



Charlotte Housing Authority
Building Community, People & Partnerships

NOTICE

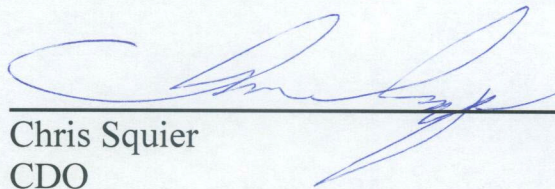
Finance and Audit Committee Meeting January 12, 2012

NOTICE is hereby given that the Commissioners of the Charlotte Housing Authority will hold a meeting of the Finance and Audit Committee on Thursday, January 12, 2012 as follows:

TIME: 5:00 p.m. – 6:00 p.m.

LOCATION: CHA Administrative Office
1301 South Boulevard
Charlotte, NC 28203

PURPOSE: To review and discuss matters relating to financial operations of the Charlotte Housing Authority.



Chris Squier
CDO



Charlotte Housing Authority

Building Community, People & Partnerships

FINANCE AND AUDIT COMMITTEE AGENDA

Thursday, January 12, 2012

5:00 p.m. – 6:00 p.m.

- 1. Call to Order.**
- 2. Review and Approval of Agenda.**
- 3. Consideration to Approve the Minutes from 12/8/2011.**

4. Old Business:

None

5. New Business:

a. Call for a Public Hearing on the 2012-2013 Operating Budgets

Action: Approve Call for a Public Hearing on the 2012-2013 Operating Budgets to be held on February 21, 2012.

b. Budget Amendments

C.O.R.E. Programs, Inc.

Action: Amend the C.O.R.E. Programs, Inc. Budget to fund childcare subsidies for the Fiscal Year Ending March 31, 2012.

Field Operations Program Budget

Action: Approve a Resolution to amend the Field Operations Program Budget to fund childcare subsidies for the fiscal year ending March 31, 2012. (Last amended by Resolution 2014).

c. Budget Adoption

2012 Horizon Acquisition Corporation

Action: Adopt the Horizon Acquisition Corporation Budget for the calendar year ending calendar year ending December 31, 2012.

d. NC Debt Setoff Program

Action: Approve a Resolution to authorize CHA to:

- A. Participate in the NC debt setoff program
- B. Execute such documents and agreements as necessary to participate in the debt setoff program

e. CFO Update

6. Adjournment

NEXT MEETING

The next meeting will be held Thursday, February 2, 2012 at 1301 South Boulevard at 5:00 p.m.

The Charlotte Housing Authority Mission: To lead, develop, and execute community-wide strategies that meet the broad range of housing needs for families who cannot otherwise attain conventional housing.



**Finance and Audit Committee Meeting
MINUTES**

Held on Thursday, December 8, 2011

Present:

Commissioner David Jones	Sharbara Ellis, Procurement	Deborah Williams, Real Estate Dev
Commissioner Joel Ford	Deborah Clark, Communications	Ray Wilson, Finance
Chris Squier, CDO	Shawn Williams, Section 8	Vanessa Jones, Finance
Heather Franklin Interim CFO	Steve Lamphere, Procurement	John Burns, Client Services
Shaunte Evans, Interim COO	Shannon Bodnar, Operations	Tamara Blackett, Accounting
Sherrod Banks, General Counselor	Baseemah Hasan, Budget	
Catherine Lui, Counselor		

1. Call to Order

A meeting of the Finance and Audit Committee of the Housing Authority of the City of Charlotte was called to order at 1301 South Boulevard, Charlotte, North Carolina, at 4:12 p.m. pursuant to the notice sent to the Commissioners and Staff to review and discuss the financial matters of the Charlotte Housing Authority.

Commissioner Ford presided and Vanessa Jones, Financial Assistant recorded the proceedings of the meeting.

2. Review and Approval of Agenda

Commissioner Jones moved to approve the agenda as submitted. The motion passed.

3. Review and Approval of Minutes

Commissioner Jones moved to approve the minutes. The motion passed.

4. Items Before Other Committees: None

5. Old Business: None

6. New Business:

a. Budget Amendments

Real Estate Program Budget

Action: Approve a Resolution to amend the Real Estate Program Budget to for the reallocation of expenditures for the fiscal year ending March 31, 2012. (Last amended by Resolution No. 1949)

Commissioner Jones moved to recommend that the Board approve a Resolution to amend the Real Estate Program Budget. The motion passed.

