

IRVINE CAMPUS HOUSING AUTHORITY

Board of Directors' Meeting

November 12, 2020

(via video conference)

BOARD MEMBERS PRESENT:

Yong Chen, Sandra Irani, Greg Jue, Tyrus Miller, Diane O'Dowd, Heike Rau, Barbara Sarnecka, Christy Teague.

OTHERS PRESENT:

Jennifer Barb, Barbara Correa, Andrew Herndon, Karlie George, Ron Reid, Hobart Taylor, Victor Van Zandt, Elaine Vatakis.

CALL TO ORDER:

Greg Jue called the meeting to order.

APPROVAL OF MINUTES:

The Board approved the minutes of October 8, 2020.

REPORT ON OPERATIONS:

Chair Jue invited ICHA department heads to provide reports on operations:

- Manager Ron Reid reported that the Community Center's use as a voting center for the General Election went very smoothly. During in-person voting (October 30 through November 3), 625 people used the UHills Community Center as their polling place.
- Director Correa announced that ICHA will film an Area 11 Parks Tour video on November 18. In addition, ICHA has completed the rollout of company laptops to all employees. The company laptop program enhances security by moving the staff away from storing items on their personal devices.
- Vice President Herndon reported that OC Solar is launching a new campaign.
- HRB Chair Taylor said that community residents have suggested several potential names for future streets that may be constructed. Suggestions include RBG and Ruth Kluger.
- Director Barb provided an update on the adoption of the annual audit. She added that ICHA filed an extension for the IRS Form 990 (Return of Organization Exempt from Income Tax) and plans to finalize the form before the holidays.
- CEO Van Zandt gave an update on behalf of Manager Bunker on the Area 11 parks opening. He said that because the soil in University Hills contains a high concentration of clay, water pipes are installed underground. They hold water and those areas cannot be built over. Therefore, those locations are chosen for the construction of parks.
- Vice President Vatakis shared that the rental team participated in training this week on the rental portal of Yardi, ICHA's new software platform.

- Director George reported that in the past four months, the number of resales reached the same number as all of last year (20-30 resale homes). In addition, the sales department is investing resources in enforcing eligibility requirements. Currently, there are two homes in the community under court order for sale based on eligibility issues.

OLD BUSINESS

- **Renter Resident HRB Representative Concept**

HRB Chair Hobart Taylor shared a proposal from the HRB subcommittee on renter representation to distribute a survey to UHills residents about renter representation on the HRB. The survey would ask residents if there should be a renter representation group distinct from the HRB, or if it should be part of the HRB. He also reported on the HRB's discussion on the topic, adding that the HRB has not come to a consensus on establishing a permanent renter's member position on the HRB, or on whether renters should be able to vote in the HRB election. Chair Taylor said he would update the Board on progress of launching the survey at its next meeting.

NEW BUSINESS

- **Receive Audit from Audit Committee**

Director Barb presented the annual audit report to the Board, noting that the auditors confirmed that ICHA's financial statements fairly represented the corporation's financial position in conformity with Generally Accepted Accounting Principles. She reviewed with the Board the audited financial statements reflecting ICHA's fiscal year-end assets and liabilities as well as revenues and expenses. She explained that the \$2.3 million change in net position was due the sale of 34 homes, the lease up at Miramonte Townhomes (50% leased in the 2019-2020 fiscal year), savings on project contingency costs and the deferment of reserve expenditures, among other factors. She invited questions from the Board. The Board approved the following resolution:

RESOLVED: That the Board receive the 2019-2020 Financial Statements and Independent Auditors' Report as presented, and that Management is authorized to forward the report to the Chancellor.

FURTHER RESOLVED: The Board hereby directs Management to forward the Auditors' Report to the Chancellor.

Audit Committee member Christy Teague reported on the audit on behalf of the Committee, which also includes Board members Greg Jue and Yong Chen. The Committee, joined by Jennifer Barb and Victor Van Zandt, met on November 10 with Haskell & White. Significant transactions noted by the auditors were the proration of the some Miramonte units, and the Miramonte financing agreement with CalPac. The auditors also discussed corrected and uncorrected misstatements, internal controls, and monthly closings, which have not been completed consistently due to the adoption of Yardi software in the spring of 2019 and the Covid-19 pandemic. The auditors recommended that ICHA establish a whistleblower hotline, a cybersecurity data compromise plan and a post-Covid review.

The Board then went into executive session.

EXECUTIVE SESSION

- University Questions
- Market Survey

ADJOURNMENT

The meeting adjourned at 3 pm.