

**WINNEBAGO COUNTY HOUSING AUTHORITY
DECEMBER 15, 2016
REGULAR MEETING MINUTES**

Call to Order, Roll Call, Pledge of Allegiance

Chairman Wescott called the meeting to order at 5:30 p.m. Following the call to order, roll call was taken.

The following Board Members were in attendance:

Present:	Chairman Fred S. Wescott Vice Chairman Dina M. Getty Commissioner Ron Ballard Commissioner James E. Hughes Commissioner Alanna D. Conard
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Absent:	Commissioner Tunaya S. M. Beaudry Commissioner Pearl Hawks
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Also present: Executive Director Alan Zais, Assistant Executive Director Felicia Davis, Finance Director Vickie Huwe, James R. Pirages of the law firm of Hinshaw & Culbertson LLP and Don Conness of MFG.

Following roll call, Chairman Wescott led those in attendance in reciting the Pledge of Allegiance.

Introduction of Guests

Executive Director Alan Zais introduced Don Conness of MFG. Alan noted that Mr. Conness was present to discuss the proposed health and dental insurance program for 2017 that is included in the resolutions that are part of the Board packet.

Changes to Agenda

Alan Zais asked if the Agenda could be changed so that Mr. Conness could address the Board regarding the insurance program. The Board consented to this change in the Agenda.

Mr. Conness noted that the health insurance for the WCHA's employees is presently provided by Blue Cross/Blue Shield. Nevertheless, he noted that he wanted to shop the marketplace to determine if there were other carriers who might be able to provide insurance coverage at better rates than Blue Cross/Blue Shield. He indicated that the number of available insurance carriers is shrinking but that he nevertheless wanted to shop the market. He noted that the proposal received from Blue Cross/Blue Shield for the current coverage reflected a slight increase.

Mr. Conness distributed a chart showing the costs and coverage available through the current Blue Cross/Blue Shield Plan as well as other plans available through Blue Cross/Blue Shield, Aetna, Humana and United HealthCare. He reviewed the components of the proposed 2017

Program as well as the recommendation to stay with the current Plan. He also distributed a "Summary of Benefits and Coverage" for the Board's review and said that he will be distributing the same materials to the employees during an upcoming employee meeting.

Vice Chairman Getty asked about the employee contribution towards the cost of coverage. Finance Director Vickie Huwe noted that the employees contribute 15% of the premium per employee for health coverage; the contribution is based upon the charge for each particular employee's coverage (with different charges for different employees depending on family vs. individual coverage, the size and/or ages of their families, etc.). Vickie said that the Authority pays for 100% of dental coverage. Mr. Conness noted that the increase in the Blue Cross/Blue Shield Plan reflected basically a 12% increase to the total costs of the Plan.

Vice Chairman Getty asked if the increased insurance costs were offset by wage increases or whether the wage increases were completely consumed by the increased insurance costs. Finance Director Huwe noted that the increased insurance costs are typically greater than the wage increases realized by employees.

Mr. Conness also suggested that employees could have tax advantages (paying the contributions on a pretax basis as well as paying for medical and dental costs while minimizing tax consequences) by utilizing what is allowed by Section 125 of the Internal Revenue Code. After some discussion, Executive Director Alan Zais noted he would follow-up with Mr. Conness regarding setting up a program (including retaining a third party administrator to administer such a program under Section 125).

Mr. Conness departed the meeting at 5:51 p.m.

Commissioner Conard asked why the WCHA's employees were not covered under the Winnebago County health insurance plan. Executive Director Zais noted that this is something that the Authority has attempted to do in the past but that it was not allowed by Winnebago County. After some discussion, Commissioner Conard asked Mr. Zais to again explore this issue with the recently installed new leadership at Winnebago County. Executive Director Alan Zais noted that he would do this and will follow-up with the Board on this issue. Vice Chairman Getty asked if the Authority could cancel the proposed coverage through Blue Cross/Blue Shield if the Authority was able to secure coverage through Winnebago County. Vickie Huwe noted that this would probably not be something that could be done during 2017 but is an option that could be explored for calendar year 2018.

Public Comments

None.

Executive Director's Report

Executive Director Alan Zais directed the Board's attention to the materials that were included with the Board packet and asked the Commissioners if they had any questions. There were no questions asked regarding the Executive Director's report.

Consent Agenda

A motion to approve the items on the Consent Agenda was made by Vice Chairman Getty. That motion was seconded by Commissioner Hughes. The items on the Consent Agenda were approved by unanimous vote of the five (5) Commissioners present with none against and two (2) Commissioners absent.

Financial Report

Financial Director Vickie Huwe noted that the cash flow was low for the past month - - attributing part of it to the Authority's inability to draw down \$10,000.00 in grant funds (she noted that this was for the Family Self-Sufficiency Program and will ultimately be reflected in the current month's financials). She noted that the WCHA is likely to have some future cash flow problems and said that Washington Park Community Center has asked the WCHA to contribute for a variety of capital items under its lease arrangement with the Rockford Park District. Vice Chairman Getty asked what kinds of projects were involved in the capital items suggested by Washington Park Community Center (WPCC). Vickie Huwe noted that the WPCC wants to change carpeting and tile, wax floors, etc. Executive Director Alan Zais said that expenditures for those capital expenses will be brought before the Board for approval prior to monies being spent.

Old Business

None.

New Business

None.

Commissioner Comments

Chairman Wescott noted some recent experiences using the services through the Employee Assistance Program (EAP) and complimented the WCHA on the EAP's services.

Vice Chairman Getty asked about the status of the "little libraries". Vickie Huwe noted that five (5) little libraries were recently received to which the maintenance department wishes to apply a coat of polyurethane. Given the weather, we will have to wait until warmer weather to install the little libraries but all five (5) will go up. Alan Zais noted that the little libraries came in a couple of days ago.

Vice Chairman Getty asked about whether the WCHA was going to pursue a name change as had been discussed in past meetings. Executive Director Alan Zais noted that this is an issue that we need to revisit. He noted that the legal research shows that the law is unclear on whether this is permissible; Attorney Pirages noted that if we were going to do this, we still needed to maintain the formal name for the Authority and consider adopting a "d/b/a". It was agreed that after the upcoming holidays, Vice Chairman Getty and Mr Zais will meet to review the proposed names with the goal of bringing a name to the Board for consideration in February or March.

Commissioner Hughes asked about what is expected as a result of the new administration in Washington and the appointment of Dr. Ben Carson as the HUD Secretary. Executive Director Alan Zais noted that he has been reviewing articles about this topic and that while 99% of them are negative about the appointment of Dr. Carson, the impact on HUD and its operations is all "guess work" at this time. He noted that there are no stated policies on housing that have been made by either Dr. Carson or by President-elect Trump. Mr. Hughes asked about the alternatives that would be available for WCHA if funding is cut in the future. Mr. Zais noted that the WCHA is well-positioned given its past diversification and the involvement of private ownership.

Chairman Wescott asked if the Board wished to go into Executive Session to discuss the recently completed evaluation of the Executive Director. It was agreed that this item would be put over for discussion at the January 2017 WCHA Board Meeting.

Executive Session

None.

Action Taken from Executive Session

None.

Adjournment

A motion to adjourn the meeting was made by Vice Chairman Getty and that motion was seconded by Commissioner Conard. The motion passed by unanimous voice vote of all five (5) Commissioners present with none against and two (2) Commissioners absent. The meeting adjourned at 6:08 p.m.

Respectfully submitted,

Alanna Conard, Recording Secretary