

**MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE COUNTY OF DEKALB
TUESDAY, MARCH 19, 2013**

The Commissioners of the Housing Authority of the County of DeKalb met in regular session at the Housing Authority's central office, 310 N. Sixth Street, DeKalb, IL at 2:30 PM on Tuesday, March 19, 2013.

The meeting was called to order by Chairman Bemis and upon roll call, those present and absent were as follows:

PRESENT: Ron Bemis
 Donna Moulton
 Jerry Wahlstrom
 Ging Smith
 Susie Hill

ABSENT: None

ALSO PRESENT: Michelle Perkins, Executive Director
 Tim Horning, Attorney
 Christine Sauter, CFO
 Vivian Bright, Operations Coordinator

There being a quorum present and the meeting duly convened, business was transacted as follows:

Approval of the Agenda. Commissioner Bemis asked for changes to the Agenda. There being no changes, Commissioner Moulton made a Motion to approve the Agenda. Commissioner Smith seconded the Motion. All were in favor, none opposed. Motion then carried.

Approval of the Minutes. Commissioner Bemis asked for changes to the Minutes. There being no changes, Commissioner Hill made a Motion to approve the Meeting Minutes. Commissioner Moulton seconded the Motion. All were in favor, none opposed. Motion then carried.

Approval of Bills and Payroll. The bills and payroll were submitted to the Commissioners for approval of payment. Commissioner Wahlstrom moved that the bills and payroll be approved as submitted. Commissioner Moulton seconded the Motion. Upon roll call, the Ayes and Nays were as follows:

AYES: Ron Bemis
 Donna Moulton
 Jerry Wahlstrom
 Susie Hill
 Ging Smith

NAYS: None

ABSENT: None

BUSINESS:

Public Comment: None.

Legal: ED Perkins noted the Sheriffs K9 unit, two DeKalb Police Officers and three HACD personnel performed a routine sweep at Golden Years Plaza. Twelve and a half floors were completed. The remaining floors were postponed for another day. ED Perkins noted the visit from HUD OIG and the subpoena for documents and conducted an interview with ED Perkins for approximately 4 hours. No further information or contact has been made. ED Perkins noted the FOIA request from WNIJ seeking information of how many vouchers are at Eden's Garden compared to overall capacity of HACD. One pending termination for HCV and Public Housing has one – 3 day termination.

Financials: CFO Sauter presented the Commissioners with updated Final FY13 and proposed FY14 budgets. CFO Sauter explained that there were some changes from the preliminary numbers presented at the February meeting. CFO Sauter noted that the Final FY13 changes related to year end accruals, final collection loss write offs, and various other unexpected year end expenses. CFO Sauter noted that the Final FY13 agency earnings being presented were better than the initial FY13 budget. CFO Sauter explained the changes to the proposed FY14 budget noting that HUD recently communicated a reduced proration for the public housing and housing choice voucher programs. Public housing proration reduced from 80% to 73% and housing choice voucher reduced from 75% to 68.5%, resulting in a total agency revenue reduction of (\$91,000). CFO Sauter noted that despite the proration reductions the proposed agency FY14 earnings still remain positive at \$50,734. CFO Sauter and Executive Director Perkins noted that the Central office and public housing programs currently have adequate reserves to offset the current funding shortage. CFO Sauter and ED Perkins will be closely monitoring the proposed HUD funding as this year progresses and will be prepared to make budget cuts for the FY15 budget if necessary.

Resolutions: The Board was presented with **Resolution 13-22 Write Off Non Expendable Equipment.** Resolution approval authorizes the write off of non expendable equipment from the HA's books. Commissioner Moulton made a motion to approve. Commissioner Smith seconded the Motion. All were in favor, none opposed. Motion then carried.

The Board was presented with **Resolution 13-23 Collection Loss Write Off.** Resolution approval authorizes the write off of balances that have been on the book of accounts for a period of time and every effort has been made to collect the unpaid balances. Commissioner Moulton made a motion to approve. Commissioner Wahlstrom seconded the Motion. All were in favor, none opposed. Motion then carried.

