

HOUSING AUTHORITY CITY OF EDINBURG
Regular Board Minutes
February 22, 2018

1. Call Meeting to Order and Establish a Quorum-Chairman, Rodriguez welcomed everyone to the meeting, established there was a quorum and called the meeting to order at 12:01 p.m.

Attendees:

Board: Joe Rodriguez, Dr. Martin Castillo, Marissa Chavana, Gabriel Salinas, Juan Guzman,
Other: Marissa Hernandez Legal Counsel, John A. Blakeway CPA, Neil Arnold Lindsey & Co.,
Staff: Rodolfo Ramirez, Liz Hernandez, Rich Christian, Robert Hernandez, Gloria Garza

2. Pledge of Allegiance (Dr. Martin Castillo) and Invocation (Juan Guzman)
3. Review and Consider Approval of Minutes of Regular Board Meeting of January 11, 2018
Board Action Required
Motion to approve, 1st motion by Dr. Castillo 2nd motion by Salinas Carried 5-0
4. Recognize Mr. John A. Blakeway, Certified Public Accountant – Presentation of Year End March 31, 2017 Financial Audit.
Board Action Required

Blakeway addressed the board and reported that EHA had an increase in unrestricted assets of approximately \$103,000 for Public Housing and \$68,000 for Section 8 compared to last year.

- The reserve level is at 90 percent which is good.
- HUD threshold requirement for audit review is \$25,000.
- Overall EHA is doing very well financially.

Motion to approve, 1st motion by Dr. Castillo 2nd motion by Guzman Carried 5-0

5. Recognize Mr. Neil Arnold, Vice-President of Lindsey & Company Inc. – Presentation of Prior and Current Financial Status Prepared by Fee Accountant (Lindsey)
Board Action Required

Arnold addressed the board and began to explain what the relationship between Lindsey and EHA. The company provides services to about 700 housing authorities all over the country. An added benefit to adopting the Housing software is access to the general ledger reporting. EHA sends Lindsey the supporting documentation and we make sure everything has been recorded properly. We assist the agency providing the annual FDS (Financial Data Schedule) report to HUD on a timely manner and is due 60 days after end of fiscal year. It is a complex form that is used by HUD to document financial information and scoring. Notation was made by Dr. Castillo to correct the bank name on the financial report

Motion to approve, 1st motion by Dr. Castillo 2nd motion by Chavana Carried 5-0

Dr. Castillo had a question under the liability of the housing authority if employees participate in a retirement plan. Blakeway responded by adding the pension plan has a deficit change to net

pension liability for 2017. EHA has contributed more than enough to offset the employees' pension liabilities.

Arnold informed the board that EHA currently has about 4 to 6 months of reserves. EHA is doing very well.

Motion to Approve 1st motion by Salinas 2nd motion by Guzman

Carried 5-0

Mr. Christian was given permission to address financial items #6 through #10 on the agenda listing.

- next year total low rent and other income approx. \$930,000
- subsidy estimated at 90 percent of current year
- tenant service activities are listed and itemized
- Contract cost is reviewed on possible cost saving opportunities where possible
- Maintenance expenses are approximately 50% of the routine expenses
- Wages are trending down over the past five years
- payroll and fringes benefit pages were reviewed
- utilities have not materially changed
- discussion entailed reducing contract costs where possible
- lawn care services and contracts that had been awarded were discussed
- hope to reduce pest control services by in house certification of maintenance staff
- further explanation on contract turn around was discussed regarding rotating contractors
- EHA advertises in social media, and newspaper for make readies
- the administrative contracts were reviewed
- concerns were discussed in cost containment for section 8 administration expenses
- Christian mentions that the admin fees have been recently cut by HUD.
- Hernandez informs the board the Write-Offs for year end March 31, 2018 are \$3,658.93.
- Housing authorities can view any balances prior to them applying for assistance.
- Date correction was noted to the write off report
- Tenants that have a fraud account have two years to pay off their balance
- Delinquent fraud accounts are referred to the attorney for collection

6. Review and Approve Resolution # 2018-01 Approving Revision to the Low Rent Operating Budget for the Current Fiscal Year 4/1/2017 – 3/31/2018.
Board Action Required
7. Review and Approve Resolution # 2018-02, Approving the Low Rent Operating Budget for the New Fiscal Year 4/1/18- 3/31/2019
Board Action Required
8. Review and Approve Resolution # 2018-03, Approving Revision to the Section 8 Budget for the Current Fiscal Year 4/1/2017 – 3/31/2018
Board Action Required
9. Review and Approve Resolution # 2018-04 Approving the Section 8 Budget for Fiscal Year Ending 4/1/2018 – 3/31/2019.
Board Action Required

10. Review and Approve Resolution # 2018-05 Approving the Public Housing Write-Offs for Fiscal Year Ending March 31, 2018
Board Action Required

Motion to approve item #'s 6 through #10

Motion to approve 1st motion by Salinas 2nd motion by Guzman Carried 5-0

11. Executive Session - In accordance with Article 6252-17, Section 2, Sub-Section g, Vernon's Texas Annotated Civil Statutes, the Open Meeting Act, The Board of Commissioners will publicly announce they will adjourn to an Executive Session for private consultation with the Board's attorney pursuant to §551.071.

12. RECONVENE TO OPEN SESSION – Discussion and possible action on posted agenda items in Executive Session.

No action taken

13. Executive Director's Report

- EHA was recognized as a High Performer EHA scored a 92 out of 100 points, applaud to staff for doing a good job.
- During Spring break 11 Rice University students will be providing an alternative camp for EHA students.
- In April student residents will be traveling to tour Rice University.
- March 24th Saturday before Easter HAVE-STR 5K @ Edinburg Municipal Park.
- EHA purchased 10 Kano Computers student residents will build these computers composed of 7 parts and will help students with coding at an alternative spring break camp.
- Became board member of the South Texas Literary Coalition program that will partner up the university to help students with literacy.

Adjourn Motion to approve, 1st motion by Dr. Castillo 2nd motion by Guzman 2:00 p.m. Carried 5-0

/s/ _____
Dr. M. Castillo, Vice-Chairman

/s/ _____
Rodolfo "Rudy" Ramirez, Executive Director

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