

Sioux Falls Housing and Redevelopment Commission
630 S. Minnesota, Sioux Falls, SD
Regular Meeting
November 13, 2013

Present: Michele Prestbo, Jeremy Keckler, William Earley, and Harriet Scott

Commissioner
Absent: John Peckham

Others
Present: Shireen Ranschau, Dianne Hovdestad, Vernon Kreun,
Ramona Muirhead, Donna Rollag, Paul Hess and Les Kinstad

APPROVAL OF MINUTES OF SEPTEMBER 25, 2013

Chairman Prestbo called for a motion to approve the Minutes of the September 25, 2013 meeting. Commissioner Keckler moved to approve the motion. Commissioner Earley seconded the motion. The motion passed, Yeses, 4, Noes, 0.

FINANCIAL REPORT

Vernon presented the year-end Financial Report dated September 30, 2013. He noted a decrease in the money market account for Housing Choice Voucher. This was due to a HUD notice received of a funding shortage for October 1, 2013. He reviewed the balance sheets and the income statements for the miscellaneous programs-Shelter Plus Care, HOPWA, Bright Futures, Mod Rehab and New Construction.

He noted on the income statement for Public Housing, we are at a negative for dwelling rentals. This is because we are paying more for utility allowances than we receive for rents. There is a Y-T-D gain of \$8,372 and when depreciation is added, the total is \$27,345 which is \$16,429 better than what was budgeted.

Vernon reviewed the balance sheet for South Sycamore Estates. There were no vacancies for the entire year. There is a Y-T-D gain of \$17,614 before depreciation.

Vernon said the balance sheet for the Housing Choice Voucher program shows total net assets of \$373,460. This is all restricted as unrestricted net assets were depleted. The income statement shows a Y-T-D loss of \$98,725 which was taken from unrestricted net assets. He then reviewed the income statement for Family Self-Sufficiency. There is a Y-T-D gain of \$10,768.

The income statement for the General Operating fund shows a Y-T-D gain of \$21,910 after depreciation. Vernon also said we have a Y-T-D loss of \$38,774 in the Consolidated income statement. Discussion followed. Without depreciation, the gain is \$36,185 which is \$13,000 better than budgeted.

OCCUPANCY REPORT

Dianne presented the Occupancy Report. She said 51 applicants were contacted from the waiting list for vouchers. We received 36 responses and 15 applicants are looking for housing. She explained why we are starting to issue vouchers now. She also reported that two more Public Housing tenants moved

without leaving notice. Dianne said we have 13 available vouchers for the VASH program. Discussion followed.

FAMILY SELF-SUFFICIENCY REPORT

Ramona presented the Family Self-Sufficiency Report. She said Saturday, November 16, 2013 will be a cleaning day in the childcare room. There will be an open house for Childcare in December for all current clients and potential clients. She reported that her Administrative Assistant and the Housing Project Manager who were co-chairs for the yearly United Way Campaign did a great job.

Commissioner Earley made a motion to approve the monthly reports. Commissioner Scott seconded the motion. The motion passed, Yeses, 4, Noes, 0.

TRAVEL REQUEST

Since the October 23, 2013 meeting was cancelled, Shireen stated she sent out information via email requesting approval for Dianne Hovdestad to attend the Neighbor Works Training in Kansas City, Missouri on December 9-13. She received unanimous approval from the Commissioners. Commissioner Early made a motion to formally approve this travel request. Commissioner Keckler seconded the motion. The motion passed, Yeses, 4, Noes, 0.

2013 CAPITAL FUNDS RESOLUTION

Shireen stated the Commission has been allocated \$32,690 in 2013 Capital Funds for the Public Housing program. This is a decrease from the \$34,023 we received for 2012. These funds are in addition to the annual operating funds we receive for Public Housing. The funds can be used for carrying out capital and management activities at existing Public Housing developments. She said we are required to have a Resolution on file to show the 2013 Capital Fund Program allocation has been accepted. Discussion followed. Commissioner Scott made a motion to approve the Resolution accepting the 2013 capital funds. Commissioner Keckler seconded the motion. The motion passed Yeses, 4, Noes, 0.

APPROVAL OF COLA FOR EXEMPT EMPLOYEES

Shireen updated the Board with the results from negotiations with AFSCME. Effective October 1, 2013, all employees who are covered by the Collective Bargaining Agreement would receive a 1% cost-of-living wage increase. It was also agreed that on each five-year anniversary date of employment, each employee will receive a personal leave day for use during the subsequent 12 months. Shireen said it was assumed it was the Commission's intent to provide the same 1% COLA to the exempt employees. If this is the case, a separate action should be taken by the Commission. Discussion followed. Commissioner Earley made a motion to approve the 1% raise for exempt employees effective October 1, 2013. Commissioner Keckler seconded the motion. The motion passed Yeses, 4 and Noes, 0.

GROUP HEALTH INSURANCE RENEWAL

Shireen updated the Commission about SFHRC's group health insurance renewal with Sanford Health. With no change in benefits, there would be a 3.24% premium increase. However, after further research, our Howalt-McDowell agent furnished us with information about an Affordable Care Act plan with different premium and benefit options. Vernon explained these changes. There would be a deduction in premium but a change in benefits. The deadline is December 15, 2013 to sign up for renewing the plan to go into effect on January 1, 2014. Discussion followed. The Commission requested that Shireen look

into how changing plans would impact the employees. The Commission does not want there to be a negative impact on the employees. Shireen will report back to the Commission before December 15, 2013.

SEMAP CERTIFICATION RESOLUTION

Dianne Presented the SEMAP certification form to the Commission to be approved for the fiscal year ending September 30, 2013. This form measures the performance of SFHRC in its Section 8 tenant-based assistance areas. Discussion followed. Commissioner Earley made a motion to approve the SEMAP Resolution. Commissioner Keckler seconded the motion. The motion passed, Yeses, 4, Noes, 0.

IMPACT OF CERTAIN PROPERTY OWNER ACTIONS

Shireen informed the Commission about recent incidents involving landlords/property managers. A local landlord is at risk of losing 29 properties to foreclosure leaving his tenants in limbo. Sixteen of these tenants have vouchers through Sioux Falls Housing. The properties are being auctioned today. Discussion followed.

Shireen also discussed Cambridge Property Management charging more rent to tenants who have vouchers than those tenants who rent units through the open market. Cambridge manages three properties in Sioux Falls: Falls View, Falls Terrace and Falls Park. This matter has been referred to HUD and SFHRC is still waiting for a reply. Discussion followed.

EXECUTIVE DIRECTOR'S REPORT

Shireen handed out a list of the current Affordable Housing Solutions Board of Directors.

Shireen informed the Commission that Spring Centre Apartments is now open. Eleven tenants have been approved. Applications are still being reviewed.

Shireen updated the Commission about the Affordable Housing event held at the Falls Overlook Café on November 7 with guest speaker, Linda Couch, from the National Low-Income Housing Coalition. There were 100 attendees.

OTHER BUSINESS

The auditors, Brady Martz, will be in the office the week of December 2, 2013.

The meeting was adjourned.