TE

Second: LR

Agreed: ALL Members Present

6. Matters arising from the last Board Meeting.

6.1 AHI Special Case Applicant: As an update to the approved special case applicant, the Board was advised that the applicant has requested that the houses assigned be reserved until the early part of Dec 2014 as her cash is placed with the Credit Union and schedule the dividend earning that are due within the period specified. The applicant advises that wishes to maximize the earning to further assist in settling into the affordable house.

Agreed: The assigned houses be reserved and for the client to make a down payment or alternative make the necessary arrangements to have the funds assigned to the Trust for the specified date.

6.2 Allocation of the AHI Houses - The Operations of the Trust has been tasked with strategically assigning the houses based on the applicant's household information.

6.3 NHDT Eastern Avenue Property – A follow up memo was submitted to the Ministry advising on the Trust's position with respect to the valuation of the NHDT Eastern Avenue and the two adjoining crown lots and intention of listing these properties for sale. The Trust is currently waiting on the Ministry to confirm their position on the vesting of the two adjoining crown lots and on an agreed approach on listing the properties for sale.

7. Audit & Accounts Report –Update from the GM

7.1 AG's Report on SAGC's – 2011-12 - The AG's draft report on SAGC's financial performance along with audit issues was presented and tabled for discussion. It was noted that the points raised with respect to the Trust were previously discussed and subsequently addressed in previous Board Meeting.

Agreed: Request to the OAG that consideration is given to remove the matter of emphasis on the Bond Obligations and Output Funding from the CIG. The Trust is of this is a standard requirement of the CIG to honor the NHDT Bond Commitments and Outputs are these have been guaranteed and supported by the CIG.

7.2 The Financial Audit for 2012-13 a final review was submitted and the Audit Principal the following two points as a matter of emphasis. In doing so, the opportunity was given to the Trust to respond accordingly.

- Matter of Clients Deferred Equity – The AOG was not satisfied on the reporting of the Client’s deferred equity as there are uncertainties on the approach that remains to be taken with respect to the Old AHI Clients that currently occupy the old houses.

Management advised that the matter in question mainly relates to a policy decision, where as it cannot be expected that Clients that are severely delinquent (whereby the clients arrears exceeds the paid up equity on the house) be given the same opportunity as those in good standing. As a standard practice an arrears position will first need be addressed prior to any consideration of payout or transition to a new house.

Agreed: Further consultation is made with the Cayman Islands Government Finance Team for guidance on this issue.

- Matter of Financing of Bond & Outputs - Concerns were raised on NHDT’s position to finance the Bond and Outputs in the event of CIG’s discontinued financial support.

Agreed – The bond obligations and financing of the operation have been guaranteed by the Cayman Islands Central Government and as non for profit entity the onus is on them continue to meet the financial commitments.

It was concluded that matters as outlined above be raised with the AOG to address accordingly.

7.3 The Draft Financial Audit 2013-14 will be submitted by the Trust on and by August 31, 2014 stipulated deadline.

7.4 The 2013-14 Financial Performance detail report was provided and presented by the Finance and Administration Manager. It was concluded that the fixed cost be maintained and certain line cost be reduced and in keeping with the cost saving initiatives. On that note it was agreed that the relevant Committee meetings be coordinated within the Trust’s operating hours to eliminate any overtime cost.

8. Affordable Housing Initiative Program – (AHI) Program Update

8.1 Finance Committee’s overview report was presented and the following were concluded from the ongoing AHI Bodden Town Client Assessment:

- There have been delays in obtaining final documentation from the deferred and short listed clients. It has been requested that all efforts be put in to encourage the clients to complete this process.
- The review and vetting of AHI templates and letters was completed.
- Board Vetting of Clients that were submitted for final review. There were 7 cases that were presented for Board vetting and approval.

Agreed: Of the 7 presented cases, 6 were approved for referral to the banks pending finalization

documents and 1 was withdrawn the Trust received the relevant credit check that would indicate that the applicant will not be in position to qualify to service a mortgage.

Review of the existing AHI Delinquency – The following analysis was provided on the delinquency status of the exiting AHI clients that occupy the new affordable houses.

