

Housing Authority of the City of Ocean City

**Regular Board of Commissioner Meeting Minutes
July 18, 2017 – 5 p.m.**

The regular meeting of the Housing Authority of the City of Ocean City was held on July 18, 2017 at 5:00 p.m. at Bayview Manor - 635 West Avenue, Ocean City, New Jersey 08226.

The meeting was called to order by Chairman Barr and began with the Pledge of Allegiance. Upon roll call those present were:

Commissioner Robert Halliday	
Commissioner Edmond Speitel	
Commissioner Portia Thompson	
Commissioner Paula McFarland	(absent)
Commissioner Patricia Jackson	(absent)
Chairman Robert Barr	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, VHA Assistant Executive Director, Charles W. Gabage, Esquire – Solicitor, Linda Cavallo – Accountant, Ron Miller, VHA Assistant Asset Manager – Operations and Sandy Velez, VHA Assistant Asset Manager – Occupancy.

Chairman Barr read the Sunshine Law.

Minutes

Motion to approve the Regular Meeting minutes from April 18, 2017. **Tabled for next month.** A motion was made by Commissioner Halliday and seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Motion to approve the Regular Meeting minutes from May 16, 2017. **Tabled for next month.** A motion was made by Commissioner Halliday and seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Motion to approve the Regular Meeting minutes from June 20, 2017. A motioned was made by Commissioner Speitel and seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Chairman Barr stated the auditor, Mike Garcia is present to answer any questions related to the Audit FYE 9/30/2016. Mr. Garcia stated he presented the results of the audit to the Board last month. There were (15) fifteen findings and recommendations. Tonight as part of the agenda, the Board has a Corrective Action Plan that the Executive Director has formulated to address the issues that were found in the audit. Mr. Garcia has read and reviewed the Correction Action Plan. He believes it adequately addresses all of the findings. He is also happy to report that of the (15) fifteen findings, (13) thirteen of them in the Corrective Action Plan have already been implemented. Mike Garcia asked for any comments or questions of the Board. Commissioner Thompson believes the finding #6 regarding unpaid pension costs to the PERS was in the OCHA's audit two years ago. Mr. Garcia stated because the payments were made during the period of this particular audit. The payments were spread out over a year and a half. The repayment to the State for the underpaid pension was made during the fiscal year audit ending 9/30/2016. Commissioner Thompson also believes the bill lists were already being provided to the Finance Committee prior to the bills being paid. Chairman Barr stated it is currently implemented, but this finding is for FYE 2016. During the audit period, bill lists were not presented to the board for approval. The audit presently being discussed is for the period October 1, 2015 through September 30, 2016. Commissioner Halliday would like the Board to recognize the OCHA was very late in getting this audit completed. Going forward he believes it will be completed on a much more timely basis so it will be a lot easier to understand through the course of business. Mr. Garcia stated the audit presently being discussed is for the period October 1, 2015 through September 30, 2016. The audit was done late, but it was still done within the statutory requirement due date. Mr. Garcia's firm was contracted to do the audit late May 2017. Although the audit met the statutory due date, it is best in the future to have the audits completed sooner rather than later. This has been discussed with management and the Finance Committee. Chairman Barr stated that it is his understanding the auditors will be back on site around Christmas time. Mrs. Jones stated the audit professional services contract will be out for bid, due in August and will be awarded in September. Commissioner Thompson asked why the fee accountant did not pick up on finding #8 in regards to the bank reconciliation and General Ledger Cash Account being incorrect? Mr. Garcia stated the current fee accountants did pick it up. He stated it should be picked up in house before the fee accountant and before the audit. Ultimately, the fee accountant's office started the ball rolling. Once again, when Mr. Garcia started the audit in late May, this transaction was a year old and one of the first discussions Mr. Garcia had with the fee accountants was that they stated there was an issue with the deposits in transit. Chairman Barr thanked Mr. Garcia and his firm for the hard and diligent work under tight time constraints on the audit. Mr. Garcia stated it was a pleasure working with the staff and is happy to see the OCHA has made strides already to turn the ship around. As auditors, seeing corrective action being implemented quickly and timely is what auditors always hope for.

