

WINNEBAGO COUNTY HOUSING AUTHORITY MINUTES

Tuesday, July 28, 2015

Marian Manor

3:00 p.m.

COMMISSIONERS PRESENT: Mike Norton, Chairperson
Rebecca Hackett, Vice Chairperson
Scott Waterworth
Robert Keller

COMMISSIONERS ABSENT: Tina Beahm

STAFF PRESENT: Susan van Houwelingen, Executive Director
Lee Franzen, Operations Manager
Kim Lynch, Executive Assistant
LuAnn DeBruin-Ziebell, Accountant

OTHERS PRESENT: None

-
- 1.) Chairperson Norton called the meeting to order at 3:03 p.m.
 - 2.) Chairperson Norton directed the Commissioners to review the minutes of the Winnebago County Housing Authority (WCHA) regular board meeting held on June 23, 2015. There being no questions or comments, Ms. Hackett moved, seconded by Mr. Keller, to approve the minutes of the June 23, 2015 meeting as presented. Motion carried 4-0.
 - 3.) **Public Comment Period**
There were no public comments offered.
 - 4.) **Finance**

a.) Accounts Payable Report from June

Chairman Norton inquired if there were any questions pertaining to the June accounts payable report. Ms. van Houwelingen responded to questions and clarified some of the acronyms in the Comment column, TR1 and TR2 mean Tower Redevelopment Phase 1 and Tower Redevelopment Phase 2, CT means Court Tower, and T/C usually means Tenant Charge.

b.) Quarterly Financials

Ms. van Houwelingen stated that both agencies are doing very well and the financials are coming from the accounting firm much quicker than they had at the beginning of the year.

Ms. van Houwelingen reviewed the second quarter financials and responded to questions. The WCHA Public Housing account is showing a \$52,244.23 income before depreciation year to date. There are no mortgages on the public housing properties. Maintenance expenses are under budget for the year.

Capital Fund is a pass through account. Money comes in from HUD and once the money is spent on capital needs, it is moved over to fixed assets on the Statement of Net Position (Balance Sheet).

Fox View is showing a \$41,982.78 income before depreciation year to date. There is debt that is paid out of this income. Some of the Non-Operating Expenses are just accruing interest. The HOME loan interest expense is not budgeted because it doesn't have to be paid unless there is excess cash at year end.

Riverside is showing a \$41,162.02 income before depreciation year to date. More Operating Revenue has come in than originally expected. Maintenance expenses are currently over budget.

The shortage in the Housing Assistance Payment (HAP) Fund balance for the Voucher Program is being covered by reserve money held by HUD. The Fraud Recovery figure is money that is owed to the Authority due to fraud issues that the Authority was able to collect. The Authority is allowed to keep half of what is collected under Fraud Recovery and half is deposited into the HAP account for future HAP. The Authority received \$95,411 in administrative funds from HUD. However, Administrative Expenses were \$129,475.92. HUD will be sending an additional \$58,000 in administration funds by the end of July to help cover shortages due to underfunding.

The WCHA Local Funds account shows all of the Authority's non-federal money. \$10,000 was received from Lutheran Homes of Oshkosh in July in connection with the recent bond issue. The \$69,977.88 in Developer Fee owed to the Authority under Accounts Receivable will be paid out to the Authority by the end of July. This money was part of the Authority's developer fee that was held in escrow until the River Cities project showed three years of stabilized income. Total current assets are \$607,052.75 at the end of the second quarter.

Silvercrest Group Home is showing an \$8,506.55 income before depreciation year to date. The Authority is considering raising the rent on this property.

Summit Group Home has an operating income before depreciation of \$11,586.93 year to date. Greenfield Group Home has an operating income before depreciation of \$12,994.02 year to date. The mortgage payment of about \$30,000 needs to be paid out of the operating incomes.

Home Program has \$88,676.18 in Revolving Loan Funds (program income) that must be spent before any new program money can be used. At this time, about \$45,000 is obligated to a twindominium deal with the City of Oshkosh. This account is similar to the Capital Fund account in that it functions as a pass through account. HOME Program grant money is awarded then used for down payment and rehab money for homebuyers.

The HCRI-CDBG Program is similar to the HOME Program in that it is a pass through account. HCRI funds can only be used for down payment money.

The NSP Program has not had any activity. The Authority has about \$200,000 in an account in Madison which will likely be used to rehab the Mt. Vernon Street property.

Ms. van Houwelingen reviewed highlights of the quarterly financials for the Central Office Cost Center (COCC) which is technically an Oshkosh Housing Authority account. The majority of the COCC's debt will be cleared out with the Developer Fee money for Tower

Redevelopment that will be coming later in 2015 and with the sale of the Mainview Historic Tax credits. The Part 2 Amendment for the Federal historic tax credits for Mainview has been approved.

c.) Clarification of Information on the Winnebago County Housing Authority Audit

LuAnn stated there was a question at the last meeting regarding the designation of a “low-risk” auditee. Working with the auditors, the Authority was finally able to resolve the segregation of duties issue which has been a finding in previous years. The audit stated the Authority was not a low-risk auditee. The Authority will need to go three years without a finding to be considered low-risk. So, it will be a few years before the Authority will be designated as low-risk because this is the first year without the segregation of duties finding.

5.) **Report of the Executive Director**

a.) Quarterly Occupancy Report

Mr. Franzen reviewed the Quarterly Occupancy Report and responded to questions. This report covers the second quarter of 2015, April through June. The Scattered Site Family units had a total of eight units off line for rehab. The overall occupancy rate for the second quarter for the Winnebago County Housing Authority based on days is 94.3% and 98.9% based on months. These figures are up from the first quarter numbers.

