
**MINUTES OF THE
REGULAR VIRTUAL BOARD MEETING OF THE
BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FREEPORT
FEBRUARY 17, 2021**

The regular virtual meeting of the Board of Commissioners of the Housing Authority of the City of Freeport was held on Wednesday, February 17, 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 6:02 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:

Present

Vice-Chair Smith-Norman
Commissioner Richter
Commissioner Newton
Chair Harrell
Commissioner Boldt
Commissioner Shirley

Staff Present

Babette Jamison-Varner, CEO
Bernadette Mekalska, Executive Coordinator
Faniqua Hughes, Director of Operations
Tom Cassidy, Director of Maintenance

Consultants

Mike Bainbridge, Chief Financial Officer

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was conducted.

IV. APPROVAL OF AGENDA

Vice Chair Smith-Norman moved, second by Commissioner Shirley to approve the agenda for February 17, 2021 regular meeting, as presented. On voice vote, the motion passed unanimously.

V. APPROVAL OF PREVIOUS MINUTES – Regular Board Meeting January 20, 2021.

Commissioner Richter moved, second by Vice Chair Smith-Norman to approve the regular virtual meeting minutes of January 20, 2021. On a voice vote, the following members voted:

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

VI. PUBLIC COMMENT

None.

VII. FINANCIAL REPORT

Chief Accountant, Mike Bainbridge, presented financial reports for November 2020 for the Operating Budget.

The agency was \$270,945 better than budget through December. Based upon that, it's currently expected that actual operating net income at fiscal year end will be at least \$300,000 higher than the originally budgeted amount of \$14,325.

Operating subsidy revenue was approximately \$365,600 better than budget. That is slightly due to an increased proration percentage from HUD, and 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 \$128,000 in December.

It was budgeted for the Brewster/Hosmer management agreement with Winnebago Co. Housing Authority to be renegotiated to a higher fee amount effective April 1, 2020. However, that issue was not resolved until early October 2020, so the related Other Income was approximately \$95,100 below budget.

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 \$17,100 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 in order to justify drawdown of those funds. Because of that, all AMP salary and benefits expenses have been reclassified from regular salary and benefits expense accounts to a CARES Act allocated expense account. If not for that, salary and benefits expenses would be approximately \$76,500 below budget due to reduction of one maintenance staff member earlier in the fiscal year.

Tenant Other Income was higher than budget by approximately \$40,200 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 \$15,300.

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 one maintenance employee 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 \$54,900 higher than budget.

Legal expense was approximately \$100,700 higher than budget due to the payment of a significant bill from Fox Rothschild in October related to all their work in recent months on the ongoing investigation of the former administration.

Office expense was approximately \$10,800 lower than budget due to the elimination / renegotiation of some administrative costs, and a focus on keeping office costs as low as possible.

VIII. CEO REPORT, Babette Jamison-Varner

a. Tenant Protection Vouchers Status

The Parkside voucher relocation timeline was presented and discussed. The Menard County Housing Authority received their obligation letter. The vouchers were approved, HACF is waiting for concurrence from the HUD headquarters.

b. PHAS Recovery Work Plan Update

The HACF is a part of repositioning panel, which provides an opportunity for the HACF to receive technical assistance from HUD and other resources related to what repositioning would look like for the housing authority.

c. Section 18 Application Westview

The HACF's goal is to submit an application in February through the SAC website. HACF has received cost analysis from the Architect. The HACF is looking at major activities and projects that should take place in the next five years.

d. Communications

Director Jamison-Varner discussed security and surveillance at Willow apartments. HACF contracts with a security company that patrols all sites after hours. Camera bids are being collected with intention to update/replace old camera system.

Director Jamison-Varner said that in effort to be a good community partner, the City of Freeport receives quarterly reports from the HACF.

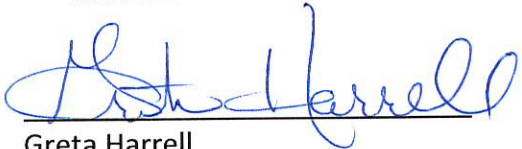
Director Jamison-Varner addresses garbage removal issue at Parkside.

XI. APPROVALS

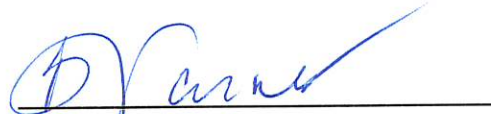
XIV. ADJOURNMENT

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 Commissioner Boldt to adjourn. The motion carried unanimously, and at 6:30 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 and Secretary
Housing Authority of the City of Freeport