**CHEA Board Meeting Minutes**

Tuesday, February 17, 2015, 8:45 p.m.

2604 Paramount Ave., Austin, TX 78704

Board members present: Donny Goff, Board Chair, Clayton Matthews, Treasurer, Hannah Wright, Secretary, Abigail Tatkow, Community Representative, Corey Williams, Board Member at Large.

Also present: Ryan Nill, of La Reunion, Hannah Frankel, of La Reunion, Frankie Damron, formerly of La Reunion, Phil Wilson, of Sasona.

Donny Goff called the meeting to order at 8:47 p.m.

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| **Agenda** | **Action** | **Comment** |
| Review previous meeting’s minutes. | Donny moves to approve, Clayton seconds, amended minutes approved. | Under *New Business* section of previous minutes, the statements should be qualified as hearsay, not fact--see changes made in italics in previous minutes.  Add in the qualifying phrase “a member of La Re reports that…” Signifying that it this a perspective from the meeting in question, not fact.  Also added to the previous minutes, the perspective of Gatlin Johnson. |
| Deposit for Frankie, formerly of La Re. | Donny moves to give Frankie a portion of her deposit back (see comments for exact calculations). Abigail seconds, all vote yes, none opposed, motion passes. | There was a meeting at La Re, where they gave her a lot of her deposit back, and at the same meeting, her deposit was withheld, pending filling the room (in other words, there was an agenda item, then a membership review).  Frankie: Was posted on agenda, due process, members were aware this was happening. Listed at #2, discussed as #1, was not disputed. Made proposal at meeting, was voted on, by majority, final consensus was to break contract, was no longer a member, moved out, was then membership reviewed. Was told she would get full deposit back, minus what she owed Jesse, and minus the cost of window repair. At that point, she was no longer a member. Went to new residence. After she left the meeting, she was membership reviewed, as a nonmember, was not there to defend herself. Discussion of how long to hold deposit, through email, requested to hold for 30 days. Contacted on January 7, was notified to cover rent for whole month of December, including days for which she did not pay rent.  Frankie: moved out because La Re was not safe for her any longer, a domestic violence offender was accepted and moved in, which gave her PTSD and anxiety, so she physically could not live there. Made it clear to the house that she did not want to live there, and could not live there.  Frankie: feels she is being punished for leaving, and really needs the money, is working really hard to make ends meet. Feels co-op is being petty, feels it is harassment, bullying, and unfair. Went through due process, legally, was told she had to pay for month of December. Now, on top of her deposit, she owes CHEA $46.96. Says the coop did not vote to hold her deposit.  Frankie: would like the agreed upon amount that was voted on by the house. Would like to have what she deserves, feels she went through the due process.  Donny: Three questions to think about. What are we legally bound to do? What is the right thing, morally, to do? What is the right thing for us to do financially?  Donny: Frankie brought up that the contract was broken the minute the house voted for a contract break. Given that the house still had her on the agenda for a member review, did they agree to break the contract?  Never an eviction notice posted, because she moved out.  Ryan: contract break policy: 1) contract break should be requested 6 weeks prior to the termination, 2) when you are granted a break, you are still a member, 3) you give notice of intent to vacate, 4) could not fill the room with such short notice, 5) took deposit because they had an empty room.  Hannah of the North: 7 days she resided in La Re, and did not pay for that.  Hannah of the North: Also, at the same meeting as the membership review and contract break, Frankie had five yellow cards, and once you get four yellow cards, signed off by two members and three members total, then it automatically triggers a membership review. As to the member review, it was posted 72 hours in advance, in the commons, and Frankie was notified. She wanted to break her contract, and added it to agenda.  Hannah: Frankie made a report, because she had asked to break her contract, that was prioritized by meeting facilitator, in second report. Frankie was called, asked if she wanted to be put on speakerphone for the Membership Review. She said no  Frankie disputes, says she was not asked to be put on speakerphone.  Ryan: Timing was bad to move out, because MemCo had a series of December obligations, went out of town to visit family. It was not intentional that the room was not filled, but at the end of the day, the room was not filled, without notice, needed to cover that costs.  Donny: Can houses change their minds in meeting? Is that legal? Is that in our rules?    Clayton: membership review was already on agenda, why would you not be there, if you knew?  Frankie: thought agenda item and membership review were different items. Why would you be membership reviewed, if you are not a member?  Clayton: in membership reviews, it is common to talk about deposit and how long to hold it.  Ryan: Member review is not relevant to deposit, but without adequate notice, there are grounds to keep deposit.  Donny: member review is about your relationship to the house, and deposit is about your fiduciary relationship to the house, too.  