

**Pursuant to Executive Order 2022-21 signed by Governor Pritzker and guidance provided by legal counsel, the Lake County Housing Authority conducted this meeting by audio and video conferencing without a physical quorum present in the boardroom. Executive Order 2022-21 declares the entire State of Illinois as a disaster area per Section 4 of the Illinois EMA Act. Lake County Housing Authority has determined an in-person meeting is not practical or prudent at this time because of the declared disaster. Public access to this meeting was available as follows: Zoom platform <https://us02web.zoom.us/j/89322817211> or Telephone 1 312-626-6799 and Enter Meeting ID 893 2281 7211.**

Consequently, the October 20, 2022, Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake was held as a teleconference via the Zoom platform. A public notice of the meeting and the opportunity for telephonic access by the public has been posted on LCHA's website ([www.lakecountyha.org](http://www.lakecountyha.org)).

The Regular Board Meeting of the Commissioners of the Housing Authority of the County of Lake, Illinois, was held October 20, 2022, via Zoom and at the Lake County Housing Authority Central Office, 33928 North US Highway 45, Grayslake, IL 60030.

(Commissioners participated in this Board Meeting via teleconference.)

Present:                Dr. H. Lee Jordan, Jr., Chair  
                              Kevin Considine, Vice Chair  
                              John Idleburg, Commissioner  
                              Susan Malter, Commissioner  
                              Dr. Charles Nozicka, Commissioner

Absent:                Beverly Mull, Commissioner

LCHA Staff physically present at 33928 North US Highway 45, Grayslake, IL 60030:  
                              Lorraine Hocker, Executive Director/CEO  
                              Jaqueline Petritis, Accounting Manager  
                              Quieshala Little, Director of HR  
                              Elena Lara, Executive Secretary  
                              Valerie Rogers, Executive Secretary

Other Guests participating in this Board Meeting via teleconference:

                              Thuc-Nhi Dinh, Director of BDO  
                              Aaron Harris, PHA Senior Consultant BDO  
                              Nicole Hannigan CPA Manager BDO Finance  
                              Damien Kelly, CFO of Joliet Housing Authority  
                              Asia Dzierzynski, Senior Accountant of Joliet Housing Authority  
                              LaShaundra Barnes, Guest

Posting of the notice of this meeting and agenda complied with the requirements of the Open Meetings Act (5 ILCS 120/2.02(a)). The notice and agenda were posted prior to 12:30 p.m. on Tuesday, October 18, 2022, at the principal office, 33928 North US Highway 45, Grayslake, IL 60030 and on the Agency's website, [www.lakecountyha.org](http://www.lakecountyha.org).

## ROLL CALL

Noting that a quorum of Commissioners was present, Chair Dr. Jordan, Jr. called the meeting to order at 12:31 p.m. Roll call was taken, and the following Commissioners were present: Considine, Idleburg, Malter, Nozicka, Jordan. Absent: Mull. One (1) commissioner position is vacant.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

## PUBLIC COMMENT

Public comments were accepted by email at [publiccomment@lakecountyha.org](mailto:publiccomment@lakecountyha.org) or by leaving a voice message at (847) 223-1170 ext. 2320. Comments received by 9:00 a.m. October 18, 2022, are to be read at the appropriate time in the agenda. No public comments were received.

Chair Dr. H. Lee Jordan, Jr. opened the floor for public comment. There were no other public comments.

## MINUTES – 09/15/22 REGULAR MEETING

After discussion, Commissioner Nozicka moved, seconded by Commissioner Malter to approve the Minutes of the September 15, 2022, Regular Board Meeting. The Board voted as follows: Ayes: Considine, Idleburg, Malter, Nozicka, Jordan. Nays: None. Absent and Not Voting: Mull. Motion Carries.

## FINANCE REPORT AND APPROVAL OF BILLS

Manager of Accounting Jackie Petritis provided a financial report. The list of bills for October 2022 was also provided. (See Exhibits 13, 14)

Thuc-Nhi Dinh, Director of BDO PHA Finance relayed the following summary for August 2022:

- We are in the same financial position as the previous month (August 2022)
- Capital Fund and Operating grant were drawn down in October 2022 for end of fiscal year this means it will be recognized in yearend 2022.
- We still have an issue with allocation of salaries this will also be recognized in the year end 2022
- The audit for 2021 has been completed and approved by HUD. We will now start preparing for the 2022 audit.
- BDO has also completed the budget 2023, they believe there are some issues with the number of personnel. They might be submitting adjustment.

