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**Newark Housing Authority
Board of Commissioners
November 8, 2023**

Summary of Meeting (In-person) Minutes

Opening:

The regular meeting of the Board of Commissioners was called to order at approximately 5:01 PM by the Chairperson, Nikki Lane.

I. Roll Call:

The Chairperson made a request for Roll Call. Board of Commissioners present: Nikki Lane, Paul Tillman, Jerry Clifton, Kelly Tompkins, Emile Brown and Abeo Lucas. Marene Jordan (Executive Director) and Attorney Donald Gouge Jr. were also present.

Absent Commissioners: Keith Moone Sr.

II.

Guest Speaker/presenter:

- A. Renee Bensley, Director of the Planning and Development, City of Newark
 - Discussion regarding George Reed Village – **Presentation Postponed**
- B. Frank DeFroda, CPA Principal, Whisman Giordano & Associates, LLC
 - Presentation of Audited Financials for FYE March 31, 2023

The Chairperson welcomed Mr. DeFroda and opened the floor for his presentation. Mr. DeFroda began his presentation with a formal introduction of their responsibility in relation to the financial statement audit under Generally Accepted Auditing Standards and Government Auditing Standards. We advise Whisman Giordano & Associates, LLC audited the basic financial statements of the Newark Housing Authority as of and for the year ended March 31, 2023, and have issued their report thereon dated September 8, 2023. Professional standards require them to advise a client of the following matters relating to their audit.

Report on the Audit of the Financial Statements

Opinion:

Whisman Giordano have audited the Financial Statements of the Newark Housing Authority (“the Authority”), Newark, Delaware, as of and for the year ending March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements.

In our opinion, the accompanying financial statements are presented fairly, in all material respects, the financial position of Newark Housing Authority, Newark, Delaware as of March 31, 2023, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion:

Whisman Giordano conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be Independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements:

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Authority's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements:

Whisman Giordano objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS and Government Accounting Standards and will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements,
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Whisman Giordano is required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information:

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Whisman Giordano have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the Information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information:

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the financial data schedule, and the reconciliation of grant funds advanced with cost - excess or deficient advances - capital fund program are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such

information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the financial data schedule, and the reconciliation of grant funds advanced with cost - excess or deficient advances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards:

In accordance with Government Auditing Standards, we have also issued our report dated September 8, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

Prior Period Financial Statements:

The financial statements of the Authority, as of and for the year ended March 31, 2022, were audited by another accountant whose report dated October 14, 2022, expressed an unmodified opinion.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities as of March 31, 2023, by \$2,580,785 (net position).
- As of March 31, 2023, the Authority reported an ending unrestricted net position of \$615,484.
- The Authority's cash and cash equivalents balance as of March 31, 2023, was \$770,157, representing a decrease of \$22,842 from March 31, 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this annual report are those of a special purpose government engaged only in a business-type activity. The following statements are included:

- Statements of Net Position - reports the Authority's current financial resources (short-term spendable resources) with capital assets and long-term debt obligations.

- Statements of Revenues, Expenses, and Change in Net Position - reports the Authority's operating and nonoperating revenue by major sources, along with operating and nonoperating expenses and capital contributions.
- Statements of Cash Flows - reports the Authority's net cash provided or used by operating activities, investing activities, and from capital and related financing activities.

FINANCIAL ANALYSIS OF THE AUTHORITY (ENTITY-WIDE)

The most important question asked about the Authority's finances is, "Is the Authority as a whole better or worse off as a result of the year's activities?" The attached analysis of entity-wide net position, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues and expenses when earned and incurred regardless of when cash is received or paid.

Our analysis also presents the Authority's net position and changes in it. The reader can think of the Authority's net position as the difference between what the Authority owns (assets) and what the Authority owes (liabilities). The change in net position analysis will assist the reader with measuring the health or financial position of the Authority.

ANALYSIS OF ENTITY--WIDE NET POSITION (STATEMENT OF NET POSITION)

- Total assets for the year ended March 31, 2023, was \$2,877,870. This represents a decrease of \$68,318 from the year ended March 31, 2022.
- Cash and cash equivalents decreased by \$22,842 compared to the prior year.
- Investments increased by \$2,726 compared to the prior year.
- Capital assets decreased by \$28,945 from the prior year. This was the result of current year depreciation expense exceeding additions in the current year.
- Current liabilities decreased by \$27,288 as compared to the prior year. The decrease is mainly due to the timing of payments on accounts payable and accrued expenses.
- Noncurrent liabilities decreased by \$33,311 compared to the prior year. The decrease mainly represents the recognition of a portion of the unearned lease revenue derived from the Alder Creek development.

