

REGULAR BOARD MEETING
Elkhart Housing Authority
January 20, 2022

The Board of Commissioners for the Housing Authority, City of Elkhart met in regular attendance at 4:30 p.m.; on Thursday, January 20, 2022, in person and via Conference call.

Board Members present: Dan Boecher, Margaret Owens, Kristen Smole, Helenia Robinson and Synthia Billings

Staff members present: Angelia Washington, Jessica Brittain, Clarence Jones, Charlotte Pettis, Dreama Coleman, Equilla Smith, Teri Ivory, Todd Fielder, Amy Gonzalez, and Morgan Gibson

Audience members present: Sharon LeCount, Belinda Whitener, Kip Birky, David Proffitt, Tonda Hines, Evelyn Ramos, Denise Fry, Geraldine Lewis, Lester Kurtz, David Stancil, and Kwasi Butler.

- ❖ **Audience Concerns:** Sharon LeCount, Riverside Resident Council president expressed concern about the lack of heat in the common areas. She stated that residents are wearing their coats and hats while playing bingo. Angelia stated that our HVAC Specialist did go through the building and check the temperature and Griffin's will be performing a diagnostic test today. She asked Todd, Director of maintenance to speak about the heating at Riverside. Todd stated the vents must be open in the hallways to allow for adequate airflow. Ms. LeCount stated there is cold air blowing through the vents and the vent on the sixth floor is not working at all. Todd stated the heat is functioning in the hall although it may feel cool. He further stated that the air handler starts on the second floor. Ms. LeCount asked if there was something wrong with the heater on the first floor. Todd stated that there wasn't and someone must be changing the thermostat. He stated that the thermostat cannot be covered because that would prevent it from registering accurate temperatures. He said he would check into other cover options that would still allow the thermostat to function normally.

Kip Birky expressed concern that his intercom not working. Dreama stated that a Shultz technician would be out the following day. Angelia asked how many intercoms were not working. Dreama stated that she would forward Angelia a list as soon as possible.

❖ **Approval of Minutes**

Exhibit A — Approval of Meeting Minutes — November 23, 2021, Regular Meeting

Commissioner Kristen Smole motioned to approve the minutes from the November 23, 2021, regular meeting. Commissioner Helenia Robinson seconded the motion. All Commissioners present unanimously voted to approve the November 23, 2021, regular meeting minutes.

Approval of Meeting Minutes- December 21, 2021, Regular Meeting

Commissioner Smole motioned to approve the minutes from the December 21, 2021, regular meeting. Commissioner Robinson seconded the motion. All Commissioners present unanimously voted to approve the December 21, 2021, regular meeting minutes.

❖ **Approval of Vouchers**

Exhibit B — Approval of Vouchers — November 23, 2021

Commissioner Smole motioned to approve the November 23, 2021, vouchers. Commissioner Robinson seconded the motion. All Commissioners present unanimously voted to approve the November 23, 2021, vouchers.

Approval of Vouchers- December 21, 2021

Commissioner Smole motioned to approve the December 21, 2021, vouchers. Commissioner Robinson seconded the motion. All commissioners present unanimously voted to approve the December 21, 2021, vouchers.

❖ **Executive Director's Report**

Exhibit C — Executive Director's Report

- **Human Resources:** Angelia reported 2 new hires, Steven Peterson, (Comprehensive Improvements), Anthony Gooden, (General Maintenance), and 1 end of employment, Alonti Moore.

- **Comprehensive Improvements:**

Scattered Sites: The final phase of the bathroom remodel has had a final inspection walk. Only very minor items were added to a punch list from the walk and should be completed by 1/21/2022. The HVAC portion is complete. Doors are being installed on the units, however, there is a delay on handles being delivered for the remainder of the units. Brown and Brown are still waiting on hardware (ship date is 3-1). The contractor did find 2 dozen on Amazon last week and purchased them and is waiting on the shipment.

There have been some no-heat calls to the newly installed units but nothing unusual for the nature of the upgrades and newer safety devices in the units.

Estimates for the burn unit at 1307 Moffat Lane have been received and forwarded for review by our insurance at HAI.

Riverside Terrace: The elevator modernization part that has been back-ordered was to have been delivered in early January has been delayed by three weeks due to Covid issues. This item (worm drive) has been confirmed to be in the states (Brooklyn) and will not be affected by the port backups in California.

