

**MINUTES OF THE REGULAR MEETING
OF THE VILLAGE OF
OAK PARK HOUSING AUTHORITY
TUESDAY, NOVEMBER 14, 2017
7:45 A.M.**

OFFICIAL RECORD

PRESENT: Commissioners Butler, Hellwig, Hill, Kelly, Walz, Muse & Chairman Kralik

EXCUSED: None

ALSO PRESENT: David Pope, Executive Director, Ken Southward, Malik Abbas, Jim King, Melissa Neyfeldt, and Beth Swaggerty, Staff

QUORUM

The meeting was called to order at 7:50 A.M. by Chairman Kralik.

APPROVAL OF MINUTES

Chairman Kralik asked if anyone had any changes or corrections to the minutes.

Commissioner Hellwig had a question regarding the format of the October 10, 2017 meeting minutes. Clarification was provided by Ms. Swaggerty and no correction was needed.

Chairman Kralik asked if there were any other changes or corrections to the minutes. There were none.

Chairman Kralik called for a motion to approve the minutes of the October 10, 2017 regular monthly meeting of the Oak Park Housing Authority.

It was moved (Hellwig) and seconded (Hill) to approve the minutes of the October 10, 2017 regular monthly meeting of the Oak Park Housing Authority. The motion passed by majority voice vote with Butler abstaining due to his absence from October 10, 2017 meeting.

HA-2017-11-01 Resolution authorizing the execution of an engagement letter with Kolnicki, Peterson, Wirth LLC for the 2017 Audit.

Malik Abbas, Controller explained the RFP process and stated that after the review and scoring of the proposals received the selection had been narrowed down to two (2) firms. He stated that the difference in cost between the two (2) bids was negligible and recommended that the Authority approve the execution of an engagement letter with Kolnicki, Peterson, Wirth for the 2017 Audit. He added that the proposal also included

an offer to conduct audits for 2018 and 2019 with a slight increase for each subsequent year.

Mr. Abbas explained that his recommendation was based in part on the fact that the firm had successfully conducted audits in previous years and was already familiar with the Authority's programs, and internal financial structure and practices which would eliminate a potential learning curve and also reduce the amount of required staff support; particularly in light of our recent transition to a new data and accounting management system (YARDI VOYAGER.)

Commissioner Hill asked what that increase for subsequent years was and Mr. Abbas stated it was 3% for each subsequent year.

Commissioner Muse inquired as to the length of history working with Kolnicki, Peterson, Wirth LLC. Mr. Abbas stated that they had performed audits for the Authority for the past three years. Commissioner Muse also asked how many accounting firms had submitted RFPs for the audit. Mr. Abbas answered that he had received a total of six (6) proposals.

Commissioner Hellwig asked if any of the local Oak Park accounting firms had submitted proposals. Mr. Abbas stated that local firms had been sent the RFP but that none had submitted proposals. Commissioner asked if Mr. Abbas could speculate on why local firms had not submitted. Mr. Abbas stated that it is not unusual for firms that lack HCVP and public housing accounting experience to pass on these types of proposals.

Commissioner Butler stated that it had been discussed previously when we selected Kolnicki, Peterson, Wirth for the 2014 audit that it would be a good idea to rotate auditors to allow a fresh review of the books.

Ms. Swaggerty indicated that the staff fully agreed with the practice of rotating auditors but because the staff was still in a learning curve with the YARDI system, they felt that it would be better to change auditors once they had the new system down pat and could provide greater support to a new auditor.

Commissioner Hill asked if the YARDI system had been in place during the 2016 audit. Ms. Swaggerty stated that while much of the data had been transferred into YARDI, OPRC was actually utilizing both the old and new system simultaneously at the time of the 2016 audit. She added that Kolnicki, Peterson, Wirth had been familiar with the old system and had been provided information and reports from both systems.

Chairman Kralik stated that there was an argument to be made for using Kolnicki, Peterson, Wirth for the 2017 Audit and proposed that if the board chose to authorize the letter of engagement with Kolnicki, Peterson, Wirth for the 2017 Audit, there needed to be an understanding that an RFP would be sent out for subsequent years with the objective of changing auditors.

Chairman Kralik stated that this proposal would provide consideration to the staff as in working through the full implementation of the YARDI system while still ensuring sound business practices in rotating auditors. He added that should some unforeseen issue arise the Authority would still have the fallback option of using the Konicki, Peterson, Wirth, LLC at the locked in 3% increase for the 2018 audit.

Commissioner Muse asked how the declination letters to the other firms applying would be worded and suggested that it include a notice of OPHA's intention to ask for RFPs for next year and an invitation to resubmit audit proposals. Mr. Abbas stated he would make sure such notice and invitation would be included in the declination letters.

Chairman Kralik asked for a motion to authorize the execution of a one-year engagement letter with Kolnicki, Peterson, Wirth LLC for the 2017 Audit, with the understanding that the Authority will solicit for a new auditor for the following year(s).

