

*These minutes are not verbatim, but a condensed version of what transpired at the Lakewood Housing Authority (LHA) Board of Commissioners Regular Meeting held on **Wednesday, October 23, 2018, at 6:03 pm**, in the Community Room at the Rev. Albert Clayton Administration Building, 317 Sampson Avenue, Lakewood, NJ.*

### **MEETING CALLED TO ORDER**

Ms. Medina called the meeting to order at 6:07 pm. Teresa Acosta announced that consistent with the Open Public Meetings Law: P.L.1975 c231, which requires that all meetings of public bodies shall be open to the public at all times, a notice of this meeting was provided to the clerk of the Township of Lakewood, the Ocean County Library, the Asbury Park Press, and the Star-Ledger on September 11, 2018 and was posted on the Authority's official designated public bulletin board at the LHA Administration Building.

### **ROLL CALL**

On roll call, attending Commissioners were:

Miriam Medina – *Chairperson* (via phone)  
Gregory Stafford Smith – *Vice Chairperson*  
Shabsi Ganzweig – *2<sup>nd</sup> Vice Chairperson*  
Nechama Heinemann – *Commissioner*  
Angela Caldwell – *Commissioner*  
Denise Douglas – *Resident Commissioner*

Also attending:

Mary Jo Grauso – *Executive Director*  
Scott Parsons – *Assistant Executive Director*  
Terrence Corrison – *Attorney*

Absent were:

Joseph Weingarten – *Commissioner*  
Ray Coles – *Township Liaison*

### **REPORT BY RICHARD LARSEN**

Mr. Larsen, a Partner in Novogradac & Company, LLP, briefly reported on the LHA Financial Audit, FYE December 31, 2017. He reviewed the three reports conducted and signed off by his firm:

1. The Independent Auditor's Report on LHA Financial Statements. This report addresses whether LHA financial statements present fairly in accordance with generally accepted accounting principles. The report received, once again, as in past years, an "Unmodified Opinion" which is the highest level of assurance that can be given by an auditor.
2. The Independent Auditor's Report in Accordance with Government Auditing Standards. According to Mr. Larsen, every Governmental Agency regardless of size is required to participate in this type of audit. It consists of two parts:
  - a. Internal control over Financial Reporting, which documents and tests an Agency's internal control structure over financial reporting; documenting and testing its payroll process, cash disbursements process, cash receipts process, procurement process, etc. No deficiencies were identified; a good outcome, another highest level of assurance an auditor can give.

- b. Compliance with contracts, grant agreements, New Jersey laws, regulations, everything from the filing of payroll taxes to following State of New Jersey procurement law. No instances of non-compliance were found. This is again the highest level of assurance we give.
3. The Independent Auditor's Report in Accordance with the Uniform Guidance and State of New Jersey OMB Circular 15-08. Uniform Guidance is Federal Law enacted by Congress. Any Government Agency that expends more than \$750,000.00 in Federal awards is required to have this audit. The Authority expended 14 million dollars of federal awards. This type of audit requires an opinion of the Auditor regarding Agency compliance with provisions of its major Federal programs. The LHA complied in all material respects with the requirements that could have an effect on its major programs. The Housing Choice Voucher Program is a complex program, which is audited every year. This year we give the Housing Authority an unmodified opinion on your compliance for The Housing Choice Voucher Program. Housing Authority Payments (HAP) are tested to verify that checks are sent to the proper landlord. Internal control over compliance is also tested, which is basically the processes in place in order to ensure compliance. No compliance issues were found.

Mr. Larsen stated that there were no findings among the three reports; nothing required reporting to HUD or the State of New Jersey. In addition, he pointed out that the Authority's financials are strong and the has about 8 1/2 months of liquid reserves. The Authority is in good financial shape.

#### **PRESENTATION BY STEPS**

Mr. Michael McNeil and Ms. Price from STEPS briefed the Board with follow up to the Pilot program that was previously implemented by selecting 3 tenants that were non-compliant with their lease obligations. Mr. McNeil stated that half of the cost of the program could be subsidized through the Ocean Inc. Good Neighbor Program. With that subsidy, the annual cost of the program should be LHA choose to continue would be \$4,200.00 regardless of the number of tenants served. Mr. McNeil stated that he would provide a revised invoice for the July 2017-June 2018 time period.

#### **READING OF MINUTES**

Minutes of the Regular and Closed Session Board Meeting of September 26<sup>th</sup>, 2018 were reviewed and the Motion to approve made by Ms. Caldwell, seconded by Ms. Douglas. On roll call approving, Ms. Medina, Mr. Stafford-Smith, Mr. Ganzweig, Ms. Caldwell and Ms. Douglas. Ms. Heinemann abstained. Minutes were approved.