The Board was presented with **Resolution 13-24 HCV Utility Allowance.** Resolution approval authorizes the utilization of the utility allowances for HCV presented by The Nelrod Company effective July 1, 2013. Commissioner Smith made a motion to approve. Commissioner Moulton seconded the Motion. All were in favor, none opposed. Motion then carried.

The Board was presented with **Resolution 13-25 FY13 Budget Revisions.** Resolution approval authorizes the Final Operating Budget for all programs for FY Ending March 31, 2013. Commissioner Moulton made a motion to approve. Commissioner Smith seconded the Motion. All were in favor, none opposed. Motion then carried.

The Board was presented with **Resolution 13-26 FY14 Proposed Budget.** Resolution approval authorizes the Proposed Operating Budget for FY Beginning April 1, 2013. Commissioner Moulton made a motion to approve. Commissioner Wahlstrom seconded the Motion. All were in favor, none opposed. Motion then carried.

The Board was presented with **Resolution 13-27 Authorization to Accept IKE CDBG Grant from IHDA**. Resolution approval authorizes the acceptance of the award of One Million Four Hundred Fifty Thousand and No/100 Dollars (\$1,450,000.00) from the CDBG IKE Program administered by the Illinois Housing Development Authority. Commissioner Moulton made a motion to approve. Commissioner Smith seconded the Motion. All were in favor, none opposed. Motion then carried.

Staff Report: Sequestration. ED Perkins noted there is a sequestration reduction to 94.1% for HAP funding, 73% for Public Housing Operating Subsidy and 68.5% for HCV Administrative fee funding.

Briarwood Apartments. ED Perkins provided an update. Currently there are 9 vacancies: one – 1 bedroom unit, three – 2 bedroom units and five – 3 bedroom units. ED Perkins informed that we continue to work with MO-ST plumbing to determine the actual cause of the plumbing issue in building E/F. Tenants are able to use their own plumbing and the plumbing lines are clear at this time. MO-ST will be back out with the camera to determine what the problem is and where.

IKE Grant. ED Perkins provided an update. Progress continues to be made, expecting first “draw” on grant fund by the end of our fiscal year. ED Perkins noted that there is a problem with the windows to be installed in the main living area of each unit. The panel/cut out for the window air conditioner is too small. Architect is working with contractor to remedy the situation.

Asbestos Abatement. ED Perkins noted that HACD has established and is maintaining full compliance with its Asbestos Abatement Plan. Based on the timing and scheduling complexity of the abatement company it is expected that some units will incur additional vacancy days.

Rockford Housing Authority (RHA). ED Perkins noted that HACD was asked by RHA to assist their PHA by providing some consulting services on their HQS inspection staff. RHA also asked that CFO Sauter and ED Perkins be part of their Executive Advisory Board.

Mental Health First Aid. ED Perkins noted that HACD staff will be undergoing in-house Mental Health First Aid training provided by Linden Oaks at Edward on March 14 and March 21.

CoC- HACD Permanent Housing Bonus. ED Perkins noted staff anticipates lease up for one homeless family in a 2-bedroom unit at Briarwood on 4/1 or 5/1 determined by the timing of signed documents from HUD.

Hinckley Payoff. ED Perkins informed that the payoff amount on the RD loan for the Hinckley property is \$92,623.00. We have \$57,400 in RD reserve that can be used toward the payoff for a net result of \$35,223.00 balance. Staff has met with RD personnel to discuss the payoff process. ED Perkins continues to investigate all scenarios with regards to paying off the RD loan. Payoff of loan would remove subsidy from the property. Occupancy could become a concern without subsidy tied to the property. ED Perkins will continue evaluating options.

Evergreen Village. ED Perkins noted there is no update. Authority involvement and level of assistance is yet to be determined. Current comment by County officials is that the project does not have adequate funding to fully implement the required Uniform Relocation Plan as required by Federal Regulations.

Website/PR. ED Perkins provided an update. Design has been determined, working on content. Target project completion is April 1, 2013.

