



**Peoria Housing Authority  
Board of Commissioners  
Regular Board Meeting**

**Monday, September 26, 2016  
MINUTES**

**OPENING:** At 4:32 p.m., Chair Zika opened the regular meeting with the Pledge of Allegiance, a moment of silence and roll call.

**ROLL CALL:** Commissioners Present: Chairman Zika, Commissioner Andrews, Commissioner Fassino, Commissioner Cannon and Commissioner Childs

**LATE ARRIVAL:** Commissioner Brown 5:03 p.m.

**EARLY DISMISSAL:** Commissioner Cannon 5:40 p.m.

**ATTENDING PHA STAFF:** Robin Redding, Bret Stone, Paul Bollinger, Yvonne Long, and Nicole Krol

**PUBLIC PARTICIPATION:** None

**NEW EMPLOYEE INTRODUCTION:** Paul Bollinger, CEO introduced newly hired PHA employees Eric Losch, Modernization and Development Construction Inspector and Meghan Berrard, Public Housing Eligibility

**2015 FINAL AUDIT PRESENTATION:**

The board received a copy of the 2015 financial statements as well as the opinions on the federal compliance piece for the federal grants.

A. Pulley, CLA Principle referenced highlights from the audit in a power point presentation also presented to the Commissioners:

Statement of Net Position 2014/2015 Comparison

- Current and other assets showed a significant decline of cash and investments for operational needs
- Capital Assets showed a decline as a result of depreciation
- Operating loss on the PHA Income Statement decreased from 2014
- Governmental grants subsidy and Housing Assistance Payments both increased
- Operating expenses decreased from 2014
- 2015 shows a decrease in Net Position
- Decrease in Administrative Expenses mainly due to a decrease in salaries
- Decrease in utilities and write off expenses compared to 2014

#### Single Audit Report – Program Findings

40 Housing Choice Voucher (HCV) tenant files were tested

- 3 files not properly submitted to HUD's PIC System within 60 days
- 2 file was never uploaded to HUD's PIC System

40 Public Housing tenant files were tested

- 3 files were not properly submitted to HUD's PIC System within 60 days
- 1 file was never uploaded to HUD's PIC System

The Management Letter identifies opportunities to strengthen the internal control and improve the efficiency of the Authorities operations

- Capital Assets
- Notes Receivable
- Tenant Accounts Receivable other than rent
- Check Sequence

The Letter to Governance is a required communication which gives the opportunity to discuss any disagreements with management to the Board of Commissioners, which no disagreements were found. The listing of adjusting entries made were attached as well as immaterial items not reflected on the financial statements.

Chairman Zika noted page 5 on the 2015 financial statements an amount of 16,271,189 under Notes Receivable, Net. Chairman Zika stated there is concern whether or not this is a collectible asset. Chairman Zika stated in terms of operating assets PHA has less than 3M, which includes the Housing Choice Voucher and Public Housing programs.

#### **2017 ANNUAL PLAN REVIEW**

P. Bollinger stated he has emailed the HUD field office relating to the 45 day comment period not being posted in the local paper. Once clarification has been received, the plan will either be placed back out for comment or submitted for approval at the next board meeting.

P. Bollinger requested the board review both documents emailed last month identifying the changes made to the Admissions and Continued Occupancy Policy (ACOP) and Housing Choice Voucher (HCV) Administrative Plan.

Chairman Zika stated he appreciated the format in which the changes were provided and the amount of time allowed for the board to review.

#### **APPROVAL OF THE AUGUST 22, 2016 REGULAR BOARD MEETING MINUTES:**

Chairman Zika noted an error on page 3 regarding the approval of the financial management policy.

This resolution was tabled for the September meeting and was not approved at the August 22, 2016 board meeting.

Chairman Zika asked if there were any further questions or concerns with the August 22, 2016 minutes. Hearing none, Chairman Zika asked for a motion to approve. Motion to approve moved by Commissioner Cannon, seconded by Commissioner Brown.

Roll call:

Ayes: Commissioner's Andrews, Childs, Cannon, Brown, Fassino and Chair Zika.

Nay: None, motion carried.

**REPORTS : Chairman Zika stated all six reports will be voted on at the same time.**

**Human Resources:**

Commissioner Fassino asked for the board's opinion as to whether or not staff demographics should be included on a monthly basis.

Commissioner Cannon requested a monthly snapshot be included.

**HCV:**

P. Bollinger noted a change on page 9 regarding Chart 1. The chart now reflects numbers for current vouchers leased as well as total vouchers available.

P. Bollinger stated page 10, Table 2 now shows the number of vouchers out on the street as well as the number of days they have been issued. R. Redding added one of three briefing sessions was held last Friday ending with a total of 48 in attendance.

