



NEWARK HOUSING AUTHORITY

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**Newark Housing Authority
Board of Commissioners
November 9, 2016**

Summary of Meeting Minutes

Opening:

The regular meeting of the Board of Commissioners was called to order by Vice-Chairperson, Kevin Heitzenroder on November 9, 2016 at 5:00 pm.

I. Roll Call:

Board of Commissioners present: Kevin Heitzenroder, Donna Shand, Sharon Smith, Peter Hartranft and Nikki Lane.

Absent:
Lloyd Harris and Janaki Ram Ray

VIII. Guest and/or Visitor:

Guest: Representative from Barbacane, Thornton & Company: Tabled until later on in the meeting.

II. Approval of Minutes:

(a). Minutes from October 12, 2016

The Vice-Chairperson asked for approval of the October 12, 2016 meeting minutes. Mrs. Lane made a motion to approve the minutes. The motion was 2nd by Ms. Smith. The minutes were approved by all in attendance.

Aye 4 (Ms. Shand, Mrs. Smith, Mr. Hartranft, Ms. Lane)
Nay 0
Motion passed, Vote: 4 to 0

III. Report of the Executive Director:

(a). Staff Reports:

The Vice-Chairperson asked for approval of the October 2016 Staff Report. Before any action was taken, Mrs. Jordan mentioned the following as an update:

- 101 New London Road & 26 N. Chapel Street – there is movement from HUD regarding these proposed sales of these two (2) properties. HUD is waiting on a response from DNREC seeking their concurrence concerning a requested Coastal Zone Management Letter rather than the documentation that was provided in the environmental reviews. DNREC has up to 30 days to respond. HUD is waiting on a response from the DE Historic Preservation Office regarding 101 New London Road and their determination of an Adverse Effect concerning 101 New London

Road. A Phase I ESA (an interior and exterior view of 101 New London Road) is scheduled for Monday, November 14th. NHA has awarded Dovential Cultural Resources Group the contract of representing NHA throughout the proposed sale of 101 New London Road.

- A meeting was held on October 14th with the Mayor, Newark Police and Ingerman regarding the complaint from Porter involving (as reported) the youth from Alder Creek. In conclusion, a letter will be generated inviting all surrounding car dealership owners in the area to a community meeting. The meeting will be a meet and greet setting.
- NHA was contacted by Ingerman management asking NHA to perform the annual inspections on the PBV units at Alder Creek. Due to the late notice, NHA could not assist. NHA was informed Ingerman has out sourced the inspections to a 3rd party. NHA asked for the contact information of who will be performing the inspections. The purpose of the information is to document the files of when and who performed these inspections.
- NHA was contacted by a representative from UD's Cooperative Extension Group who will provide nutrition classes for interested families at Alder Creek. The classes will be being in January and are expected to last 1 month (1 class a month).
- NHA met with the RAB Members on November 1, 2016 to discuss the Annual Plan and the planned use for the 2017 capital funds. The residents had one request to include in the budget. They requested the stair-lift in building 10 be replaced. They were in full agreement with the Annual Plan and the use of the CFP funds. Since NHA is a high performer on how we obligate and expend our capital fund dollars, NHA should receive a bonus. The Annual Plan is available for public review and comments. A public hearing is scheduled for December 16th at 5:00 pm.
- NHA's RAB members reached out to the Ogletown Baptist Church who will be hosting Thanksgiving Dinner for our interested seniors. They will also provide transportation from the Newark Senior Center to and from the church. Pastor Hackett from the St. John's AME Church will be providing Thanksgiving Basket to families who are in need.

After the update, the board was provided an opportunity to ask questions. Mrs. Lane asked if the request made to Ingerman from NHA regarding the contact information of the 3rd party who will be performing inspection was in writing? Mrs. Jordan responded; Yes. Mrs. Lane confirmed if Ingerman said the inspections would be performed by a certified inspector? Mrs. Jordan responded; Yes, and added the inspections are scheduled for today, November 9th.

The Vice-Chairperson asked for approval of the October Staff Report. Ms. Shand made a motion to accept the Staff Report presented. The motion was 2nd by Mr. Hartranft.