Rent Burden Preference. ED Perkins - more information to come. Interest is still strong about implementing the new Rent Burden Preference. Implementing a “rent burden preference” point would

provide preference to “non-subsidized” households, giving an advantage over families currently living in a subsidized property or families who are paying more than 50% of their income towards rent. This would help reduce the “churn” of assistance. [i.e. establish residency in University Village, Public Housing, and Gideon Court to gain residency preference].

April Board of Commissions Meeting. ED Perkins led a discussion on options of moving and/or combining the April and May Board of Commissions Meetings. It was decided to combine the April and May Board of Commissions Meeting to be held on April 30, 2013. Commissioner Moulton made a motion to approve. Commissioner Wahlstrom seconded the Motion. All were in favor, none opposed. Motion then carried.

Commissioner Hill Resignation: Commissioner Hill has tendered her resignation as resident board member. Commissioner Hill will be moving out of Lewis Court Apartments and will no longer be affiliated with HACD. Chairman Bemis along with the other commissioners and staff acknowledged and thanked Commissioner Hill for her contribution as a Commissioner, congratulated her on her new living arrangements and extended good wishes with her future endeavors.

Entry of Closed Session: At 4:00 PM Commissioner Moulton moved to go into closed session. Commissioner Smith seconded it. All were in favor, none opposed. Commissioners adjourned to closed session to discuss employment and compensation.

Ron Bemis handed out a review and evaluation of the Executive Director. Discussion by Ron Bemis and Board Members about the evaluation process. Discussion about staff evaluations and interaction between Executive Director and staff. Ron Bemis stated the evaluation of Executive Director mostly positive due the number of issues this year with the Housing Authority including Briarwood. Discussion by Board Members about some of the issues at the Housing Authority this last year. Based on review of the evaluation, Board discussed how it had no surprises. Further discussion by Board about the salary range. Discussion by Board about the previous Executive Director salary range.

Board discussed the performance bonus and how to evaluate this process. Board directed Attorney Horning to assist with coming up with a criteria for the performance bonus. Resolution to recommend increase in Executive Director salary for a 2.5 % increase to a salary of \$82,000 with a \$6,000.00 performance bonus payable prior to March 31, 2013.

Commissioner Moulton moved that the foregoing Resolution be adopted as introduced and read, which Motion was then seconded by Commissioner Smith and upon roll call the Ayes and Nays were as follows:

Ayes: All

Nays: None

Absent: None

The Chairman then declared the Motion carried and the said Resolution was adopted.

Return from Closed Session: At 4:20 PM Commissioner Moulton moved to exit closed session. Commissioner Smith seconded it. All were in favor, none opposed. Closed session discussion between Commissioners concluded and the open meeting resumed.

As there was no further open meeting action on employment and compensation or discussion to come before the meeting, Commissioner Moulton moved to adjourn the regular meeting. Commissioner Smith seconded the Motion and Motion then carried. The regular meeting was adjourned at 4:22 PM until the **combined April and May** meeting rescheduled to take place on Tuesday, April 30, 2013 at 2:30 PM at the offices of the Housing Authority of the County of DeKalb, 310 N. 6th Street, DeKalb, IL.

CHAIRMAN

(SEAL)

ATTEST:

SECRETARY-TREASURER

CERTIFICATE

I, MICHELLE PERKINS, the duly appointed, qualified and acting Secretary of the HOUSING AUTHORITY OF THE COUNTY OF DEKALB, ILLINOIS, and Keeper of the records thereof, do hereby certify that I have compared the annexed complete unapproved Minutes as recorded by me and retained in the Records of said Authority, and certify that it is a true, complete and correct presentation of said Minutes, including attachments or exhibits made a part of these Minutes.

I further certify that if the Minutes are subsequently corrected or amended, I shall forward promptly such correction or amendment and a copy of the attachments or exhibits made a part of these Minutes.

I further certify that the said Regular Meeting was held March 19, 2013 at 310 N. 6th Street, DeKalb, IL, and roll call showed the following members to be present and absent:

PRESENT: Ron Bemis
 Donna Moulton
 Jerry Wahlstrom
 Ging Smith
 Susie Hill

ABSENT: None

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Authority
this April 16, 2013.

ACTING SECRETARY