

**MINUTES**  
KENDALL HOUSING AUTHORITY  
**BOARD OF COMMISSIONERS**  
May 23, 2014

The May 23, 2014 Board of Commissioners meeting of the Kendall Housing Authority (KHA) was held in the Kendall County Health Department, 2<sup>nd</sup> 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, Chief Financial Officer Ed McGoey, and Sr. Administrative Assistant Greg Lippert.

1. **CALL TO ORDER**

The meeting was called to order by Chairman Dirst at 8:02 a.m.

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

A roll call showed that 4 Commissioners were present, a quorum. Commissioner Swanson joined the meeting at 8:09 a.m.

3. **PUBLIC COMMENT**

No members of the public attended the meeting.

4. **APPROVAL OF BOARD MINUTES FROM MARCH 28, 2014**

Commissioner Grant made a motion, seconded by Commissioner Prochaska, to approve the meeting minutes of March 28, 2014. The motion carried unanimously by voice vote.

5. **FINANCIAL REPORT**

CFO McGoey discussed the Financial Report distributed to the Board. The report included:

- Voucher utilization for April was at 93 percent, while HAP payments were at 104 percent of Annual Budget Authority. CFO McGoey said the dollar figure may be affected by the open accounting issue of portability payments. Executive Director Darzinskis said that voucher utilization and HAP payments are both important numbers to monitor so that the KHA does not overspend HAP dollars as HUD takes back Net Restricted Asset funds from Housing Authorities across the United States.
- CFO McGoey said that Administrative Net Income for April showed a positive variance from budget of approximately \$12,000, due primarily to fraud recovery, increased HUD administrative fees, and favorable expenses. Executive Director Darzinskis said that Certification Specialist Michelle Ross has done an excellent job of monitoring client activity.
- CFO McGoey said that portability accounting in YARDI has been a challenge because opening balances were not available for some clients. That was a key reason why the DuPage Housing Authority (DHA) has recently retained the Nan McKay consulting firm to validate the YARDI financial set-up. Nan McKay will work with the DHA to verify account balances, help establish proper procedures for YARDI financial processes going forward, and provide user training.
- Executive Director Darzinskis and CFO McGoey said that, in addition to hiring the consultant, the DHA has hired a person to fill the new Finance position of Senior Accountant/Financial Systems Lead.
- Executive Director Darzinskis and CFO McGoey said they recommend that the portion of the KHA's HUD administrative fees paid to the DHA for management services be increased from 80

percent to 85 percent. CFO McGoey said budget projections, using the 85 percent rate, showed that the KHA would break even in FY 2015 and would show a slight loss in FY 2014 because of a one-time technology-improvement assessment approved by the Board in February. The preliminary FY 2015 budget, assuming a management fee of 85 percent of HUD administrative fees, shows break-even net income, even with the expected reduction of port-in vouchers because of lower payment standards that HUD set for Kendall County. Executive Director Darzinskis and CFO McGoey discussed the Finance staff reorganization, some open Finance issues, and the FY 2015 goal of awarding a pay increase to staff members after no raises for three years. There was a consensus among Commissioners that a resolution should be presented at a special June meeting to increase to 85 percent the portion of HUD administrative fees paid to the DHA.

- Executive Director Darzinskis said a copy of the KHA's employee liability insurance certificate had been distributed to Commissioners for their information.

## 6. OLD BUSINESS

Executive Director Darzinskis said that a Kendall County lawsuit filed against the KHA and DHA by Dorothy Terry had been dismissed by the court.

## 7. NEW BUSINESS

### Resolutions

- Resolution 2014-5 Adoption of KHA Administrative Plan Revisions 2014. Executive Director Darzinskis said that the 2014 Revisions tightened up procedures in some cases; tenants who report zero income, for instance, must report back quarterly and answer more detailed questions. Commissioner Grant made a motion, seconded by Commissioner Gutierrez, to approve Resolution 2014-5. The motion carried unanimously by voice vote.
- Resolution 2014-6 Approval of Lease Extension with Kendall County. Chairman Dirst and Executive Director Darzinskis praised the Kendall County Health Department for its support of the KHA office in the Health Department Building. Commissioner Grant made a motion, seconded by Commissioner Prochaska, to approve Resolution 2014-6. The motion carried unanimously by voice vote.

### Discussions

- KHA Annual Plan 2015 preparation. Executive Director Darzinskis said that the KHA's Annual Plan for FY 2015 is being prepared. She said that a copy of the FY 2014 Plan had been distributed to Commissioners for reference, and she invited them to give her any comments or suggestions about next year's Plan. The FY 2015 Plan will be presented to the Board in September.

## 8. EXECUTIVE DIRECTOR'S REPORT

- The KHA is looking to recruit new members for the Resident Advisory Board (RAB). In response to a question by Chairman Dirst, Executive Director Darzinskis said that there will be three to five people on the RAB. Meetings may be held by conference call, she said.
- The KHA continues to monitor its fraud recovery procedures for tenants and landlords. The process for repayment agreements has been tightened.
- The KHA is in the process of renewing its Rental Housing Support Program (RHSP) agreement with the Illinois Housing Development Authority.
- The KHA has begun to require landlords to sign leases and HAP contracts at the DHA's Wheaton office. This was done because of delays in getting documents back by mail. Any hardships will be dealt with on a case-by-case basis.

- The KHA probably will reopen its Wait List toward the end of 2015. Executive Director Darzinskis said that the Wait List first must be reviewed to verify that individuals on the list have provided their current mailing addresses and are still interested in participating in the voucher program.
- In response to a question by Chairman Dirst, Executive Director Darzinskis said she had met in October with the Committee of the Whole of the Kendall County Board. She said she would be available to meet again when requested.

9. EXECUTIVE SESSION

There was no Executive Session.

10. ADJOURNMENT

Chairman Dirst adjourned the meeting at 8:46 a.m. following the unanimous approval of a motion to adjourn made by Commissioner Grant, seconded by Commissioner Prochaska.

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