Question was raised regarding the new HAB report: who need to learn the specifics that we provided on the report?

We are currently transitioning from BDO to our current finance staff included the Joliet Housing Authority. We are currently getting caught up in our current accounting department with the current deadlines.

Question: is it too hard for them to do this or is the reasonable?

It's not too difficult we just need to go by HUD (Housing and Urban Department) and other deadlines. there will be a bit of a learning curve because this accounting functions were not done inhouse

Question: is putting things into the correct categories is not too hard?

No allocating them into expense categories is not difficult, the review process at the end of the month should assist with that.

After discussion, Commissioner Malter moved, seconded by Vice Chair Considine to approve the list of bills as presented. The Board voted as follows: Ayes: Considine, Idleburg, Malter, Nozicka, Jordan. Nays: None. Absent and Not Voting: Mull Motion Carries.

REPORTS

The following reports for September 2022 are provided. See Department Reports for the Exhibits.

Public Housing .....	Zachary Stone, Director of Facilities
Maintenance, Procurement	(Exhibit 01)
Procurement.....	Norma Carlon,
	Manager of Capital Improvements & Procurement
	(Exhibit 02)
Property Disposition.....	Derek Eovaldi, Property Disposition Coordinator
	(Exhibit 03)
Housing Choice Voucher, PBV <sup>1</sup> , .....	Jennifer Ferguson, Director of HCV & Compliance
Portability & Collections	(Exhibit 04)
FSS <sup>2</sup> , .....	Heidi Semenek, Director of FSS & Special Programs
Mainstream Vouchers & FUP <sup>3</sup>	(Exhibit 05)
Housing Counseling and FERA <sup>4</sup> .....	Elizabeth Werning Manager of Housing Counseling &
	Ofelia Navarro, Deputy Director (Exhibit 06)
Human Resources.....	Quieshala Little,
	Human Resources/Operations Director
	(Exhibit 07)
FOIA/OMA <sup>5</sup> , Travel-Training .....	Elena Lara, Executive Secretary/FOIA & OMA
	(Exhibit 08)

Other Matters

1. By Executive Order 2022-21 signed 10/14/22, Governor Pritzker extended the State's COVID-19 Disaster Declaration over all counties in Illinois for another 30 days (expiring 11/12/22). Accordingly, the Board of Commissioners Meeting on 10/20/22 will be a virtual meeting through Zoom.

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<sup>1</sup> Project-Based Vouchers

<sup>2</sup> Family Self-Sufficiency Program

<sup>3</sup> Family Unification Program

<sup>4</sup> Federal Emergency Rental Assistance

<sup>5</sup> Freedom of Information Act. Open Meetings Act.

2. Remote VMS Review Report

Recently, Quality Assurance Division (QAD) conducted a Remote Housing Choice Voucher Program (HCV) Voucher Management System (VMS) Validation Review of the Lake County Housing Authority (IL056). The purpose was to identify any VMS reporting discrepancies and provide guidance and/or technical assistance related to improving HCV data in VMS.

The purpose of this review was to validate the Unit Months Leased (UML) and related Housing Assistance Payment (HAP) expenses certified as accurate by the Lake County Housing Authority (PHA) for the period of July 1, 2021, through June 30, 2022. The Quality Assurance Division (QAD) validated the Housing Authority's source documents against their VMS data entries, which are used by the Office of Housing Voucher Program's Financial Management Division (FMD) to calculate renewal funding.

The remote review focused on the VMS reporting period of July 1, 2021, through June 30, 2022. QAD staff identified areas where IL056 (LCHA) can improve the accuracy of its VMS reporting. These areas and any technical assistance provided are detailed in the enclosed report. The report contains no Findings and six (6) Recommendations.

Corrections to VMS data were identified by QAD and corrections are to be made as directed in the enclosed report as soon as possible, but no later than 30 days from the date of this report. (See Exhibit 09)

3. FSS Action Plan

On 8/18/22, by Board Resolution 2022-44, the Board Approved the completely revised LCHA Family Self-Sufficiency Program Action Plan reflecting the new regulations (24 CFR Parts 887 and 984).

The FSS program helps Public Housing, Housing Choice Voucher (HCV), and Project-Based Rental Assistance households increase their earnings and build assets that may be used for any purpose, such as buying a home or pursuing education.

The FSS Action Plan is a required document that describes the policies and procedures of the public housing agency (PHA) for operation of a local Family Self-Sufficiency (FSS) program.

PHAs could not continue enrolling new participants after June 16, when the new FSS Final Rule became effective, until their new FSS Action Plan was approved by HUD.

