
**MINUTES OF THE
ANNUAL VIRTUAL BOARD MEETING OF THE
BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FREEPORT
APRIL 21, 2021**

The annual virtual meeting of the Board of Commissioners of the Housing Authority of the City of Freeport was held on Wednesday, April 21, 2021, at the Housing Authority of the City of Freeport Administrative Office in the Empowerment Center located at 1052 W. Galena Avenue, Freeport, Illinois at 6:00 p.m. Chair Harrell called the meeting to order at 6:03 p.m.

PURSUANT TO EXECUTIVE ORDER 2020-07 SIGNED BY GOVERNOR PRITZKER AND GUIDANCE PROVIDED BY LEGAL COUNSEL, THE HOUSING AUTHORITY OF THE CITY OF FREEPORT MAY CONDUCT ALL OR PORTIONS OF THIS MEETING BY USE OF TELEPHONIC OR ELECTRONIC MEANS WITHOUT A PHYSICAL QUORUM PRESENT IN THE BOARDROOM.

II. ROLL CALL

The following members were present via GoTo Meeting portal and responded to roll call:

<u>Present</u>	<u>Staff Present</u>
Vice-Chair Smith-Norman	Babette Jamison-Varner, CEO
Commissioner Newton	Bernadette Mekalska, Executive Coordinator
Commissioner Shirley	Faniqua Hughes, Director of Operations
Chair Harrell	Tom Cassidy, Director of Maintenance

Consultants

Mike Bainbridge, Chief Financial Officer

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was conducted.

IV. ELECTION OF FY 2022 OFFICERS OF THE BOARD OF COMMISSIONERS

Chair Harrell nominated Vice Chair Smith-Norman for Chairperson of the Board of Commissioners.

Chair Harrell moved, second by Vice Chair Smith Norman to approve the nomination of Vice Chair Smith-Norman for the Chair of the Board of Commissioners. On roll call, the following members voted:

Harrell:	Aye	Smith-Norman:	Aye
Shirley:	Aye	Newton:	Aye

Vice Chair Smith-Norman nominated Chair Harrell for Vice Chairperson of the Board of Commissioners.

Vice Chair Smith Norman moved, second by Commissioner Newton to approve the nomination of Chair Harrell for the Vice Chair of the Board of Commissioners. On roll call, the following members voted:

Newton:	Aye	Smith-Norman:	Aye
Shirley:	Aye	Harrell:	Aye

V. APPROVAL OF AGENDA

Commissioner Shirley moved, second by Vice Chair Smith-Norman to approve the agenda for April 21, 2021 regular meeting, as presented. On roll call, the following members voted:

Newton:	Aye	Smith-Norman:	Aye
Shirley:	Aye	Harrell:	Aye

a. APPROVAL OF PREVIOUS MINUTES – Regular Board Meeting March 17, 2021.

Vice Chair Smith Norman moved, second by Commissioner Shirley to approve the regular virtual meeting minutes of March 17, 2021. On roll call, the following members voted:

Shirley:	Aye	Harrell:	Aye
Smith-Norman:	Aye	Newton:	Aye

b. APPROVAL OF PREVIOUS MINUTES – Special Board Meeting, March 23, 2021.

Vice Chair Smith-Norman moved, second by Chair Harrell to approve the regular virtual special meeting minutes of March 23, 2021. On roll call, the following members voted:

Shirley:	Abstained	Harrell:	Aye
Smith-Norman:	Aye	Newton:	Abstained

c. APPROVAL OF PREVIOUS MINUTES – Special Board Meeting, March 29, 2021.

Vice Chair Smith-Norman moved, second by Chair Harrell to approve the regular virtual special meeting minutes of March 29, 2021. On roll call, the following members voted:

Newton:	Aye	Smith-Norman:	Aye
Harrell:	Aye	Shirley:	Abstained

VI. PUBLIC COMMENT

None.

VII. YEAR-END RECOVERY PLAN REPORTS

Overview of accomplishments on the HACF recovery plan was presented:

- a. PASS (Physical Assessment Subsystem) Tom Cassidy, Director of Facilities and Maintenance

- b. MASS (Management Assessment Subsystem), Faniqua Hughes, Director of Operations
- c. Governance, FASS (Financial Assessment Subsystems) Capital Fund, Babette Jamison-Varner, CEO

VIII. FINANCIAL REPORT

Chief Accountant, Mike Bainbridge, discussed the FY 2022 Operating Budget and presented financial reports for the February 2021 for the Operating Budget.

The agency was \$356,316 better than budget through February. Based upon that, it's currently expected that actual operating net income at fiscal year-end will be at least \$400,000 higher than the originally budgeted amount of \$14,325.

Operating subsidy revenue was approximately \$465,000 better than budget. That is primarily due to the additional operating subsidy awarded through the CARES Act (which was \$158,783 in total) and the recognition of shortfall funding totaling \$337,293.

