

IRVINE CAMPUS HOUSING AUTHORITY

Board of Directors' Meeting

October 12, 2023

BOARD MEMBERS PRESENT: Jennifer Aaron, Nancy Da Silva, Samara Larson, Diane O'Dowd, Suzanne Sandmeyer, Michelle Thrakulchavee, Heike Rau, Barbara Sarnecka

OTHERS PRESENT: Mike Cannan, Jennifer Barb, Barbara Correa, Dodie Gilbert, Andrew Herndon, Victor Van Zandt, Elaine Vatakis, and Gerald Parham

CALL TO ORDER: Jennifer Aaron called the meeting to order.

APPROVAL OF MINUTES:

The Board approved the minutes of September 14, 2023 on the condition (raised by Jennifer Aaron) that the sales video be edited based on concerns that it suggests new faculty are promised a home in University Hills. The minutes were updated to include the following: The Board felt that the video, though valuable, needed some editing of the text. With the lack of home purchase opportunities for many of the new faculty recruits in recent years, the Board recommended that the text be informational and not market focused.

REPORT ON OPERATIONS

- Director Correa reported that an outside vendor performed testing last month on ICHA office public IP ranges and the IP addresses of ICHA websites. All were rated low risk, the most secure rating. Also, ICHA has added cybersecurity as required training for all employees using its online training app, Edge2Learn.
- Vice President Herndon shared that the Fall Fiesta (the first since 2019) is happening this weekend and is expected to attract several thousand people. He invited board members to attend. He also discussed the Garden Tour and Vendor Faire held in August and added that it inspired the recent Let's Talk Windows Replacement featuring Milgard.
- HRB member Gerald Parham discussed the HRB's interest in sustainability issues, highlighting the group's collaboration with UCI Naturescape. He pointed out that a new dishwasher was recently installed in the Community Room kitchen and that the HRB is committed to reducing paper and food waste at its events. The Mooncake Festival celebrated in September was the most sustainable ever. Parham also reiterated the need for more community volunteers for events.

- Vice President Barb said members of board received a copy of the FY 21-22 audit report today, and that today's presentation will wrap up the 2022 audit. The audit report will be discussed with the audit committee and presented to the full board in the next two months.
- Vice President Vatakis provided the Board with an update on corporate CPR training.
- CEO/President Van Zandt introduced Dodie Gilbert, ICHA's new Director of Sales and Administration. Director Gilbert assured the board that ICHA will continue to focus on enforcing ground sublease policies such as residency requirements. She said that five notices of intent to sell this month were the result of ground sublease enforcement. One of those homes will be purchased by ICHA because the homeowner was not living in the home.
- Vice President Vatakis shared that Gabrielino Apartments kitchen and bathroom renovation began in September. Renovations of kitchens and bathrooms will be performed when units turn over. The renovations, which take about a month, are being financed from reserve funding.
- Vice President Vatakis reported that cyber insurance coverage was increased at a lower premium on October 1. Earthquake insurance was renewed, requiring a reevaluation of the value of ICHA property.
- Director Cannan reported that demolition is ongoing at Area 12-1. UC Irvine's Design and Construction Services approved a large change order that will add scope to the demolition contract. Design and Construction Services will remove the parking lot on the North East end of Los Trancos, more trees, and the tot lot equipment. The added items are expected to take an additional month to complete.

OLD BUSINESS

Retirement in University Hills

CEO/President Van Zandt recalled that the ground lease and sublease allow university emeriti to remain in University Hills homes as long as it is their primary residence. He said 27 people have retired in the past year and that 13 of those have sold. Overall, 259 emeriti, or their domestic partners, currently occupy their homes in University Hills. The percentage of emeriti occupying homes in the community rose from 20 to 21 percent this year, and that number is expected to increase to 28% by 2028. Board member O'Dowd said the administration would like to create incentives encouraging more emeriti to sell when they retire.

NEW BUSINESS

FYE 2022 Audit Presentation

Board audit committee member Suzanne Sandmeyer gave a presentation about the committee's meeting with Haskell & White in October. She noted that the implementation of GASB 87 resulted in an adjustment of ground sublease receivables of deferred inflows changing the net by \$433,035. The financial statements, position and cash flow changes were found to be in accordance with generally accepted accounting principles. Vice President of Finance Jennifer Barb detailed significant material transactions including a \$792,000 write-off for costs capitalized for Area 12 /NISH development.

After discussion and upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLVED: That the Board receive the 2021-22 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 Auditor's Report to the Chancellor.

ADJOURNMENT

The meeting adjourned at 3:30 pm.