Melissa: deposit was discussed at membership review? BK, treasuer, steward, should have said, we have 30 days to do the math, then later, if there were fees discovered, the deposit will be decided upon. Deposit is not to be decided at membership review.  Ryan: as treasurer, came to meeting after Frankie left, asked what happened to deposit, did not get straight answer, at membership review, it was decided to do the typical 30 days breakdown.  Melissa: Deposits are not to be decided at membership review, is to be calculated by officers.  La Re did not decide at that meeting.  Agenda of meeting: request for contract break, voted, approved, gets deposit back minus window repair, was voted to not have to pay contract break fee. Walked away thinking, I will have to pay for window, plus money owed to Jesse. That was Frankie’s assumption.  After that contract break, that’s when 30 day clock starts. 30 days starts, to calculate deposit.  6 weeks is for letting house know that you will be moving out.  30 days for legal response, either deposit or itemized list.  Which is more valid: contract break or membership review?  Frankie: technical reasons for why the room was not filled. Feels she is being penalized because people were not there to get new people to move in.  Time check: 25 minutes.  Empty stack, come to decision in 10 minutes.  Ryan: section 4 of contract break policy: contract is not tied to a specific room or unit, CHEA can reassign people to rooms at any time, the member who moved out early is liable to fill the empty slot. Molly, who has had a lot of roommates, took December, to think about roommates moving in. Jessica, of La Re, became her roommate, but vacancy was still there.  Hannah of the North: in first agenda item, would like to hear Corey’s opinion, was not stated that normal deposit requirements were waived.  7 days were not waived, was not said to be off the hook, number was said, without steward or financial folks being there, so the house was working with a wrong number.  Membership review are often held for people in the process of moving out, to assure that people cannot come back, gives binding authority.  Donny: have learned by hard experience that if someone says they will move out, take power from their hands, not out of spite, just covering the basis.  Clayton: a number was thrown out, contract break was granted, was break fee waived, yes.  Donny: MemCos are memcos, there is no difference between taking a week or a month to fill room, they are not paid employees. We ask for 6 weeks advance, to cover a situation like this.  Melissa: fairness and legality, was waived at meeting, standard 100 contract break fee, regardless of how much notice is given. Agrees that it is fair to get utilities, plus window, plus time still living there, plus break fee. If the board decides to go with the contract break decision stands.  Ryan: contract was not yet broken when she left. A requirement of the break is notice.  Donny: according to the minutes , the fee was not waived.  Ryan: January 1 was the most reasonable time to fill the room, regarding others contracts.  Donny: stack empty, move toward proposal.  Compromise: contract break fee, money owed Jesse, window repair, and 7 days, which is close to the original agreement in minutes?  Frankie: honestly, understands that she did not return key on time, needs any amount of money, that would be helpful, needs some part of deposit back.  Ryan: 9 days before key, 100 break fee, utilities, and window.  52 might be low, actually, window was a higher cost that Corey guestimated. Three hours of labor. Plus window pane. Can itemize that cost.  Melissa: CHEA should itemize that, to be accurate.  $122 ($420/mo) (prorated for 9 days living without pay and without key).  Frankie would get back $204.54 (then minus the cost of the window).  Actual cost of window: $66.79. Ryan looked it up!  \*\*\*137.75\*\*\* what Frankie would get back.  400 deposit  50 pet deposit  \_\_\_\_\_\_\_\_\_\_\_\_\_\_  100.00 contract break fee  66.79 window  122.00 prorated rent for 9 days  23.46 utilities owed to Jesse  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \*\*\*137.75\*\*\* what Frankie would get back  Donny moves, to give calculated amount of deposit back to Frankie, Abigail seconds, all voted yes, nothing opposed, motion passes.  Treasurer gets checkbook. Alright! |
| Treasurer update. | Discussion. | Digression: Clayton thinks that the suggestion to split duties of financial and forward thinking might be a good idea…  Paid rent for February.  Got some proposals from different bookkeepers, one is a coop, Daniel recommended. Seems relatively affordable, $600 to get caught up and set up, then 8 hours/month, $440/mo.  Andy’s lead, 1,000 for 990. Is a standard amount for taxes.  Coop not interested in filing 990 this year.  Nicole says we should pay someone to do it this year.  How far behind are we? Maybe two months, to be able to file taxes.  Action item to move this forward--getting taxes filed. We need to do that. Do we have the money? Not enough right now. Something to figure out.  Check with folks who could do 990, get details on what they would need for books.  Ryan is starting a BK business, has a friend who does it for $40, will probably subcontract work to Ryan. Could be a good alternative. Could get books ready for filing, then filing, Andi Shively. Ryan can connect Clayton and Andi. See if she has filed 990s, how much she would charge.  ACTION ITEM for Ryan and Clayton -- contact Andi Shively to get quote on readying books, filing 990. |
