

CERTIFICATE OF APPROVAL OF MINUTES

MINUTES OF: February 24, 2015

APPROVED ON: April 28, 2015

W. E. Early

Vice--**Chairperson**

ATTEST:

James Westermich

Secretary

Sioux Falls Housing and Redevelopment Commission
630 S. Minnesota, Sioux Falls, SD
Regular Meeting
February 24, 2015

Commissioners

Present: Jeremy Keckler, William Earley, Harriet Scott, and James Wiederrich

Commissioner

Absent: John Peckham

Others

Present: Shireen Ranschau, Vernon Kreun, Ramona Muirhead, Donna Rollag,
and Paul Hess

CALL TO ORDER/ROLL CALL

The meeting was called to order at 7:30 a.m.

APPROVAL OF MINUTES OF JANUARY 27, 2015

Chairman Keckler called for a motion to approve the minutes of the January 27, 2015, meeting. Commissioner Wiederrich made a motion to approve the Minutes. Commissioner Scott seconded the motion. The motion passed, Yeses, 4, Noes, 0.

FINANCIAL REPORT

Vernon presented the Financial Report for the month ending January 31, 2015. There was no change in cash between December 31, 2014 and January 31, 2015. There is no longer a voucher cash line as the program doesn't have any cash. It is now reflected in General Operating fund. The reduction in the general operating cash is due to normal fluctuation in operations.

Vernon reviewed the miscellaneous programs. All billings are current. In the income statement the Admin fee account shows we are doing well. There is an increase in the rates for the Housing Choice Voucher program. Mod rehab will receive between \$75 and \$80 more in admin fees.

Vernon reviewed the balance sheet for the Public Housing program. He noted that the cash restricted account of \$51,115 and the other current liabilities account of \$45,571 are the insurance proceeds we received to repair the fire and hail damage. The tenant services/wages account is over budget due to a three-payroll month in January. Vernon pulled down all of the FY 2014 capital funds. The Y-T-D net gain is \$34,708 which is \$7,267 ahead of budget. Discussion followed.

Vernon said the balance sheet for South Sycamore Estates is on target. The total revenue is at 34% of budget and total expenses are at 40% of the budget. The Y-T-D gain is \$10,966 but there is a cash decrease of \$1,271 due to 100% of the audit cost being expensed. Discussion followed regarding the replacement reserve.

The balance sheet for the Housing Choice Voucher program shows the amount of \$40,532 which is FSS escrow restricted cash. There is a restricted fund transfer of \$771,139 to cover HAP. We did request and received funds from HUD in February and the monthly funding rate was increased. The Y-T-D loss is \$45,189. Discussion followed.

Vernon said the Family Self-Sufficiency balance sheet is on track and the income statement shows a Y-T-D gain of gain of \$8,931. Discussion followed.

The balance sheet for the General Operating fund shows accrued payroll due to a payroll period which ended January 31, 2015. Vernon said total revenues are at 32% of the budget and total expenses are at 30% of the budget. The Y-T-D gain is \$31,454.

Vernon said the Consolidated income statement shows a net gain of \$40,869 which is \$28,676 better than what was budgeted. Discussion followed.

OCCUPANCY REPORT

Shireen presented the Occupancy Report. In the Housing Choice Voucher program, she said at the end of 2014, we were leased up at 89% but spent 93% of the funds allocated. The average HAP increased because of rents. We may not be able to get to 100% this year depending on the funding allocation and reserves. All HAP reserves are held by HUD now. We will be monitoring the funds very closely. Discussion followed. Also, Shireen said we hadn't sent voucher letters in the last month but we are starting to send out letters again. Fifty letters were sent on February 23 and we usually receive a 50% response.

Shireen gave a report about the VASH program. It is at 98% lease up. The VA refers clients to us and we do income qualifications. The VA has approached us stating 3 to 4 vets no longer need case management and would like to receive a regular Housing Choice Voucher to continue with rental assistance. Discussion followed.

