



Delray Beach Housing Authority

MAY 15, 2014 BOARD MEETING MINUTES

I. CALL TO ORDER

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

At this time the CEO informed the Board that Commissioner Sims had been reappointed at the May 6th City Commission meeting and requested that Commissioner Sims be added to the roll call.

II. ROLL CALL

Joseph Hepp – Absent

Christel Silver – Absent

Choli Aronson – Present

Sylvia Morris – Present

Marcia Beam – Present

Gaston Joseph – Present

Guarn Sims - Absent

III. APPROVAL OF AGENDA

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

IV. APPROVAL OF THE MINUTES OF APRIL 17, 2014

A motion to approve the minutes of April 17, 2014 was made by Commissioner Morris. Motion seconded by Commissioner Beam. All in favor. Motion passed.

V. RECOGNITION OF VISITORS

- Clifton Phillips, Roundstone Development
- Larry Zabik, Zabik & Associates
- Mary Jones, Sunchase America
- Earl Rollins. Sunchase America

VI. PUBLIC COMMENTARY

None

VII. CONSENT

A motion to approve Consent Agenda was made by Commissioner Beam. Motion seconded by Commissioner Morris. All in favor. Motion passed.

VIII. CORRESPONDENCE

None

IX. OLD BUSINESS

A. Colome' & Associates Presentation

Presented By Elizabeth Colome'

As previously requested by the Board revised plans were presented for the Boards review and comments. Ms. Colome' reported that the new plans consisted of reducing the building from three stories to two stories. The new design offers both a modern and historic feel. They are proposing a Green Building concept.

The CEO reported that on May 8th she and the architect met with Ms. Diane Colonna the CRA's Executive Director to discuss the new design. Ms. Colonna was supportive of the new design

At this time the Board had a brief discussion and as a result a motion to approve the design was made by Commissioner Morris. Motion seconded by Commissioner Beam. All in favor. Motion passed.

B. Chief Financial Officer's Report

The CFO informed the Board that financial statements for March 31, 2014 had not been completed due to the required end of year entries needed to close the fiscal year. In addition HUD informed the DBHA of a financial management review scheduled for May 13, 2014 and preparation for this review has been a contributing factor to this delay.

HUD Financial Management Review

The CFO noted that on May 13th two members from HUD's Quality Assurance Division arrived on site to conduct a financial management review of the Housing Choice Voucher program. The scope of this review consisted of the following;

- Reconciliation of the Unrestricted Net Assets beginning with the end of fiscal year 2009 through the last closed accounting month.
- Reconciliation of the Net Restricted Assets beginning with the end of fiscal year 2009 through the last closed accounting month.
- Validation and analysis of Administrative Expenses for fiscal year 2014
- Analysis of specific line items on the FDS submission
- Confirm the availability of cash/investments sufficient to support the Restricted Net Asset balances

The CFO informed the Board that the reviewers would be conducting their exit interview later today and the outcome of their review would be reported at a later date.

Annual Independent Audit by Clifton Larson Allen

The CFO reported that the auditors from Clifton Larson Allen had scheduled their onsite audit for June 16th and the field work would continue for two weeks. The accounting department was currently getting ready for this year's audit and was happy to report that all is in good order.

C. Chief Operations Officer's Report

Reporting Section 8 Voucher Management System (VMS)

The COO reported that an estimated report for the month of March was submitted to VMS on April 21, 2014 and approved by the Financial Management Center. The actual expenditure report and corrections will be resubmitted to VMS upon completion of the end of month financial reconciliation report provided by the accounting department.

D. Roundstone Development Update

Mr. Phillips noted that as reported last month there had been delays in the closing of the Elderly Phase due to the uncalculated Davis Bacon Piece which has been estimated at a cost of approximately \$300,000. A Request for Proposals had been put out and Bids were under review. Mr. Phillips was hopeful that closing would occur in mid-June.

E. Zabik's Update

Mr. Zabik reported that the project team was working with the City's Building Department to develop a phased opening plan on a building to building basis. The clubhouse was targeted for TCO for the ending of May or the 1st week in June.

At this time the CEO asked Mr. Phillips to get back to her regarding a good date for the Ribbon Cutting Ceremony.