Field Operations Budget

Action: Approve a Resolution to amend the Field Operations Program Budget to Reallocate funding for fiscal year ending March 31, 2012. (Last amended by Resolution No. 1985)

Commissioner Jones moved to recommend that the Board approve a Resolution to amend the Field Operations Budget. The motion passed.

Administration Program Budget

Action: Approve a Resolution to amend the Administration Program Budget for the reduction in revenues and expenditures for the fiscal year ending March 31, 2012. (Last amended by Resolution No. 1986)

Commissioner Jones moved to recommend that the Board approve a Resolution to amend the Administration Program Budget. The motion passed.

Capital Fund Formula Grant Budget

2009 American Recovery and Reinvestment Act (ARRA)

Action: Approve a Resolution to amend the 2009 ARRA Capital Fund Formula Grant to reallocate expenditures within the grant. (Last amended by Resolution No. 1946)

Commissioner Jones moved to recommend that the Board approve a Resolution to amend the ARRA Capital Fund Formula Grant budget. The motion passed.

b. Procurement Contract Extension

Commissioner Jones moved to recommend that the Board approve extending the MIS Help Desk and Network Service Contract for up to eighteen months. The motion passed.

c. CFO Update

Ms. Franklin said that RFP for the CEO search firm had been posted. Emails were also sent to twenty firms that we were aware of or had information on to let them know that the RFP had been posted on Demand Star. Commissioner Miller gave us two additional names. We referred them to Demand Star as well. As of today eleven firms had download the RFP. The proposals are due next Thursday, December 15. As soon as those come in we will be expeditiously evaluating all of the proposals to get a firm selected as soon as possible. We will send out an email to the board to see if anyone would like to serve on the panel to select the firm. We are still working on the budget. There was a big gap to close for the COCC. We believe we have all the cuts identified. We are still negotiating a few within several departments. We plan to have our annual budgets for the board to review in January. We are working with Real Estate to close all of their deals by the end of December.

7. Adjournment: Commissioner Jones moved for adjournment. The meeting adjourned at 4:19 p.m.

Next Meeting: Thursday, January 12, 2012 (5:00 p.m. to 6:00 p.m.)

Respectfully Submitted,

Vanessa Jones
Financial Assistant

Call for a Public Hearing on the 2012-2013 Operating Budgets to be held On February 21, 2012

Action: Approve Call for a Public Hearing on the 2012-2013 Operating Budgets to be held on February 21, 2012.

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Strategic Goal: Ensure the Authority's Long – Term Financial Viability

Background/Policy Framework:

Each year before the annual budget is adopted, the Board of the Charlotte Housing Authority calls for a public hearing on the budget. The public hearing allows any interested person (s) the opportunity to comment on the budget before adoption by the Board.

Explanation:

During the 2001 session of the North Carolina Legislature, Article 3 of Chapter 159 of the General Statutes was amended to add Section 159-42 (c) Annual Budget. It states that housing authorities shall operate under an annual budget. Further, it states that the proposed budget shall be available for public inspection.

Before adopting the budget, the housing authority shall hold a public hearing at which time any persons who wish to be heard on the budget may appear. The governing board shall cause a notice of the public hearing to be published in a newspaper of general circulation in the area once a week for two consecutive weeks prior to the public hearing.

Committee Discussion:

This item will be discussed at Finance & Audit Committee meeting on January 12, 2012.

Funding:

Section 9 – Horizon Development – Section 8 - Hoefener

Attachment:

None

Contact person for questions from the Finance office: Heather Franklin, 704.336.5233

Does this explanation require a Budget revision? No

Does this action require a revision to the MTW Annual Plan or Agency Lease? No

Is a resolution necessary? No

Budget Amendment: C.O.R.E. Programs, Inc.

Action: Amend the C.O.R.E. Programs, Inc. Budget to fund childcare subsidies for the Fiscal Year Ending March 31, 2012.

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Strategic Goal: Ensure the Authority’s Long - Term Financial Viability

Background/Policy Framework:

CHA has a self sufficiency program at the First Ward site. One of the major components of this program is childcare subsidies. Childcare subsidies are used to help parents who are employed maintain employment by reducing childcare barriers.

