



**Business Board of Directors Meeting Minutes
April 7, 2022**

Commission Members Present: David Anderson, Patrese Griffin, and Gwendolyn Hooker

Commission Members Absent: None

Kalamazoo County Commissioners Present: Tami Rey

Kalamazoo County Housing Director Present: Mary Balkema

LHAF Millage Monitor and Recording Secretary Present: Lisa Willcutt

Guests Present: Brian Krol, CPA and Ben Walker, CPA of Seber Tans, PLC

Call to Order and Approval of Meeting Agenda

The meeting was called to order at the Kalamazoo County Building, Board Chambers, 201 West Kalamazoo Avenue by President Griffin at 4:32 pm. Willcutt did roll call. All the members were present.

The agenda was approved as submitted.

Motion by Anderson

Support by Hooker

Motion Approved

Approve Minutes of the March 3, 2022 meeting

The minutes for the March meeting were approved.

Motion by Hooker

Support by Anderson

Motion Approved

Public Comment on Agenda Items and Non-Agenda Items: None

Reports

2021 Audit Presentation

Krol from Seber Tans presented the audit for 2021. He walked the board through the audit. Krol added that the audit is rolled into county audit report. KCPHC is considered a component unit of Kalamazoo County. The reporting format changed significantly from last year. He encouraged the board to read the report due to so many changes in the format of the report. The opinion paragraph is now located at the beginning of the report, and it operates under government accounting standards. The main focus is on the service contract KCPHC has with the county.

Krol explained pages 2-5 contains management's discussion and analysis. This includes a great deal of program information. He added that this report comes internally from the Commission and highlights the work the KCPHC does within the community.



**Kalamazoo County
Public Housing Commission**

Following the management discussion and analysis are the financial statements that not assets, liabilities, and equity of the organization.

Krol went on to say that page 7 of the report includes the statement of revenues, expenses, and changes in net position. Operating income for the year was \$540,709 with the total change in net position at \$333,252, which Krol explained is net income for the year. It also reflects the loss on the sale of 116 Fellows at \$231,245.

The page 8 of the report reflects the statement of cash flows. Cash increased \$403,229 during 2021, with ending cash at \$1.6 million.

The footnotes to the financial statements begin on page 9. There were no significant changes to the notes and Krol did not have any comment on this section of the report.

The independent auditors' report on internal controls over financial reporting and compliance was on page 13, and is a report required by the government. There were no significant deficiencies or material weaknesses to report. There were no questions from the Commission on the statements.

Krol reviewed the governance conclusion letter that was directed to the Commission. He explained that if there were any significant issues, this letter would reflect those findings. He also stated that there were no disagreements with management and that an unqualified opinion was rendered.

Anderson reminded the board of the importance of having this work done and thanked Willcutt as well as Lockhart Management & Consulting for their work contributing to this. He is glad that there were no issues identified.

Hooker added her appreciation of Seber Tans for the review of the report and making it easy to understand.

There was a motion to accept the audit as it was presented.

*Motion by Hooker
Support by Anderson
Motion Approved*

Financial Reports

Willcutt explained that there was a typo in the agenda. The financial reports are for March 2022, and the HRI reports are for February 2022.

Willcutt noted that FUSE rents were overbudget due to receiving April rent payments in March. Expense for the FUSE program were over budget for the month due to the installation of the dehumidifiers that were budgeted as well as fire safety. One other variance notes was that of the Veteran's Homeless Initiative as payment was made to Integrated Services of Kalamazoo for the work that Tyrone Thrash does. There was a motion to accept the March financial reports.



**Kalamazoo County
Public Housing Commission**

Motion by Anderson

Support by Hooker

Motion Approved

February 2022 Housing Resources, Inc. (HRI) Millage Reports

The last family is expected to complete the program by 9/30/22, but they could remain in the program longer or be released earlier depending on their needs. There are no new recipients being accepted into the program.

Survey Reports

Willcutt explained the survey process and included the survey that was used in the past as well as the results. The highest number of survey responses were received after the survey went out.

Bethany House

Willcutt reported that everything is going well at Bethany House.

Old Business

Millage Workplan and Budget (2015 Millage)

Balkema shared the changes she made to the Memorandum of Understanding (MOU). The numbers were updated from HRI for families in the program. One other change included Anderson's address, which was updated to 2725 Airview Blvd. There was discussion related to the numbers reported in the MOU. Willcutt clarified that the numbers reflected were not related to the Millage program, rather, they reflected those that were assisted by other programs carried out by the KCPHC prior to being given the responsibility of the Millage program. After some discussion, Balkema added that it is okay to proceed with the MOU. The board agreed to move forward with the MOU and can update numbers from HRI once the program has ended without stopping the progress.

116 Fellows Grants

Hooker spoke with Artley about grants received for the purchase and renovation of this property. The grant closeout reports for Local Initiatives Support Corporation (LISC), Kalamazoo Community Foundation, and Irving S. Gilmore Foundation have not been submitted. Artley provided a report that was sent to Kalamazoo County Housing Choices to close out that funding. Hooker said the board needs to decide how to move forward on reporting to the grantors. Anderson asked Willcutt whether she has the details she needs from Artley so that the reports can be submitted. Willcutt would have to look back at the grants that he wrote. Hooker thinks the board should submit the reports that are past due.

Balkema asked about the zoning issue, and when the variance will be heard. Anderson shared that the director of OutFront may no longer be there. He is concerned that this may hold up the process. Anderson said this is the most current information that he has.

Hooker reported that the OutFront Board is committed to the project. The variance is underway because the neighborhood has been noticed. Neighbors to the property will likely come to the meeting and say what they may, and it will be up to the zoning board to determine the next steps.



**Kalamazoo County
Public Housing Commission**

Griffin asked if Hooker is willing to prepare the reports to the grantors. Hooker said she can draft the reports and get the financials from Willcutt. The board is supportive of Hooker and Willcutt working together to create a report and bring it back to the board for approval.

Hooker suggested that President Griffin contact OutFront to get direct thoughts from their board. Griffin will prepare a letter and then present it to the KCPHC at the next meeting.

Rey shared that the neighbors to 116 Fellows have been misinformed. Rey has spoken to some of the Fellows neighbors. They are under the impression that 116 Fellows will be an encampment.

KCPHC Email Address Options

Willcutt provided the cost for a custom and secure business email option. She explained that it would be \$6 per month for each user. This would be one option. Another option is to get a free email account. The board agreed that the first option would provide more security than opening an individual account. Willcutt said that this would be a budget amendment. It would be \$72/year for 5 members. There was a motion to approve the business email option.

Motion by Hooker

Support by Anderson

Motion Approved

New Business – None

Public Comment on Agenda and Non-Agenda Items:

Taylor Peterson asked how a private landlord can become more involved to create Section 8 housing or other affordable housing. She said she is very aware of the overwhelming need for housing and the long waiting lists. Peterson filled out the form for public participation which includes her name, phone number, and email address. Hooker said that one of the board members would be in contact with her to follow up.

Commissioner Member Comments

Hooker congratulated the recipients of the housing millage dollars that were approved. These awards were made under the recommendation of Balkema on ways to support affordable housing in our area.

Rey said that the county commission will be conducting interviews for the open positions of the KCPHC on Wednesday, April 14, 2022.

Meeting Adjourned: 5:33 pm

Submitted by: Melanie Gildea