

**MINUTES OF MEETING OF
DECATUR HOUSING AUTHORITY
OF THE CITY OF DECATUR, ILLINOIS**

Regular Meeting

The Board of Commissioners of Decatur Housing Authority met in regular session at the Don F. Davis Center, 1808 East Locust Street, Decatur, Illinois at 3:30 p.m. on Thursday, October 13, 2022.

Chairperson Campbell called the meeting to order and upon a call of the roll, those present (all attended in person) and absent were as follows:

Present:	Lisa Campbell, Chairperson Jenny Sykes, Commissioner Josh Robertson, Commissioner Terri Goodman, Secretary-Treasurer James A. Jankowicz, Legal Counsel Shelith Hansbro, Vice-Chairperson (Arrived at 3:35 p.m.)
Absent:	Kristin Carr, Commissioner

There being a quorum present and the meeting duly convened, opening ceremonies were conducted with the reciting of the pledge of allegiance and business was transacted as follows:

Chairperson Campbell presented the Open Time portion of the Agenda.

Eddie Alverado, head of our Legions Security force, was present to introduce himself to the Commissioners. He indicated that Security is making substantial progress at DHS units and that additionally, his company had provided 8 local jobs to Decatur households. Terri Goodman reported that there have been significant challenges but that the Legions Security has been doing an excellent job in cleaning up the high rises. Now, problems have moved to Poole Street and the security staff is working on that location. The board told Eddie Alverado that it appreciated his efforts.

Abeer Motan, who has attended other meetings and spoken in open time, introduced herself as a Mayoral candidate in the election in April, 2023. She encouraged the board to consider voting for her. Her platform included creating discipline, and ending crime and drugs in Decatur. She hoped to see a big prison built in Decatur that would hold the world's worst criminals who would not be able to get out of prison. She also suggested she would like to see a grant program implemented that would give households money if no household members had used either illegal drugs or prescription drugs, or had no additions. She wanted to see fewer prescriptions from doctors and more holistic doctors. Chairperson Campbell thanked her for her comments.

Vice-Chairperson Shelith Hansbro arrived at 3:35 p.m.

Terri Goodman initiated a conference call with Monica Hauser of Hawkins Ash CPAs, LLP, concerning their audit of Decatur Housing Authority for fiscal year ending March 31, 2022. Monica Hauser was the partner in charge of the audit and indicated she would provide a brief overview of the audit to the Commissioners.

The audit is primarily composed of two parts: part one being the compliance piece (federal

October 13, 2022

grants) and the second part being the Financial Statements.

She directed the Commissioners' attention to the second page of the Financial Statements, pointing out that there was a new format for the Financial Statements. Now, the auditor's opinion comes first, which is logical since it is the most important component. She indicated DHA had received a clean opinion.

Following the opinion section, she addressed Management's Discussion and Analysis (MDA). The MDA included a report on the utilization of 2021 CARES money in 2022 by DHA. There were no major financial statement issues.

The Schedule of Expenditures of Federal Awards (SEFA) audited DHA's expenditures of federal awards. It reflected a big decrease in awards from 2021 to 2022. In 2021, DHA was awarded approximately \$12,729,000.00. That decreased for 2022 to approximately \$10,176,022.00.

Monica Hauser reported on the reduction in DHA's operating subsidies and the corresponding Capital Fund Balance and Housing Choice Voucher fund balance decreases. She also noted the impact that the termination of CARES money will have on next year's budget.

She observed that there were no findings in the Housing Choice Voucher program.

Monica Hauser moved to the second booklet, the Independent Auditor's Report on Communications with Those Charged with Governance. The Report dealt with the identification or listing of fraud risks. She also noted that there was only one adjusting journal entry. She extended congratulations on a good job to all and felt that the Housing Authority had been very good in keeping accurate numbers. She inquired if there were any Commissioner questions and there were not. The conference call with Monica Hauser ended at that point.

Terri Goodman said that she wished to extend a huge thank you to Shara LeBeau for her effort with the audit and throughout the year. She noted that our staff member numbers were down and Shara had a lot on her plate and had done an exemplary job with her work as the Finance Director.

The Commissioners agreed to take the audit reports home for further review and analysis. The board expected there would be a motion to receive and file the audit report at the November meeting.

Chairperson Campbell presented the Minutes of the regular meeting of September 8, 2022. Commissioner Robertson moved to accept the Minutes. Vice-Chairperson Hansbro seconded the motion.

