

Skinker DeBaliviere Community  
Housing Corporation  
Board Meeting  
September 4, 2019

Minutes

Present: Directors; Joe Fank, Richard Bose, Paul Hohmann and Alice Stanley by phone; Executive Director Gary Boehnke

The meeting was called to order by Vice President Paul Hohmann, at 6:35 p.m.

Minutes from the September 4, 2019 meeting were read and approved.

**Executive Director Report**

SDCHC 990 – The 2018 Compilation and tax return (990) were finished. The 990 was sent in a couple of weeks ago.

Alanson – The Alanson’s property management changed to Vatterott Property Management as of September first is progressing well. Gary thinks that Vatterott could be helpful to the Alanson with maintenance issues and financing.

**Project Report**

#18012 2<sup>nd</sup> Floor 5946 McPherson – The question was asked about the front facade work having not been finished. There are other jobs, priorities, for us and others that need to be done before Eric can come back to finish the front

#19004 Refinance 5906 & 5946 McPherson– Gary is working with PNC on the loan application and underwriting process. Regions Bank has said that they wanted to look at the loan, this was three weeks ago, but have not moved forward with the application. Gary contacted Regions again last week they were still planning to look at the refi. Contacted PNC on August 30, Friday, and the process started yesterday.

**Other Business**

2018 SDCHC Compilation – Copy of the yearend financial statements (compilation) were given to the Board members and reviewed. Rice Sullivan did not find any concerns or issues. There are some minor (normal) variances between 2017 and 2018. Higher rents and less vacancy contributed to rental income increasing by \$6k. The investment account principal balance, lines #141 & 142, was lower due to spending those funds to cover the operating cash flow shortage and the market value was down as well due to a large market drop last December’s. Gary suggested that each board member take some additional time to review the compilation on their own.

SDCHC Second Quarter Financial Report – Balance Sheet: operating acct. about \$5k and total cash \$18k. Total investment account value \$527k. Total equity \$1.3m. P&L: Year to date rents \$60k. There was \$92k of capital projects (unit remodel, building improvements & Walker). Net loss after adding back the capital improvements is <\$11K>. Budget vs Actual: Rents are \$4k under and total income is under budget by about the same amount. Each of the main expense groups are near or just below budget. Our operating loss is right at what we budgeted for <\$11k>. P&L by “Class”: Each of the departments (Class) are performing as expected, except for 5946 which took longer to remodel than budgeted for. Largest net loss is SDCHC Board <<\$30k>.

Question Asked: At the last meeting you (Gary) stated that it was not the Walker that was keeping “us” from doing other projects. Answer: While the Walker has some, about \$80k, of our line credit funds tried up, most of the funds are tried up, about \$170, with unit remodels, building improvements and some to cover our cash flow shortage.

We only had \$250k in our lines of credit. That is why we are in the process of refinancing two properties to pull those capital funds back out of the properties and refund (pay them off) the lines of credit.

Moved to Adjourn 8:08 p.m.