



## Delray Beach Housing Authority

### AUGUST 20, 2015 BOARD MEETING MINUTES

#### **I. CALL TO ORDER**

Meeting called to order at 9:00 a.m.

#### **II. ROLL CALL**

Guarn Sims - Present

Christel Silver- Present

Choli Aronson- Present

Sylvia Morris- Present

Marcia Beam- Present

Gaston Joseph- Present

Dr. Morris Weinman- Absent

#### **III. APPROVAL OF AGENDA**

Chairman Sims requested that Item A of Consent Agenda be moved to Old Business Item A.

A motion to approve the revised Agenda was made by Commissioner Aronson. Motion seconded by Commissioner Morris. All in favor. Motion passed.

#### **IV. APPROVAL OF THE MINUTES OF JUNE 18, 2015**

A motion to approve the minutes of June 18, 2015 was made by Commissioner Morris. Motion seconded by Commissioner Aronson. All in favor. Motion passed.

#### **V. RECOGNITION OF VISITORS**

- Larry Zabik, Zabik & Associates

- Clifton Phillips, Roundstone

- Mary Jones, Sunchase America

#### **VI. PUBLIC COMMENTARY**

None

#### **CONSENT**

A motion to approve Consent Agenda was made by Vice Chairman Aronson. Motion seconded by Commissioner Joseph. All in favor. Motion passed

#### **VII. CORRESPONDENCE**

None

## **VIII. OLD BUSINESS**

### **A. Section 8/FSS Coordinator's Report**

Chairman Sims asked several questions regarding the FSS Program. Some of the questions were what happens to the money that is forfeited by the family and how often do the families attend workshops related to Homeownership and Credit Repair. The FSS Coordinator informed the Board that the money that is forfeited goes back to the Section 8 Account and currently there were 4 families going through the homeownership process and 2 had completed the process. Chairman Sims noted that he would like more families to participate and pointed out that Circles of Palm Beach County had a great program and recommended that the DBHA look into it. At this time the FSS Coordinator reported that she was very familiar with their services and was working with Ms. Tracey Powell, who would be providing supportive services to DBHA's FSS participants.

### **B. Chief Financial Officer's Report**

#### **Fiscal Year 2015 Financial Audit**

The CFO reported that staff had received the draft audit report for the recently conducted independent financial audit and was currently reviewing the report. The CFO anticipated having the report ready for presentation to the board at the September meeting.

#### **HUD REAC FDS Submission**

The CFO informed the Board that HUD had rejected the unaudited Financial Data Schedule that was submitted on May 29, 2015. Accompanying the rejection notification was a list of eight questions the reviewer had that was apparently the reason for rejection. All eight questions were addressed and the FDS was resubmitted on August 10, 2015. The CFO noted that no adjustment was made to the original submission.

#### **HUD Quality Assurance Review**

The CFO noted that as reported in previous months The HUD Quality Assurance Review that was conducted in May, 2014 continued to be an open item. Staff has responded to all reports and questions presented by the HUD reviewers and are now waiting on action from HUD.

#### **Section 8**

The CFO reported that staff had completed the transition from using the Section 8 cash account as the DBHA operating fund to using Public Housing cash account as the general fund. The change went smoothly but did require the addition of a few new accounts to the Public Housing chart of accounts.

The CFO noted that HUD continues to reduce the amount of HAP funding for the HCV program in order to build the reserves maintained by HUD on behalf of the housing authority. The CFO reported that this was not a problem for the DBHA since the Authority has adequate reserves and staff can draw on the Authority's HUD held reserves if necessary. The CFO reported that as of June 30, 2015 the Net Restricted Assets was \$157,358 and the cash balance was \$177,091.

#### **Public Housing**

The CFO noted that as reported last month, rental revenue is lower than projected amounts due to rent reductions and vacancies in April and May. As of the end of June

all units are rented, however, at lower than expected rental rates. The year to date net loss before extraordinary expenses and depreciation was (\$2,518). Depreciation is \$4,020 and extraordinary expenses is \$15,340, year to date. The extraordinary expenses are for Zabik & Associates who is contracted for compliance issues related to Delray Village Square Elderly.

**C. Chief Operations Officer's Report**

The CEO informed the Board that the COO was out on medical leave and no report was available.

**Sunchase Update**

**Village Square Family**

The Property Manager, Mary Jones reported that occupancy was at 100% and all rents had been collected for the month of August. It was reported that there was a waiting list of approximately 125 applicants.

**Newsletter**

Ms. Jones reported that the monthly newsletter was sent to all residents with current event and social programs being offered along with reminders concerning the property.

**Vehicle Decals**

Ms. Jones reported that vehicle decals had been ordered and distributed to all Village Square residence. Vehicle are now able to be identified as resident vehicles or visitors as requested by the Board.

**Zabik's Update**

**Village Square Elderly**

Mr. Zabik noted that as reported last month, Klewin had issued an updated schedule indicating a completion date of mid-November. Their schedule is aggressive and can only be achieved if the subcontractors provide significant manning. Mr. Zabik noted that due to his past experience with Klewin he estimates completion to be in early December. Mr. Zabik reported that they had received another notice of nonpayment from a subcontractor and noted that without prompt payment, subcontractor manpower will continue to remain at unsatisfactory levels.

**Roundstone Update**

Mr. Phillips reported that there has been discussion of implementing a joint-check policy for progress payments to ensure timely subcontractor payments.

Chairman Sims noted that as requested previously, Klewin needed to come to the table and discuss the issues that were occurring. Vice Chairman Aronson noted that she would be willing to meet with them (Thursdays at 11 am work best) in a smaller setting if Klewin felt this to be a better option.

Mr. Phillips reported that the Family Phase had stabilized and closed as scheduled. The CEO noted she and DBHA management would be meeting with Clifton sometime next month for some training.

**D. President/CEO's Report**

The CEO informed the Board that she had attended FAHRO's Annual Conference in Orlando that provided excellent training and information. The CEO noted that one of the things she would be looking into for next year is to increase the Travel Budget because DBHA staff and Commissioners would benefit from training such as this one.

**IX. New Business**

None

**X. COMMENTS**

At this time Vice Chairman Aronson requested that a sign for the West Settlers Office Building be placed on site informing the neighborhood of what was underway.

**XI. ADJOURNMENT**

9:23 a.m.