

**REGULAR MEETING MINUTES
MARION COUNTY HOUSING AUTHORITY
BOARD OF COMMISSIONERS
AUGUST 23, 2017 – 12:00 P.M.
AT THE TECH CENTER, 100 N. LOCUST STREET,
CENTRALIA, ILLINOIS**

Present:

Chairperson Georgia Miller
Commissioner Brenda Lingafelter
Commissioner Gertie Walker
Commissioner Richard Gregg
Commissioner Nancy Lackey

Absent:

Commissioner Donald Hancock
Commission Jason Smith

MCHA Staff:

Executive Director Kelly Tinsley
Tricia Higgins

Others Present:

Attorney Marvin Miller

Minutes

1. Call to Order

Chairperson Georgia Miller called the meeting to order at 12:04 p.m.

2. Roll Call

A verbal roll call was taken. A quorum was declared present.

3. Public Comment

There was no public comment.

4. Approval of the Minutes

The Minutes of the July 19, 2017 regular meeting were reviewed by the Board. A motion was made by Richard Gregg to accept the Minutes as presented. Following a second by Nancy Lackey, all Board members present voted in favor. The motion carried.

5. Financial Reports

The financial reports for June, 2017, were reviewed with the Board. The first report reviewed was the Financial Operating Report as of July 31, 2017. This report sets forth the balance of each of the bank accounts of the organization. All accounts currently have a positive balance.

Kelly informed the Board that she eased off this past month on paying past bills because we have 3 payrolls in October and our general liability insurance will be due in the month of October. She indicated that once the capital funds are deposited we should be in position to begin paying past bills. Richard Gregg inquired as to if any of these creditors are making inquiries for payment. Kelly responded that Ameren does call periodically.

The Budgeted Income Statement for the Section 8 Housing and the organization for five months ended May 31, 2017, and six months ended June 30, 2017, were reviewed with the Board.

A Balance Sheet for the organization dated as of May 31, 2017, was reviewed with the Board.

A Check Register setting forth checks from August 1, 2017 through August 23, 2017, was reviewed, along with checks dated from July 1, 2017 through July 31, 2017.

The Accounts Payable Aging Schedule was reviewed. It was noted that there has been a significant improvement in paying the aged accounts payable. When looking at the bottom line on the Housing Budgeted Income Statement that we currently show a positive net income of \$366,609.00. Kelly explained to the Board some checks which were issued to employees. It was explained that these were reimbursements for mileage. Kelly also discussed that Evan Deadmond is no longer a salaried employee. He is paid as an independent contractor on an hourly basis. Evan still is involved with the CTI grant. We continue to need his expertise until this grant is completed.

The previous cleaning service company was terminated. Bob White cleaned the common areas and other areas for us. Bids were sent out for the cleaning services. Bob White did submit a bid. We have determined to use our maintenance personnel to do part of the cleaning. We are going to continue this for 90 days to see if this is efficient.

A motion was made by Nancy Lackey to approve the financial report as presented. Following a second by Brenda Lingafelter, the motion carried unanimously.

6. Personnel Resolution #1103

A revised Statement of Personnel Policies was presented to the Board for their review. Kelly reviewed with the Board the changes that were made to the Personnel Policy. Under paragraph III(E), the office hours were changed. This section of the Personnel Policy now reads as follows: "The regular work week shall be 35 hours for office staff with the office to be open to the public from 8:30 a.m. until 4:00 p.m. The regular work week shall be 40 hours for maintenance staff, from 7:30 a.m. until 4:00 p.m." Kelly indicated our payroll system has been revised to reflect this change. In the past our employees were being paid for 8 hours for a 40-hour week when actually they were only working 35 hours a week.

On page 6, under Article III(H), which is entitled "Nepotism and Employment of Relatives." This has been changed substantially. This paragraph has been changed to mirror what is required by HUD.

There was a change in the vacation time which is set forth on page 8 of the Employee Policy. The vacation time will now be prorated and there also will be a limit on the carryover. Our

employees may now accumulate up to sixty (60) days. Personal time and vacation time cannot be used in less than a half day.

Paragraph VI, subparagraph C, entitled "Important exception." After discussion, it was determined that this would be removed from the policy.

After discussion, a motion was made by Brenda Lingafelter to approve the Personnel Policy Resolution #1103 as presented to the Board with the amendment in that Paragraph C of Article VI, entitled "Important exception," shall be removed from the policy. Following a second by Richard Gregg, all Commissioners present voted aye, and Resolution #1103 was passed.

7. Parking Policy Resolution #1104

Resolution #1104 setting forth the organization's Resident Parking Policy was reviewed with the Board. After discussion, a motion to approve Resolution #1104 was made by Nancy Lackey and seconded by Gertie Walker. All Commissioners present voted in favor and the motion to pass Resolution #1104 carried unanimously.

8. Audit

The Board was informed that our regular audit will begin next week. Kelly reviewed with the Board the proposal submitted by BRZ Sailor Khan LLC regarding their performing a forensic audit for the year 2016, for the sum of \$17,500.00. The proposal was reviewed with the Board in detail. The Board then discussed whether or not a forensic audit would be performed. In this discussion, the Board was informed the difference between a regular audit and a forensic audit. Basically, a forensic audit goes in much greater detail than a regular audit which allows the forensic auditor to determine whether any fraudulent transactions occurred or if any misappropriation occurred. After discussion, there was a consensus of the Board that it was important due to the last years activities that a forensic audit be performed. A motion was made by Nancy Lackey for the organization to accept the bid of BRZ Sailor Khan LLC to perform a forensic audit for the year 2016, with the possibility of having audited the first quarter of 2017. Following a second by Richard Gregg, the motion carried unanimously.

9. ACOP Resolution #1105

Kelly explained to the Board that the ACOP is the document which sets forth how we operate the organization on a day-to-day basis. Changes in the ACOP agreement were discussed with the Board. After discussion, a motion was made by Brenda Lingafelter to approve and accept ACOP Resolution #1105 as presented. Following a second by Nancy Lackey, the motion carried unanimously.

10. Director's Report

Kelly Tinsley informed the Board that the Resident Advisory Board meeting will be held on August 28, 2017. The annual meeting of residents will be held on September 27, 2017, at North Lincoln at 10:00 a.m., and at Glenwood at 1:00 p.m.

The auditor will be on site on August 28. The auditor indicated it should take approximately 1 to 2 days. All the information for the auditor has been assembled and hopefully this will speed up the process.

A part time receptionist has been hired. Her name is Kathy Baugh. She will work 3 days, possibly 4. It was further reported that the parking lots in Centralia and Salem have been sealed.

A lightning strike occurred at 711 N. Elm, which took out an electrical panel. Our cost will be approximately \$1,000.00. This will be turned into our insurance.

An email was received yesterday regarding our 2016 scores from HUD. Our physical score was very good. Our financial score was a 2, which we fully anticipated. The previous financial score was 1.5. As we pay our overdue liabilities this will bring the financial score up substantially. Kelly indicated to the Board that most likely our 2017 scores will not show much improvement, however, by the end of the year we should be in a much better financial situation. Our occupancy rate is 94, which did affect us. Our target rate is 97.


11. New Business

Legal counsel indicated that the organization has been sued by a previous employee in the Southern District of the State of Illinois. This lawsuit was forwarded to our insurance carrier.

12. Adjournment


Motion made by Nancy Lackey to adjourn the meeting; seconded by Brenda Lingafelter. The motion carried.

Submitted by:



Recording Secretary

Approved:



Board of Commissioners Chairperson, Georgia Miller