

AGENDA

KENDALL HOUSING AUTHORITY
BOARD OF COMMISSIONERS
ANNUAL MEETING
NOVEMBER 22, 2013 8:00 A.M.
KENDALL COUNTY HEALTH DEPARTMENT
2nd FLOOR CONFERENCE ROOM
811 WEST JOHN STREET
YORKVILLE, ILLINOIS

1. CALL TO ORDER DIRST
2. ROLL CALL DIRST
3. PUBLIC COMMENT (Limit of 5 minutes per person)
4. APPROVAL OF MINUTES
 - September 27, 2013
5. FINANCIAL REPORT DARZINSKIS
 - Activity Report
 - Monthly Financials
6. NEW BUSINESS
 - Election of Board Officers for 2014

Resolutions

 - Resolution 2013-12 Adoption of 2014 KHA Board Meeting Schedule
 - Resolution 2013-13 Approval of FY 2014 Payment Standards
 - Resolution 2013-14 Approval of FY 2014 Budget

Discussions

 - KHA Website
 - Liability Insurance
7. EXECUTIVE DIRECTOR'S REPORT DARZINSKIS
8. EXECUTIVE SESSION (per Section 2 of the Illinois Open Meetings Act)
 - Approval of Minutes of Prior Meetings Lawfully Closed (Section 2(c)(21))
 - Litigation (Section 2(c)(11))
 - Personnel (Section 2(c)(1))
9. ACTIONS TO BE TAKEN AS A RESULT OF THE EXECUTIVE SESSION (if necessary)
10. FUTURE DISCUSSION/ACTION ITEMS DARZINSKIS
 - January: Approve FY2013 Auditor
 - February: Special Meeting for SEMAP
11. ADJOURNMENT

MINUTES
KENDALL HOUSING AUTHORITY
BOARD OF COMMISSIONERS
September 27, 2013

The September 27, 2013 Board of Commissioners meeting of the Kendall Housing Authority (KHA) was held in the Kendall County Health Department, 2nd floor Conference Room, 811 West John Street, Yorkville, IL

In Attendance: KHA Commissioners Tom Grant, Carl Gutierrez, Matt Prochaska, Jeremy Swanson, and Chairman Jim Dirst. Also present were Executive Director Deborah Darzinskis, Interim Chief Financial Officer Scott Brady, Certification Specialist Michelle Ross, and Sr. Administrative Assistant Greg Lippert.

1. **CALL TO ORDER**

The meeting was called to order by Chairman Jim Dirst at 8:00 am.

2. **ROLL CALL AND CERTIFICATION OF QUORUM**

A roll call showed that 5 members were present, a quorum.

3. **PUBLIC COMMENT**

No members of the public attended the meeting.

4. **APPROVAL OF BOARD MINUTES FROM JULY 26, 2013**

Commissioner Grant made a motion, seconded by Commissioner Prochaska, to approve the minutes from July 26, 2013. The motion carried by a unanimous vote.

5. **FINANCIAL REPORT**

Interim Chief Financial Officer Scott Brady distributed the financial report for August, 2013. He said the report included HAP, Administrative and Consolidated Income Statements, plus a Balance Sheet. He noted that the balance sheet showed total cash of \$645,255.11, an amount that he said HUD is likely to reduce in the months ahead. The Administrative Income Statement showed net income of \$1,835.06 for August and \$22,427.59 year-to-date. He noted that the KHA has almost as many port-in tenants as KHA voucher tenants. There was a discussion about where the port-ins came from and why they chose to live in Kendall County.

Executive Director Darzinskis said the financial report was generated from the new Yardi system. She said it can provide more detail than available before, and will be a valuable resource.

After the financial report, the Board held a telephone conference call with Andy Zenk of Zenk and Associates about the draft FY2012 audit that had been distributed to Commissioners. Zenk said that the audit showed no major negative findings, and that those from FY 2011 had been resolved. He said KHA had taken a "major step" in updating files for FY2012; files were in proper order and had necessary documentation. Executive Director Darzinskis said that much effort had been made to take proper care of client files. Going forward, she said, KHA will be at a much higher level of compliance with HUD requirements. She said that a September HUD audit of KHA's FY2012 SEMAP submission showed the agency's progress. In response to a question by Interim CFO Brady, Zenk said the final version of the audit report will be available in the next month or two.