Sunchase America (Management Company)

Mr. Earl Rollins of Sunchase America reported that they were approximately 96% leased up and did not anticipate any issues leasing up the units as be become available.

F. President/CEO's Report

Board Training

The CEO reported that travel arrangements had been made for Choli Aronson and Gaston Joseph, two of the newest Board members who would be attending the Public Housing Authority Director's Association's conference which had a very informative Agenda. The CEO noted that Shirley Erazo, Chief Operations Officer would also be attending this year's conference.

CRA Media Group Business Consultant Agreement

At this time the CEO presented a Business Consultant Agreement from CRA Media Group where the scope of services would be to provide media relations services for

the Authority in regards to Village Square. CRA Media Group would promote the ribbon cutting, news coverage on the day of the event, and provide news releases and photographs for use to local media after the event. The proposed cost for these services is \$525.00. The CEO recommended approval to engage CRA Media Group to provide media services for the opening of Village Square.

A motion to approve the CRA Media Group Business Consultant Agreement was made by Commissioner Morris. Motion seconded by Commissioner Beam. All in favor. Motion passed.

X. NEW BUSINESS

A. Clifton Larson Allen CPA's Scope, objectives, and responsibilities letter for 2013/2014 Audit

The CEO informed the Board that the engagement proposal was presented in two parts, each requiring acceptance of the terms by signature of authority.

The first part specified the scope of the engagement and the Auditor's plan to provide the services in accordance with the requirements of the United States Generally Accepted Accounting Principles (GAAP). The letter details the aforementioned federal requirements including DBHA management responsibilities. Approval was recommended.

A motion to approve Clifton Larson Allen CPA's Scope, objective, and responsibilities letter for 2013/2014 was made by Commissioner Beam. Motion seconded by Commissioner Morris. All in favor. Motion passed.

B. Clifton Larson Allen CPA's Scope Letter for 2013/2014

The CEO informed the Board that the second part of the engagement letter is the agreement to submit the finalized report through the HUD electronic system. The total audit cost including this submission is \$33,000. Approval was recommended.

A motion to approve Clifton Larson Allen CPA's Scope letter for 2013/2014 was made by Commissioner Morris. Motion seconded by Commissioner Beam. All in favor. Motion passed.

C. Resolution 2014-05 Approving SEMAP

The COO reported that SEMAP certification for fiscal year end 2014 was due to HUD on May 30, 2014. The COO informed the Board that the Section 8 Management Assessment Program was designed to assess whether the Section 8 tenant based rental assistance program operates to help eligible families afford decent rental units at the correct subsidy cost. It also establishes a monitoring system for HUD to measure the Housing Authority's performance in the indicated key areas and assigns performance rating.

The COO noted that the SEMAP program also provides procedures for HUD to properly identify the Housing Authorities Management capabilities and deficiencies in order to target monitoring and program assistance more effectively. The following are the Indicators used by HUD to examine the Program

performance;

DBHA's Self-Certifying Indicators

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of adjusted income
4. Utility allowance schedule
5. Housing Quality Standards (HQS) Quality Control
6. HQS Enforcement
7. Expanding Housing Opportunities
8. De-Concentration Bonus
HUD Verified Indicator Performance

9. Payment Standard
10. Annual Re-examination
11. Correct tenant rent calculations
12. Pre-Contract HQS Inspection
13. Annual HQS Inspections
14. Lease-Up
15. Family Self-Sufficiency enrollment and escrow accounts

The COO reported that as part of this report there is an updated SEMAP status report ending March 31, 2014 of Indicators 9-14. These Indicators are automatically scored by HUD through their monthly submissions of HUD 50058-Multifamily data and VMS-Voucher Management System reports. This report reflects each indicator has scored high points which will result in another year of HIGH Performance status for the Delray Beach Housing Authority. The COO noted that this will be their eighth consecutive year with a High Performance Status. The COO recommended approval.

A motion to approve resolution 2014-05 was made by Commissioner Beam. Motion seconded by Commissioner Morris. All in favor. Motion passed.

XI. COMMENTS

None

ADJOURNMENT

Meeting Adjourned at 10:00 a.m..