Lease-to-Own Clients			
Category	Count	Month in Arrears	Arrears 31-Jul-2014
Clients Severely Delinquent	4	32.86	21,139.60
Clients delinquent	9	9.94	6,736.64
Clients in Good Standing	13	(1.00)	(700.00)
Total	26	41.80	27,176.24

Lease/Rental Clients			
Category	Count	Month in Arrears	Arrears 31-Jul-2014
Clients Severely Delinquent	4	33.86	24,177.38
Clients delinquent	6	9.54	7,634.78
Client in Good Standing	10	0.49	367.08
Total	20	43.89	32,179.24

It was pointed out that the following approaches be outlined and presented for Board consideration.

- Make further arrangements to meet with the Clients to determine what commitment can be made on their end to address their arrears and current commitments.
- A plan be put in place based on the Client's financial position and to place these individuals on a month to month lease until their arrears position has been addressed.
- All attempts are made to convert all existing AHI Clients to homeownership by encouraging them to exercise the option to purchase the house that they currently occupy through a financial institution.
- Board approval be given to make an addendum to the current lease arrangements whereby the yearly renewal of lease is discontinued and to reinforce that noncompliance with respect to settling outstanding amounts and any breaches will lead to evictions. This step is crucial as the Trust is faced with having to encourage tenants to take the initiative to homeownership.

Agreed: The above approaches have been agreed and approved by the Board

8.2 Old AHI Client Assessment report from the NAU is yet to be completed. As expressed previously the report was partially completed. Once it is fully completed it will be tabled for discussion.

9. GGHAM Program

9.1 GGHAM Administration has been ongoing and all issues pertaining to the existing client and banks request raised and addressed accordingly.

9.2 The quarterly GGHAM Reports as at Jun 2014 were submitted for review. The standard report outlined the total Loan, the liability balance and also an overview of the client's delinquent position.

10. Property Management & Projects

10.1 Building & Project Committee's – overview was provided and the following concluded:

- The remedial work has been ongoing and progressing well.
- There was an issue on the stove electrical connections for approximately 3 houses that were installed very low. In order to address request that the connection be flipped for an upward connection.
- It was identified that some boundary markers were missing as a result of the road paving and there is a possibility that some were buried.

Agreed: It was requested that a metal detector be utilized for locating the buried markers and to proceed in replacing the markers that are missing.

10.2 Termite Treatment East End Houses – As identified previously there is a prevailing issue with termites at the East End housing site. A proposal termite bait system with an estimated \$14,000 cost was presented for Board Consideration.

Agreed: The Trust treats the termites on a case by case as previously conducted and to get a spraying treatment for the developed lots. Additionally request that spraying of the undeveloped land be conducted by the Maintenance Officer.

10.3 Encroachment Issue in West Bay - As an update the Board was informed that the Ministry has had to resort to pursuing this issue with the adjacent land owners relative with hopes of resolving. It was concluded that this issue has been drawn out and that the Ministry be advised that the Trust will be selling the houses based on the existing boundaries.

10.4 Road Access Proposal – Bodden Town Housing Site – As an update to the ongoing alternative access to the Bodden Town Site, the Board was informed that the adjacent Land Owner wishes to pursue the proposal as initially outlined.

Agreed: Follow up for the proposal to be formalized in writing.

11. Other Matters

10.1 The NHDT Staff Handbook Review Report from Staff was presented and discussed briefly. It was requested that the proposed amendments to particular sections of the handbook be drafted and presented at the next scheduled board meeting. Based on the review the following were concluded:


- NHDT adopt the CIG's travel policy as it is straight forward.
- Travel for the annual Children's Christmas shopping is to be discontinued and all efforts should be made to coordinate the required shopping online and to reach out to or partner in with a local toy store for discounted prices.
- Outline the protocol that must be maintained in relation to staff raising issues and complaints. All issues and complaints are to be made in writing in the form of a memo or letter and first raised with the General Manager to respond or act on accordingly.

12. Adjournment

The meeting adjourned at 3:14pm.

13. Next Meeting

The next Board of Directors Meeting will be held on September 18, at 11:00am.



George Anthony Powell
Chairman

09/10/2014

Date



Julio Ramos
General Manager

09/10/2014

Date