Aye 4 (Ms. Shand, Mrs. Smith, Mr. Hartranft and Mrs. Lane)
Nay 0
Motion passed, Vote: 4 to 0

IV. Committee Reports:

A. Report of Policies & Procedures & Compliance & Personnel Committee – Chairperson (Mr. Doughty):

As Chairperson of this sub-committee, Mrs. Smith, reported there is no report from the committee. However, as discussed last month, the attorney was to review the By-Laws for clarification of Article III- Meetings, Section 6, Manner of Voting to suggest revised language (if needed) to ensure the board is compliant in the method of voting. The discussion of the By-Laws will be discussed under Old Business from the attorney.

B. Report from Development Committee – Chairperson (Mr. Heitzenroder):

As Chairperson of this sub-committee, Mr. Heitzenroder, restated the purpose of the meeting on November 30th is to further our discussions with public to gather additional ideas and recommendations in receiving options to be considered in improving our housing stock. He asked Mrs. Jordan to have a list of our properties available for the meeting along with an overhead picture view of the Administration Building and Independence/Delaware Circle area.

Mrs. Jordan added she provided everyone with a narrative of possibilities for the 20 scattered sites. The narrative included a list of proposed properties made up of units in a row home setting or buildings where only ½ of the building is owned by NHA. The other list included a proposed list of properties that we should consider renovating or redeveloping on the existing land thus leaving no need for a land acquisition. The narrative also included an informal appraisal of five (5) scattered site rental properties for information purposes only.

Mrs. Lane asked is the Public Notice for the meeting on November 30th posted and could the notice be circulated to the full board. Mrs. Jordan responded the notice will appear in the Newark Post on November 18th and 25th. Mrs. Jordan said she will forward the notice to the City of Newark and to all board members by email.

Mrs. Jordan asked is there any interest from the board in being appointed to the Strategic Planning Committee? She mentioned only one board member has expressed interest – Ms. Shand. She informed all the RAB members are not interested but would like to be updated on an activity from this committee at their monthly meetings. Mrs. Jordan added once the committee is properly formed; the full board will need to approve the results of the action plan objectives and their rankings that were developed from the Retreat. It was suggested that Mrs. Jordan reach out to Mr. Ram Ray to see if he has any interest.

C. Report of Finance Committee – Chairperson (Ms. Shand):

As Chairperson of this sub-committee, Ms. Shand presented the financial report to the board for the period covering April 1, 2016 – September of 2016. In reviewing the Budget vs. Actual Report for this reporting period, she noted the financial reports appear to be in good financial shape. The net income is reported to be in black. She motioned the adjustment to 4540.03-Fringe Health Insurance does not appear to be adjusted but will be at some point.

Mrs. Jordan added a reclassification was made to budget line item 4610.00-Extraordinary Expenses Repair. The cost associated with the repairs/removal of chimneys at 37 & 39 W. Cleveland Avenue was moved as an eligible work items under the CFP grant for 2016.

Ms. Shand referenced the Profit Loss Report for the Section 8 Housing Choice Voucher Program. This report also reflects positive net income.

VIII. Guest and/or Visitor:

Guest: Representative from Barbacane, Thornton & Company

At this point in the meeting, our guest has arrived. The Vice-Chairperson acknowledged the representative from Barbacane, Thornton & Company had arrived. Mr. Edmund Fosu-Laryea apologized for arriving late but traffic was heavy. Mr. Fosu-Laryea addressed the board member by asking if everyone received a copy of the audit? All responded, yes. He began his reporting by calling everyone's attention to the Summary of the Audit Results prepared for the Newark Housing Authority for year end March 31, 2016. In reviewing the Summary the following areas were discussed:

Under the area of Interest:

Audit Report:

Summary:

- They are responsible for the preparation and fair presentation of the financial statements in accordance with accounting principle generally accepted in the United States.
- Their responsibility to express an opinion on the financial statement based on our audit.
- They have issued an unmodified opinion ("clean opinion") on the financial statements.
- They have no report of any material weaknesses or significant deficiencies in internal controls for the size of NHA.

Management's Decision and Analysis (MD&A):

Summary:

- The document is prepared by NHA and is a narrative discussing the financial results for the current year. The responsibility of auditors is to read the MD&A to make sure it is consistent with the financial statements and that it contains all the required components required by the Government Accounting Standards Board. They do not have an opinion on the MD&A.

Financial Results:

Summary:

- Cash and cash equivalents of \$571 thousand as of March 31, 2016 compared to \$569 as of March 31, 2015.