| GMM planning--dates, agenda, etc. | Discussion. | Sasona voted for the GMM to be at Sasona, on March 28 or 29, Saturday or Sunday.  Ideas for theme: field day! Here at Sasona, also potentially at Little Zilker Park. |
| Co-op tour update. | Discussion. | Abigail met with Kim Penna this past week. Had a good meeting, showed her the map she had made of coops around town. 45 different places, are thinking really big. Fruitful partnership.  Action items: need to come up with a list of things to think about for this. Going to meet on Thursday this week. WIll have an update at next meeting.  Original impetus for dinner at Marjorie Daw was co-op tour, wound up being more about how to cooperate between Marjorie Daw and CHEA, so much more business and existential stuff. Not really about co-op tour.  MD would like to be part of a tour. Do another dinner with Rosewood?  For now, time to focus on GMM.  Good idea to have dinner for MD, too, to return the favor for hosting us. |
| New co-ops? | Discussion. | Have heard nothing from Avalon  .  Heard from Don Jon, asked Donny about how La Re and CHEA runs things. Asked about brainstorming ways to combine organizations. |
| Part-time CHEA administrator position. | Discussion. | We are still very much in the exploratory phase for this item, not decision time.  Donny: Ryan and Donny have been thinking that we have enough people to justify an administrator position, to keep CHEA legal, because we only meet every two weeks. Some of the systems we want to form are having trouble forming. If we had a part-time person, could make that happen, could be more engaged in getting memcos, bks trained, etc.  Advocating for coops, taking to city, talking to other coops, finding out how to expand movement.  Ryan: Two separate jobs, could be held by two different people, or by one person, expansion, and developer (developer would be accountable to institutions outside of CHEA, build up and expansion fund, federated housing development fund). Two different positions. Might end up hiring the same person to do both jobs. As time goes on, positions will have to split. Descriptions are already written for expansion.  Budgeting in business plan: will not impact CHEA budget significantly, Ryan drafted a business plan, through the magic of the vacancy fund. We have to keep adding to it.  Clayton asked Daniel about vacancy fund: reserve is for vacancy. Is added at a rate of 5% of lease payment per month. Is “full” once it hits 10% of a year’s lease payments. Anything more than that gets kicked back to coop as unrestricted check. 24,000 is the threshold, and we are 2000 short. Fiscal year is almost over, in June.  Will get new numbers from NASCO, on lease payment, 2.5% CPI. Houses might need to increase rent 4%, increase lease on houses by 4%.  Ryan created a dedicated employee worksheet, determine cost it would take. Get outside coops to join, pay for membership for expansion.  Vacancy fund will pay for someone to do administration. Only.  Developer position would be funded partially externally.  Is a reasonable sell to college houses because their members have no where to graduate to. $1 per member. Options are limited. If College Houses says no, it probably won’t happen.  Ryan can send out business plan to the board.  Talk about it at GMM? March 28.  ACTION ITEM for Hannah of the South: put on agenda for GMM. Discuss. Will see how developed we are, probably won’t be a vote. Will probably be the board who votes on it, when it is solid. Would be good to present it, talk to people about it, hear discussion and feedback at the GMM.  Questions from Sasona, from house meeting February 7, 2015:  How would job be filled?  How would application/interview process go?  Would the Board only vote for this position, or would the houses vote on it, too?  Would there be enough work to justify such a position?  What if they don’t live there, but they become embedded there, making it hard to fire them?  Could we also get a copy of the file that Ryan passed around last week, to share with the houses?  Abigail spoke Aaron Paden, ED or administrator of Uksha. His role is different, but he does similar things. Asked him about those two positions, internal and expansion, nothing formal in Uksha, but he was instrumental in helping facilitate expansion. Mentioned that if someone is being paid for it, they can be fired for it. Internally, also has a role as maintenance consultant. |
| Polling houses on income levels to maintain nonprofit status. | Discussion. | Do at GMM! Print, have people fill it out. CHEA wide or per house? Needs to be per house. Have to show that we meet affordability thresholds, if audited. |

**New Business**

None.

Next meeting will be Tuesday, March 3, 2015, 8:45 p.m., at La Reunion.

Meeting adjourned at 10:34 p.m.

Hannah Wright, Secretary

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**Agenda for CHEA Board Meeting**

Tuesday, March 3, 2015, 8:45 p.m.

La Reunion Co-op, 7910 Gault St., Austin, TX 78757

1. Treasurer update.
2. Co-op tour update.
3. New co-ops? Marjorie Daw, Avalon, etc.
4. Part-time CHEA administrator position.
5. GMM planning, agenda, etc.

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**Agenda for General Membership Meeting**

Saturday, March 28, 2015

Sasona Co-op, 2604 Paramount Ave., Austin, TX 78704

1. Polling membership on income levels.
2. CHEA Part-Time Administrator position.