6. NEW BUSINESS

Resolutions

- Resolution 2013-9 Approval of KHA Annual Plan FY2014: Executive Director Darzinskis described the purpose and general content of the Annual Plan. A public hearing was held on the plan, and feedback was received by the KHA Resident Advisory Board, she said. Commissioner Grant made a motion, seconded by Commissioner Gutierrez, to approve Resolution 2013-9. The motion carried by a unanimous vote.
- Resolution 2013-10 Approval of Contract with IHDA for RHS Round 3: Executive Director Darzinskis said the Rental Housing Support Program, funded by the Illinois Housing Development Authority, provides rental assistance but is not part of the Section 8 Housing Choice Voucher Program. Copies of the Agreement were passed around the table because an incorrect copy had been mistakenly sent to Commissioners before the meeting; a correct copy was distributed to Commissioners after the meeting. In response to a question from Chairman Dirst, Executive Director Darzinskis said she would report back on the number of people in Grundy County who participate under the RHS grant. Commissioner Grant made a motion, seconded by Commissioner Swanson, to approve Resolution 2013-10. The motion carried by a unanimous vote.
- Resolution 2013-11 Adoption of DHA Financial and Management Policies: Executive Director Darzinskis said that the same Financial and Management Policies are used by the KHA and by the DuPage Housing Authority. She said that if any policies and procedures have to be constructed specifically for the KHA, they would be brought to the Board. There was a discussion about the index of Policies attached to the Resolution; Commissioners agreed to strike "Board By-Laws" from the list. Commissioner Gutierrez made a motion, seconded by Commissioner Prochaska, to approve Resolution 2013-11 with the amended Policies index. The motion carried by a unanimous vote.

Discussions

- 2014 Meeting Schedule, February SEMAP meeting: There was a discussion about the Board's meeting schedule for 2014, including a special February meeting to approve the KHA's SEMAP submission. It was agreed that a resolution to set the 2014 meeting schedule would be presented at the Board's November 22, 2013 meeting.

7. EXECUTIVE DIRECTOR'S REPORT

Executive Director Darzinskis said that the management staff had met in September with HUD auditors to review the KHA's 2012 SEMAP submission. Commissioner Prochaska attended the summary meeting to discuss the auditors' findings. She said that the KHA has made significant progress from its 15% rating in 2011 and is close to being rated a "standard" performer Housing Authority. She invited the Board to give close scrutiny to the KHA's operations and said she will be glad to answer any questions. Commissioner Prochaska said that at the summary audit meeting, HUD representatives complimented the KHA's improvement.

Executive Director Darzinskis distributed to Commissioners 3 documents for their information: 1) HUD's Proposed 2014 Fair Market Rents for Kendall County. 2) A summary of rental unit characteristics (family size and unit's number of bedrooms) for KHA voucher-holders and port-ins. 3) A fact sheet on background screenings for new tenants. Certification Specialist Ross described the screening process.

8. EXECUTIVE SESSION

There was no Executive Session.

9. FUTURE DISCUSSION/ACTION ITEMS

Executive Director Darzinskis discussed with Commissioners the Board's November 22 meeting, the Annual Meeting at which officers will be elected and the FY 2014 Budget will be approved. Approval of the KHA's FY2013 auditor will be scheduled for the Board's January meeting, she said.

10. ADJOURNMENT

Commissioner Grant made a motion, seconded by Commissioner Swanson, to adjourn the meeting at 9:12 a.m. The motion carried by a unanimous vote.

Respectfully Submitted,
Gregory Lippert
Sr. Administrative Assistant/Recording Secretary

KENDALL HOUSING AUTHORITY
RESOLUTION NO. 2013 – 12
ADOPTION OF KHA BOARD MEETING SCHEDULE

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KENDALL HOUSING AUTHORITY, as follows:

Section 1: It is in the best interest of the Kendall Housing Authority (KHA) to take the following action:

To adopt the attached meeting schedule for 2014.

Section 2: This Resolution is effective upon its adoption.

Approved by the Kendall Housing Authority Board of Commissioners, on this 22nd day of November, 2013.

Jim Dirst
Chairman

Tom Grant
Secretary/Treasurer

Ayes: _____

Nays: _____

Abstain: _____

KENDALL HOUSING AUTHORITY

BOARD OF COMMISSIONERS

2014 MEETING SCHEDULE

JANUARY 24, 2014

FEBRUARY 21, 2014 Special Meeting

MARCH 28, 2014

MAY 23, 2014

JULY 25, 2014

SEPTEMBER 26, 2014

NOVEMBER 21, 2014

PLACE

KENDALL COUNTY HEALTH DEPARTMENT
2nd FLOOR CONFERENCE ROOM
811 WEST JOHN STREET
YORKVILLE, ILLINOIS

TIME

8:00 a.m.

