

JONESBORO HOUSING AUTHORITY
BOARD OF COMMISSIONERS MEETING
TUESDAY MAY 21, 2019
AGENDA

1. Call to Order
2. Resolution to Approve March 19, 2019 Meeting Minutes
3. Executive Director Report (Day to Day Operations)
4. Finance Report
5. Executive Session if needed

May 21, 2019

ISSUE SUMMARY:

RESOLUTION TO APPROVE MEETING MINUTES FOR MARCH 19, 2019

FROM: PAUL G. WRIGHT, EXECUTIVE DIRECTOR

IMPORTANCE:

High

ACTION REQUIRED:

A Resolution is required to Approve Meeting Minutes for March 19, 2019.

**HOUSING AUTHORITY OF THE CITY
OF JONESBORO, GEORGIA
COMMISSIONERS MEETING
MARCH 19, 2019**

The Board of Commissioners of the City of Jonesboro Housing Authority held their monthly meeting on March 19, 2019 at 6:00 PM. The meeting was held in the JHA conference room located at 207 Hightower Street, Jonesboro Georgia, 30236. Commissioner Chairman Allen Roark, Commissioner Vice Chairman Roger Swint, Commissioner Therese Guidry, and Commissioner Tammy Stanley were in attendance. Executive Director Paul Wright along with Deputy Director Demetrice Mitchell were present. Rebekah Lester was also in attendance to take minutes.

Call to Order:

The meeting was called to order by Commissioner Chairman Allen Roark

RESOLUTION #1036

A RESOLUTION TO APPROVE JANUARY 15, 2019 MINUTES

A Motion to Approve January 15, 2019 Meeting Minutes was made by Commissioner Vice Chairman Roger Swint and was seconded by Commissioner Therese Guidry. The Motion passed unanimously. **(RESOLUTION #1036)**

BE IT RESOLVED, the Board of Commissioners of the HACJ do hereby Approve January 15, 2019 Meeting Minutes. **(Resolution #1036)**



Chairman, Allen M. Roark



Executive Director, Paul G. Wright

**HOUSING AUTHORITY OF THE CITY
OF JONESBORO, GEORGIA
COMMISSIONERS MEETING
MARCH 19, 2019**

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RESOLUTION #1037

RESOLUTION TO APPROVE WRITE-OFFS FOR SECTION 8
IN THE AMOUNT OF \$53,786.27

A Motion to Approve the Write-Offs for Section 8 was made by Commissioner Therese Guidry and was seconded by Commissioner Tammy Stanley. The Motion passed unanimously.

(RESOLUTION #1037)

BE IT RESOLVED, the Board of Commissioners of the HACJ do hereby Approve the Write-Offs for Section 8. **(Resolution #1037)**

Being no further business, a motion to adjourn was made by Commissioner Therese Guidry and was seconded by Commissioner Tammy Stanley, the vote was unanimous and the meeting was adjourned.



Chairman, Allen M. Roark



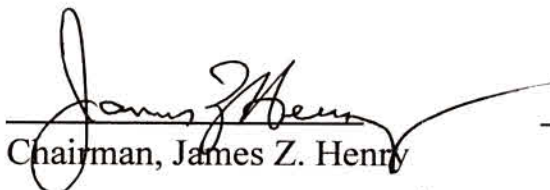
Executive Director, Paul G. Wright

**HOUSING AUTHORITY OF THE CITY
OF JONESBORO, GEORGIA
COMMISSIONERS MEETING
JUNE 17, 2014**

Resolution to Approve New Flat Rents Schedule: A Motion to Approve the New Flat Rents Schedule was made by Commissioner Janice Cline and seconded by Commissioner Therese Guidry. The motion passed unanimously. **(Resolution #912)**

Executive Director Report: Director Kidd gave an update to the Board members about JHA transition with the new computer software program. Director Kidd also informed them that there are two caseworkers out on FMLA and the HA workload is falling behind. Director Kidd made the decision to suspend the HA furlough days so the staff can use the extra days to catch up on work duties.