Commissioner Fassino asked if the Data Integrity issue reported on page 8 could be handled internally rather than relying on Tenmast support. R. Redding stated the issue was submitted to Tenmast and resolved this month.

Chairman Zika noted Table 6 on page 13 not reporting the current status of the goal set for HAP Reserves this year. P. Bollinger stated next month's report will include the current reserve level as well as what it has been in the last nine months.

Commissioner Fassino asked if staff is current on completing their monthly inspections. R. Redding stated since the HCV inspector's position has been filled, the inspections are current and back on track.

Commissioner Fassino mentioned Chart 5 on page 12 does not clearly reflect the number of completed monthly inspections.

**Finance:**

No comments from the board.

**MOD:**

Commissioner Fassino noted Capital Fund Program Funding Year, and asked the difference between 2013 and 2013E.

Y. Long noted explained in a given year there could be three different types of grants.

- Capital Fund - P
- Replacement Housing Fund - R
- Emergency Safety and Security Grant - E

Y. Long stated the 2013E referenced was for the 275K fire pump project at Sterling Towers

**Asset Management:**

P. Bollinger stated PHAS occupancy as of 8/31/16 is at 96.64%.

Rent Collection noted on page 55, Table 1 will be the next focus. P. Bollinger stated enforcing the rent due date as the 1<sup>st</sup> of the month will be the first step, allowing 14 day notices to be issued on day two.

P. Bollinger noted a typo in the explanation for Table 2 on page 56. The 5 points should have been listed as 2. Based on the percentage of TARs, the points would have been 2 out of 5.

**FSS/ROSS:**

Chairman Zika mentioned the update noted on page 72 regarding Experience Works being a terrific program enabling residents the chance for employment.

Commissioner Cannon asked that he be informed if any of the available spots become difficult to fill.

Chair Zika asked if there were any additional questions or concerns about the Reports.

Hearing none, Chair Zika called for a motion to approve Reports 1-6. Motion to approve moved by Commissioner Andrews seconded by Commissioner Brown.

Roll call:

Ayes: Commissioner's Andrews, Childs, Cannon, Brown, Fassino and Chair Zika.

Nay: None, motion carried

**RESOLUTION #082216-01 APPROVAL OF FINANCIAL MANAGEMENT POLICY**

Commissioner Fassino stated the plan was previously discussed in the Audit and Finance Committee, and It was suggested by the committee to make a modification to the proposal on Page 4, Section 4.1.1.

Commissioner Fassino requested the second sentence in 4.1.1 be stricken and replaced by Schedule A. which includes the listing of the names of the designated individuals, the positions they hold and the signing authority. The schedule would be approved annually, therefore eliminating any changes to the policy.

Commissioner Fassino stated adding an Accrual Policy and Accounts Payable being recorded upon receipt was also discussed and should also be presented for the board's consideration.

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #082216-01 with revisions made to Section 4.1.1 and the revisions made to attachment A, as distributed. Motion to approve moved by Commissioner Cannon seconded by Commissioner Fassino.

Roll call:

Ayes: Commissioner's Andrews, Childs, Cannon, Brown, Fassino and Chair Zika.

Nay: None, motion carried

**RESOLUTION #092616-02 APPROVAL OF THE CHUBB INSURANCE SETTLEMENT AGREEMENT**

C. Peterson provided the board with the agreement along with the final release of claims which states PHA will be entitled to payment of \$26,416.99 in return for the release of claims of any causes that accrued in regards to the three properties involved in a tax sale litigation. There is included language stating this may not reimburse for 100% for the costs incurred, however it will avoid any future litigation costs.

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #092616-02. Motion to approve moved by Commissioner Andrews seconded by Commissioner Brown.

Roll call:

Ayes: Commissioner's Andrews, Childs, Cannon, Brown, Fassino and Chair Zika.

Nay: None, motion carried

**TAFT HOMES RENTAL ASSISTANCE DEMONSTRATION (RAD) APPLICATION AND REDEVELOPMENT UPDATE**

Y. Long stated an MOU has been substantially drafted with Cohen and Grigsby, PC., which will be distributed to the Master Developer for review.

**OPEN ITEMS LIST:**

Chairman Zika reminded Commissioners that OMA training is required by State Law and to contact N. Krol if assistance with completing the OMA training is needed.

**2016 GOALS UPDATE:**

P. Bollinger noted any dates in the completed column in bold text have been updated.

PHAS scores were lower than expected due to the removal of Taft Homes from the PHAS scoring process, which had an impact of 8.05 possible points lost. Additionally, AMP 6 did not have cash reported for 2015 which eliminated any possible points for Quick Ration and MENAR.

