

MINUTES
KENDALL HOUSING AUTHORITY
BOARD OF COMMISSIONERS
September 19, 2014

The September 19, 2014 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 Carl Gutierrez, Robyn Ingemunson, Jeremy Swanson, and Chairman Matthew Prochaska. Also present were Executive Director Deborah Darzinskis, CFO Ed McGoey, Certification Specialist Michelle Ross, and Sr. Administrative Assistant Greg Lippert.

1. **CALL TO ORDER**

The meeting was called to order by Chairman Prochaska at 8:00 a.m.

2. **WELCOME TO NEW COMMISSIONER INGEMUNSON**

Chairman Prochaska welcomed Commissioner Ingemunson to her first meeting as a Commissioner of the Kendall Housing Authority.

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

A roll call showed that 4 Commissioners were present, a quorum.

4. **PUBLIC COMMENT**

No members of the public attend the meeting.

Michelle Ross, Certification Specialist for KHA tenants, was introduced to the Board; she discussed her work in the KHA's office at the Kendall County Health Department.

5. **APPROVAL OF BOARD MINUTES FROM JULY 25, 2014**

Commissioner Swanson made a motion, seconded by Commissioner Gutierrez, to approve the minutes from July 25, 2014. The motion carried unanimously.

6. **FINANCIAL REPORT**

CFO McGoey discussed the Financial Report for July and August 2014, which was distributed earlier to the Board. His report included:

- There were 140 vouchers under lease as of 8/31/14; rental subsidies totaled \$125,572 for the period.
- The HCV Income Statement showed net income of \$84,319.97 for the period ending 8/31/14, and fiscal year-to-date net income of \$156,313.34. Year-to-date expenses were \$1,694.98 below budget, primarily due to the timing of the audit fee.
- Administrative Fee revenue for FY 2014 through 8/31/14 was approximately \$46,000 above budget due to increased rates for regular and portability vouchers, as well as a one-time "true up" payment from HUD in the first quarter.
- HUD has reduced HAP cash balances for Housing Authorities across the U.S., including the KHA. As a result, the timely tracking of leased vouchers is critical.

CFO McGoey presented a budget for FY 2015 that showed projected expenses of \$165,560.00 and net income of \$140.00. He said it was a conservative budget; port-ins may not decline as much as expected in 2015, so that revenue may be more than projected. The budget reflects the payment of 85 percent of KHA administrative fees to the DuPage Housing Authority, as approved by the Board at its June 20, 2014 meeting.

The Board held a telephone conference call with Andy Zenk of Zenk & Associates about the preliminary FY 2013 audit report. Mr. Zenk's comments included:

- The KHA has improved its administration of client files; documents are in much better order than in previous years.
- HUD is taking back cash reserves from Housing Authorities, which significantly reduced the KHA's current assets. Revenue for FY 2013 decreased by \$357,114.
- The tracking of portability financials was a major challenge. Fixes to YARDI system software should allow the KHA to track payments accurately.
- Overall operating expenses in FY 2013 were essentially unchanged.

After the conference call, Executive Director Darzinskis and CFO McGoey discussed efforts to improve financial and operational controls. They invited Commissioners to contact them with questions at any time. Copies of the FY 2013 preliminary audit report will be sent to Commissioners.

7. NEW BUSINESS

Resolutions

- Resolution 2014-10 Approval of FY 2015 5-Year and Annual Plan – Executive Director Darzinskis said the 5-Year and Annual Plan is a yearly requirement by HUD. A public hearing was held on the plan; no members of the public attended it, she said. Commissioner Gutierrez made a motion, seconded by Commissioner Swanson, to approve Resolution 2014-10. The motion carried unanimously.
- Resolution 2014-11 Review of Closed Session Minutes on July 25, 2014 – Commissioner Ingemunson made a motion, seconded by Commissioner Swanson, to approve Resolution 2014-11. The motion carried unanimously.
- Resolution 2014-12 Approval of FY 2015 Payment Standards – Executive Director Darzinskis asked the Board to delay action on Resolution 2014-12 so that she can review the payment standards for 1- and 2-bedroom units. It was agreed to table Resolution 2014-12.

Discussions

- KHA Client Office - Executive Director Darzinskis said that the KHA office has new Comcast internet access to the YARDI system. It has much improved reliability and speed.
- Wait List Update – Executive Director Darzinskis said that letters were mailed to every person on the KHA Wait List in order to their confirm current addresses. The KHA has taken off the Wait List those people whose letters were returned by the Postal Service as undeliverable. The Wait List is down to about 100 people; by next summer, the KHA will need to consider reopening its Wait List to new applicants, she said. Currently, about 30 people from the Wait List were searching for units.

8. EXECUTIVE DIRECTOR'S REPORT

Executive Director Darzinskis asked Commissioners to please confirm that they have completed required training for the Illinois Open Meetings Act. She distributed information on the web-based training.

The Board agreed to hold a special meeting in October to approve Payment Standards for FY 2015. It was agreed to meet on October 17 or October 24, based on which date would work for the most Commissioners.

9. EXECUTIVE SESSION

Commissioner Gutierrez made a motion, seconded by Commissioner Swanson, to adjourn the public session in order to go into executive session to discuss Personnel under Section 2(c)(1) of the Illinois Open Meetings Act. The motion carried unanimously, and the Board adjourned its public session at 8:49 a.m.

Commissioner Ingemunson left the meeting after the public session adjournment.

10. RETURN TO PUBLIC SESSION AND ADJOURNMENT

The Board resumed its public session at about 8:54 a.m. Chairman Prochaska said that no items discussed in executive session required action by the Board in public session.

Chairman Prochaska adjourned the meeting at 8:55 a.m. on a motion by Commissioner Gutierrez, seconded Commissioner Swanson.

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