



**ROCKFORD HOUSING AUTHORITY  
BOARD OF COMMISSIONERS**

**REGULAR MARCH MEETING  
Minutes**

March 24, 2014

Present: Jerry Lumpkins, Chair  
Phyllis Ginestra, Vice Chair  
Karen Hoffman, Commissioner  
Alice Jenkins, Commissioner

Staff:  
Bridget Weeks, Executive Assistant  
Tim Horning, RHA Legal Counsel

Absent: Ric Cervantes, Commissioner

The meeting was called to order at 5:12 PM.

**MINUTES:**

Commissioner Jenkins moved that the RHA Board of Commissioners accept the minutes from the Regular February meeting held on February 27, 2014. Commissioner Ginestra seconded the motion.

Ayes: Commissioners: Jenkins, Ginestra, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**CHECKS:**

Commissioner Ginestra moved to place the checks from February 2014 on file for audit. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**FINANCE, IT and HCV:**

Michele Sather, Finance Manager, delivered the financial report. COCC had an income of \$25,000 for February, absorbing some of last month's loss. YTD, COCC has a loss of \$32,000. Income and expenses are reviewed monthly while cost-saving measures are identified and taken so that by year-end we can come close to breaking even.

The HCV program had a slight loss for February due to admin fees being funded somewhat higher than budget; current rates for admin fees are roughly at 75% but was budgeted around 69%. Also, we will be funded for around 100% of calendar year 2013's appropriations for the HAP funding which is about 8.4 million. The 2015 budget will be based on 2014's expenses so we will be meeting as a team with the Section 8 department to see how we can use that program to its full potential.

PH funding for the calendar will be roughly, 82%. We budgeted \$6.7 million for the fiscal year 2014 and if we estimate 82% funding we will come in about \$7 million for subsidy which is around a \$300,000 increase over budget. Hopefully, we will stay at that level, therefore, helping the sites with their losses. We will review those numbers more in detail when we meet for 2<sup>nd</sup> quarter.

The Section 8 landlord meeting went very well. The attendance was up from last year. We hope that participation will continue to grow each year. The landlords were very positive, asked very good question and were appreciative for the information provided to them. We have decided to move these meetings from annually to quarterly.

IT, iFiber is finally here. There are some issues at some of the sites but they are working on resolving them.

Lastly, the state reported outstanding tenant debt recovery continues to recover money that we will see slowly trickle in; this month we should see roughly, \$7,700 over the next month.

## **ORGANIZATIONAL OVERVIEW**

Ron Clewer, Chief Executive Officer, addressed the Cash Reserve Policy. We will be looking at how we are going to build the reserves. Our PHA plan was approved by HUD and we can move forward with our de-concentration efforts.

Ron also discussed some key items addressed at the NAHRO Conference held in D.C. and some ideas that came out of these discussions. He had the opportunity to meet with some of our representatives on Capitol Hill and engage in positive and productive discussion.

We are going to have to raise our flat rent and we will bring that before you next month because it must be implemented in May. It is a requirement of the new budget. Sybil Mueller, Policies and Procedures Manager and Michelle Morey, Site Operations Director are working on bringing that language forward to be posted. There will be an effect on some of those who have flat rents at lease renewal but they will be able to choose if they would prefer percentage rent or flat rent. Generally, those on flat rent are those who have higher incomes.

There was also discussion on smoke-free. RHA is going smoke-free on May 31, 2014. Residents have been made aware of this. Most housing authorities in this area are smoke-free.

We were not awarded the Choice Neighborhoods Grant. Some reasons why we were not chosen were because we did not have adequate leverage and some of the language did not meet document requirements.

We have reviewed and continue to review our progress with our strategic goals and updates for the 2<sup>nd</sup> quarter.

In the conversion of our work environment/culture, we as an agency (including union representation) had our first training of ROWE (results only work environment). It is a step to continue to advance in the direction we are headed with the idea that performance matters. Ultimately, we care about results. Over the next 9-12 months it will be rolled out to the exempt side followed by the remaining staff. The next 60-90 days will be spent identifying what those high measures/results are and what they look like.

Bedbug update, we need to better define the scope of work and hold the contractor to that. There may be a recommendation coming forth next month with regards to that.

Further discussion on the Choice Neighborhoods Grant included the need to work more collaboratively as a city. Commissioner Lumpkins suggested modeling ourselves after the more successful applications.

Operations, we are expecting better results in our PHAS indicators of our three family sites. We should see improvements over the next 60 days. We are still struggling with our vacancies, including, application processing.

**NEW BUSINESS:**

**RESOLUTION #2014-15**

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS APPROVES THE CONSENT AGENDA AS PRESENTED.

