

**HOUSING AUTHORITY OF THE BOROUGH OF CLEMENTON
BOARD OF COMMISSIONERS MEETING
MARCH 24, 2021**

Chairman Schmidt called the meeting to order at 6:10PM and stated that the meeting was being held in accordance with the Open Public Meetings Act, also known as the Sunshine Law, NJSA 10:4-6. Notice of the meeting was sent to the Courier Post and South Jersey Times on 3/18/2021 and published in the Post on 3/21/2021 and in the Times on 3/22/2021. Notice was also transmitted to the Borough Clerk on 3/18/2021, posted on the bulletin board in Wooster Towers and posted on the Authority's website www.clementonhousingauthority.com. Due to the COVID-19 pandemic and following CDC and New Jersey State guidelines, the meeting was held virtually and both adequate and electronic notice of this meeting has been provided, specifying the time, place and way such notice was provided.

Salute to flag.

Upon roll call the following were present: Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs, and Chairman Schmidt. Also present at this meeting were Vernon Lawrence, Executive Director, Anthony Ogozalek, Solicitor, Barbara Murray, Secretary and Brent Lee, Auditor. Absent: Commissioner Armbruster and Commissioner Cater.

APPROVAL OF MINUTES

January 13, 2021

Chairman Schmidt asked for a motion to approve the minutes of the January 13, 2021 meeting as submitted. Commissioner Watson, seconded by Vice-Chairperson Closs, made a motion to approve the minutes of the January 13, 2021 meeting as submitted. Voice vote: All ayes (Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs and Chairman Schmidt). The motion carried.

APPROVAL OF BILLS

Chairman Schmidt asked for a motion to approve the payment of bills for January 2021 in the amount of \$54,672.83 and February 2021 in the amount of \$20,656.54 with proper certification. Commissioner Watson, seconded by Chairman Schmidt, made a motion to approve the payment of bills for January 2021 in the amount of \$54,672.83 and February 2021 in the amount of \$20,656.54 with proper certification. Roll call vote: Ayes: Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs and Chairman Schmidt. The motion carried.

REVIEW OF AUDIT – FYE 6/30/2020

Brent Lee, Auditor for the Clementon Housing Authority, presented the Audit for FYE 6/30/2020 to the Board.

1. Mr. Lee stated that in his independent auditor's report the Authority received an unmodified opinion, which is the best opinion that can be given to a government agency.

2. Mr. Lee explained that the statement of net position shows a negative amount of \$237,000 (unrestricted net position) which is the accrued pension liability. GASB 68 requires all Authorities and government agencies to accrue pension liabilities. If you add the \$325,950 (net pension liability) to the negative \$237,000 (unrestricted net position), there is a positive amount.
3. Change in net position is \$94,576, of which \$29,654 of that is restricted for the HCV program.
4. Mr. Lee stated that there was one non-compliance finding in that the Authority did not adhere to its' internal control procedures to ensure that the General Ledger is completed on a timely basis to remain in compliance.

Chairman Schmidt asked if this finding was due to the switch from QuickBooks to PHA Web. Mr. Lawrence advised it was. QuickBooks did not save our information, so we had to recreate what was not saved, which took a lot of work. He said that this was the third time that he has transitioned from one software to another and that sometimes you can merge the information but, in this instance, QuickBooks did not merge with PHA Web.

Chairman Schmidt asked if we wanted to include this in our response and pointed out that on page 55 of the audit it stated that the Authority will take the corrective action to address the issue. Mr. Lee (Auditor) said that this is not sent to the REAC system; Chairman Schmidt commented that if someone else looked at the audit and saw this it would look like we were not keeping a general ledger, when in fact we were. Mr. Lawrence concurred with the Chairman's concern.

Chairman Schmidt suggested that in management's response we include a sentence or two that explains when we transferred mid-fiscal year from QuickBooks to PHA Web there were transition issues. Mr. Lawrence advised that if the finding stays in place, we should include language stating what happened mid-fiscal year during the transition to have control over our system and have one program to manage our internal controls.

Mr. Lee (Auditor) said that he could say that the Authority has taken the corrective action to correct the issue and that the Authority is currently maintaining the general ledger daily. A discussion followed.

Chairman Schmidt suggested that Mr. Lawrence draft a sentence or two to send to the Auditor for him to insert in the audit if he is comfortable doing so. The Board unanimously agreed.

Chairman Schmidt asked if anyone had any questions for the Auditor; hearing none, Chairman Schmidt asked what the next step is. Mr. Lawrence advised that there needs to be a motion to accept Resolution 2021-05 to accept the audit with the amendment to the management response under finding 2020-01 unless the Auditor is going to take the finding out. Mr. Lee said that he thinks the management response should be changed and asked Mr. Lawrence to e-mail him the wording that he feels is appropriate for the amendment and that they will go from there.

Resolution 2021-005 – Accept Audit for FYE 6/30/2020 with Amendment to Management Response

Chairman Schmidt asked for a motion to accept Resolution 2021-05 to accept the audit for FYE 6/30/2020 with amendment to management response. Commissioner Watson, seconded by Vice-Chairperson Closs, made a motion to accept Resolution 2021-05 to accept the audit for FYE 6/30/2020 with amendment to management response. Roll call vote: Ayes: Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs and Chairman Schmidt. The motion carried.

Chairman Schmidt thanked Mr. Lee taking his time to explain the audit.

Commissioner Watson stated that he is totally comfortable in management's response and confident in what they do; Commissioner Konrad agreed.