Explanation:

All parents in the self sufficiency program at First Ward are expected to maintain employment. This amendment is necessary to continue funding childcare subsidies needed through March 31, 2012 at First Ward in order for the participants to continue to maintain their employment and meet the program goals.

In Exhibit A, funding is shown on the Fund Balance Appropriated line in the amount of \$24,000 and the corresponding expenditure is in Operating Transfers Out –First Ward.

Committee Discussion:

This item will be discussed at the Finance & Audit Committee meeting to be held on January 12, 2012.

Funding:

Fund Balance Appropriated

Attachment:

C.O.R.E. Programs, Inc. Budget

RECORDING OFFICER’S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the C.O.R.E. Programs, Inc., do hereby certify that the above item was properly adopted at a regular meeting held January 17, 2012.

BY: _____
Barbara Porter, Secretary

Exhibit A

REVENUE:	April 2011 - March 2012 C.O.R.E. Programs, Inc.	REVISION	April 2011 - March 2012 C.O.R.E. Programs, Inc.
Restricted Donation	25,000		25,000
Other Income	226,342		226,342
Total Revenue	251,342	-	-
Other Sources:			
Fund Balance Appropriated	12,987	24,000	36,987
Total Other Sources	264,329	24,000	288,329
EXPENDITURES:			
Operating Costs	264,329		264,329
Other Uses:			
Operating Transfer Out-Amp		24,000	24,000
Total Other Uses		24,000	24,000
TOTAL EXPENDITURES:	264,329	24,000	288,329

Budget Amendment: Field Operations Program Budget

Action: Approve a Resolution to amend the Field Operations Program Budget to fund childcare subsidies for the fiscal year ending March 31, 2012. (Last amended by Resolution 2014).

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Strategic Goal: Ensure the Authority's Long- Term Financial Viability

Background/Policy Framework:

CHA has a self sufficiency program at the First Ward site. One of the major components of this program is childcare subsidies. Childcare subsidies are used to help parents who are employed maintain employment by reducing childcare barriers.

Explanation:

All parents in the self sufficiency program at First Ward are expected to maintain employment. This amendment is necessary to continue funding childcare subsidies needed through March 31, 2012 at First Ward in order for the participants to continue to maintain their employment and meet the program goals.

Exhibit A shows funding in the Other Sources section on Operating Transfers In- CORE Programs line in the amount of \$24,000 and the corresponding expenditure in is the Operating Costs line item.

Committee Discussion:

This item will be discussed at the Finance & Audit Committee meeting on January 12, 2012.

Funding:

Operating Transfer

Attachments:

Resolution

Exhibit A to Resolution

Contact person for questions from the Finance office: Heather Franklin, 704.336.5233

Does this explanation require a Budget revision? Yes

Does this action require a revision to the MTW Annual Plan or Agency Lease? No

Is a resolution necessary? Yes

RESOLUTION
TO AMEND THE FIELD OPERATIONS PROGRAM BUDGET TO FUND
CHILDCARE SUBSIDIES FOR THE FISCAL YEAR ENDING MARCH 31, 2012.
(LAST AMENDED BY RESOLUTION NO. 2014)

WHEREAS, Exhibit A shows funding in the Other Sources section on the Operating Transfers in- Core Programs line in the amount of \$24,000 and the corresponding expenditure is in the Operating Costs line item.

WHEREAS, all regulatory and statutory requirements have been met;

WHEREAS, the Authority has sufficient operating reserves to meet the working capital needs of its development (as defined by HUD);

WHEREAS, the Board has determined that the proposed expenditures are necessary in the efficient and economical operation of the program for serving low-income families;

WHEREAS, the Budget indicates a source of funds adequate to cover all proposed expenditures;

WHEREAS, the calculation of eligibility for federal funding is in accordance with the provisions of the regulations;

WHEREAS, all proposed rental charges and expenditures will be consistent with provisions of law;

WHEREAS, the Authority will comply with the wage rate requirements under 24 CFR 968.110(e) and (f);

WHEREAS, the Authority will comply with the requirements for access to records and audits under 24 CFR 968.110(i);

WHEREAS, the Authority will comply with the requirements for the reexamination of family income and composition under 24 CFR 960.209, 990.115 and 905.315;

WHEREAS, pursuant to 24 CFR 24.630, the Authority has notified all employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance on CHA property is prohibited; established an Employee Assistance Plan for employees who request assistance or rehabilitation; and implemented personnel policies regarding violations and the reporting of violations of these rules and regulations, including the termination of employees convicted of violations of laws regarding the possession, use and distribution of controlled substances;

WHEREAS, no person in the Authority holds more than one position, and no position is allocated more than 100% of the salary as listed on the Schedule of Salaries and Positions.