Standing Committees will meet as necessary. Notices of these meetings will be sent and posted.

KENDALL HOUSING AUTHORITY
RESOLUTION NO. 2013 – 13
APPROVAL OF FY 2014 PAYMENT STANDARDS

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KENDALL HOUSING AUTHORITY, as follows:

Section 1: It is in the best interest of the Kendall Housing Authority (KHA) to take the following action:

To adopt the attached FY 2014 Payment Standards for the Kendall Housing Authority.

Section 2: This Resolution is effective upon its adoption.

Approved by the Kendall Housing Authority Board of Commissioners, on this 22nd day of November, 2013.

Jim Dirst
Chairman

Tom Grant
Secretary/Treasurer

Ayes: _____

Nays: _____

Abstain: _____

KENDALL HOUSING AUTHORITY

Mailing Address: 711 E. Roosevelt Road
Wheaton, IL 60187-5646
Telephone: 630-690-3555
Fax: 630-690-0702

INCOME LIMITS MEDIAN FAMILY INCOME Effective FY 2013

HOUSEHOLD SIZE	VERY LOW INCOME	30% OF MEDIAN	LOW INCOME
1	\$32,050	\$19,250	\$45,100
2	\$36,600	\$22,000	\$51,550
3	\$41,200	\$24,750	\$58,000
4	\$45,750	\$27,450	\$64,400
5	\$49,450	\$29,650	\$69,600
6	\$53,100	\$31,850	\$74,750
7	\$56,750	\$34,050	\$79,900
8	\$60,400	\$36,250	\$85,050

PAYMENT STANDARDS

0 Bedroom	\$594
1 Bedroom	\$750
2 Bedroom	\$999
3 Bedroom	\$1,472
4 Bedroom	\$1,539
5 Bedroom	\$1,770
6 Bedroom	\$2,001

Payment Standards effective January 1, 2014

Adopted 11/22/13

KENDALL HOUSING AUTHORITY
RESOLUTION NO. 2013 – 14
APPROVAL OF FY 2014 BUDGET

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KENDALL HOUSING AUTHORITY, as follows:

Section 1: It is in the best interest of the Kendall Housing Authority (KHA) to take the following action:

To adopt the attached FY 2014 Budget.

Section 2: This Resolution is effective upon its adoption.

Approved by the Kendall Housing Authority Board of Commissioners, on this 22nd day of November, 2013.

Jim Dirst
Chairman

Tom Grant
Secretary/Treasurer

Ayes: _____

Nays: _____

Abstain: _____

Kendall Housing Authority
Fiscal 2014 Budget (Proposed)

	Fiscal 2012 Approved Budget	Fiscal 2013 Approved Budget	Fiscal 2014 Proposed Budget
<u>Operating Revenues</u>			
ACC Received - Admin Fees	115,200.00	110,000.00	76,000.00
Port-Ins - Admin Fees	48,000.00	56,000.00	66,000.00
Interest Income	800.00	500.00	200.00
Total Operating Revenues	164,000.00	166,500.00	142,200.00
<u>Operating Expenses - Admin</u>			
Management Fees	130,500.00	132,800.00	113,600.00
Staff Training	0.00	1,000.00	800.00
Travel	1,500.00	2,000.00	3,000.00
Accounting Fees	7,000.00	6,000.00	6,400.00
Association Dues	0.00	600.00	1,600.00
Consulting Fees	0.00	2,000.00	1,000.00
Office Supplies/Printing	1,500.00	1,800.00	1,800.00
Postage	1,500.00	1,000.00	1,000.00
Conferences & Meetings	500.00	200.00	200.00
Software & Misc Equip	700.00	2,000.00	2,000.00
Software Maintenance	2,000.00	2,000.00	2,000.00
Rent - Office	12,000.00	5,000.00	4,800.00
Telephone	2,500.00	1,000.00	600.00
Miscellaneous	4,000.00	2,000.00	1,400.00
Legal	1,000.00	1,000.00	1,000.00
Utilities	3,000.00	2,000.00	800.00
Board Expense	0.00	100.00	200.00
Insurance	1,800.00	2,000.00	2,000.00
Total Operating Expense	170,000.00	164,500.00	144,200.00
Net Operating Income/(Loss)	(6,000.00)	2,000.00	(2,000.00)



October 10, 2013

Dear AHRMA Member:

We are pleased to announce that beginning January 1, 2014 we will be able to offer higher liability limits. Over the past months we have heard several members express concern regarding the adequacy of the \$1 Million dollar limit we provide for general and public officials' liability and hope this option will alleviate those concerns. For those of you with AHRMA automobile coverage the higher limits, if selected, will apply to your automobile liability as well.