- Net capital assets totaled \$1.3 million as of March 31, 2016 compared to \$1.4 million as of March 31, 2015.
- Current liabilities of \$114 thousand as of March 31, 2016 compared to \$105 thousand as of March 31, 2015.
- Long term liabilities of \$419 thousand as of March 31, 2016 compared to \$456 thousand as of March 31, 2015.
- Total revenue for fiscal year end March 31, 2016 were \$1.6 million compared to \$1.8 million of total expenses for year end March 31, 2015.

Single Audit:

Summary:

- Since the authority spent more than \$750,000 in federal funds, a single audit was required.
- The authority's compliance with requirements applicable to the major federal programs were evaluated.
- The authority qualifies as a low risk auditee.
- Unmodified opinion on compliance
- Internal controls over compliance were also evaluated.
- No findings reported.
- The program audited as a major program was the Section 8 Housing Choice Voucher Program.

Mr. Fosu-Laryea reported the audit of the Section 8 program included randomly selecting files from this program and reviewing them for compliance. The review included the following:

- A signed HAP contract
- A signed lease agreement
- Rent Reasonableness survey
- Rent Notice
- Utility Allowance Form
- HUD forms (50058, 92006, 52675, 52665 etc....{if applicable})

Mr. Fosu-Laryea reported, of the files reviewed, there were no issues. If there was an issue, we would have pulled more files to ensure the issues re not reoccurring.

Mr. Lane asked: how many files were selected? He responded 15 files.

Mr. Harttanft asked: are there any recommendations? He responded, no.

V. Attorney Issues:

None.

VI. Old Business:

A. From the other Commissioners:

Ms. Shand reported making contact with a representative from the Newark Arts Alliance Group who is excited and eager to host a free art project for the children at Alder Creek. We are waiting on a decision from management at Alder Creek to see if there is any interest from the families. Mrs. Jordan will follow-up and report back to the board at the next meeting.

B. From the Executive Director: None.

C. From Legal Counsel:

Mr. Gouge addressed the concern regarding the By-Laws. He read a loud a section from Robert's Rules of Order that may be used as a guide for conducting and making decisions as a group. After a brief discussion, it was agreed the manner of voting by the board of commissioners and how votes are documented is sufficient and does not require a revision of language.

VII. New Business:

A. From Commissioners: None

B. From the Executive Director:

- Mrs. Jordan briefly discussed the annual report she prepared for reporting the award of contract under \$10,000 for the period covering April 1, 2015 – March 31, 2016.
- Mrs. Jordan introduced the Annual Plan and 5-year Action Plan and planned use for the 2017 Capital Fund work items. She will seek approval from the board at the next regularly scheduled board meeting. A Public Meeting is scheduled for Friday, December 16th at 5:00 pm.
- Mrs. Jordan reminded the board there is no scheduled board meeting for the month of December.

C. From Legal Counsel: Mr. Gouge informed the board of court acting involving three court cases.

- The first case was a non-payment of rent case. This case was withdrawn because the tenant satisfied her rental account before the hearing.
- The 2nd case was also filed for non-payment on the same tenant that we field for non-payment of rent in May. These cases were held on July 5th, August 29th and again on October 6th. The case heard on October 6th was a motion hearing filed by Legal Aide. The judge upheld his original decision on August 29th granting a judgement and possession to NHA. A lockout is pending. Mr. Gouge reported NHA was named in a complaint filed by a former tenant. The complaint was filed with the Division of Human Relations. NHA is working on the response to the questionnaire in preparation of a fact-finding conference to be scheduled at a later date.
- The final case was a debt action claim filed for monies owed after a move-out inspection was performed on the tenant. NHA was able to obtain a forwarding address so a debt action claim can be filed to recoup the monies owed.

Mrs. Lane asked for clarification as to what the complaint was for? Mr. Gouge replied: A Reasonable Accommodation Request was made but was not verified. A brief discussion took place regarding the complaint in an attempt to seek further clarification. Mrs. Jordan added: The tenant's file is in order and she feels very comfortable with the supporting documentation (as outlined in policies and standard operating procedures) and how NHA is preparing to proceed. A date for this review is to be determined.

The Vice-Chairperson asked for a motion for the meeting to adjourn. A motion was made by Ms. Shand. The motion was 2nd by Mr. Hartraft.

Aye 4 (Ms. Shand, Mrs. Smith, Mr. Hartraft and Mrs. Lane)
Nay 0
Motion passed, Vote: 4 to 0

Meeting adjourned at 6:47 PM

Minutes Submitted by: Marene M. Jordan, Executive Director