

MINUTES
DUPAGE HOUSING AUTHORITY
FINANCE COMMITTEE
June 13, 2023

CALL TO ORDER

Finance Chair Bergman, called the meeting to order at 9:05 a.m. at the DuPage Housing Authority offices, 711 E. Roosevelt Road, Wheaton, IL.

ROLL CALL

In attendance were Commissioners Berley, and Hood with Chairman Bergman attending virtually. Present were: Executive Director Corbett, and Admin. Assistant Martin. Ben Karlin, Rubino CPA, and Dwayne Tucker, CPA BDO, virtually attended.

PUBLIC COMMENTS

No members of the public were in attendance.

APPROVAL OF MINUTES

Berley made a motion, seconded by Hood, to approve the Finance Committee meeting minutes for May 16, 2023.

AUDIT PRESENTATION

Mr. Karlin, of Rubino, presented the DHA FY2022 draft audit report, which is almost complete, pending receipt of a few additional items that should not significantly change the information presented today. This audit was not comparative with prior years but focused singularly on FY2022 because this is Rubino's first year auditing DHA's books. Restricted Cash increased significantly with additional HUD funding and Cares Act funding. The Repayment Agreement was the highest balance. The auditors issued an unmodified opinion, but reported four findings:

- 2022-01 – Inadequate controls over financial reporting (material weakness) due to recording of a prior period material adjustment of \$896,924.
- 2022-02 – Uncollateralized bank deposits (material weakness) (note: staff is providing additional documentation which may clear this finding within the next day or two)
- 2022-03 – Missing rent reasonableness documentation (significant deficiency).
- 2022-04 – Missing depository agreement (significant deficiency)

Executive Director Corbett is working on a corrective plan of action, which will be included in the final audit report. In response to a question regarding submittal of the audit to HUD before Board acceptance, Mr. Karlin said DHA can submit the audit to HUD before the board vote. Chairman Bergman recommend that there is no need for another audit presentation from Rubino at the July DHA Finance or Board Meetings unless there are substantive changes to the final report from what was presented today and at Thursday's Board Meeting.

BUDGET PRESENTATION

Mr. Tucker of BDO, presented the FY2024 Operational Budget (July 1, 2023-June 30,2024). Revenue and expense analysis were reviewed. A question on the definition/verbiage of maintenance was discussed with the Finance Committee requesting it be rewritten before the DHA Board meeting on Thursday. The Committee also requested changes be made to the percentage variance, so it is not confusing. Executive Director Corbett elaborated on staff, salaries, training, and insurance costs. Corbett lists upcoming repairs in the monthly E.D. report. Tucker will review Mainstream Vouchers for a correct amount. The Finance Committee recommends passage of the FY2024 budget upon clean-up of discussed items and will have a mid-year budget review at the end of the calendar year. Projecting for the future, DHA is to have separate Program Budgets. Tucker stated that no financial statements will be ready until they are comfortable to close 2023, probably before the year end.

NEW BUSINESS

- FY23 Audit Engagement: Rubino was awarded the RFP.
- Finance Area Staffing Update: Mr. Tucker at BDO will be the DHA fractional CFO. A recruiting firm is searching for staff.
- BDO/QAD Update: 2019 was submitted and a narrative will be added by Executive Director Corbett. There has been no news from QAD.

ADJOURNMENT

Consensus to adjourned by Chair Bergman at 10:31 a.m.

Respectfully Submitted, Susan Martin, Sr. Administrative Assistant/Recording Secretary