

**WINNEBAGO COUNTY HOUSING AUTHORITY
DECEMBER 20, 2017
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 present:

Present:	Chairman Fred S. Wescott Vice Chairman Dina M. Getty Commissioner Ron Ballard Commissioner James E. Hughes
Absent:	Commissioner Alanna D. Conard Commissioner Pearl Hawks

Also present: Executive Director Alan Zais, Assistant Executive Director Felicia Davis, Finance Director Vickie Huwe and James R. Pirages of the law firm of Hinshaw & Culbertson LLP.

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

Introduction of Guests

None.

Changes to Agenda

Alan asked for the Board's permission to introduce Brian Jablonski, a broker with CBIZ, to discuss the proposed health insurance program.

Mr. Jablonski then entered the room and introduced himself to the Board. He distributed a document captioned "Medical Renewal Analysis" effective January 1, 2018. Through that document, Mr. Jablonski recommended the Board's adoption of the Healthy Choice 1000 Program. It was noted by Mr. Jablonski that he works with the Illinois Association of Housing Authorities and, through that relationship, has about 25 other housing authorities in the State for which he writes health insurance coverage. It was noted that the renewal rate for 2018 quoted by Blue Cross and Blue Shield projected a 9% increase to premiums and that the new plan (the Healthy Choice 1000) will result in \$18,000.00 savings as compared to 2017 Blue Cross and Blue Shield rates (without even taking into account the 9% increase that would be experienced if the WCHA was to stay on with Blue Cross and Blue Shield). Mr. Jablonski said that he had presented the new program to employees on Wednesday, December 20, 2017 and explained the lower deductibles, the wellness program component, etc. Executive Director Alan Zais thanked Finance Director Vickie Huwe for her efforts in coordinating this proposal through Mr. Jablonski. Finance Director Vickie Huwe noted that she liked the wellness component of the Health Choice 1000 Program and Alan added that participating in the wellness program may further reduce the employee's out-of-pocket expenses if the employee completes the designated blood testing and other measures geared at a healthy lifestyle. It was confirmed that all three Rockford hospitals are "in network" covered by the Healthy Choice 1000 Program and Mr. Jablonski noted that there are also other options available in future

years (as provided in the “Medical Renewal Analysis”) if the costs of the Healthy Choice 1000 Program are not sustainable in the future.

The Commissioners did not have any further questions for Mr. Jablonski so he departed the meeting at 5:38 p.m. There was further discussion about this new program and the benefits associated with it (it was noted that laboratory work can be paid at 100% if the employee uses the designated laboratory, etc.).

Public Comments

None.

Executive Director’s Report

Executive Director Alan Zais reminded the Board that his written report had accompanied the Board packets that were previously provided to the Commissioners. He asked if any of the Commissioners needed further explanation regarding any of the matters addressed in the report; the Commissioners indicated that they did not.

Alan went on to further report about a meeting that he had attended on Wednesday, December 20 in the Mayor of the City of Rockford’s Office for an assessment of the Fair Housing Plan. He noted that under the City’s Voluntary Compliance Agreement with HUD, the City has to develop a Fair Housing Plan. He said that developing a Fair Housing Plan has also been required of housing authorities for the last few years but that HUD’s requirements for such a Fair Housing Plan have continued to change over the years; as a result, up to this point the WCHA has not spent significant time and resources in developing a Fair Housing Plan. He stated that the work associated with such a Plan is both extensive and expensive (for example, he indicated that the City of Rockford was looking at a \$50,000.00 cost associated with developing such a Plan). He noted that the City of Rockford wants the WCHA and other regional entities to partner with them in the City of Rockford’s Fair Housing Plan (to include not only Winnebago County but also Boone and Stephenson Counties as well). Alan stated that he favors such participation but that instead of making a financial contribution, he would prefer to make an “in kind” contribution. In that regard, he noted that as part of the City of Rockford’s Voluntary Compliance Agreement, it must show that Rockford Housing Authority (RHA) residents are being given opportunities to move. Because of this, Alan wanted the Board to consider exploring taking over one hundred (100) to two hundred (200) RHA vouchers for use in both Boone County and Stephenson County (and giving Boone County and Stephenson County residents preference on the wait list for those vouchers). He said that if the WCHA did this, it could collect 80% of the Administrative Fee and give the remaining 20% of the Administrative Fee to the RHA.

In response to a question from a Commissioner, it was noted by Alan that taking on these vouchers would result in about \$10,000.00 per month in revenues but would also require the WCHA to hire another full-time staff member. He said that there could be some challenges with the public perception challenges about such an initiative because the vouchers would be connected with the RHA (and the negative perceptions that may arise from that connection) but he stated that a lot of how this is program may be accepted depends on how it is presented. He stated, for example, that the WCHA will run the Program if this occurs - - not the RHA - - and that the WCHA already positively assists other housing authorities in a similar capacity. He wanted the Board’s consent to explore this, to look at the numbers, to not make any commitments but allow him to bring this back to the Board for further review and approval.

Commissioner Hughes urged Alan to use caution but the Board’s overall consensus was for Alan to explore this option. Alan noted that a lot of this comes back to the trust that the community has in the WCHA’s efforts.