Treasurer's Report

Linda Cavallo reviewed the Financial Report for the nine months ended June 30, 2017. **Motion to approve the Treasurer's Report made by Commissioner Speitel and seconded by Commissioner Halliday. The following vote was taken:**

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Executive Director's Report

Mrs. Jones asked if any Commissioners had any questions regarding the Cash Report provided in the Board Packet. It is a new format and it shows the overall cash position at the OCHA. Commissioner Speitel stated now that the audit is completed, would the pilot amount be finalized and is the \$25,848 the real number? Mrs. Jones stated she believes that is the correct amount and would verify the amount. Mrs. Jones stated the amount on the Cash Report is just an estimate and would be verified prior to being paid. Mrs. Jones will ask Lori at the Fee Accountant's office to verify the correct amount.

Mrs. Jones reported she met with the Budget Committee to review the budget for the YE 2018 and it is on the agenda for tonight. All Board Members received a copy of the budget. This is the budget that would begin October 1, 2017 through September 30, 2018. It may seem a little bit early, but this budget is due to the State by the end of July. Once the Board approves it tonight, it will be sent to the State for their approval and will return to the Board to adopt the budget. The process is the Authority approves the budget, the State approves the budget and then the Board adopts the budget. Mrs. Jones reviewed and explained the line items of the budget that had significant changes. Overall, the total operating receipts are down about \$61,000 from the current fiscal year mainly due to dwelling rental and subsidy. Commissioner Halliday asked if Mrs. Jones believes the dwelling rental number is conservative and once all of the re-certifications of the resident's files is complete will that number improve? Ms. Jones cannot honestly answer that right now because the errors found in the tenant rent calculations so far are not consistent. Sandy Velez will address this in her report. Overall, the expenses are reduced by \$33,000 with a \$470 net income. This is a budget the OCHA will live with it and any variances will be explained that may come along. Mrs. Jones asked the Board if they had any questions in regards to the budget. No further questions and/or comments from the Board regarding the budget. In the board packet tonight, there is a resolution for the approval of the Operating Budget and there is also a second resolution for the State Budget. The numbers are the same for both budgets they are just in different formats.

The request for proposals for accounting, auditing, legal and consulting services will be presented to the Board in September. The term of these awards will be October 1, 2017 through September 30, 2018, which will coincide with the Authority's fiscal year.

Mrs. Jones stated last month she talked a little bit about the Rental Assistance Demonstration (RAD) Program Conversion. The OCHA has an opportunity to apply for this program with HUD which would change the Authority's type of funding. It is a contract with HUD, not just an operating subsidy. The problem with the operating subsidy is that you never know what funding you will receive. With a contract under the RAD program the Authority would have a more stable income stream.

As mentioned her written board report, Mrs. Jones confirmed the Authority is scheduled to “close” on the Peck’s Beach Pre-Development loan with the NJHMFA on Wednesday, July 19, 2017.

Lastly, the Authority’s Admissions and Continued Occupancy Policy (ACOP), which the Authority uses to administer the admissions and occupancy of the public housing program, has been updated and there is a resolution on the agenda for board consideration. The ACOP was updated to conform with current HUD regulations.

With no further discussion, motion to accept the Executive Director’s Report made by Commissioner Halliday and seconded by Commissioner Thompson. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Wendy Hughes updated the Board on Accounts Payable and Accounts Receivable as well as other miscellaneous items relating to financial issues. A review and approval system is in place in regards to payment requests. A new filing system for checks will be implemented soon. Security deposits issues are still being researched. There are many adjustments that need to be made for the accounting system to properly reflect security deposits. The tenant accounts receivable is not reflected properly from the occupancy software to the accounting system. The tenant analytical is still being established. The excess utilities that are being charged to Becks Beach Village residents will be corrected with the October re-certifications. The correct health benefits deductions for employees was implemented two weeks ago. Still working on and researching the establishment of a Section 125 Plan and a Flexible Spending Program as well as the year end water bill adjustment.

Sandy Velez reported to the Board on Occupancy related issues. The Uniform Physical Condition Standards (UPCS) unit inspections conducted during the month of May 23-26, for Pecks Beach Village and Bayview Manor revealed that several units did not meet the OCHA established housekeeping standards. There were eight units that required a revisit due to extremely poor housekeeping.