Washington Gardens: Material for the playground renovations has been delivered and is currently being stored at Rosedale. As noted before, we have decided to delay the start date for this project until April 15, 2022.

Waterfall High-Rise: No work at this time

Rosedale High-Rise: Estimates for the burn unit at 608 have been received and forwarded for review by our insurance at HAI.

Planning with Forum is underway for the replacement of the elevators at Rosedale. This will be similar in scope and timelines to Riverside.

COCC: No work, at this time.

- **Housing Choice Voucher Program:** Angelia reported for the month of December, 48 Annual Certifications were completed, 52 Interim Certifications Completed, 2 Unit transfers, 6 New Admissions and Absorbed Incoming Portabilities, 7 End of Participations, 105 Applications Remaining in Process, 642 Lease Ups on the last day of December and 88% Lease-Up Percentage.
- **Family Self Sufficiency Programs:** Angelia reported the Family Self Sufficiency program is currently serving 62 participants in which 30 participants are currently employed, 4 participants are

enrolled in GED/HSE education programs, 7 participants are attending college, 4 participants are enrolled in job training programs, 9 participants are disabled or unable to work. 17 participants are currently earning escrow, \$5,180 earned in escrow funds in December, and \$100,603.73 total current escrow balance.

Danyeale Karlskin has purchased her first home using her HCV Homeownership Voucher. Danyeale is truly a success story and a great example of the many benefits the Family Self-Sufficiency Program (FSS) has to offer when one is dedicated to reaching their goal.

Around September 2008 Ms. Karlskin became an EHA tenant through our Public Housing program where she obtained decent and affordable housing. In November 2014 Danyeale received her HCV. In October 2016 s. Karlskin joined the FSS program where she worked to overcome barriers to self-sufficiency. Upon successful graduation from the FSS program, she then enrolled in our Homeownership Program where she continued to receive support until she closed on the purchase of her new home in December 2021.

- **Public Housing:** Angelia reported Rosedale's Occupancy rate for the month of December is 94.06%, Washington Gardens Occupancy rate for the month of December is 95.88%, Waterfall Occupancy rate for the month of December is 91.27%, Scattered-Sites Occupancy rate for the month of December is 94.90% and Riverside's Occupancy rate for the month of December is 97.00%. Angelia went on to say Public Housing's overall Occupancy rate for the month of December is 94.50%. She also stated that public housing received 91 applications, mailed 13 orientation letters, were processing 88 applications, approved 27 applications, denied 11 applications, and 35 applications were withdrawn. We received 10 homeless applications and 0 application(s) were approved and waiting for an available unit. Angelia reported there were 4 new admissions and 8 move-outs in December.
- **Maintenance:** Angelia reported that 8 move-outs were received and 0 were completed, 4 emergency requests received and completed, 329 tenant requests received and 217 completed; and there were 40 annual inspections received and 27 completed, totaling 348 completed work orders.
- **Financials and Write-Offs:** Jessica Brittain announced for the month of December, Rosedale high-rise earned \$29,813.00 in Revenue and \$29,921.00 in Operating Subsidy Revenue. Jessica went on to say Rosedale high-rise had \$38,129.00 in Expense without depreciation. Jessica reported Rosedale high-rise had a profit for the month of December in the amount of \$18,605.00. The overall view for the year, Rosedale earned \$363,483.00 in Revenue and the expenses were \$358,246.00. The net position YTD is 5,237.00.

Jessica announced for the month of December, Washington Gardens earned \$29,099.00 in Revenue and \$79,708.00 in Operating Subsidy Revenue. Jessica went on to say Washington Gardens had \$81,931.00 in Expense without depreciation. Jessica reported Washington Gardens had a profit for the month of December in the amount of \$26,876.00. The overall view for the year, Washington Gardens earned \$664,312.00 in Revenue and the expenses were \$620,868.00. The net position YTD is \$43,444.00.

Jessica announced for the month of December, Waterfall high-rise earned \$31,171.00 in Revenue and \$45,940.00 in Operating Subsidy Revenue. Jessica went on to say Waterfall high-rise had \$64,962.00 in Expense without depreciation. Jessica reported Waterfall high-rise had a profit for the month of December in the amount of \$12,149.00. The overall view for the year, Waterfall earned \$424,385.00 in Revenue and the expenses were \$308,112.00. The net position YTD is \$116,273.00.