It was originally budgeted that Asset Management fees would be charged by the COCC to AMP 1 but not AMP 2 due to a lack of excess cash at AMP 2. However, HUD has now allowed asset management fees to be charged to AMP 2 as well in order to shift some of the CARES Act subsidy from the AMPs to the COCC to cover COVID-related expenses. Because of that, both COCC Asset Management Fee revenue and AMP Asset Management Fee expense were approximately \$20,440 higher than budget.

The regulations promulgated by HUD as part of the CARES Act subsidy funding require expenses to be allocated to the CARES Act funds in order to justify drawdown of those funds. Because of that, all AMP salary and benefits expenses were reclassified from regular salary and benefits expense accounts to a CARES Act allocated expense account for the first few months of the fiscal year (until the CARES Act subsidy was fully drawn down). If not for that, salary and benefits expenses would be approximately \$120,100 below budget due to reduction of maintenance staff members during the fiscal year and the elimination of the employees previously leased to Brewster/Hosmer in October.

Tenant Other Income was higher than budget by approximately \$53,100 due to work on cleaning up outstanding tenant balances in May, July and August. There were several move outs with charges that had not previously been entered. Also, rental revenue was better than budget by approximately \$12,900.

Unit turnaround contract costs for AMP2 have been well above budget as the Authority has worked to make units ready for occupancy. Some of that additional cost was due to the Authority being down some maintenance employees from the budgeted amount. The Authority also incurred additional office cleaning costs as a result of COVID 19. Because of that, Other Contract Costs were approximately \$70,900 higher than budget.

Legal expense was approximately \$149,300 higher than budget.

Office expense was approximately \$21,600 lower than budget due to the elimination / renegotiation of some administrative costs, and a focus on keeping office costs as low as possible.

The year-end financials will be finalized in the next month and the unaudited FDS will be submitted before May 31st deadline.

IX. OLD BUSINESS

a. Tenant Protection Vouchers Update

Director Jamison-Varner spoke about partnership between HACF and Menard County HA. The partnership with Menard County HA is going smoothly. Weekly meetings with the Menard County HA are conducted regularly. Thus far, we have more than 20 vouchers issued and 42 applications in progress.

X. DISSCUSSION

a. Board of Commissioners Training

Training for Commissioners will be set up. Commissioners are encouraged to let HACF know about training that they would like to participate in. Completion of training participation and submission of training results is very important.

b. Regular Board of Commissioners Meeting Schedule

Possibility of moving current meetings back to the daytime at noon was discussed.

XI. RESOLUTIONS

a. Resolution 042021-01: Resolution Authorizing Approval of the Housing Authority of the City of Freeport's Personal Property Disposition Policy.

b. Resolution 042021-02: Resolution Authorizing Approval of the Housing Authority of the City of Freeport's Capitalization Policy.

X. APPROVALS

a. Resolution 042021-01 Authorizing Approval of the Housing Authority of the City of Freeport's Personal Property Disposition Policy.

Vice Chair Smith-Norman moved, second by Commissioner Shirley to approve the Personal Property Disposition Policy. Roll call was as follows:

Shirley:	Aye	Newton:	Aye
Smith-Norman:	Aye	Harrell:	Aye

Chair Harrell declared the motion passed

b. Resolution 042021-02 Authorizing Approval of the Housing Authority of the City of Freeport's Capitalization Policy.

Commissioner Shirley moved, second by Vice Chair Smith-Norman to approve the Capitalization Policy. Roll call was as follows:

Shirley: Aye
Harrell: Aye

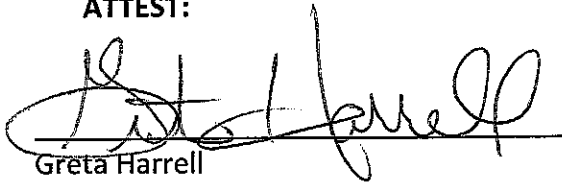
Smith-Norman: Aye
Newton: Aye

Chair Harrell declared the motion passed.

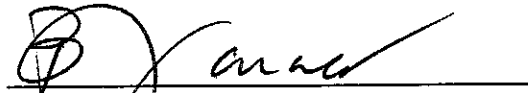
XIV. ADJOURNMENT

There being no further business to be conducted at this regular virtual meeting of the Board of Commissioners of the Housing Authority of the City of Freeport, Commissioner Shirley moved, second by Vice Chair Smith-Norman to adjourn. The motion carried unanimously, and at 7:10 p.m., Chair Harrell declared the meeting adjourned.

ATTEST:



Greta Harrell
Chair of the Board of Commissioners
Housing Authority of the City of Freeport



Babette Jamison-Varner
Chief Executive Officer & Secretary
Housing Authority of the City of Freeport