We are happy to report by letter dated 9/21/22, HUD approved LCHA's revised FSS Action Plan. The LCHA FSS team is pleased to resume recruiting for this beneficial program. (See Exhibit 10)

4. Fifteen (15) New HCV Vouchers

By letter dated 9/23/22, HUD awarded LCHA fifteen (15) new, regular HCV vouchers. (See Exhibit 11)

The Consolidated Appropriations Act 2022 (P.L. 117-103) appropriated \$200 million for new incremental vouchers pursuant to a method, as determined by HUD. LCHA's award is based on vouchers that were declined by other housing agencies. LCHA is delighted to be able to support our community with the additional vouchers.

5. Summons Best Maintenance v. LCHA 8-5-22

Best Maintenance Services (BMS) is a cleaning service that specializes in the cleaning and maintenance of large-scale residential and commercial buildings. LCHA began utilizing BMS in late 2020 for COVID related cleaning and sanitizing.

Three contracts were subsequently executed between LCHA and BMS (two-year contracts expiring 12/4/22, 12/4/22 & 1/6/23).

In June 2021, LCHA notified BMS of contract termination (all) for insufficient budget funds to continue. After many conversations, ED/CEO Lorraine Hocker notified BMS by letter (emailed 2/10/22) to discontinue services effective 5/1/22, acknowledging payment would be forthcoming for services up to 5/1/22. The rationale for such terminations by Ms. Hocker is “for the convenience of the government as permitted by the governing HUD procurement regulations.” BMS maintains the HUD procurement regulations referenced by Ms. Hocker in her February 10 letter were never incorporated into any of the three contracts. The fact that the company did not know of the HUD requirements does not change the fact that LCHA, as a HUD funded subrecipient, is bound by the conditions and requirements.

A Summons (See Exhibit 12) has been issued for an Initial Case Management Conference on 11/16/22 for Breach of Contract. LCHA will be represented by Eric P. Hanson, Partner of MAHONEY, SILVERMAN & CROSS, LLC our legal service.

6.Lorraine reported that:

- Our new rental assistance program is now in place were we giving 2Million dollars to assist. This program will run from October 11th to November 15<sup>th</sup> we are currently taking applications.
- Current position available is the Landlord liaison they will assist with utilization and lease ups. there is also one more position that will be assisting with the housing grant. This are part of the items why we will be submitting the budget revision

NEW BUSINESS

Resolution 2023-01 Approval of Travel/Training Expenses for Executive Director and/or Commissioners

1. Lorraine Hocker, Executive Director/CEO  
NAHRO 2022 National NAHRO Conference, San Diego, CA
2. Lorraine Hocker, Executive Director/CEO  
Illinois Association of Housing Authorities (IAHA) 2022 IAHA Annual Meeting  
Fairview Heights, IL

Pursuant to Public Act 099-0604, The Local Government Travel Expense Control Act, Commissioners, and the Executive Director/CEO must submit a Travel Authorization Form or an Expense Report Form to the Board for approval by a roll call vote at an open meeting.

After discussion, Commissioner Idleburg introduced the following Resolution:

**RESOLUTION 2023-01**

**APPROVAL OF TRAVEL REPORT EXPENSES FOR  
COMMISSIONERS AND/OR EXECUTIVE DIRECTOR**

**WHEREAS**, the Illinois General Assembly enacted Public Act 99-0604, known as the “Local Government Travel Expense Control Act”, which Act becomes effective on January 1, 2017; and

**WHEREAS**, pursuant to the Act, non-home rule units of local government are required to establish regulations with respect to allowable travel, meal and lodging expenses; and

**WHEREAS**, on 2/16/17 By Resolution 2017-54 the Board approved the policy governing the combined travel, meal, and lodging expenses for any one travel event, incurred by its employees and officers to be effective 3/2/17: and

**WHEREAS**, expenses for travel, meals and lodging of the Executive Director/Chief Executive Officer and any member of the Board of Commissioners of the Lake County Housing Authority may only be approved by roll call vote at an open meeting of the Board of Commissioners of the Lake County Housing Authority;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of the County of Lake hereby grants approval of the Expense Reports as attached here for a member of the Board of Commissioners and/or for the Executive Director.

(See Exhibits 15,16, 17)

After discussion Commissioner Idleburg moved, seconded by Commissioner Malter to adopt Resolution 2023-01.

Roll Call Vote:

Ayes: ..... Considine, Idleburg, Malter, Nozicka, Jordan

Nays: .....None

Absent: .....Mull

Abstain: .....None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on October 20, 2022.