Jessica announced for the month of December, Scattered Sites earned \$16,707.00 in Revenue and \$40,487.00 in Operating Subsidy Revenue. Jessica went on to say Scattered Sites had \$44,372.00 in

Expense without depreciation. Jessica reported Scattered Sites had a profit for the month of December in the amount of \$12,822.00. The overall view for the year, Scattered Sites earned \$423,026.00 in Revenue and the expenses were \$353,896.00. The net position year to date is \$69,130.00.

Jessica announced for the month of December, Riverside high-rise earned \$32,878.00 in Revenue and \$40,161.00 in Operating Subsidy Revenue. Jessica went on to say Riverside high-rise had \$67,872 in Expense without depreciation. Jessica reported Riverside high-rise had a profit for the month of December in the amount of \$5,167.00. The overall view for the year, Riverside earned \$453,294.00 in Revenue and the expenses were \$372,294.00. The net position YTD is \$81,00.00.

Jessica announced for the month of December, COCC earned \$78,939.00 in Revenue. Jessica went on to say the COCC had \$130,445.00 in Expense without depreciation. Jessica reported the COCC had a loss for the month of December in the amount of (\$51,505.14). The overall view for the year, COCC earned \$755,022.00 and the expenses were \$1,052,642.00. The net position YTD is (\$297,620.00).

Jessica announced HCV had a profit for the month of December, in the amount of \$8,352.00 The net position YTD is \$45,183.00.

❖ **Old Business:**

• **Annual Audit with Kwasi Butler**

Kwasi stated that the Elkhart Housing Authority received an unmodified opinion on the financial statements, the report on internal controls, and the report on compliance over major federal programs. He stated that an unmodified opinion is the highest opinion you can receive. He stated on March 31, 2021, assets were approximately 18.4 million which was an increase of 2.2 million or 13.7 from the prior year. He said the main increases were in cash and capital assets. The liabilities totaled 1.1 million which is an increase of \$670,000 from the prior year and that was strictly due to deferred revenue that we received toward the end of the year. There were funds received at the end of the fiscal year 2021 that will be used in 2022. He stated that the amount was about \$580,000 which accounts for most of the change from year to year. He said it was earmarked for program expenses in 2022 but it was received in 2021. Kwasi stated that our net position for the year was 17.3 million an increase of 1.6 million or about 10% from the prior year. He said the main change was in capital investments which went up by 1 million. He stated that revenue increased from 10.1 to 11 million which is an increase of \$590,000 or 5.6 from the prior year. He stated that HUD capital grants went up, there was an increase in capital funds received in 2021 from 2022. He said there was no specific reason, there was some normal maintenance routine, clean up, building but no significant construction. He stated that expenses for the year also increased due to the increase in revenue. He said revenues went up to \$588,000 and expenses increased by \$480,000. There was still a \$100,000 net gain on the increase in both revenue and expenses. The main increase in expenses was in housing assistance payments which is the number one program payment that is in and out of Section 8.

Commissioner Boecher requested that the commissioners have a meeting next year outside of the normal Board of Commissioners meeting to discuss the results of the audit. He asked Kwasi about the blended component units listed on the audit. He asked if the numbers on the FYE balance sheet are something that he investigated. Kwasi stated that he tests them, they are kept by EHA staff in the trial balance, and he tests the bank accounts, checks that come in and out every year. Kwasi stated that he tests it like a program as he would test low rent. He said he looks at specific things for low rent and HCV and he also looks at the component units. He gets the check register for each one and makes selections based on how many expenditures

went out. He said you don't receive a separate report because they are considered blended and the EHA is completely responsible fiscally and managerially for the organization. He stated that there are two types of component units, blended component unit and discreetly presented component unit. He stated a discreetly presented component unit you would have less control over, and it would show up as a separate line item on the top-level financial statements instead of included. He stated you would see the authority and then you would see the discreet component unit then you would see a total. Kwasi stated the determination between discreet and blended is based on who has true authority over the component unit. Commissioner Boecher informed Kwasi that the board makes no decisions on those units. He stated he is not comfortable with including this in the audit because the Board of Commissioners hasn't seen any financials as a part of their monthly presentations. Kwasi stated that this is a good question because the EHA needs to determine whether they will continue as blended or discreetly presented because it would change the presentation of the financial statements. He stated that it would also change the amount of liability the EHA carries for the component units. He stated that it will not change the total number on the financial statements, it would just change the way they look. There will be another line item because he would pull the component unit out if we said it was discreet as opposed to blended but it will still be presented on the financial statements at the end.

