

Sioux Falls Housing and Redevelopment Commission
630 S. Minnesota, Sioux Falls, SD
Regular Meeting
April 25, 2017

Present: William Earley, Jeremy Keckler, and James Beddow

Others

Present: Karl Fulmer, Dianne Howdestad, Vernon Kreun, Lisa Bartell, Donna Rollag
Wayne Wagner, Corey Kopp, Les Kinstad, Brent Tucker

CALL TO ORDER/ROLL CALL

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

APPROVAL OF MINUTES OF MARCH 21, 2017– Regular Meeting

Chairperson Earley called for a motion to approve the minutes of the March 21, 2017, Regular Meeting. Commissioner Beddow made a motion to approve the Minutes with corrections. Commissioner Keckler seconded the motion. The motion passed, Yeses, 3, Noes 0.

FINANCIAL REPORT (Vernon Kreun)

Vernon presented the SFHRC financials for the period ending March 31, 2017. He reviewed the Cash & Investments. The net change is \$138,988 from February 2017. The decrease in operating cash of \$13,849 in the South Sycamore reserve for replacements resulted from receiving reimbursement for concrete work and appliances.

He reviewed the other programs noting the 2016 accounts payable-HUD are zero.

Public Housing: There is an increase of \$15,238 from February 28, 2017, due to a SFHRC payment of FY2017-18 insurance premiums.

South Sycamore Estates: There is a decrease of \$14,979 from February 28, 2017 which is primarily due to receiving funds from SDHDA held as replacement reserve funds.

Housing Choice Voucher-Net Assets: The balance decreased by \$316,238 resulting in a net restricted position of (\$92,250). We will be requesting additional funds from HUD. The unrestricted net position has a balance decrease of \$45,961 (YTD loss).

Family Self-Sufficiency: There are no significant changes in the balance sheet.

General Operating: Vernon noted the amount due from other programs is \$338,256.

The income statement's budget is at 50% of the annual YTD budget.

Income Statement-Public Housing: Total expenses are at 38% and the YTD gain is \$57,434 with a variance of \$38,241.

Income Statement-South Sycamore Estates: The YTD loss is \$(3,110) due to vacancy at 47%; it is currently 100% occupied. The month of March showed a net gain of \$4,175.

Income Statement-Housing Choice Voucher: Total revenue is at 47%, total expenses are at 50% resulting in a YTD loss UNA of \$(45,961) and a variance of \$(33,265).

Family Self-Sufficiency: Total revenue is at 50% and total expenses are at 46%. There is a YTD net gain in the amount of \$5,219.

General Operating Fund: Total revenue is at 53% of the budget and total expenses are 50%. There is a YTD gain of \$16,928 with a variance of \$10,427. Vernon noted the property management YTD loss is \$(9,083) and the Admin and Other YTD gain is \$26,012.

Consolidated: Total revenue is at 47% of the actual budget and total expenses are 49%. The YTD gain is \$31,234 with a YTD variance of \$19,696.

HCV OCCUPANCY REPORT (Dianne Hovdestad)

Dianne reviewed the Occupancy Report for April 2017. She said we issued 72 vouchers since the first of the year and there are 41 searching. We will be sending out another 60 letters to prospective tenants this week. Public Housing, South Sycamore Estates and the VASH programs are at 100%. Dianne also reviewed a new chart showing HCV Leasing Data. Discussion followed.

FAMILY SELF SUFFICIENCY REPORT (Lisa Bartell)

Lisa stated the United Way review was conducted last week. We will receive the results in June. She passed out charts showing the percentage of participants working each month going back to October 2016. She also provided charts showing family demographics for 2016 and the average number of children using the childcare facility per night has greatly increased from January 2017 through April 20, 2017. Discussion followed.

A motion was made by Commissioner Beddow approving the monthly reports. Commissioner Keckler seconded the motion. The motion passed, Yeses, 3, Noes, 0.