WHEREAS, pursuant to Section 307, Part II, of the Consolidated Annual Contributions Contract, the Authority hereby certifies that all administrative salaries are comparable to local public practice, based on a comparability study dated May 1998, which is on file for HUD review.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners does hereby approve this Resolution to amend the Field Operations Program budget for the fiscal year ending March 31, 2012; attached hereto as Exhibit A.

THEREFORE, BE IT ALSO RESOLVED that a CHA Authorized Signer may transfer funds as provided below. All such transfers must be consistent with state or federal laws and local board policies. The CHA Authorized Signer must report any such transfers at the regular meeting of the board at which the budget to actual results are discussed and transfers between functions must be entered in the minutes of that meeting.

1. The CHA Authorized Signer may transfer between sub-functions and objects of expenditure within a function.
2. The CHA Authorized Signer may transfer amounts not to exceed \$50,000 between functions.
3. The CHA Authorized Signer may not transfer any amounts between programs or increase the total amount of a program.

RECORDING OFFICER'S CERTIFICATION

I Shaunte' Evans, the duly appointed Interim Secretary of the Housing Authority of the City of Charlotte, North Carolina, do hereby certify that this resolution was properly adopted at a regular meeting held January 17, 2012.

BY: _____
Shaunte' Evans
Interim Secretary

RESOLUTION NO.

Exhibit A

Exhibit A

REVENUE:	April 2011 - March 2012 FIELD OPERATION	REVISION	April 2011 - March 2012 FIELD OPERATION
MTW Funds	67,264,911		67,264,911
Tenant Rents	10,562,067		10,562,067
Other Income	3,216,843		3,216,843
Public Housing Fees	1,171,023		1,171,023
Section 8 Income	1,510,618		1,510,618
Capital/CFRC Fees	651,936		651,936
Social Services Fees	601,550		601,550
City Relocation Program Income	140,037		140,037
Other Governmental Grants	512,646		512,646
Non Dwelling Rents and Other Revenue (Carol Hoefener)	369,772		369,772
First Ward Revenue	342,456		342,456
Restricted Donation	3,500,000		3,500,000
TOTAL REVENUE:	89,843,859	-	89,843,859
Other Sources			
Fund Balance Appropriated	500,000		500,000
Fund Balance Appropriated-Section 8	400,000		400,000
Fund Balance Appropriated-Land Sale Proceeds	285,383		285,383
Operating Transfer In - CORE Programs		24,000	24,000
Operating Transfer In -MTW	4,081,665		4,081,665
Total Other Sources	5,267,048	24,000	5,291,048
TOTAL REVENUE AND OTHER SOURCES	95,110,907	24,000	95,134,907
EXPENDITURES:			
Salaries/Benefits	10,973,379		10,973,379
Operating Costs	72,774,875	24,000	72,798,875
Utilities	4,377,676		4,377,676
Capitalized Items	870,094		870,094
Total Operating Expenditures	88,996,024	24,000	89,020,024
Other Uses:			
Special Items:	3,500,000		3,500,000
Operating Transfer Out- Capital Projects	2,369,000		2,369,000
Loans To Others	245,883		245,883
Total Other Uses	6,114,883	-	6,114,883
TOTAL EXPENDITURES:	95,110,907	24,000	95,134,907

Budget Adoption: 2012 Horizon Acquisition Corporation

Action: Adopt the Horizon Acquisition Corporation Budget for the calendar year ending December 31, 2012.

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Strategic Goal: Ensure the Authority's Long Term Financial Viability

Background/Policy Framework:

Horizon Acquisition Corporation is a for profit corporation created to acquire, develop, operate and/or hold title to affordable housing properties. Horizon Acquisition Corporation is composed of transactions that must go through a taxable corporation for the benefit of our projects.