Commissioner Ginestra moved that the RHA Board of Commissioners approves the Consent Agenda. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RESOLUTION #2014-16**

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS APPROVES A MODIFICATION TO THE VALUE OF NEXUS OFFICE SYSTEMS FOR PRINTER AND COPIER EQUIPMENT LEASING AND MAINTENANCE IN AN ANTICIPATED AMOUNT NOT TO EXCEED \$32,000 PER YEAR FOR THE REMAINDER OF THE AGREEMENT.

Commissioner Ginestra moved that the RHA Board of Commissioners approves a modification to the value of Nexus Office Systems for printer and copier equipment leasing and maintenance in an anticipated amount not to exceed \$32,000 per year for the remainder of the agreement. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RESOLUTION #2014-17**

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS APPROVES THE ATTACHED CASH MANAGEMENT,

INVESTMENT, AND RESERVE POLICY  
AND PROCEDURES.

Discussion: Michelle Cassaro and Michele Sather met with bank representatives willing to explore opportunities to see what RHA can do to get a better return. Currently, we have accounts that are not interest bearing.

Commissioner Ginestra moved that the RHA Board of Commissioners approves the attached Cash Management, Investment, and Reserve Policy and Procedures. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RESOLUTION #2014-18**

IT IS RECOMMENDED THAT THE RHA BOARD OF COMMISSIONERS AUTHORIZES THE CHIEF EXECUTIVE OFFICER, RON CLEWER AND CHAIRMAN OF THE ROCKFORD HOUSING AUTHORITY, JERRY LUMPKINS, TO SIGN AN ENERGY SAVINGS AGREEMENT (ESA) WITH JOHNSON CONTROLS, INC. TO IMPLEMENT AN ENERGY PERFORMANCE CONTRACT (EPC). IN ADDITION, THIS RESOLUTION WILL AUTHORIZE CHAIRMAN, JERRY LUMPKINS, TO EXECUTE A FINANCIAL CONTRACT WITH BANK OF AMERICA TO PROVIDE FINANCING FOR THE ENERGY PERFORMANCE CONTRACTING PROGRAM ALL SUBJECT TO HUD AND LEGAL APPROVAL.

Commissioner Ginestra moved that the RHA Board of Commissioners authorizes the CEO, Ron Clewer and Chairman of the RHA, Jerry Lumpkins, to sign an Energy Savings Agreement with Johnson Controls, Inc. to implement an Energy Performance Contract. In addition, this resolution will authorize Chairman, Jerry Lumpkins, to execute a financial contract with Bank of America to provide financing for the Energy Performance Contracting Program all subject to HUD and legal approval. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RESOLUTION #2014-19**

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS APPROVES THE SUBMISSION OF RAD APPLICATIONS FOR ORTON KEYES, SCATERED SITES WEST, AND SCATTERED SITES EAST. IN APPROVING THE SUBMISSION THE BOARD OF COMMISSIONERS GIVES THE CEO THE AUTHORIZATION TO SIGN ANY AND ALL DOCUMENTS NECESSARY FOR THE SUBMISSION.

Commissioner Jenkins moved that the RHA Board of Commissioners approves the submission of RAD applications for Orton Keyes, Scattered Sites West, and Scattered Sites East. In approving the submission the Board of Commissioners gives the CEO the authorization to sign any and all documents necessary for the submission. Commissioner Ginestra seconded the motion.

Ayes: Commissioners: Jenkins, Ginestra, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RESOLUTION #2014-20**

RESOLUTION THAT THE RHA BOARD OF COMMISSIONERS AWARDS A PROJECT-BASED CONTRACT TO WINNEBAGO COUNTY HOUSING AUTHORITY; SUBJECT TO FINAL HUD AND SHRIVER CENTER APPROVAL.

Discussion: This will provide for a great way to work together in a successful partnership with Winnebago County Housing Authority (WCHA).

Commissioner Ginestra moved that the RHA Board of Commissioners awards a project-based contract to Winnebago County Housing Authority; subject to final HUD and Shriver Center approval. Commissioner Jenkins seconded the motion.

Ayes: Commissioners: Ginestra, Jenkins, Hoffman & Lumpkins

Nays: None

**MOTION APPROVED**

**RHA COMMISSIONERS:**

None.

**R.A.B – RESIDENT ADVISORY BOARD (FORMERLY, H.O.M.E. BOARD):**

None.

**AUDIENCE:**

None.


At 6:25 PM, Commissioner Ginestra made a motion to adjourn to go into closed session. Commissioner Jenkins seconded the motion.

**MOTION PREVAILED**

At 6:38 PM, Commissioner Ginestra made a motion to come out of closed session. Commissioner Jenkins seconded the motion.

At 6:38 PM with no future business, Commissioner Ginestra made a motion to adjourn.

**MOTION PREVAILED**

  
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Board Secretary  
/bw

  
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Chairman