The OCHA opened the Wait List effective July 10, 2017. The list will close at the end of business on August 30, 2017. Applications are accepted by mail only. To date, the OCHA has received 10 applications by mail and several phone calls requesting that applications be sent to them. Currently, there are seven vacant units (two-2 bedrooms, and five efficiencies).

The OCHA Board of Commissioners was informed that a review of the resident files revealed that no two files are consistent. The OCHA auditors confirmed these findings. Management recommended that an interim certification be complete for all existing residents in order to ensure that the OCHA achieves compliance with HUD/Federal Regulation and the ACOP. With Board approval management moved forward with the implementation of the interim certifications for the existing residents. There were two resident meetings held to discuss the execution of the interim adjustments on Wednesday, June 28, 2017 at 10:00 am and at 6:00 pm at Bayview Manor Community Room. Management also scheduled Intake Meetings for the week of July 3-7, 2017, with the residents to begin the interim recertification process. Final Intake Meetings are scheduled for July 27, 2017. A review of the existing OCHA ACOP revealed the current document is out of date with State, HUD and Federal Regulations. A draft of a new ACOP has been prepared for Board review and approval.

Currently, there are two residents that are being forwarded to legal for collection of non-payment of rent. Last month management implemented the fourteen-day notice for non-payment of rent. The execution of this notice now allows the agency to file for non-payment of rent and solicit possession from the Courts.

Management has discovered that the agency does not provide current Truth in Renting Booklets to all new residents. Booklets have been ordered to ensure that each resident is provided with a Tenth Edition Truth in Renting Booklet in conjunction with completion of the interim certifications.

Ron Miller updated the Board on Operations issues. The following systems have been completed and are operational: Bayview Manor – Standby Power Generator, Bayview Manor – Fire Alarm System, Bayview Manor – Fire Suppression System, Bayview Manor – Annual Fire Inspections, Bayview Manor – Air Handler, Master Meter Systems – Annual Certification, OCHA Website and Information Technology – phone system updated with correct greeting.

The Bayview Manor roof seems have been patched with seem tape. Several existing leaks have been checked and are no longer leaking. The office roof needs repair from transition to asphalt shingle roof to flat roof above entrance and Executive Director's office. Bayview Manor elevator work is about 85% completed. A new cylinder was installed along with new hydraulic lines between the elevator pit and machine room. Work should be completed within the next week.

In regards to the extermination services contract, an agreement with the current vendor was unsuccessful in reducing the cost of service. Ron Miller will solicit informal quotes for this service in the near future.

Quotes for lead based paint testing has been solicited. The lowest quote was received by Synertech in the amount of \$1,865. An on-site inspection is scheduled for 7/27/2017.

Driscoll Landscaping has been non-responsive in regards to completing the trimming of shrubs and mulching. A purchase order has been issued with the current vendor, RPM Landscaping to complete this work.

Securing volunteer labor to complete the work at the Pecks Beach Village playground has been unsuccessful.

Advertisement for Request for Proposals for Professional Services (Legal, Auditing, Accounting and Consulting Services) will be advertised on 8/3/2017 and will be due on 8/29/2017.

New Business – None

Committee Reports – None

Old Business – None

With no other discussion in related matters the Chairman moved to the Resolution.

Resolution #2017-41
Resolution to Approve Monthly Expenses

Chairman Barr called for a motion to approve the monthly expenses. A motion was made by Commissioner Speitel; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-42
Approval of Official Newspapers

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-43
Approval of Audit for the Year Ending September 30, 2016

A motion was made by Commissioner Speitel; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Abstain)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-44
Approval of Corrective Action Plan for Audit Findings for the Year Ending September 30, 2016

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-45
Approval of Operating Budget FYE September 30, 2018

A motion was made by Commissioner Speitel; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-46
Approval of State Budget FYE September 30, 2018

A motion was made by Commissioner Speitel; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-47
Approval of Capital Fund Budget for year 2017

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-48
Approval of Change in Banks for Operating and Security Deposit Accounts to Sturdy Bank

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-49
Approval of Admissions and Continued Occupancy Policy

A motion was made by Commissioner Thompson; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-50
Approving Current Utility Allowance Schedule

A motion was made by Commissioner Speitel; seconded by Commissioner Halliday. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-51
Approval to Accept Pre-Development Fund – Hurricane Sandy – NJHMFA