Hearing no comment, Chairperson Campbell called for a roll call vote. Chairperson Campbell, Vice-Chairperson Hansbro, and Commissioner Robertson voted "Aye". Commissioner Sykes abstained. The motion carried unanimously.

Chairperson Campbell presented the Minutes from the Closed Session of the meeting of September 8, 2022. Commissioner Robertson moved to accept the Minutes and Vice-Chairperson Hansbro seconded the Motion.

Hearing no comment, Chairperson Campbell called for a roll call vote. Chairperson Campbell, Vice-Chairperson Hansbro, and Commissioner Robertson voted "Aye". Commissioner Sykes abstained. The motion carried.

October 13, 2022

Chairperson Campbell presented the Rent Roll/L&O Summary Report for the month of September, 2022. Commissioner Robertson moved to receive and file the report. Commissioner Sykes seconded the motion.

Shara LeBeau reported that tenants were leaving like crazy, especially at the Concord. She added that Jassmin Hobbs and the Maintenance Department have been working as hard as possible to get the units turned around. She stated that applications were down and a particular problem is that applicants are not able to get power in their own name. The Housing Authority had seen an increase in the number of 19 and 20 year old applicants who had no credit history and no income.

Hearing no further comment, Chairperson Campbell called for a roll call vote.

Commissioner Robertson, Vice-Chairperson Hansbro, Chairperson Campbell, and Commissioner Sykes all voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the Housing Choice Voucher Program Occupancy report for the month of September 2022. Vice-Chairperson Hansbro moved to receive and file the report. Commissioner Sykes seconded the motion.

Terri Goodman reported that Jody Pallone was sick and was unable to attend this meeting. She stated that Jody would attend the Landlord Association meeting on October 18, 2022, in order to attempt to rebuild the relationship with the landlords and increase participation. The relationship will have to be rebuilt in steps. The HCV Program is facing similar occupancy issues to conventional public housing.

Hearing no further comment, Chairperson Campbell called for a roll call vote. Vice-Chairperson Hansbro, Chairperson Campbell, Commissioner Sykes, and Commissioner Robertson all voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the Wabash Crossing Occupancy Report for the month of September 2022. Commissioner Robertson moved to receive and file the report. Vice-Chairperson Hansbro seconded the motion.

Terri Goodman reported that occupancy remains the same. Elzie Higginbottom requested the 10:00 meeting on October 14, 2022, in person with Terri Goodman. She said she would report back to the board if any significant developments occur.

Hearing no further comment, Chairperson Campbell called for a roll call vote. Chairperson Campbell, Commissioner Sykes, Commissioner Robertson and Vice-Chairperson Hansbro voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the General Fund Check Register Report for the month of September 2022. Commissioner Sykes moved to receive and file the report and Commissioner Robertson seconded the motion.

Commissioner Sykes questioned the payments to Central Cleanouts LLC. Shara LeBeau advised the board that Central Cleanouts LLC is a company with which DHA has contracted to clean out vacated units. Their fee is based upon the amount of property and garbage that has to be cleaned out from each unit’s rooms. It is a cost-effective way for DHA to speed up the turnover process. Shara LeBeau added that she is training Colby Dearing to handle Accounts Payable.

Hearing no comment, Chairperson Campbell called for a roll call vote. Commissioner Sykes, Commissioner Robertson, Vice-Chairperson Hansbro, and Chairperson Campbell voted

October 13, 2022

“Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the HCV Landlord Check Register Report for the month of September 2022. Commissioner Sykes moved and Vice-Chairperson Hansbro seconded the motion to receive and file the report.

Chairperson Campbell presented the Capital Fund Check Register Report for the month of September 2022. Commissioner Robertson moved to receive and file the report and Commissioners Sykes seconded the Motion.

Hearing no comment, Chairperson Campbell called for a roll call vote. Vice-Chairperson Hansbro, Chairperson Campbell, Commissioner Sykes, and Commissioner Robertson voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the Financial Reports for the period through the end of August, 2022. Commissioner Sykes moved to receive and file the report. Commissioner Robertson seconded the motion.

Shara LeBeau reported that the Section 8 funds are normal. The Housing Authority was working to increase HAP expenses, in order to get more money. Units remained hard to lease. She reported that COCC was normal and that COCC reserves were approximately 55 months.

