

MINUTES
DUPAGE HOUSING AUTHORITY
FINANCE COMMITTEE
June 14, 2022

CALL TO ORDER

Pursuant to executive order 2020-07 signed by Governor Pritzker and guidance provided by legal counsel, DuPage Housing Authority conducted this meeting by use of electronic means using Zoom, without a physical quorum present in the boardroom. Finance Chairman Bergman, called the meeting to order at 9:02 a.m.

ROLL CALL

In attendance were Commissioners Berley, Hood, and Chairman Bergman. Also present were, Executive Directors Kenneth Coles and Cheron Corbett, Finance Manager Kaneshia Hunt, and Admin. Assistant Susan Martin. Auditors Jorden Boehm and Tori Nelsen from CLA.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Hood made a motion, seconded by Berley to approve the Finance Committee meeting minutes for May 17, 2022, and the motion passed unanimously.

AUDIT PRESENTATION

Mr. Boehm from Clifton, Larson, Allen presented the FY2021 draft audit stating it was an unmodified, clean audit with no matters to report in relation to internal control and no matters to report in relation to compliance. The new recommendation is in the maintenance of funds by program, breaking them out for efficiency and reduction of possible errors. The existing recommendation continues to be segregation of duties common to PHA's of this size. Internal controls had no material weakness nor segregation deficiencies. The finances are well maintained and in good structure. Chairperson Bergman emphasized the importance of maintaining next year's audit timeline for a presentation in January. He explained that the fluctuations of amounts of prepaid expenses and operational income can be a function of timing. The Finance Committee agrees with the Auditor's recommendation to have reports with the various DHA programs separated out. In answer to a question on the growing amount of port receivables, he explained the best practice is to utilize our Yardi software to its fullest capabilities which allow details on invoicing, billing, receivables, landlords, etc. When a question was asked on why the cash amount is so different, Bergman explained part of the reason is the unrestricted money was misclassified. Bergman asked if the inactive Neighborhood Stabilization Program can be removed from the audit.

FINANCIAL STATEMENTS

- Discussion on the monthly financial reports included proofing before sending, maximizing Yardi reports, timeline, and maybe being one month behind to allow staff sufficient time to process reports.
- Finance Manager Hunt will check into several items for clarification, such as: Unrestricted Cash misclassified, ballooning Portability A/R, negative A/P, Dental/Vision line item, recognition of Cares Act funds, software license monthly amount, gas bill, and insurance charges. The extra Security Deposit line will get deleted in the journal.
- Bergman requests an update on the Stough Group for the Board Meeting. Corbett to report on issues relating to timely processing of payroll garnishments and Empower retirement plan transfers/payments.
- The Budget Comparison and Payment Detail were reviewed with explanations for overages. Hunt to delete one of the two cell phone line items, and research if educational reimbursement should be posted to Employee Benefits.

NEW BUSINESS

- Finance Department Assistance: Executive Director Corbett reached out to vendors and received a quote from BDO for a Financial Assessment. Corbett reached out to Yardi for in-person training. Discussion on the amount of money an Executive Director can spend before it has to go to the Board for approval. Executive Director Coles noted that a DHA Resolution years ago capped the limit at \$25,000. Berley stated that should be noted for the future.
- Finance Policies: Bergman recommended reviewing policies be put on hold until after the BDO assessment.
- Annual Board Task Update: Executive Director Coles will complete it.
- Finance Staffing Update: Finance Coordinator started and is being trained.
- Insurance Update: Corbett obtained from insurance broker a matrix of all insurance policies and premiums, and has given broker a deadline to resolve Worker's Comp insurance issue.
- FY2023 Budget: Finance Manager reported on the budget and reasoning behind the increases or decreases. Bergman requested all Commissioners receive the full Salary Survey Report. The Finance Committee was unanimously in agreement with the salary increase for FY2023. Corbett discussed how the increase should be presented with the job re-tooling or the employee anniversary; Finance Committee opinion was that the Board sets the overall framework of the budget, but the Executive Director manages the implementation. The Finance Committee requested the organization chart. The reasoning behind an additional staff member was covered. Finance Manager Hunt to review the budget for: employee benefits (additional staff would increase benefit amount), legal expenses, milage reimbursement (increase with additional mileage & gas costs), payroll processing, tenant screening, water, garbage, etc. The budget items for Auto and Vacancy Lost need to be removed. The insurance matrix needs to be used to determine the correct amount for insurance for FY2023. It is recommended that the Finance Committee meet with the Executive Director and Finance Manager for a mid-year budget reforecast in December, or sooner if DHA receives an influx of vouchers. It is also recommended that, moving forward, the draft budget be presented to the Finance Committee in May for review.

ADJOURNMENT

Berley made a motion, seconded by Hood and the meeting was adjourned by Chair Bergman at 11:13 a.m.

Respectfully Submitted,
Susan Martin, Sr. Administrative Assistant/Recording Secretary