It was moved (Hellwig) and seconded (Walz) to authorize the execution of a one-year engagement letter with Kolnicki, Peterson, Wirth LLC for the 2017 Audit.

Ayes: Commissioners Hellwig, Muse, Walz, Butler, Hill, Kelly, Chairman Kralik

Nays: None

Absent: None

REVIEW OF 3rd QUARTER FINANCIALS

Mr. Abbas gave a brief overview of the 3rd quarter financials; noting that the \$50,000 additional grant income does not have a corresponding expense line because this money is for appliances and therefore is being capitalized.

Commissioner Hellwig asked for clarification of "protection services" and Jim King explained that it represented alarm and building security costs. Commissioner Hellwig also asked for clarification of approximately \$15,000 allocated as "restitution". Ken Southward explained that it represented fraud recoveries which are primarily based on participants' underreported income. Mr. Southward stated that those participants generally enter into a repayment plan of which 50% is retained by the HCVP and 50% is returned to HUD.

Chairman Kralik suggested that it would be helpful to see uniformity in scale between the graphs and the actual reports. Mr. Abbas stated he would be happy to make those formatting adjustments.

Chairman Kralik asked if there were any questions or comments. There were none.

DEPARTMENTAL REPORTS

Mills Park Tower

Mr. King provided a brief overview of the monthly report; noting that two (2) of the five vacancies listed had been recently rented, one unit was out of service, and that Ms. Neyfeldt was processing applicants for the remaining two (2) units. He added that move-outs due to residents transitioning to assisted-living facilities continue to create new vacancies.

Mr. King further reported that the PHA Plan had been submitted on October 17, 2017 and that the Ross Grant for the Service Coordinator had also been successfully submitted on October 23, 2017. He then summarized the various resident activities that occurred in October.

Lastly, Mr. King reported that the recent change in parking restrictions and the installation of new parking signs along Pleasant Place had eased the parking issue for residents and their families and care-givers.

Mr. King asked if there were any other questions. There were none.

President Pope joined the meeting at 8:20.

HOUSING CHOICE VOUCHER PROGRAM

Mr. Southward presented his report for October highlighting that utilization continued to be high and stated he hoped to go into 2018 over-utilized. He stated that no new vouchers had been issued from the main waiting list during this period, but that 62 participants had transferred in.

Chairman Kralik asked if there was an organizational limit to the administration of the port-in vouchers or limits to the current staff's ability to handle the number of participants porting in. Mr. Southward stated there is no limit on the number of clients that may port-in; but at the current level there is sufficient staff to handle the volume of work.

Commissioner Walz asked where the majority of clients porting in were coming from. Mr. Southward answered that most were coming from the Chicago Housing Authority and Cook County. Commissioner Walz inquired as to where the preponderance of our clients porting out were moving to and Mr. Southward reported that most were staying in Cook County.

Mr. Southward asked if there were any other questions. There were none.

Ms. Swaggerty

OLD BUSINESS

Executive Director Pope reported that he had reached out to Heartland Alliance to discuss the renewal of their lease and the issue of the condition of the deck at the property. He reminded everyone that the deck had been cited by the Village of Oak Park and now required complete replacement or removal. Director Pope further reported that the Village Inspector had been kept informed of the situation and had provided additional time to OPRC to cure the violation; knowing that OPRC was waiting on an answer from Heartland Alliance.

Executive Director Pope added that he hadn't heard back from Heartland Alliance, but would continue to reach out to them and keep the Board apprised of his discussions regarding the lease renewal and the deck.

Director Pope reported that he had signed the Analysis of Impediments to Fair Housing as did all the other participants and that the proceedings were getting underway.

Commissioner Hellwig asked about the Village's Affordable Housing RFPs.

Director Pope indicated his understanding was that the RFPs were being worked on but would not be published until December.

Chairman Kralik asked if there was any further old business. There was none.

NEW BUSINESS

Chairman Kralik asked if there was any new business.

Commissioner Muse reported that she had recently become aware of a Facebook group called Oak Park Development Watch. She encouraged the board to look into the group; stating that they had recently begun focusing on and discussing affordable housing within the Village. She stated that one gentleman had commented on the need for an inclusionary housing ordinance requiring affordable housing set asides for all new housing developments. She added that she wanted to bring the group to the attention of the board.

Executive Director Pope stated that he had been in regular discussion with Mayor, Anan Abu-Taleb about the tax issue. He emphasized that while the hike in taxes does not directly affect the Authority and its properties it does affect all of the OPRC's owned buildings and has a direct effect on the housing and services it provides to its residents.

Chairman Kralik asked if there was any further new business. There was none.

PUBLIC COMMENTS

Chairman Kralik asked if there were any public comments. There were none.

ADJOURNMENT

At 8:53 A.M., it was moved (Butler) and seconded (Helwig) to adjourn. The motion passed by unanimous voice vote.

Respectfully Submitted,

Linda Hill,
Secretary