P. Bollinger stated the progress PHA has made and continues to make demonstrates to HUD both the board and the PHA are committed to doing what is needed to get the agency where it needs to be.

P. Bollinger provided the board with a handout which included an analysis of resident turnover, requesting feedback from the Board, whether or not it should be included in the monthly board packet.

The board would like to be informed however; they did not find it necessary to have this information included in the board packet.

P. Bollinger provided the board with the Resident Retention Plan including programs for residents.

The Grounds and Custodial Care Incentive Program (GCCIP) allows multiple residents on each site to earn \$200 per month for maintaining a designated area on their site.

The Beautification Project includes PHA maintenance staff and residents to plan a 1 day clean up in spring to plant flowers, spread mulch and clean up the grounds. There would be an incentive program which involves a small incentive to the resident who does the most beautification to their own yard. There would also be a competition between sites where Commissioners would be asked to evaluate each site for first, second and third place.

The Resident Retention Plan also includes information on how to deal with complaints and concerns, proper training of staff, and an effective communication policy.

P. Bollinger stated the Resident Surveys will now be done on an annual basis.

P. Bollinger stated the first goal listed on page 2 will be revised with a 12/31/16 due date.

Finance is currently working on implementing an electronic payment process for rent and utilities for both Public Housing and HCV.

P. Bollinger stated the third goal on page 3 will be revised with a 9/30/16 due date. Budget review will begin in October and the training will take place before the budget process.

P. Bollinger stated Finance is currently working on an RFP for Debt Collection Services with a third party entity.

P. Bollinger stated there has been communication with Maloof Realty regarding leasing space out of Sterling Towers as well as almost half of the office space at the Administrative building. C. Peterson stated depending on the service provided; generally a public entity can use their real-estate tax exemption for space leased to a profitable entity even if it is considered a 501C3, and there is the question whether the public assessor will go through the steps to assess half of the building or remove half of the exemption. C. Peterson cautioned that any real-estate tax should be built into a rent schedule in a way that it wasn't an additional cost to the PHA.

P. Bollinger stated PHA staff had been working with Motivation Inc. to organize a resident service program, however due to low registration numbers; the program has been pushed to 2017.

Agbara Bryson, New Millennium Institute is currently holding a two week training session at the Frank Campbell Center with a total of 5 participants out of 15 in attendance.

P. Bollinger stated he attended the East Bluff Community session on 9/14/16, providing information to residents about the services PHA provides.

A Strategic Planning Session is scheduled for 10/11/16 and will be facilitated by a consultant for development work donating her services to PHA.

Chairman Zika requested information about the session be sent out in advance for any Commissioners that will not be in attendance to have a chance to provide feedback prior to the meeting.

**HUD RECOVERY AGREEMENT:**

P. Bollinger stated the Recovery Agreement has been updated with the PHAS scores for Physical, Financial and Capital along with the Occupancy rate as of 8/31/16

P. Bollinger stated the reorganization of Senior Staff is still in process and will be affected by moving out positions currently represented AFSCME.

P. Bollinger stated the Preventative Maintenance Plan has been approved by the board and the training has been completed by the Asset Management team.

P. Bollinger stated the HUD Recovery Agreement is a tentative document, and PHA is still waiting for the executed agreement from HUD Legal.

**BOARD COMMENTS:**

Chairman Zika mentioned previous discussion regarding a common home for the PHA By-laws and Committee Charters.

C. Peterson stated all of the policies passed in January are able to be uploaded to the website, however the By-laws contain an appendix which references approximately 50 policies, which some have still not been located. Once the complete set of documents has been obtained, they will be reviewed by Chairman Zika and discussed with legal.

Chairman Zika requested the ACOP and HCV Administrative Plan will be placed on the website as well.

Commissioner Fassino requested the status of the Executive Session minutes.

C. Peterson stated the PHA legal firm recommends the Executive Session minutes be reviewed in June and December. Legal is delinquent in getting the minutes to the full board for review, but they are tracked and legal is aware of what exemptions apply.

**ADJOURNMENT of the REGULAR BOARD MEETING**

The board may adjourn to, or meet solely in, executive session for, collective negotiating matters as specified in 5ILCS 120/2(c)(2), and department issues as specified in 5 ILCS 120/2(c)(1). Chair Zika stated there is no reason to move into Executive Session and asked for a motion to adjourn the regular meeting. Motion moved by Commissioner Brown seconded by Commissioner Andrews.

Roll call:

Ayes: Commissioner's Andrews, Childs, Brown, Fassino and Chair Zika.

Nay: None, motion carried.

**Meeting adjourned at 6:30 PM**

Respectfully Submitted by:

A handwritten signature in cursive script, appearing to read "Alma Brown".

Alma Brown  
Board Secretary  
/nk