AHS PROPERTIES REPORT (Wayne Wagner)

Wayne distributed his report dated April 20, 2017. The report provided the status of the Neighborhood Revitalization program. The sale is pending at 1420 E. 3rd Street. Seven houses are in the process of being built and two bids were awarded for 821/823 N. Sherwood and 2605 S. Duluth. Wayne provided an update on the Field of Dreams project; construction was started on April 12.

Wayne stated Pettigrew Manor is completely leased up and complimented the management staff on gaining full lease-up within 30 days of turnover. The landscaping needs to be completed yet and should be completed by the end of May 2017.

Wayne updated the Commission about the Greenway Apartments/South Sycamore Estates. Both projects were inspected by South Dakota Housing Authority staff and are being considered for

renovation and/or redevelopment. Discussion followed regarding a tax credit funded rehab project under development with Lloyd Companies.

A motion to approve the AHS Properties report was made by Commissioner Beddow and seconded by Commissioner Keckler. The motion passed, Yeses, 3, Noes, 0.

STRATEGIC PLAN: GOALS AND OBJECTIVES FOR ANNUAL PLAN

- A. Incorporation of HUD OBJECTIVES/GOALS
- B. Necessary for Adoption prior to April 30, 2017

Karl presented the HUD OBJECTIVES/GOALS. Discussion followed. A motion was made by Commissioner Beddow to approve the Strategic Plan to meet the April 30, 2017 deadline. Commissioner Keckler seconded the motion. The motion passed, Yeses, 3, Noes, 0.

HUD COMPLIANCE REVIEW – JUNE 6-8, 2017

Update to SFHRC Policies:

- 1. ADA Policies & Procedures for Employees of SFHRC
- 2. SFHRC Confidentiality Policy
- 3. Statement of Drug-Free Workplace

The above listed policies were presented to the Board. Discussion followed. Commissioner Keckler made a motion to adopt the policies. Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes, 0.

EXECUTIVE DIRECTOR'S REPORT

- A. Review of NAHRO Washington Conference

Trump's Budget: Karl stated he and Dianne met with Sen. Thune, Sen. Rounds and Rep. Noem who are all of the same opinion that the proposed cuts in President Trump's budget would not go through. Discussion followed.

- B. Continuum of Care Draw-down of Admin. Fees: Dianne explained the new HUD rule issued. Additional funds will be drawn down from the Shelter Plus Care grant for the administration of the program. We will provide an update in May.
- C. Lease-up Report (all properties): Karl reported that Public Housing and South Sycamore Estates are 100% occupied. There is one vacancy at Graff but a new tenant will be moving in on May 1. There are two vacancies at Spring Centre with scheduled move ins for June 1.
- D. Employee Intervention Form: Director Fulmer stated that a more formalized system is being put in place for employee review and intervention. He provided the Board with an example of the intervention form now being utilized for employee interventions. Discussion followed.

OTHER BUSINESS

A new cleaning service has been hired for the AHS properties. Director Fulmer stated that the old cleaning service had issues with performance and over-billing and was "relieved" of its duties. He stated that proper maintenance of a property is essential.

EXECUTIVE SESSION

Chairperson Earley brought the meeting out of Executive Session at 8:41 AM.

Commissioner Keckler moved to approve the Step Increase for Dorothy Anderson in conjunction with the Collective Bargaining Agreement. Commissioner Beddow Seconded the motion. The motion passed, Yeses 3, Noes, 0.

Commissioner Keckler moved to approve the Step Increase for Robert Huber in conjunction with the Collective Bargaining Agreement. Commissioner Beddow Seconded the motion. The motion passed, Yeses 3, Noes, 0.

Commissioner Keckler motioned to authorize Director Fulmer to finalize a settlement with the Employee's Union that would offer current SFHRC employees a 1% salary increase as of April 1, 2017, with an additional lump sum payment of \$6,500 to distributed to employees. This lump sum payment will be dispersed on a percentage basis in conjunction with the wage levels of the employees that are eligible for sharing the payment. Additionally, Director Fulmer is authorized to increase the lump sum payment to come to agreement, if necessary, but should minimize 2017 budget losses to the SFHRC. Commissioner Beddow Seconded the motion. The motion passed, Yeses 3, Noes, 0.

The meeting adjourned at 8:48 AM.