



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

**Monday, December 21, 2015
MINUTES**

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

ROLL CALL: Commissioners Present: Chairman Zika, Commissioner Fassino, Commissioner Brown, Commissioner Cannon, Commissioner Andrews, and Commissioner Robinson

ATTENDING PHA STAFF: Bret Stone, Robin Redding, Thad Edmonds, Elizabeth Tolliver, and Nicole Krol

COMMUNITY COMMENTS: None

APPROVAL OF THE NOVEMBER 23, 2015 REGULAR BOARD MEETING MINUTES:

Commissioner Fassino stated on page 3, the second sentence indicates an unmodified opinion, and it should read "unqualified" opinion.

Chairman Zika stated on page 7, 6% should be changed to 6 units.

Chairman Zika stated on page 7, "unless absolutely necessary" should be added to the comment made by him stating "PHA does not want to lose more public housing units by transferring assistance to a third party."

Commissioner Cannon asked for clarification on a statement he made regarding the long term residents at Taft getting priority for the new units being built at Taft.

Chairman Zika stated he believes the residents occupying the units that will be demolished will get preference.

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

Hearing none, Chair Zika called for a motion to approve. Motion to approve moved by Commissioner Andrews seconded by Commissioner Cannon.

Roll call:

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

Nay: None, motion carried.

FINANCIAL REPORTS:

Chair Zika asked if there were any questions or comments regarding the financial reports.

Commissioner Fassino stated the Finance Committee met earlier and reviewed the information with T. Edmonds. The committee received satisfactory answers to the questions asked.

Chairman Zika asked if there was a TAR's report available.

T. Edmonds stated yes, and it will be distributed to the board at a later date.

Chairman asked if T. Edmonds could provide an overall number.

T. Edmonds answered 4.02%.

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

Hearing none, Chair Zika called for a motion to approve. Motion to approve moved by Commissioner Fassino seconded by Commissioner Robinson.

Roll call:

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

Nay: None, motion carried.

SECTION 8 REPORTS:

R. Redding stated Section 8 took a dip this month, but she believes there will be a net gain for month ending December 31.

Commissioner Fassino stated he had a question on page 56 regarding the graduating FSS participants. Commissioner Fassino asked if there were any type of events being held to celebrate and publicize the participants graduating from the program.

R. Redding stated the graduates have been presented at past board meetings, and T. Krueger covered media coverage for the graduates. T. Krueger left PHA earlier this month, and there has been nobody to cover his responsibilities thus far.

Commissioner Fassino stated this is typical of something the PHA does that other landlords don't do in central Illinois. It needs to be known to the public and also celebrate the individuals who have made tremendous advancement in situations that have tremendous obstacles.

Chair Zika stated on page 56, he was very excited to see the 11 new participants. N. Livsey has done an outstanding job with new recruitment.

Chair Zika asked if there were any additional questions or concerns about the Section 8 Reports.

Hearing none, Chair Zika called for a motion to approve. Motion to approve moved by Commissioner Fassino seconded by Commissioner Brown.

Roll call:

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

Nay: None, motion carried.

ASSET MANAGEMENT REPORTS:

E. Tolliver mentioned a question from the November board meeting asked by Commissioner Fassino regarding the carpentry expenses for Scattered Sites.

E. Tolliver explained these expenses were due to plumbing issues. A leak caused wall, stud, and cabinet damage, which all needed to be replaced.

Commissioner Andrews asked about the challenges with processing files for future residents mentioned on page 58.

E. Tolliver stated she believes as of this past Saturday December 19, 2015, this statement will no longer be on the report. E. Tolliver and staff worked on Saturday, December 19, and much progress was made. E. Tolliver stated there are a number of files that we are working with, and my goal for Commissioner Fassino is to have them all done in January.

Chair Zika gave a brief overview of the computer software conversion and the problems which occurred with tenant files to newly appointed Commissioner Andrews.

E. Tolliver stated the system seems to be working now, and the PHA staff is playing catch up to verify future residents.

Chair Zika asked for an update on the roach infestation at Taft and Harrison Homes.

E. Tolliver stated the heavy infestations are being treated every two weeks, along with making sure the residents are doing their part to control the problem. The housekeeping program seems to have made a positive impact by approximately 85% improvement from the beginning of the process.

R. Andrews asked if the housekeeping program was new.

Chairman Zika stated the PHA always had a housekeeping program; it is just a matter of discipline and keeping it going.

Commissioner Fassino stated he would like to compliment E. Tolliver on the final projected completion dates on so many projects for this month. It has been delightful to see the improvement that has been made.

Commissioner Fassino stated on page 69, regarding the Escrow balance. Commissioner Fassino stated between E. Tolliver and the Finance area, he would like to see this not to be an issue for the next financial report. The records should be reflecting these escrowed funds.

E. Tolliver stated she believed this is finally under control, and this should be identified in next month's report.

Chairman Zika commented on the HUD reports reflecting 136 units at Taft instead of 216. PHA is reporting occupancy relative to the 136. The 80 units that will eventually be phased out still need to be rented to provide revenue.