Explanation:

The Board of Horizon Acquisition Corporation, acting through its delegated officers, has the primary responsibility for ensuring that the organization is operated in an efficient and economical manner and that its financial integrity is maintained. This responsibility is exercised through the review, approval and control of the Operating Budgets. This Board Agenda Item is the formal resolution related to the Board adopting the FY2012 Horizon Acquisition Corporation budget as shown in Exhibit A.

Also as a part of this budget adoption the CHA Authorized Signer may transfer funds as provided below. All such transfers must be consistent with state or federal laws and local board policies. The CHA Authorize Signer must report any such transfers at the regular meeting of the board at which the budget to actual results is discussed and transfers between functions must be entered in the minutes of that meeting.

1. The CHA Authorized Signer may transfer between sub-functions and objects of expenditure within a function.
2. The CHA Authorized Signer may transfer amounts not to exceed \$50,000 between functions.
3. The CHA Authorized Signer may not transfer any amounts between programs or increase the total amount of a program.

Committee Discussion:

This item will be discussed at the Finance & Audit Committee meeting on January 12, 2012.

Attachment:

2012 Horizon Acquisition Corporation Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, the duly appointed secretary of the Horizon Acquisition Corporation, do hereby certify the above item was properly adopted at a regular meeting held January 17, 2012.

BY: _____
Barbara Porter, Secretary

January Horizon Acquisition Item	Exhibit A
REVENUE:	Horizon Acquisition Corporation
Developer Fees Earned	125,000
Other Revenue	175,000
TOTAL REVENUE:	300,000
EXPENDITURES:	
Other Operating Costs	300,000
TOTAL EXPENDITURES:	300,000

Authorization to participate in the NC Debt Setoff Program

Action: **Approve a Resolution to authorize CHA to:**
 A. Participate in the NC debt setoff program
 B. Execute such documents and agreements as
 necessary to participate in the debt setoff
 program

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Strategic Goal: Ensure the Authority's Long-Term Financial Viability.

Background/Policy Framework:

The North Carolina (NC) Debt Setoff Program was approved by the NC Legislature for the purpose of collecting county and municipal delinquent debts by seizing NC Individual Income Tax Refunds and Education Lottery winners.

Explanation:

Previously under the debt set off program housing authorities were not able to participate. However, in June 2011, Session Law 2011-365 (HB 399) was passed that allowed Housing Authorities to participate in the program beginning in October 2011. This law now allows for the collection of debts through the program which have been reduced by a final judgment in favor of the housing authority. Debts must be delinquent at least 60 days and must be \$50 or greater. There is no cost for this program to the Authority.

In order to participate in the program, the Board must approve a resolution authorizing our participation, designating the hearing officer, and authorizing the execution of the documents and agreements necessary.

Committee Discussion:

This will be discussed at the Finance and Audit Committee to be held on January 12, 2012

Community Input:

None

Funding:

None

Attachment:

Resolution

Contact person for questions: Heather Franklin

Revised 042310

Does this explanation require a Budget revision? No

Does this action require a revision to the MTW Annual Plan or Agency Lease? No

Is a resolution necessary? Yes

RESOLUTION

AUTHORIZE THE HOUSING AUTHORITY OF THE CITY OF CHARLOTTE TO PARTICIPATE IN THE NORTH CAROLINA DEBT SETOFF PROGRAM

WHEREAS, NCGS Chapter 105A, Set off Debt Collection Act, authorizes the North Carolina Department of Revenue to cooperate in identifying debtors who owe money to qualifying local agencies and who are due refunds from the Department of Revenue; and

WHEREAS, the law authorizes the setting off of certain debts owed to qualifying local agencies against tax refunds; and

WHEREAS, the North Carolina Association of County Commissioners and the North Carolina League of Municipalities have jointly established a clearinghouse to submit debts on behalf of the Housing Authority of the City of Charlotte (CHA) as defined in GS 105A-2(6), effective January 1, 2006 and thereafter as provided by law:

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Charlotte that:

1. CHA will participate in the debt setoff program and hereby designates the Director of Housing as the person to hold hearings and conduct necessary proceedings.
2. A CHA authorized signer is hereby authorized to execute such documents and agreements as necessary to participate in the debt setoff program

RECORDING OFFICER'S CERTIFICATION

I, Shaunté Evans, the Interim Secretary of the Housing Authority of the City of Charlotte, North Carolina, do hereby certify that this resolution was properly adopted at a regular meeting held January 17, 2012.

BY: _____
Shaunté Evans
Interim Secretary