#### **BILLS AND APPROVAL OF SAME**

Bills were reviewed. After discussion a motion to approve made by Mr. Stafford-Smith, seconded by Ms. Heinemann. On roll call approving, Ms. Medina, Mr. Stafford-Smith, Ms. Heinemann, Ms. Caldwell and Ms. Douglas. Mr. Ganzweig abstained. Bills were approved.

**CORRESPONDENCE** – STEPS – Assistance follow up from STEPS regarding PILOT Program.

#### **REPORTS OF COMMITTEES** –

#### **EXECUTIVE DIRECTOR'S REPORT** -

Ms. Grauso provided commissioners with the Executives Directors Report. Mr. Ganzweig questioned who

the clearing house is in item #6. It was clarified that the clearing house refers to the Federal Clearing House where all HUD audits are required to be submitted. Mr. Ganzweig asked if the Small Area Fair Market Rent rates stayed the same. Mr. Parsons stated that the new SAFMR's/Payment Standards go into effect on January 1, 2019 and change each year.

### **REPORT OF ATTORNEY**

Mr. Corrison stated he will provide his report in closed session.

### **REPORT OF TOWNSHIP LIAISON – None**

### **OLD BUSINESS -**

**Resolution 5224** – ED Evaluation and Merit – Passed at September 26, 2018 Board Meeting  
Mr. Ganzweig questioned if the resolution reflects what was provided in the minutes and discussed during the meeting. After discussion there was confusion on whether the Board approved a 3% base salary increase in addition to a 5% merit payment. Due to this confusion the Board decided to revisit/clarify the resolution and vote again. Motion to approve made by Ms. Medina, seconded by Ms. Caldwell. On roll call approving, Ms. Medina, Mr. Stafford-Smith, Ms. Caldwell and Ms. Douglas. Mr. Ganzweig voted no. Resolution 5224 approved.

Mr. Ganzweig asked the status of the Administrative plan update and what company is assisting with the update. The expectation is to have a draft plan to the sub-committee by the end of the year. The sub-committee will review and then the final plan will be presented to the Board for approval.

Brief discussion of technology upgrades and possibility of recording (audio/video) interviews. There were differing views on this topic from different members of the Board. The Buildings and Grounds committee will discuss this topic further and report back to the Board.

### **NEW BUSINESS** - The following new business came before the Board:

- a. **Resolution 5225** – Local Authorities – Accounting and Auditing Certification.  
Motion to approve made by Mr. Stafford-Smith, seconded by Ms. Caldwell. On roll call approving, Ms. Medina, Mr. Stafford-Smith, Ms. Caldwell and Ms. Douglas. Mr. Ganzweig voted no. Resolution 5225 approved.

**Resolution 5226** – Revising the LHA Sick Leave Policy.

Motion to approve made by Mr. Stafford-Smith, seconded by Ms. Heinemann. On roll call approving, Ms. Medina, Mr. Stafford-Smith, Ms. Caldwell and Ms. Douglas. Mr. Ganzweig voted no. Resolution 5225 approved.

- b. **Additions :**

none

### **MEETING OPENED TO HOUSING AUTHORITY CLIENTS - None**

**COMMENTS FROM COMMISSIONERS --**

**CLOSED SESSION --**

Motion to go into closed session to discuss potential litigation at 7:47 pm made by Mr. Stafford-Smith, seconded by Mr. Ganzweig. On roll call approving, Ms. Medina, Mr. Stafford Smith, Mr. Ganzweig, Ms. Caldwell and Ms. Douglas.

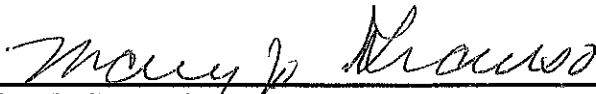
Motion to return to open session at 8:13 pm made by Ms. Medina, seconded by Ms. Douglas.

**MEETING OPENED TO THE PUBLIC --**

**ADJOURNMENT**

On motion by Mr. Stafford-Smith, seconded by Mr. Ganzweig. All present voted to adjourn at approximately 8:14 pm.

*I hereby certify that the above is a true copy of the Minutes of the Regular Meeting of the Board of Commissioners of the Housing Authority of the Township of Lakewood, County of Ocean, State of New Jersey, as held on Tuesday, October 23<sup>rd</sup>, 2018.*

  
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Mary Jo Grauso, Secretary  
Executive Director