MANAGEMENT REPORT

Mr. Lawrence reviewed the management report:

Public Housing

1. Two vacancies in Wooster Towers currently
2. Eviction notice as given to resident in Unit 506 due to lease violation.

Capital Improvements

1. Floor tiles on 2nd, 3rd and 6th floors have been installed.
2. 2nd, 3rd and 6th floors have been painted (balance of floors and painting have been budgeted for 2021)
3. CHA awarded 647,000 for Boiler replacement from HUD with work to begin in the Spring. The engineer has started their phase.
4. Quote was accepted from Eastern Doors to install automatic doors at the front entrance.

Housing Choice Voucher

1. 69 vouchers are budgeted, and 43 vouchers are utilized.
2. 5 vouchers are on the street with 2 of those voucher holders finding homes.

ADMINISTRATION

1. We have applied for the 2020 Ross Grant in the amount of \$240,000 and we are waiting for word from HUD to see if we have been awarded this grant.
2. Still reviewing the Personnel Policy for recommended amendments to present to the Board.
3. We are waiting for approval from HUD for the 5 Year Annual Plan and the CFP 5 Year Action Plan

OLD BUSINESS

Holmes & Company

Chairman Schmidt said that he received an e-mail from Charles Holmes our former fee accountant. Mr. Lawrence advised that he met with Mr. Holmes and he agreed to accept one half of the amount that was owed to his firm for previous work that was to be completed by his firm.

Repositioning

Chairman Schmidt asked if it would be better to have a special meeting to discuss repositioning rather than taking the time to discuss it at a regular meeting. Mr. Lawrence said that it would be better to have a special meeting where the Board could focus on repositioning and that he could also have someone to come in to explain the steps to the Board.

Chairman Schmidt asked the Solicitor if under NJSA 10:4-12 OPMA Section 2 (matters in which the release of information would impair a right to receive funds from the government of the United States) would this be something that we could discuss in closed session under that exception of the OPMA. A discussion followed. Solicitor Ogozalek advised that he would speak to Chairman Schmidt about this.

NEW BUSINESS

Resolution 2021-003 – Approving Proposed Barred List Addition

The Board discussed the addition of a name to our barred list. Chairman Schmidt, seconded by Commissioner Watson made a motion to approve the addition of the name of the person who is trespassing in our building to the barred list under the advice of Council. Roll call vote: Ayes: Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs and Chairman Schmidt. The motion carried.

Resolution 2021-006 – Adopting 2019-2020 NJ State Budgets

Mr. Lawrence explained to the Board that we thought our former Fee Accountant, Holmes & Company, had submitted the 2019-2020 NJ State Budget to HUD. The Board approved the budget on June 27, 2019. When Mr. Lawrence took over the position of Executive Director he saw an e-mail from HUD that was addressed to a former Executive Director, William Harris, asking for our 2019-2020 budget. Mr. Lawrence contacted our former Fee Accountant, Holmes & Company, who advised that they had completed the budget but were waiting for signatures. Mr. Lawrence said that he advised Holmes & Company that he could sign it and they could submit it to the State, which they did but the State rejected it. Mr. Lawrence advised that he told Holmes & Company and said that he would take care of getting the budget done correctly and in July of 2020 he again contacted Holmes & Company and advised them that everything was done and to please send it to the State. Sometime in the Fall of 2020 or early Winter 2021 Mr. Lawrence received an e-mail from the State saying that they never received the 2019-2020 budget. Mr. Lawrence said that he contacted Holmes & Company and was advised at that time that they did submit the budget and offered to send the mail receipt, which we never received.

Holmes & Company did offer to take care of the issue and send it to the State but after some discussion Mr. Lawrence advised them that he would take care of sending the budget to the State. He and the new Fee Accountant got everything together and submitted the budget to the State, which was approved, they are just waiting for us to adopt it.

Vice-Chairperson Closs, seconded by Commissioner Watson made a motion to adopt Resolution 2021-006 – Adopting the 2019-2020 NJ State Budget. Roll call vote: Ayes: Commissioner Konrad, Commissioner Watson, Vice-Chairperson Closs and Chairman Schmidt. The motion carried.

Mr. Lawrence also advised the Board that the 2020-2021 budget has been approved and adopted.

Comments from Chairman Schmidt

Chairman Schmidt noted that our net position of \$94,000 compared to where it was in 2019 has increased since that time. Mr. Lawrence advised that in addition to the money market account that we already had we also set up a replacement reserves account which has a balance of about \$150,000. Chairman Schmidt stated that was good management and commended Mr. Lawrence and Ms. Murray for that.

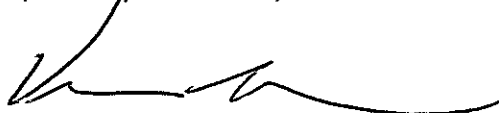
PUBLIC

Chairman Schmidt advised that any members of the public wishing to address the governing body of the Housing Authority of the Borough of Clementon may do so after being recognized by the Chair. Public comment will be limited to three (3) minutes per person. Anyone wishing to address the governing body again may do so for an additional three (3) and final minutes. Chairman Schmidt asked if anyone wanted to address the governing body.

There being no public, Chairman Schmidt closed the Public portion of the meeting.

Chairman Schmidt asked for a motion to adjourn. Commissioner Watson, seconded by Commissioner Konrad made a motion to adjourn at 7:10PM. Voice vote: All ayes. The motion carried.

Respectfully submitted,



Vernon Lawrence
Secretary