

MINUTES
ABILENE HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING

August 14, 2019

The Board of Commissioners of the Housing Authority of the City of Abilene, Texas met in Regular Session on **August 14, 2019 at 9:00 a.m.**, in the Conference Room located at 1149 E. South 11th Street, Abilene, Texas. Board Chair James Batiste was present and presided. Other Commissioners present were: Roberta Thompson and Jud Beall.

Staff members present were: Gene Reed, Chief Executive Officer; Paul Falade, Chief Financial Officer; Tana Kauffman-Hubbard, Housing & Community Development Director and Virginia Hicks, Procurement/ Compliance Coordinator. Guests included: Mark Zachary, Abilene Housing Authority Attorney and Ron Urlaub, Urlaub & Co., PLLC.

CALL TO ORDER

Board Chair James Batiste called the meeting to order at 9:04 a.m.

1.0 Call to Order

2.0 Hear comments from Public/Residents: None

3.0 Review and Adopt Minutes of the previous meeting(s): None

4.0 Review Financial and Other Reports by Consent: None

5.0 Review and Adopt Agenda Items

- 5.1 Heating and Air Procurement Contract through TIPS Cooperative Purchasing Group:** Ms. Virginia Hicks, Procurement/ Compliance Coordinator provided information on request for approval of the Batjer contract through the TIPS program and the pricing comparison. Commissioner Beall made a motion to approve Resolution 19-13. Commissioner Thompson seconded the motion.

AYES: Commissioners Batiste, Thompson and Beall

NAYS: None

The motion carried.

- 5.2 Staff Presentation and Workshop on Revised FY 19 and Proposed FY 2020 budgets; Complete Budget Review (including but not limited to Staff Presentation, Discussion and Possible Action concerning budgets):** Mr. Gene Reed, CEO, introduced Ron Urlaub (AHA's Fee Accountant) and provided Mr. Urlaub's professional background. Mr. Urlaub provided a background on his work with both Housing Authorities and HUD. Mr. Urlaub then provided an overview of what would be discussed within the budget presentation. Mr. Urlaub presented a breakdown of the programs offered at AHA in relation to the budget and the sources of funding for the AHA programs. Mr. Urlaub then provided a breakdown of the specific budgets relating to Public Housing and information on the restricted use of funds. Mr. Urlaub provided the formula that is used to determine Public Housing rents and projections for 2020. Mr. Urlaub then explained the Capital Funds program subsidy

and how it affects the Public Housing budget and went through the revenue projections for Public Housing in 2020. Mr. Urlaub then provided information on HCV funding and explained the AHA reserves. Mr. Urlaub provided the formula used to determine HAP calculations. He then explained the difference in funding periods between Congress and Housing Authorities and how that can affect the projected budget. Mr. Urlaub also provided information on the Parkridge Apartments funds management fees budget and how de-federalized funds work. Mr. Urlaub also provided the budget for the Public Facility Corporations under the Housing Authority and gave the unrestricted net position for AHA. Mr. Urlaub also explained indirect costs and the requirements that have to be followed including splitting of costs between programs administered. Mr. Urlaub also updated the Board on grant funding and the current grant funding sources. Mr. Urlaub then provided a breakdown of the 2020 estimated budget and funding loss projection amount and losses from each program and the reason behind the changes. Mr. Reed provided information on the REAC scoring process and how the changes to REAC are affecting the budget. Mr. Paul Falade, CFO, provided information on the medical benefits for AHA. Mr. Reed provided the benefit election periods and funding costs. Mr. Urlaub provided suggestions on how to incorporate changes relating to medical costs into the annual budget. Mr. Reed provided information on employee trainings and how they are included in the budget expense along with how often employees receive trainings. Mr. Reed then provided the recommended percentage increases to be included into budget to account for employee salary increases. Mr. Urlaub provided information on how salary increases affect the direct and indirect cost of the budget. Mr. Urlaub then requested the Board consider an increase to the management fee from Parkridge and the Board agreed to an increase from \$20,000 to \$30,000 a month. Mr. Urlaub then provided the HUD requirements of the Annual submission of the budget and noted that only the Public Housing budget is currently required to be submitted to HUD. Mr. Urlaub then reviewed the FY 2019 budget providing the changes made to revenue and overall expenses from the Capital funding and rent collection and operating expenses. The overall expenses decreased from the original projected budget. After the Board discussed the proposed 2020 budget (including the budgeted amounts for salary increases), Commissioner Beall made a motion to table the 2020 budget. Commissioner Thompson seconded the motion.

AYES: Commissioners Batiste, Thompson and Beall

NAYS: None

The motion carried.

Commissioner Thompson made a motion to accept the 2019 budget revision. Commissioner Beall seconded the motion.

AYES: Commissioners Batiste, Thompson and Beall

NAYS: None

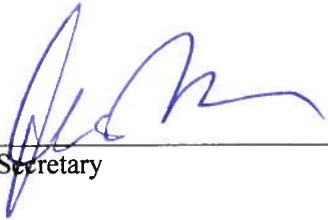
The motion carried.


6.0 CEO and Other Staff Reports: None

7.0 Executive Session: None

8.0 Reconvene: None

9.0 Adjournment: Commissioner Thompson made a motion to adjourn at 1:04 p.m.

X 
Secretary

X 
Board Chair