We have enclosed a 2014 Liability Limit Option Form for your review and completion. Your current policy offers \$1 Million liability limits and you will now be able to select a limit of up to \$5 Million for general and public officials' liability and, again, if covered by the AHRMA program your owned automobile liability. The same limit must be selected for all liability lines and the total charge for the various higher limits is indicated. The amounts that appear in the "Additional Member Contribution" column do not include the contribution or premium for the first million dollar layer. That amount will appear on your 2014 Renewal Invoice.

For example, if you have 100 units and your renewal invoice indicates a premium of \$3,500 (\$35 per unit) for general liability and \$3,000 (\$30 per unit) for public officials liability and you choose a \$2 Million limit your total charge will be \$7,150 (\$3,500 GL + \$3,000 POL + \$650 Additional Limit Charge). Your 2014 Renewal Invoice will be mailed the first week of November and the invoice for higher liability limits, if selected, will be mailed upon receipt of your selection form.

Please review the attached, make a selection, and return the form to us by **November 12, 2013**. We welcome your questions and will be happy to assist you as you consider your options. Please call us at (888) 714-8499, ext 235 if you need assistance. You may also e-mail Laura Snider, lsnider@ahrma.com, Michelle Bayles, mbayles@ahrma.com, or Julie DePasse, jdepasse@ahrma.com.

These options will allow you and your Commissioners more flexibility in managing your risks. Thank you for the suggestions that lead to our programs continued growth and improvement.

Sincerely,

Julie DePasse
CEO

2014 Liability Limit Option Form

ASSISTED HOUSING RISK MANAGEMENT ASSOCIATION

MEMBER: KENDALL HOUSING AUTHORITY

EFFECTIVE DATE: 01/01/2014 TO 01/01/2015

TOTAL # OF UNITS 160

<u>SELECT ONLY ONE</u>	<u>TOTAL LIABILITY LIMIT</u>	<u>ADDITIONAL CHARGE PER UNIT</u>	<u>ADDITIONAL MEMBER CONTRIBUTION</u>
<input type="checkbox"/> CURRENT LIABILITY LIMITS	\$1,000,000	\$0.00	\$0.00
<input type="checkbox"/> ADDITIONAL \$1 MILLION	\$2,000,000	\$6.50	\$1,040.00
<input type="checkbox"/> ADDITIONAL \$2 MILLION	\$3,000,000	\$10.00	\$1,600.00
<input type="checkbox"/> ADDITIONAL \$3 MILLION	\$4,000,000	\$12.00	\$1,920.00
<input type="checkbox"/> ADDITIONAL \$4 MILLION	\$5,000,000	\$13.50	\$2,160.00

THE ADDITIONAL CHARGE PER UNIT INCLUDES THE COST OF HIGHER LIMITS FOR BOTH GENERAL AND PUBLIC OFFICIALS' LIABILITY AND THE SAME LIMIT WILL APPLY TO BOTH LINES OF COVERAGE. IF YOU HAVE OWNED AUTOMOBILE COVERAGE WITH AHRMA THE HIGHER LIMIT, IF SELECTED, WILL APPLY TO THAT LINE AS WELL.

IF HIGHER LIMITS ARE SELECTED FOR 2014 YOU WILL RECEIVE A SEPARATE INVOICE FOR THE ADDITIONAL COVERAGE. IF YOUR CURRENT \$1 MM LIMITS ARE SUFFICIENT PLEASE INDICATE SO IN THE BOX NEXT TO "CURRENT LIABILITY LIMITS".

RETURN THIS FORM BY NOVEMBER 12TH TO LAURA SNIDER VIA E-MAIL, LSNIDER@AHRMA.COM, FACSIMILIE, (217) 893-3507, OR MAIL, AHRMA, 426 E CONGRESS AVE, RANTOUL, IL 61866.

PRINT NAME

TELEPHONE NUMBER AND EXTENSION

TITLE

E-MAIL ADDRESS

SIGNATURE

DATE