

Bloomington Housing Authority

Board Meeting Minutes

October 26, 2023

I. Call to Order

Chair Elaine Amerson called to order the regular meeting of the **Bloomington Housing Authority Board of Commissioners at 8:30 A.M. on Thursday, October 26th, 2023**, in person at the BHA Community Room, located at 1007 N Summit St., Bloomington, IN 47404.

II. Roll Call

Those present in person were: Chair Elaine Amerson; Vice Chair Sherry Clay; Commissioners Mary Morgan, Tracee Lutes, Jerry Cravens, and Nordia McNish; Executive Director Kate Gazunis; Capital Assets Manager Rhonda Moore, Director of Real Estate Nathan Ferreira, ROSS Coordinator Heidi Flynn, and Administrative Assistant Ashley Spradley.

Virtual Attendance: Director of Finance Dhara Patel, A.B. Kahr, Audit Solutions

Guests in Attendance: Stephanie LaFontaine, Eric Petry, and Finance Consultant Troy Renbarger

Absent: Commissioner Sue Wanzer

III. Approval of Minutes from the Last Meeting

A motion was made to approve the regular board meeting minutes for September 28, 2023, by Tracee Lutes and Jerry Cravens. All were in favor. None opposed. Motion approved.

Commissioner Mary Morgan asked for a correction of the September minutes to make note of the executive session that was held after the BHA and SHCDC board meetings on September 28th, 2023.

IV. Financial Statements

1. Finance Manager, Dhara Patel gave a brief overview of the September 2023 Financial Statements which included revenue and expenditures for Bloomington RAD I (Reverend Butler and Walnut Woods), Bloomington RAD II (Crestmont), the Housing Choice Voucher Program (HCVP), and the Central Office Cost Center (COCC). She states that September was the 12th month of the fiscal year for HCV and COCC and the 9th month for RAD I and II.

Finance Director Dhara Patel explained that COCC received the ROSS grant on October 5th.

A motion was made to accept the financials subject to the final audit by Tracee Lutes and Sherry Clay. All were in favor. None opposed. Motion accepted.

2. Executive Director Kate Gazunis introduced A.B. Kahr from Audit Solutions. It was explained to the board that the audit report was printed and they were each given a hard copy. A.B. Khar briefly referenced the report and asked that if there were any questions, to please stop him and ask.

He says pages 1-3 are the opinion pages and that there are different opinions that housing authorities can get. The BHA was given an unqualified opinion which is the best opinion one can get. He stated the management discussion was on roman numeral I-VII. He says that this is what the housing authority writes and presents to the auditors. This is where the housing authority explains significant changes. The liabilities were listed on page 5. These are current and long-term liabilities. The income statement is on page 6. This shows the operating revenue and expenses. The expenses did not exceed the income. Page 7-8 discusses the statement of cash flow. This shows where the funding came from and how it was spent. Pages 9-26 are the notes and details of the financial statements. We can review this and see the receivables and fixed assets etc. Page 15 is Note 3-Detail Notes on transactions and accounts. Page 18 references the capital assets and more specifically the RAD conversion. Page 19 shows who the housing authority may owe money to and the liabilities that they see on the financial statements. On pages 20-21 there is a breakdown of the blended component unit, balance sheet, and income and expenses. Page 22 is a breakdown of the discretely presented components of RAD I and RAD II. Page 24 is Note 4 which references employee pension plans, ground leases, etc. Page 27 is the supplemental information where he certified the capital funds that were closed out. Page 30 is where you can see all federal funding that was received in 2022. Page 31-42 is the FDS, a breakdown of programs. Pages 43-49 are the auditor's opinions on the BHA compliance guidelines. Page 51 is the account analysis. The main problem was reconciliation. What was reported on financial statements or the general ledger did not match back reconciliation from year-end. There was no depreciation schedule for FY 22. There were some accounts like cash, FSS liability, and operating grants that did not match supporting documents as compared to the financial statements.

A.B Khar's concern is that each and every account is accounted for and that there is supporting documentation and that the documentation is accurate as presented going forward. He says that the BHA was late in submitting the audit request. He says that they did not have ample time to finish the audit on time. He says moving forward, he is confident that moving forward we won't have these same issues. He strongly recommends training for all new staff and using consultants who have knowledge of HUD experience.

Executive Director Kate Gazunis stated that the Controller positions primary responsibility is gathering documentation and making sure everything is backed up.

Commissioner Mary Morgan asked why these problems present in prior year audits. Executive Director Kate Gazunis says these issues did not come to light in the past. A new auditor reviews things with fresh eyes and a new approach.

V. Old Business

1. Asset Management Report

Asset Manager Rhonda Moore briefly referenced the Capital Asset report sent to the board. Rhonda stated that the solar install at Walnut Woods has now been completed. Rhonda says that Republic Services will be replacing the 96 gallon recycle totes with 2 yard bins because the 96 gallon totes have been stolen.

VI. Director's Report

1. Development Updates

Executive Director, Kate Gazunis, briefly referenced the physical Director's report sent to the board. Kate stated that we could take a peek inside the community building next month at the board meeting. She says the parking lot should be reopened by then as well. The building should hopefully open in mid-December. We have been holding 1.9 million dollars to contribute to the Crestmont construction fund. They have asked for \$500,000 and we will be sending that out. The BHA gets to keep the accrued interest on the money in the account.

The Kohr project timeline has been pushed back and a new timeline will be presented in the SHCDC Board Meeting.

Director of Real Estate Nathan Ferreira stated that the Summit Hill Early Learning Center was awarded \$700,000 in county funds. He says we can move forward with lending.

Executive Director, Kate Gazunis has contacted the facilitator the strategic plan. She asks the board if they have a preference on when they begin to work on updating the plan. Most board members preferred to start the planning sessions after the first of the year.

Commissioner Mary Morgan asked for an update on the drug testing policy by the next board meeting. Kate says that she would be willing to send the board a link to the law. Mary asked to give an update on how many people have been rejected or denied due to this policy. Commissioner Tracee Lutes wants to learn more about the testing and process.

2. Staff Updates

Executive Director, Kate Gazunis stated that Michelle Helmick retired.

Executive Director Kate Gazunis referred to the Two Year Tool and stated our success rate has increased to 64%. We are at a 96.2% issuance of our vouchers. This number still includes the 25 VASH vouchers that we hoped to transfer back to the state.

Executive Director Kate Gazunis stated that the RAD waiting list is open at this time and they can apply online.

Housing Stability Coordinator Jessica Craig has done some LRMF briefings at Friends Place Shelter and will continue to do this every six weeks or so.

The shuttle is a work in progress. Michelle Gilchrist is allowing the BHA and SHCDC to come up with a new plan on how to utilize the van.

VII. November Board Meeting

Executive Director, Kate Gazunis stated that the 4th Thursday of November falls on Thanksgiving. November 30th will be the next scheduled board meeting as decided on earlier this year.

VIII. Adjournment

A motion to adjourn was made by Sherry Clay and seconded by Tracee Lutes. The meeting adjourned at 9:55 a.m.

Respectfully submitted by: Ashley Spradley, Administrative Assistant.

Approved by: Kate Gazunis, Executive Director