Alan also said that the situation at the Housing Authority of the City of Freeport (HACF) is getting worse. He said that soon half of the HACF's properties (those involved in RAD) will be run by WCHA and that half is the portion that actually makes money. He noted that there are approximately 240 public housing units left at HACF but there is a 40% vacancy rate. He indicated that the HACF will soon lose \$100,000.00 per year that will be going to the WCHA under the 15 year contract that had been prompted and approved by HUD. Alan noted his concern that unless something happens soon, the HACF will not have money to pay its staff.

With regard to the RHA, it was noted that Executive Director Larry Williams has submitted his resignation to take a job in Washington, D.C. Alan cited to the significant problems that the RHA is having with bedbugs and discussed some photos that WCHA staff had obtained showing the conditions at one of the RHA's public housing properties where the bedbugs were so bad that extensive work would have to be done to rehabilitate the affected units.

Consent Agenda

Commissioner Hughes made a motion to approve the items on the Consent Agenda; that motion was seconded by Commissioner Ballard. The motion to approve the items on the Consent Agenda was approved by unanimous roll call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent.

Financial Report

Finance Director Vickie Huwe noted several items. She said that through the WCHA's relationship with AFLAC, they will be providing free fraud protection for all employees for a one year period (this will be available even to employees who do not take policies through AFLAC). She also stated that through the RAD Program at Freeport, the WCHA must pay HAP Funds to the HACF starting in January; the WCHA has been notified by HUD that it will "front load" the money to allow these payments to be made to HACF. Finally, Vickie noted that through the efforts Luci Hoover at Hinshaw & Culbertson, the WHA has been successful in having one of its units determined to be tax-exempt. As a result of this determination, the WHA received a refund of \$8,000.00 applicable to the past three (3) years. She noted that while Luci Hoover is retiring, Hinshaw will continue to try to get tax-exempt status for other WHA properties in a similar fashion.

Old Business

Alan noted the items on the Agenda involving the confirmation and public notice of actions taken at the November 16, 2017 meeting for the minutes of the Executive Sessions for the following meetings:

June 21, 2012
October 18, 2012
April 18, 2013
May 16, 2013
September 19, 2013

While noting that no further action is needed by the Board (since a vote had been taken at the November 16, 2017 meeting making those minutes available), confirmation and public notice of that prior action was set forth in the agenda for the December 20, 2017 meeting and is also to be reflected in the minutes of this meeting.

New Business

Executive Director Alan Zais distributed gifts to the Commissioners and thanked everyone for their service to the WCHA. The Commissioners, in turn, thanked Alan and the other staff for the excellent work that they do on behalf of the WCHA's residents and programs.

Commissioner Comments

The Commissioners exchanged Holiday Greetings – wishing each other a very Merry Christmas and Prosperous 2018.

Executive Session

A motion was made pursuant to 5 ILCS 120/2(c)(21) to go into closed session for “discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06” and pursuant to 5 ILCS 120/2(c)(1) to consider the “appointment, employment, compensation, discipline, performance or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity”. That motion was made by Commissioner Hughes and seconded by Vice Chairman Getty; the motion was approved by unanimous roll call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent. The Executive Session commenced at 6:11 p.m. and concluded at 6:19 p.m. (The motion to come out of Executive Session was made by Commissioner Hughes and seconded by Vice Chairman Getty and was approved by unanimous roll call vote of all four (4) Commissioners present with none against and two (2) Commissioners absent).

Action Taken from Executive Session

A motion was made by Vice Chairman Getty that was seconded by Commissioner Ballard to make available for public inspection the minutes of the Executive Sessions from certain previous meetings, including the following meetings:

January 14, 2014
March 20, 2014
August 21, 2014
September 18, 2014
October 30, 2014

The motion was passed by unanimous roll call vote of the four (4) Commissioners present with none against and two (2) Commissioners absent. It was noted that a statement will be included on the Agenda for the January 18, 2018 meeting confirming that these records are no longer confidential and are available for public inspection.

Executive Director Alan Zais also mentioned one issue that he had not addressed in his earlier comments. He advised the Commissioners that representatives from the Graduated Re-entry program had met with Chairman Wescott and him. Among the topics discussed during that meeting was the desire to establish preferences for ex-offenders who are veterans. Chairman Wescott said that his concerns on this topic had been addressed through this meeting. Alan said that he would like to proceed with this program and in developing a Memorandum of Understanding (MOU) about it (including a five (5) person set aside, revising the ACOP and Administrative Plan, etc.). He said that the program is very exciting, is backed by numerous foundations and will be an example that may be replicated around the country. The Board

supported Alan proceeding with the MOU, etc. that will be reviewed with the Board as these measures proceed.

Adjournment

A motion to adjourn the Board meeting was made by Commissioner Hughes and seconded by Vice Chairman Getty. The motion to adjourn the meeting was approved by unanimous voice vote of the four (4) Commissioners present with none against and two (2) Commissioners absent. The meeting was adjourned at 6:22 p.m.

Respectfully submitted,

Alanna Conard, Recording Secretary