There is an increase in HOPWA clients. Previously, we only had clients in Rapid City and Sioux Falls; now we have clients scattered throughout the State.

There are three vacancies in Public Housing -- one vacancy because of the fire damage, one vacancy because of water damage and one tenant skipped.

South Sycamore Estates had one vacancy last month; it is now rented. Now, we have received notice of another vacancy.

FAMILY SELF-SUFFICIENCY REPORT

Ramona presented the Family Self-Sufficiency report. The funding application has been completed for United Way and the HUD Coordinator grant annual report submitted. The Childcare license has been renewed. Support groups are starting to meet again once a week.

A motion was made by Commissioner Earley to accept the monthly reports. Commissioner Wiederrich seconded the motion. The motion passed, Yeses, 4, Noes, 0.

UNITED WAY APPLICATION FOR 2016

Shireen passed out pages from the United Way application. We are requesting \$64,793 which is a decrease of \$1,385. We are now receiving \$66,179. We are asking for less because of the changes in the projected wages. Also, we got a new software program which is saving us money. Commissioner Scott made a motion to approve the United Way application in the amount of \$64,793. Commissioner Earley seconded the motion. Commissioner Wiederrich abstained from the voting as he is on the United Way

Board of Directors. The motion was approved, Yeses, 3, Noes, 0. The United Way Impact Team meetings will be scheduled and Shireen will inform the Commissioners about the dates.

PUBLIC HOUSING – CONSTRUCTION NEEDS

Shireen passed out a breakdown of the hail damages. The insurance company wants the work completed by June 1. We received a check for \$53,596 from the insurance company. We can, also, recover \$20,700 once the work is done. Shireen said we will need to hire an architect to put together the bid specification and scope of the work for the hail damage as it's beyond staff expertise. In addition to the hail damage, one house has a basement needing repair due to a wall bowing.

Shireen met with the Property Maintenance Appeal Board on February 4 regarding the fire damaged house at 2023 Grange. At the meeting, she explained the HUD requirements to the Appeal Board. We need to hire an architect after attempting to get three proposals. Then we need to get an environmental review done which includes a historical review. We will have to go through the formal bid process to get bids from contractors. The Appeals Board wants the entire back wall of the house covered with plywood and painted white. The Appeals Board wants the exterior work done the end of August. Discussion followed.

Discussion followed regarding getting contractors in to see the house early before the construction season gets busy. Repair estimates were also discussed. It was suggested to do as much as prep work, reports, pictures, etc. ahead of time. Approvals from the Commissioners can be voted on via email.

EXECUTIVE DIRECTOR'S REPORT

Shireen said we are advertising for a maintenance technician. After the previous maintenance technician resigned, we started using an independent contractor to do maintenance. The workload has increased with more properties and this is no longer feasible.

We have budgeted for another Housing Specialist and an Accounting Assistant but we don't have enough office space. Shireen has spoken with Architect, Jeff Nelson, who re-designed this building when we moved in. His price quote is \$4,000 which provides for conceptual plans, design documents, prepare bids and contract administration. The Board approved proceeding with Mr. Nelson.

Shireen said she will be on vacation March 6 through March 10. Also, she and Dianne will be attending the NAHRO conference in Washington, DC on March 13-18.

REVIEW OF SDCL 11-7

Due to time constraints, we did not continue to review SDCL 11-7.

OTHER BUSINESS

To permanently change the name from Sioux Falls Housing Corporation dba Affordable Housing Solutions to Affordable Housing Solutions, an amendment to the Articles of Incorporation is needed. This name change needs to be approved by the Sioux Falls Housing Board of Commissioners. Commissioner Early made a motion approving this permanent name change. Commissioner Wiederrich seconded the motion. The motion passed, Yeses, 4, Noes, 0.

The next meeting is scheduled for March 24, 2015.

Chairperson Keckler moved the meeting into Executive Session to discuss a personnel matter.

Chairperson Keckler moved the meeting out of Executive Session.

The meeting was adjourned.