Chairman Zika asked if L. Boone, Taft Asset Manager, was working to keep these 80 units filled.

E. Tolliver stated due to miscommunication initially, L. Boone was unaware she needed to keep these units occupied. There are currently 18 vacant units in the 80. L. Boone is assessing the 18 to see if the cost is too high to turn these units. The plan going forward is to complete the assessment and occupy the units that can be made ready.

E. Tolliver noted that HUD is actually reporting all 216.

Chairman Zika asked if there were any additional questions or concerns about the Asset Management Reports.

Hearing none, Chair Zika called for a motion to approve. Motion to approve moved by Commissioner Robinson seconded by Commissioner Brown.

Roll call:

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

Nay: None, motion carried.

OPERATIONS REPORTS:

Commissioner Cannon stated he had one additional question on page 71 regarding the number of participants in the Soft Skills, Self Sufficiency Stumbling Block Training.

Y. Long was not present to answer Commissioner Cannon's question.

Chairman Zika requested feedback from staff for next month's meeting.

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

Hearing none, Chair Zika called for a motion to approve. Motion to approve moved by Commissioner Cannon seconded by Commissioner Brown.

Roll call:

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

Nay: None, motion carried.

COMMISSIONER RECOGNITION:

Chairman Zika stated how grateful he was to have been able to work alongside Mrs. Aurthur Perkins on the PHA Board. Mayor Jim Ardis gave a proclamation on behalf of Mrs. Perkins along with presenting a dedication plaque and parting gift for her 19 years of service.

Commissioner John Williams was also being recognized for his service, but unfortunately he was unable to attend the board meeting.

RESOLUTION #AR122115-01 APPOINTMENT OF SECRETARY PRO-TEM

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #AR122115-01. Motion to approve moved by Commissioner Cannon seconded by Commissioner Fassino.

Roll call:

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

Nay: None, motion carried.

RESOLUTION #AR122115-02 APPROVAL TO IMPLEMENT THE PROPOSED SECTION 8 FAIR MARKET RENTS (FMR)/PAYMENT STANDARDS FOR 2016

Chair Zika suggested R. Redding giving a brief overview of the FMR/Payment Standards for Commissioner Andrews.

Commissioner Andrews asked how the clients could be negatively impacted as noted in the resolution under disadvantage.

R. Redding stated when a payment standard increases; in most cases it will decrease the client's portion of the rent. If PHA decides not to implement the payment standard, rent would remain the same.

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #AR122115-02. Motion to approve moved by Commissioner Brown seconded by Commissioner Robinson.

Roll call:

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

Nay: None, motion carried.

RESOLUTION #AR122115-03 FY 2016 SECTION 8 OPERATING BUDGET

T. Edmonds stated he feels very confident PHA should be able to achieve projected number of lease ups.

R. Redding stated out of 125 clients pulled from the draw this month, nearly every person showed up for their interview appointments.

Chair Zika asked T. Edmonds to explain how the 2015 actual projection was calculated.

T. Edmonds stated the 2015 actual projected number came from taking the YTD actual through August, divided it by 8 and multiplied by 12. For developing the operating budget for 2016, we used the 2015 budgeted number, the 2015 actual projected number, and each individual line item to determine the differences between 2015 vs. 2016. Based on this information and projected maintenance requirements for 2016, we projected operating revenue and expenses for the budgets. Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #AR122115-03. Motion to approve moved by Commissioner Cannon seconded by Commissioner Robinson.

Roll call:

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

Nay: None, motion carried.

RESOLUTION #AR122115-04 FY 2016 PUBLIC HOUSING OPERATING BUDGET (COCC and All Projects)

T. Edmonds stated the occupancy on these budgets was projected primarily at 95%, with the exception of Harrison Redevelopment and Harrison Homes Phase III, which are at 97%. PHA is confident in achieving 95% occupancy with the extra efforts being made by E. Tolliver's team.

E. Tolliver stated her goal is to achieve 97% by the January board meeting. The challenge is to manage the people already occupying the units rather than finding ways to get rid of them.

R. Redding noted how select members from the Section 8 staff assisted Public Housing in processing files, contributing to the extra efforts made to help achieve a team attitude that has not always been apparent in PHA.

Commissioner Fassino commented one thing that is difficult for the Finance Committee to track was whether PHA was on budget or not. It was recommended in January to start showing occupancy for the entire year by AMP, per month.

Chairman Zika commented on page 103, the HUD report. The date should be changed to 12/21/15.

Chair Zika noted the reporting on pages 109-111.

T. Edmonds stated it is important to look at in a per unit cost perspective. It clearly helps to identify what questions we need to go ask. Going into 2016, T. Edmonds intends to find other housing authorities to be able to benchmark against, and reporting it this way will allow us to do so.

Chair Zika commented after the last budget meeting, he questioned whether or not the revenue that might be earned from developer fees from the Taft Redevelopment was in the proposed budget. The revenue was added but not the expenses. Chairman Zika stated he did not suggest changing the budget at this point, however he believes it will be very difficult to accomplish that revenue without adequate staffing.