Shara LeBeau also reported that the AMPS would show losses, which reflect our security expenses incurred to deal with problems. Initially, we had requested and we were paying for 24-hour a day security. Now, we will be receiving 12 hours of security services, from 6:00 p.m. to 6:00 a.m. In addition, AMP 12-10 and Poole Street were having security details walk through the neighborhoods. AMP 12-24 showed a capital outlay for a much-needed mowing trailer.

Commissioner Sykes indicated that her Bank Statement column on her report was blank. Shara LeBeau apologized and said she had given out an incorrect copy.

Hearing no comment, Chairperson Campbell called for a roll call vote. Chairperson Campbell, Commissioner Sykes, Commissioner Robertson, and Vice-Chairperson Hansbro all voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the following Resolution for Commissioners’ consideration and approval:

RESOLUTION NO. 22-19

AUTHORIZING AND APPROVING ADJUSTMENT OF UTILITY ALLOWANCES FOR THE PUBLIC HOUSING PROGRAM

WHEREAS, the Authority reviews utility rates annually and adjusts rates used in utility allowance calculations when rates change by ten percent or more, and

WHEREAS, revisions to consumption and adjustment of rates are both included in the proposed utility allowances; now, therefore

WHEREAS, the Authority will notify all residents of the proposed change at least 60 days prior to its effective date.

BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE DECATUR HOUSING AUTHORITY OF THE CITY OF DECATUR ILLINOIS:

Section 1. That the attached DHA Public Housing Utility Allowance 2023 table be authorized and approved.

October 13, 2022

- Section 2. That the above utility allowance schedule be implemented effective January 1, 2023.
- Section 3. That the Executive Director or his designee is authorized to execute all necessary documents, and implement the revised utility allowance.

Commissioner Robertson moved to accept the resolution as presented. Commissioner Sykes seconded the motion.

Shara LeBeau stated that we are required to do a yearly study of utility costs. If a change greater than 10% occurred, an adjustment of the utility allowance for the Public Housing Program tenants would have to be made. This study showed a 44% increase. Macon Street units saw a particularly large increase since units were all electric. The study showed a 67% increase. The new utility allowances would go into effect January 1, 2023. The implementation of the new allowances would result in an increase in the number of negative rents and negative rent checks. Further, the Housing Authority would see income go down and expenses go up.

Hearing no further comment, Chairperson Campbell called for a roll call vote. Commissioner Sykes, Commissioner Robertson, Vice-Chairperson Hansbro, and Chairperson Campbell voted “Aye”. No Commissioner voted “No”. The motion carried unanimously.

Chairperson Campbell presented the following resolution for Commissioners’ consideration and approval:

RESOLUTION NO. 22-20

AUTHORIZING AND APPROVING ADJUSTMENT OF UTILITY
ALLOWANCES FOR THE SECTION 8 HOUSING CHOICE
VOUCHER PROGRAM

WHEREAS, the Authority is required to review annually and adjust utility allowances in the event that a utility rate increases resulting in a 10% or more monthly utility cost, and

WHEREAS, the Authority has completed a utility allowance analysis and determined an adjustment is appropriate; now, therefore,

BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE DECATUR HOUSING AUTHORITY OF THE CITY OF DECATUR, ILLINOIS:

- Section 1. That the attached allowance schedule for Section 8 Housing Choice Voucher units be accepted and approved.
- Section 2. That the above utility allowance schedule be implemented effective January 1, 2023.
- Section 3. That the Executive Director or her designee advise the Department of Housing and Urban Development of the utility allowance revision and implement this change as required in CFR 982.519 (2).

Vice-Chairperson Hansbro moved to accept the resolution as presented. Commissioner Robertson seconded the motion.

Shara LeBeau stated the HCV HUD Program requirements were the same concerning the yearly study, although the HCV Program is more complicated. Increased utility allowances results in decreased amounts of rent DHA can pay landlords, which is bad for landlords in the

October 13, 2022

program. Next month, DHA will raise rents. We can raise rents to 110% of fair market rents without HUD approval. We can raise rents to 120% of fair market rents with HUD Field Office approval. We are waiting for HUD's response if it will approve the increased rent. The study in general showed a 55% increase in utility expenses in the HCV Program. Chairperson Campbell asked if there were alternatives. Shara LeBeau responded that we do the study annually, which is the minimum. The potential problem with doing the study more often is that if the study results in increased utility expenses, we are mandated then to make the necessary adjustments.

Hearing no further comment, Chairperson Campbell called for a roll call vote. Commissioner Robertson, Vice-Chairperson Hansbro, Chairperson Campbell, and Commissioner Sykes voted "Aye". No Commissioner voted "No". The motion carried unanimously.