A motion was made by Commissioner Thompson; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-52
Authorizing Executive Director to Enter Lawsuit Against HUD for Recaptured Funds

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Resolution #2017-53

Approval to Utilize Maintenance Staff from the Vineland Housing Authority for Unit Turnovers

A motion was made by Commissioner Halliday; seconded by Commissioner Speitel. The following vote was taken:

Commissioner Robert Halliday	(Yes)
Commissioner Edmond Speitel	(Yes)
Commissioner Portia Thompson	(Yes)
Commissioner Paula McFarland	(Absent)
Commissioner Patricia Jackson	(Absent)
Chairman Robert Barr	(Yes)

Chairman Barr asked for any other comments from the Commissioners at this time. Seeing none, the meeting will go out to public comment.

Tenant discussion in regards to security deposits. Wendy Hughes stated the tenant's get interest on their deposits. Shirley Watts from Bay View Manor #101 stated she did not understand some the forms that she has to sign. She asked about Form 5275 Debts Owed to HUD. Sandy Velez stated that is a HUD government form that states she is being informed that should she leave the housing authority in bad standing the OCHA is obligated to report it to HUD. Ms. Watts also questioned the form "Authorization to Consent". Ms. Velez stated this is giving authorization to the OCHA to perform criminal to credit checks and lease and landlord background checks. Ms. Watts also questioned Declaration 214. This form is for the residents to certify if they are a US Citizen or not.

Person asking about the opening of the waiting list. Items he needs is taking 4-6 weeks to get to him. Sandy Velez stated he will get a letter for a meeting on July 27th. He is to bring whatever documents he has available at the time and he will be advised at that time what additional documents he may need.

John Walker Bay View Manor #409 hasn't seen the exterminator for quite a while. He is having a little issue and wanted to know if it was possible to get his own exterminator for his unit. He is not able to hire is own exterminator and is to contact the office.

Donald Chattin, Bay View Manor #209, commented that the current heating units in the apartments are not as efficient as the previous models. Concern of the fire door on the second floor does not close all the way. He knows who broke the door and feels they should be responsible to replace it. Ron Miller is aware of the issue with fire door and tenant damages will be dealt with internally. Mr. Chattin also asked about the cleaning service for the building. Ron Miller stated administration is working on hire another vendor. Dorothy Lozanoff, Bay View Manor #313, stated the window facing the garden on the third floor has a missing screen. She states she has called the office and it has not been replaced. Ron Miller will look into it.

Charlotte Williams, Pecks Beach Village #423, stated the light is still out in the Building #2 area. Wendy Hughes stated she had called Atlantic City Electric. There is underground wiring that needs to be fixed and they are aware of it. The light that is out at the senior property and she will continue to following up on that one as well.

Donald Chattin, Bay View Manor #209, questioned the annual inspections. Sandy Velez stated the REAC inspections are normally at the end of the Authority's fiscal year and they have been on time. The latest it would be is November and at the earliest it would be is September.

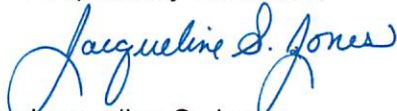
Chairman Barr closed the public portion of the meeting.

Chairman Barr stated there was a conference call this past Thursday with HUD to update them as to where things were with Authority in light of the recent activity. HUD was very encouraged with what they heard, but once the audit is submitted the OCHA will still likely to go into troubled status. There is nothing that can be done about that right now due to the state of the Authority right now, but HUD is very pleased with the plan that the team has put in place. HUD was comforted on what they heard and seen so far, but the Authority has a long way to go and will continue to work its way out of the current situation. OCHA will be following up with HUD in the coming months and the OCHA is on the right track. HUD representatives told Chairman Barr that the OCHA currently has one of the best director's in the State of New Jersey overseeing the Authority.

Commissioner Halliday stated the VHA team has done a really good job of bringing the Commissioners up to speed and getting a lot accomplished in such a short period of time.

With no further business to discuss, Chairman Barr entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner Halliday; seconded by Commissioner Thompson. The vote was carried unanimously by the Board Members present. The Regular Meeting of the Board of Commissioners was adjourned at 6:22 p.m.

Respectfully submitted,



Jacqueline S. Jones
Secretary/Treasurer