Chairman Zika asked on page 108, the summary of all budgets, if the operating income (before depreciation) reported as a total of \$441,961 was achievable.

E. Tolliver stated when we maintain the 97%, she thinks the PHA will actually do better than these numbers. A number of vacant units from this year have been turned, which will eliminate that expense. If management is able to keep residents in the units, this will not be an issue at all.

Chairman Zika stated there was a large amount of capital dollars spent this year to fix up units.

E. Tolliver stated it was built in the operating budgets to have all units turned within 20 days after being vacated.

Commissioner Cannon stated the expectations were missing in the past.

E. Tolliver stated she believes the managers were given the direction, but the tools necessary to get the job done were missing.

Chairman Zika stated he was sorry that for a second year in a row, there was no increase in salaries budgeted. He believes the staff works hard, and PHA needs to be finding ways to compensate.

E. Tolliver stated this topic will be revisited because of the upcoming union negotiations. There are other things that can be done besides just an increase in pay.

Commissioner Robinson stated performance opens the door for a lot of possibilities.

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #AR122115-04. Motion to approve moved by Commissioner Cannon seconded by Commissioner Andrews.

Roll call:

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

Nay: None, motion carried.

RESOLUTION #AR122115-05 APPROVAL OF THE EMPLOYMENT CONTRACT OF THE CHIEF EXECUTIVE OFFICER

Chair Zika stated if there were any questions or minor changes, they can be discussed in open session. However, if there is a need to discuss the compensation package the meeting will go into executive session.

Commissioner Robinson stated there were a few questions she had, and suggested moving into executive session.

Chair Zika asked for a motion to move into executive session. Motion to move was made by Commissioner Robinson seconded by Commissioner Brown at 5:42 p.m.

Regular Board Meeting resumed at 5:54 p.m.

Chair Zika asked if there were any additional questions regarding the resolution. Hearing none, Chair Zika called for a motion to approve Resolution #AR122115-05. Motion to approve moved by Commissioner Cannon seconded by Commissioner Brown.

Roll call:

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

Nay: None, motion carried.

OLD BUSINESS:

Chairman Zika stated in Y. Long's absence, he could attempt to answer any questions regarding the Taft Redevelopment updates. There was a meeting last week with the City Manager and 1st District Councilwoman Denise Moore to discuss the notion of buying properties in the 1st district. D. Moore was in favor of the PHA's plans.

There are also properties being looked at on the East Bluff. Y. Long and Chairman Zika met with councilman Riggerbach to discuss single sites in the 3rd district. Councilman Riggerbach was also in favor of the proposed plans.

There is a January 12, 2016 deadline to identify the properties. PHA will not be able to make this deadline; however a 60 extension has been approved. Turning the original 80 RAD units into 216 has become more complicated because there are so many around the country applying for RAD units. PHA submitted the additional units in the original application as part of Phase I, so it is likely the 136 units will also be converted to RAD as well.

OPEN ITEMS LIST:

Chair Zika asked if there were any questions or comments regarding the outstanding items on the open items list.

Chairman Zika stated for the record, he is very disappointed that our Executive Director did not provide us a status report on the 2015 goals, which was due in October.

Commissioner Robinson stated this topic requires additional conversation. Commissioner Robinson stated she believes it is unfair in transition to not have provided a more detailed summary.

Commissioner Fassino stated on item number 8, it indicates RiverWest has been confirmed approval for property tax exemption and asked for an update on Harrison Homes.

B. Mooty answered he was still waiting on Harrison Homes.

B. Mooty stated he believes the outcome will be successful for Harrison Homes. PHA should be able to go back to previous years to recapture that money as well.

BOARD COMMENTS:

Commissioner Fassino thanked the two public members who served on the Executive Search Committee, Anne Fox and John Stenson. Commissioner Fassino stated he was delighted to see a contract approved earlier this evening as well as the opportunity for new direction.

Commissioner Cannon stated he is pleased with the changes to the minutes. The conciseness and summarizing is an overall improvement compared to minutes in previous years.

Chairman Zika welcomed Renee Andrews to the board and thanked Commissioner Robinson for her efforts on the PHA board, while wishing her the best in her future endeavors.

Chairman Zika reported that the PHA policies and by-laws are complete. They will be sent out this week for review and brought to the board for approval in January. Also in January, the officer election and committee set up will take place.

EXECUTIVE SESSION:

Chair Zika asked for a motion to move into Executive Session. Motion moved by Commissioner Fassino seconded by Commissioner Brown.

Roll call:

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

Nay: None, motion carried.

ADJOURNMENT of EXECUTIVE SESSION, RESUMING REGULAR BOARD MEETING, and ADJOURNMENT of the REGULAR BOARD MEETING:

Chair Zika asked for a motion to adjourn Executive Session. Motion moved by Commissioner Cannon seconded by Commissioner Thea.

Roll call:

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

Nay: None, motion carried.

Meeting adjourned at 7:30 p.m.

Respectfully Submitted by:



Alma Brown
Board Secretary

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