Chairperson Campbell presented the following resolution for Commissioners' consideration and approval:

RESOLUTION NO. 22-21

AUTHORIZATION AND APPROVING A COLLECTION LOSS
WRITE-OFF FOR CONVENTIONAL PUBLIC HOUSING AS OF
SEPTEMBER 30, 2022

WHEREAS, the Authority provides for a write-off of uncollectible tenant accounts in each annual operating budget, and consideration of this write-off is brought before the Board of Commissioners as least one time a year and

WHEREAS, these residents have vacated DHA units and have been reported to the Illinois Debt Recovery Offset Program and they have been unable to collect these amounts due, and

WHEREAS, there has been no payment on these accounts for a period of 30 days or longer, and

WHEREAS, previously the Authority's Board of Commissioners took write-off action for uncollectible accounts through March 31, 2022, and

WHEREAS, the attached listing of accounts reflects write-off action for the period of April 1, 2022 through September 30, 2022: now, therefore,

BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE DECATUR HOUSING AUTHORITY OF THE CITY OF DECATUR, ILLINOIS:

Section 1. That the attached collection loss write-off will have zero net budget amount.

Section 2. That the attached write-off reflects an aggregate total for the period ending September 30, 2022 of One Hundred Twenty-Seven Thousand, Five Hundred Forty-Nine and 53/100 Dollars (\$127,549.53) less Eighteen Thousand, Seven Hundred Seven and 40/100 Dollars (\$18,707.40) of payments for a net write off of One Hundred Eight Thousand, Eight Hundred Forty-Two and 13/100 Dollars (\$108,842.13)

Section 3. That the Executive Director or designee is authorized and instructed to incorporate this fiscal information into the Authority's Books of Account for the period ending September 30, 2022

October 13, 2022

Commissioner Sykes moved and Vice-Chairperson Hansbro seconded the motion to accept the Resolution as presented.

Shara LeBeau reported that this is the write-off we do every 6 months as required by HUD regulations. This is a particularly high amount of write-off which reflects the effects of COVID on tenants paying rent. Write-offs occur after units are vacated and no payments are made on the delinquent account. DHA, and other authorities, experienced high numbers of tenants vacating and making no payments. Commissioner Campbell questioned an approximate \$13,000.00 write-off. Shara LeBeau responded that an unreported adult child had resided in the unit and that child's occupancy and income had not been reported, resulting in assessment of back rent.

Hearing no further comment, Chairperson Campbell called for a roll call vote. Commissioner Robertson, Vice-Chairperson Hansbro, Chairperson Campbell, and Commissioner Sykes voted "Aye". No Commissioner voted "No". The motion carried unanimously.

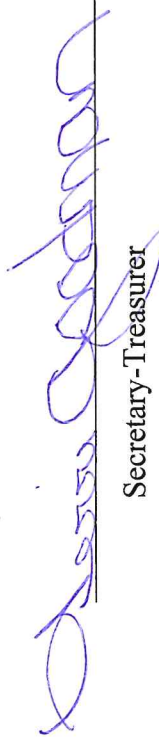
Chairperson Campbell asked if there was any old and new business. Terri Goodman reported she had none. Jim Jankowicz distributed a proposed Resolution which could be adopted at the November meeting which would authorize and approve rules and procedures for residents' comments and public comments at board meetings. It also included a public comment sign-in sheet. The board indicated that it would like to adopt such a resolution at the November meeting.

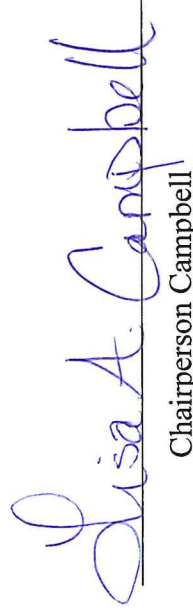
Chairperson Campbell stated there was no further business to come before the Board. Vice-Chairperson Hansbro moved and Commissioner Robertson seconded the motion to adjourn. Upon a call of the roll, the Commissioners voted as follows:

Vice-Chairperson Hansbro, "Aye",
Chairperson Campbell, "Aye",
Commissioner Sykes, "Aye", and
Commissioner Robertson, "Aye".

No Commissioner voted "No". The motion carried unanimously. The meeting adjourned at 4:20 p.m.

(ATTEST)


Secretary-Treasurer


Chairperson Campbell

October 13, 2022