Employee Health Insurance Options 2022-23 – Discussion

Open enrollment elections for the 2022-2023 year will become effective 11/1/22.

The LCHA review team worked with our insurance broker, USI, to arrive at the following recommendations. LCHA does not pay USI for their brokerage services. USI receives commissions payments directly from the insurance carriers at the standard amounts. This discussion is provided for your understanding and comment, but no resolution is needed. (See Exhibit 18 for Final Rate Sheet)

Employee Health Benefit Recommendation

11/1/22 – 10/31/23

Following is a summary of our options as identified by our insurance broker, USI as well as our recommendations.

NOTE:

- An employee is eligible for LCHA benefits if working 30 hours or more per week.

- LCHA pays entire premium for eligible, self-only employee health care coverage regardless of plan selected.
- LCHA pays additional amounts for eligible employees when health care plan selected includes other family members. Generally, the employee cost share when selecting coverage for additional members is 10%.
- Benefit Plan year begins 11/1/2022 for all benefits EXCEPT the Flex Plan (renews January 1).

### **MEDICAL**

Blue Cross Blue Shield (BCBS) medical renewal started off at 9.5%, but our broker (USI) was able to negotiate to 4.1%. With dental included they were able to include an additional 1% bringing our overall renewal rate to 3.1%.

The current employee cost share for health coverage is very generous. The employee cost share for dependent health coverage is approximately 10% now. LCHA recommends the cost share remain the same for plan year 2022-23.

RECOMMENDATION: No action is needed.

### **DENTAL**

Dental renewal had no change to DHMO rates and an approximate 1.9% increase to the DPPO rates. Dental will be up for renewal on 11/1/2023.

RECOMMENDATION: No action is needed; this benefit is 100% employee paid.

### **LIFE, STD, LTD**

Blue Cross Blue Shield (Dearborn National) 4.3% renewal decrease, extended guarantee rates until 11/1/2024.

RECOMMENDATION: No action is needed.

### **VISION**

VSP remained flat, no change is needed.

RECOMMENDATION: No action is needed; this benefit is 100% employee paid.

Our employee centered benefit plan is instrumental in recruiting, hiring, and retaining top talent for the Authority. The LCHA benefits review team is pleased to be able to offer affordability, flexibility, and work-life balance. (See Exhibit 18)

### **Resolution 2023-02 Accepting the Financial Audit of LCHA for Fiscal Year Ending 9/30/2021**

Rubino independent auditor submitted our Single Audit report for FYE 9/30/21 to the Federal Audit Clearinghouse (FAC). No penalties will be assessed due to current COVID waivers.

The Federal Audit Clearinghouse (FAC) operates on behalf of the Office of Management and Budget (OMB). Its primary purposes are to:

- Distribute single audit reporting packages to federal agencies.
- Support OMB oversight and assessment of federal award audit requirements.
- Maintain a public database of completed audits.
- Help auditors and auditees minimize the reporting burden of complying with Single Audit requirements.

After discussion, Vice Chair Considine introduced the following Resolution:

**RESOLUTION NO. 2023-02**

**ACCEPTING THE FINAL AUDIT OF LCHA FOR FISCAL YEAR 2021**

**WHEREAS**, the Housing Authority of the County of Lake (“LCHA”) is required to have an annual audit performed by an Independent Public Accounting firm; and

**WHEREAS**, the firm of Rubino & Company, conducted a financial audit of LCHA for the fiscal year ended September 30, 2021; and

**WHEREAS**, the audit report has been presented to the Board of Commissioners for their review; and

**WHEREAS**, it is necessary that the Board of Commissioners accept LCHA’s Audited Financial Statements, the Independent Auditors’ Report, and the Management’s Discussion and Analysis for the period ended September 30, 2021;

**NOW THEREFORE BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the County of Lake accepts as submitted by Rubino & Company, the Audited Financial Statements, the Independent Auditors’ Report, and the Management’s Discussion and Analysis for the period ended September 30, 2021.

(See Exhibits 19, 20, 21)

After discussion Vice Chair Considine moved, seconded by Commissioner Malter to adopt Resolution 2023-02.

Roll Call Vote:

Ayes: ..... Considine, Idleburg, Malter, Nozicka, Jordan

Nays: .....None

Absent: .....Mull

Abstain: .....None

Motion:.....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on October 20, 2022.