Being no further business, a motion to adjourn was made by Commissioner Therese Guidry, and seconded by Commissioner Janice Cline, the vote was unanimous. Commission Chairman James Z. Henry adjourned the meeting.


Chairman, James Z. Henry


Executive Director, Louise Kidd

JONESBORO HOUSING AUTHORITY

EXECUTIVE SUMMARY

TO: BOARD OF COMMISSIONERS

FROM: PAUL WRIGHT, EXECUTIVE DIRECTOR

DATE: May 21, 2019

RE: **FINANCIAL REPORT PERIOD ENDING MARCH 31, 2019**
(UNAUDITED)

Agency-wide Financial Statements reflect **Total Income** of \$7,554,107 and **Total Expenses** of \$7,372,687 with a **Net Income (Loss)** of \$181,420. Net income (loss) consists of (\$31,548) from administrative operations and \$212,968 from housing assistance payments (HAP).

Below are highlights for the period October 1, 2018 thru March 31, 2019:

➤ **Section 8:**

The Section 8 Financial Statements represent all of the Section 8 programs combined including Housing Choice Voucher (HCV).

Housing Choice Voucher (HCV)

Total Income: \$7,349,593

Total Expenses: \$7,227,791

Net Income / (Loss): \$121,802

Net Income for the Section 8 program consists of two components reflecting HAP Net Income (Loss) in the amount of \$212,968 and Administrative Fees Earned Net Income (Loss) in the amount of (\$91,166).

The HAP Net Income (Loss) is due to the following:

- HUD's transition of PHA-held reserve funds to HUD-held reserves in November 2018. This practice will continue with the cash reconciliation methodology under the cash management process. This process allows HUD to retain funds (cash) at the HUD level as opposed to disbursing funds to the PHA monthly based on the funding award. As a result, cash on hand balances will remain low. PHAs are aware that HUD-held reserves are protected and available upon request.

- HUD offset of HAP fraud recovery and FSS escrow forfeiture income against current budget authority.

The 2019 HCV HAP renewal funding award was released in April. It is good news to report that the renewal funding for 2019 increased to \$13,245,323 from \$12,815,563 in 2018. However, the eligibility proration is slightly lower in 2019 at 99.50% compared to 99.75% in 2018. To maintain this level of funding we must increase leasing and stabilize HAP costs that support the current budget authority. The higher leasing levels will result in higher administrative fees earned.

This fiscal year we implemented the Small Area Fair Market Rent (SAFMR) as mandated by HUD. These rates allow more flexibility to our families and allows us to offer more competitive rents in our area. As a result, HAP costs will increase on the same allotment of vouchers administered.

The Administrative Net Income (Loss) is primarily due to the following:

- Lower proration on administrative fees earned early in the year from lower leasing levels
- Increase in fraud recovery collections and portable administrative fees earned. The staff consistently maintains a high level of fraud detection and collection efforts.
- Administrative office painting improvements made during the year to give the office a fresh look
- New cleaning contract for administrative buildings

The administrative fee proration decreased slightly from 80.62% in 2018 to 80% in 2019. The administrative fee rate increases for 2019 were minimal compared to 2018. As the year progresses, administrative reserves will be impacted due to a lower lease up level and proration. Management continues to maintain a conservative approach to spending and monitoring costs.

➤ **Disaster Housing Assistance Program (DHAP):**

The Disaster Housing Assistance Program (DHAP) was funded by the Federal Emergency Management Agency (FEMA) and administered by HUD in 2007. The program ended in 2010 and eligible families were converted to the Housing Choice Voucher program. Although this program is no longer active, financial reporting requirements remain as long as the program retains assets. Income generated on this program consisted of interest earned on the money market savings account.

Total Income: \$1
Total Expenses: \$-0-
Net Income / (Loss): \$1

Net Income (Loss) for the DHAP program consists of two components reflecting HAP Net Income (Loss) in the amount of \$0 and Administrative Fees Earned Net Income (Loss) in the amount of \$1.