Ms. van Houwelingen stated that two units on Manitowoc are still being renovated. There is also one unit on Sixth Street in Menasha that needs to be vacated and rehabbed. When those are done, all of the Menasha 40 units will be done.

b.) Public Housing Family Unit Update – Concrete Bids; Renovations

Ms. van Houwelingen stated that a Request for Proposal was sent out for driveway and sidewalk replacement. So far one bid has been submitted. Bidders have until July 31, 2015 to submit proposals. The Authority has a little over \$107,000 in Capital Fund money for this work that has to be obligated by the first week in September so the money is not lost.

Ms. van Houwelingen stated the Authority is committing to going Smoke Free at ALL properties including the scattered site family units. In December 2010 the Winnebago County Housing Authority Board had already passed a resolution to go smoke free in the Menasha 40 Family Units after they were done being renovated. A notice will be sent out informing tenants that effective 10-1-2015 smoking will not be allowed in any of the Oshkosh or Winnebago County Scattered Site Family units. The smoke free policy will be a lease addendum which will specify everything from definitions to effects of a breach and lease termination. The policy has been adopted from the Clear Gains Initiative. Smoking will be prohibited inside and within 25 feet of any scattered site unit. All of the big buildings have already gone smoke free. Cumberland Court will be going smoke free as of January 1, 2016. The Authority plans to hold smoking cessation classes at the Cumberland Court Community Center when it is completed.

c.) Housing Choice Voucher Program – Financing, Utilization, FSS Report

Ms. van Houwelingen reported that currently all 413 of the Authority’s vouchers are issued. This will help increase program funding for next year. The FFS grant renewal application has been sent in. There is currently \$81,000 in escrow and 19 active participants in the FSS Program.

d.) Fox View & Riverside Update

- **Fox View Garage Feasibility**

Ms. van Houwelingen stated that two different architects will be submitting bids to conduct a feasibility study for possible garages at Fox View. The Authority is looking for more of a “full service” architect that will work hand in hand with the Authority through all stages of the project.

There is nothing new to report for Riverside Apartments.

e.) HOME Buyer Program Update – New Contract Awarded & Program Income Update

Ms. van Houwelingen stated that the Authority did receive a \$200,000 HOME Fund grant of which about \$19,000 can be used for administrative dollars and the remaining \$181,000 for homebuyers. The Authority is considering buying homes and using the FAST Team for rehab work needed on the homes then sell the houses to low income homebuyers. Ms. van Houwelingen responded to questions.

f.) Group Home Refinance Update

The Clarity Care Board doesn't appear to be interested in purchasing Greenfield Group Home at this time. Ms. van Houwelingen stated that the Authority intends to keep Summit Group Home, but van Houwelingen would like to list the Greenfield Group Home with a Realtor with the caveat that it must be used as a CBRF for a minimum of five years. There were no objections from the board. Ms. van Houwelingen responded to questions and discussed options.

An email was received from Tom Saari, Winnebago County Department of Human Services, regarding a list of interior and exterior work Summit House staff believes needs to be addressed.

g.) Agency Matters

- **HUD – Affirmatively Furthering Fair Housing (AFFH) Final Rule**

Ms. van Houwelingen stated the AFFH final rule was estimated to require an unreasonable number of staff hours to complete and require gathering of information that is unrelated to housing authorities. HUD requirements remain in flux as HUD has now agreed to re-write the requirements for Housing Authorities.

- **Letter from a Tenant**

Ms. van Houwelingen read a letter from a program participant that revealed the positive impact the housing programs have had on this participant's life.

- **Policy Writing Retreat**

Ms. van Houwelingen and Mr. Franzen are dedicating a week away from the office in September to work on completing the Personnel Handbook/Policies and the Administrative Plan.

- **Environmental Reviews**

Ms. van Houwelingen stated that the City of Oshkosh, the City of Menasha and Winnebago County are considered “responsible entities” for the Authority. Under HUD guidelines, the responsible entities are responsible for assisting the Authority with completing environmental reviews in connection with Capital Fund requirements. Memorandums of Understanding will be presented to the City of Oshkosh, City of Menasha and Winnebago County in the near future to work together on this process.

- 6.) Resolution 647-15: Approval of Smoke Free Designation for Scattered Site Housing**
Ms. van Houwelingen presented resolution 647-15 approving a smoke free designation for the Scattered Site Family units and responded to questions. After a brief discussion, Ms. Hackett moved, seconded by Mr. Waterworth, to approve Resolution 647-15. Motion carried 4-0 on a voice vote.
- 7.) Discussion**
Recently, van Houwelingen was made aware of a letter sent out by Sen. Glenn Grothman and would like to invite him to tour our properties and express housing needs in the area.
- Ms. van Houwelingen stated that there will be a new commissioner orientation at the August OHA board meeting and WCHA commissioners are invited to attend that meeting. All new commissioners are encouraged to attend the orientation meeting, but any commissioner may attend. There may or may not be a tour of properties. If any of the commissioners have specific topics they would like van Houwelingen to address, they should email their requests as soon as possible.
- 8.) Adjournment**
Having completed the agenda, Mr. Waterworth moved, seconded by Ms. Hackett to adjourn the meeting. Motion carried 4-0. The meeting was adjourned at 4:18 p.m.

Respectfully Submitted,

Susan van Houwelingen
Executive Director
Winnebago County Housing Authority

APPROVED