**Resolution 2023-03 Repealing Resolution No.2022-48 (Payment Standards) and Authorizing A New Payment Standard Schedule**

LCHA updated FY 2023 payment standards Housing Choice Voucher (See Exhibit 22)



After discussion, Commissioner Nozicka introduced the following Resolution:

**RESOLUTION NO.2023-03**

**REPEALING RESOLUTION NO.2022-48**

**(PAYMENT STANDARDS)**

**AND AUTHORIZING A NEW PAYMENT STANDARD SCHEDULE**

**WHEREAS**, HUD has published both Fair Market Rents (FMRs) and Small Area FMRs for Fiscal Year 2023; and

**WHEREAS**, the payment standards required increases to take into account the increase in utility allowances from the previously approved payment standards; and

**WHEREAS**, the Authority set the Housing Choice Voucher Payment Standards between 90% and 110% of the published Fair Market Rent;

**NOW, THEREFORE, BE IT RESOLVED** that the Payment Standard Schedule for Fiscal Year 2023 established by Resolution No. 2022-48. is hereby repealed; and

**BE IT FURTHER RESOLVED** that the Payment Standard Schedule for Fiscal Year 2023 attached hereto is adopted to take effect November 1, 2022, for new contracts and January 1, 2023 for annual recertification.

**PROPOSED VOUCHER PAYMENT STANDARDS**

<b>Zip</b>	<b>0</b>	<b>1BR</b>	<b>2 BR</b>	<b>3BR</b>	<b>4BR</b>	<b>5 BR</b>
60002	970	1167	1230	1540	1810	2067
60010	1881	2035	2332	2959	3520	4048
60011	1287	1397	1606	2035	2420	2783
60013	1240	1340	1540	1950	2320	2668
60015	1740	1880	2160	2740	3260	3749
60020	1040	1120	1290	1640	1950	2243
60021	1055	1135	1305	1660	1975	2270
60030	1165	1255	1440	1830	2170	2495
60031	1170	1310	1500	1800	2220	2538
60035	1570	1710	1970	2480	2935	3375
60040	1165	1260	1440	1830	2170	2495
60041	1060	1158	1320	1670	1990	2289

Minutes of the Regular Board Meeting

October 20, 2022

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60042	1562	1683	1936	2453	2430	2780
60044	1380	1500	1720	2180	2590	2979
60045	1570	1710	1970	2480	2935	3375
60046	1170	1310	1500	1800	2350	2703
60047	1793	1947	2233	2838	3366	3870
60048	1551	1683	1925	2442	2904	3339
60050	1210	1320	1520	1750	2080	2395
60051	1180	1320	1510	1890	2230	2550
60060	1507	1628	1870	2376	2816	3238
60061	1390	1505	1720	2180	2595	2985
60064	970	1050	1210	1540	1830	2105
60069	1570	1710	1970	2480	2935	3375
60073	1200	1340	1540	1930	2280	2607
60074	1100	1230	1410	1760	2080	2377
60081	1320	1470	1690	2120	2510	2872
60083	1530	1710	1970	2480	2930	3355
60084	1075	1190	1360	1700	2010	2297
60087	1060	1150	1320	1670	1990	2289
60089	1470	1595	1830	2325	2755	3170
60096	1155	1243	1430	1815	2156	2479
60099	1188	1287	1474	1870	2222	2555

(See Exhibit 22)

After discussion Commissioner Nozicka moved, seconded by Commissioner Idleburg to adopt Resolution 2023-03.

Roll Call Vote:

Ayes: .....Considine, Idleburg, Malter, Nozicka, Jordan

Nays: .....None

Absent: .....Mull

Abstain: .....None

Motion: .....Carries

Adopted and passed by the Board of Commissioners of the Housing Authority of the County of Lake, Illinois on October 20, 2022.

Commissioner Roundtable – Discussion

- It was brought up to possibly change the time of the monthly Board Meeting.
- It was brought up does the time of the Board meeting need to be in the bylaws. This will be discussed at a later Board meeting.
- Lorraine Hocker reminded Board members to sign up to trainings
- Lorraine Hocker would also like to plan a commissioner’s workshop or a retreat in house in January.

There being no further business to come before the Board, Vice Chair Considine moved, seconded by Commissioner Malter to adjourn the meeting. The Board voted as follows: Ayes: Considine, Idleburg, Malter, Nozicka, Jordan. Nays: None. Absent and Not Voting: Mull Motion Carries. Meeting adjourned at 1:00 p.m.

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Dr. H. Lee Jordan Jr.  
Chair Board of Commissioners  
Lake County Housing Authority

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Lorraine Hocker, Executive Director/CEO