➤ **Public Housing:**

The Public Housing Financial Statements represent low rent public housing for 29 units. One (1) unit is offline for repairs.

Total Income: \$204,374

Total Expenses: \$144,896

Net Income / (Loss): \$59,478

Budget Over (Under): \$59,478

Net Income / (Loss) Less Capital Expenditures \$10,711

Budget Over (Under) Less Capital Expenditures: \$10,711

Capital Expenditures for the year totaled \$48,767

The Public Housing Net Income (Loss) is primarily due to the drawdown of operating funds in February 2019 under the 2018 Capital Fund Program (CFP) in the amount of \$62,824. We replaced the carpet with waterproof vinyl plank flooring in the administrative buildings.

We incurred fire damage to a unit on Wilburn Street in November 2018. The contract for repairing the fire damage to the unit has been awarded and work began the month. We anticipate the work to be completed late July 2019. Insurance will cover the cost of repairs and procurement services.

We utilized a new HUD system this year for reporting our Agency Plan and Capital Improvements called Energy Performance Information Center (EPIC). The CFP 2018 Capital Fund Grant was approved by HUD under this new system. The 2019 CFP Grant in the amount of \$60,703 has been awarded, but not yet available for draw.

The 2019 proration rate for March thru June funding is 88.70%. The proration funding for 2018 was 94.74%. The proration funding level decreased by 6.04% from 2018 to 2019. We do not anticipate much change to future funding levels.

➤ **Local Fund:**

The Local Fund consists of administrative fees earned by the Section 8 program prior to HUD restrictions requiring that Section 8 administrative fee earned remain in the program. The Local Fund includes interest on CD investments and sundry administrative costs.

Total Income: \$139

Total Expenses: \$-0-

Net Income / (Loss): \$139

➤ **Cash on Hand:**

Cash on hand consist of cash in the bank as of this period.

Section 8: \$121,511

Disaster Housing Assistance Program (DHAP): \$8,572

Public Housing: \$181,863

Total Cash on Hand: \$311,946

➤ **Investments:**

Investments consist of Certificates of Deposits with various banking institutions.

Section 8: \$122,921

Public Housing: \$-0-

Local Fund: \$251,903

Total Investments: \$374,824

➤ **Reserves:**

The reserve balances reflect cumulative retained earnings. These funds are for intended uses within HUD guidelines.

Section 8

Section 8 HAP (HCV): \$212,968 - Prior Year FY 2018: (\$34,926)

Section 8 Admin (HCV): (\$91,166) - Prior Year FY 2018: (\$78,238)

Total Section 8 Reserves: \$121,802 - Prior Year FY 2018: (\$113,164)

Note: Section 8 Admin Reserves without the pension liability adjustment is \$247,977

DHAP

DHAP HAP: \$10,216 - Prior Year FY 2018: \$10,216

DHAP Admin: (\$1,640) - Prior Year FY 2018: (\$1,642)

Total DHAP Reserves: \$8,576 - Prior Year FY 2018: \$8,574

Public Housing

Public Housing Operating: \$59,478 - Prior Year FY 2018: \$58,671

Public Housing Replacement: \$-0-

Total Public Housing Reserves: \$59,478

Note: Public Housing Operating Reserves without the pension liability adjustment is \$83,827

Local Fund

Local Fund Operating: \$252,022 - Prior Year FY 2018: \$252,883

Total Local Fund Reserves: \$252,022

Total Reserves: \$441,878

The audited Financial Data Schedule (FDS) will be submitted by June 30, 2019. The 2020 Operating Budgets will be presented in the coming months. Please let me know, if you have any questions.



Housing Authority of the City of Jonesboro Georgia
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Sign in sheet for Board Meeting held on May 21, 2019

1. ALLEN ROARK

2. Therese Guidry

3. Johnny Stanley

4. Lane D W

5. Demetrius H. Mitchell

6. Ross Swint

7. Rebekah Lester

8. _____

9. _____

10. _____

11. _____

12. _____

13. _____

14. _____

15. _____