Angelia stated that for the upcoming fiscal year, she requested an increase in attorney fees specifically for the Housing Finance Board. She stated that the nature of our business with them has never been explained to her and why we are paying for their audit or why we have accounts involved with the activity of the Housing Finance Board. She informed the commissioners that they would see this on the upcoming budget draft. Kwasi continued with the single audit. He stated the EHA spent approximately 9.1 million in federal funds. He stated that for this year, he audited the EHA's major programs, low rent housing income, and capital fund programs. He said that means that he did detailed testing on those programs. He said he looked at the eligibility of the individuals in the program, spending, and other compliance requirements for that program. Kwasi stated that the non-major programs for this year were HCV and two separate CARES Act funding, one from public housing and one from HCV. He said that for all the testing that was done, the EHA had no issues with non-compliance, fraud, or material misstatements. There were no further questions regarding the audit, so Kwasi stated his legal responsibilities as an auditor. In conclusion, Kwasi offered the Board an Executive Session to discuss the audit further. Commissioner Boecher stated that he would like to have an Executive Session.

- **Riverside Terrace Elevator Replacements**

The new motor for the large elevator has shipped from Titan and Otis is tracking it now. There may be a slight delay due to weather, but they expect to receive it by the week of January 24. Otis plans to start the installation as soon as they receive the motor.

- **Resident Council Training**

Resident council training was facilitated by former HUD official and South Bend Housing Authority's Executive Director, Catherine Lamberg, on Friday, January 7, 2022. Meetings between the Resident Councils and the Elkhart Housing Authority have started taking place or have been scheduled.

- **Washington Gardens Mailboxes**

New Washington Gardens mailboxes have been delivered and are stored until they can be installed in the spring.

- **Annual Audit**

Elkhart Housing Authority's annual audit for FYE 21 was conducted in December 2021 and the auditor will discuss it at the January 2022 board meeting. There were no findings or concerns.

- **Maintenance Staff**

The Elkhart Housing Authority has hired three general maintenance technicians over the past month which will greatly improve our unit turnaround time for lease-ups.

- ❖ **New Business:**

Resolution 21:16: A Resolution to Terminate HUD COVID-19 Related Waivers

Angelia stated that when COVID-19 hit, HUD issued a series of 44 waivers to prevent housing authorities from being penalized for non-reporting during the pandemic. She stated the housing authority also waived reporting requirements for the residents so that they would not face eviction. She stated that all the waivers expired on December 31, 2021, and this is a resolution to rescind all the waivers that the Board approved on resolution 20:11. Commissioner Smole motioned to approve a resolution to terminate HUD COVID-19 related waivers and Commissioner Billings seconded. All commissioners present unanimously voted to approve Resolution 21:16.

Resolution 21:17: A Resolution to Amend the By-Laws of the Board of Commissioners

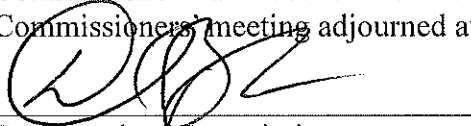
Commissioner Smole motioned to approve a resolution to amend the by-laws of the Board of Commissioners and Commissioner Billings seconded. All commissioners present unanimously voted to approve Resolution 21:17.

- ❖ **Handouts**

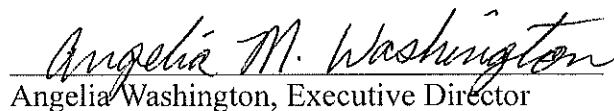
- NAHRO Monitor November 30
- PHADA Advocate December 1 & December 15
- PHADA Scholarship Program
- NAHRO MONITOR December 15
- PHADA Advocate January 5

- ❖ **Adjournment**

Commissioner Dan Boecher without any objections, declared the January 20, 2022, Board of Commissioners meeting adjourned at 5:12 P.M.



Dan Boecher, Commissioner
February 24, 2022



Angelia Washington, Executive Director