The table below illustrates analysis:

	2023	2022
Cash and cash equivalents	\$ 770,157	\$ 792,999
Other current assets	\$ 932,830	\$ 949,361
Capital assets	<u>\$1,174,883</u>	<u>\$1,203,828</u>
Total assets	\$2,877,870	\$2,946,188
Current liabilities	\$ 94,195	\$ 121,483
Noncurrent liabilities	<u>\$ 202,890</u>	<u>\$ 236,201</u>
Total liabilities	\$ 297,085	\$ 357,684
Investment in capital assets	\$1,174,883	\$1,203,828
Restricted net position	\$ 790,418	\$ 832,348
Unrestricted net position	\$ 615,484	\$ 552,328
Total net position	\$2,580,785	\$ 2,588,504

ANALYSIS OF ENTITY-WIDE REVENUES (STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION)

Total revenues for the year ended March 31, 2023 were \$1,722,928, reflecting a decrease of \$62,343 compared to the prior year. The decrease is primarily due to a decrease in HUD operating grants during the year.

The table below illustrates analysis:

	2023	2022
Revenues:		
Tenant revenue	\$ 201,173	\$ 212,590
HUD operating grants	\$1,269,634	\$1,358,098
Capital contributions	\$ 68,139	\$ 114,165
Other government grants	\$ 88,542	\$ 17,722
Interest and investment income	\$ 107	\$ 18
Other revenue	\$ 95,333	\$ 82,678
Total revenues	\$1,722,928	\$ 1,785,271

ANALYSIS OF ENTITY-WIDE EXPENSES

- Total expenses increased by \$112,968 for the year ended March 31, 2023, as compared to the year ended March 31, 2022.
- Administration expenses increased by \$124,786. This is primarily related to the increase in salaries, and office expenses.
- Tenant services increased by \$1,492. This is primarily due to the increased services provided to tenants in the current year.

- Utility expenses decreased by \$105. This is attributable to consistent prices in water and electricity costs in the current year and prior year.
- Housing assistance payments decreased by \$77,219. This is a result of decreased HAP expenses in the current year.
- Maintenance expenses increased by \$16,603. The increase is attributable to additional maintenance costs in the current year compared to the prior year.
- General expenses increased by \$44,641. This resulted mainly due to an increase in extraordinary costs and other miscellaneous expenses in the current year.
- Insurance expenses increased by \$3,114. This is a result of an increase in insurance premiums in the current year.
- Depreciation expense decreased by \$344 due to a decrease in depreciable assets in the current year.

The table below illustrates analysis:

	2023	2022
Expenses:		
Administration	\$ 471,346	\$ 346,560
Tenant services	\$ 3,709	\$ 2,217
Utilities	\$ 73,744	\$ 73,849
Housing assistance payments	\$ 615,428	\$ 692,647
Ordinary maintenance and operations	\$ 127,875	\$ 111,272
General expenses	\$ 291,032	\$ 246,391
Insurance expense	\$ 41,654	\$ 38,540
Depreciation expense	\$ 107,119	\$ 107,463
Total expenses	\$1,731,907	\$1,618,939

BUDGETS

The Authority adopts a consolidated annual operating budget for all programs. The budget for low-income public housing is adopted on the basis of accounting practices prescribed by the U.S. Department of Housing and Urban Development ("HUD"); these practices differ in some respects from accounting principles generally accepted in the United States of America. Program budgets for the Housing Choice Vouchers Program are approved by HUD on a basis consistent with the grant application covering housing assistance payments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The following table summarizes the changes in capital assets:

	2023	2022
Land	\$ 177,514	\$ 177,514
Building	\$4,774,232	\$4,709,432
Equipment	\$ 85,575	\$ 85,575
Construction-in-progress	<u>\$ 356,493</u>	<u>\$ 343,119</u>
Total	\$5,393,814	\$5,315,640
Less: accumulated depreciation	(4,218,931)	(4,111,812)
Net Capital Assets	\$1,174,883	\$1,203,828

DEBT:

As of March 31, 2023, the Authority had no outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The following factor was considered in preparing the Authority's budget for the fiscal year ended March 31, 2024:

- The Authority continues to monitor costs and does project a modest budget increase from revenues generated from the Alder Creek development.

STATEMENT OF NET POSITION FOR THE YEAR ENDED MARCH 31, 2023

ASSETS	2023	2022
Current Assets:		
Cash and cash equivalents – unrestricted	\$7 38,252	\$ 715,435
Cash and cash equivalents - restricted	\$ 16,070	\$ 60,791
Tenant security deposits	\$ 15,835	\$ 16,773
Accounts receivable	\$ 51,016	\$ 68,184
Investments - unrestricted	\$ 100,775	\$ 100,675
Investments - restricted	\$ 774,183	\$ 771,557
Prepaid expenses	<u>\$ 6,856</u>	<u>\$ 8,945</u>
Total Current Assets	\$1,702,987	\$1,742,360
Capital Assets:		
Land	\$ 177,514	\$ 177,514
Buildings and equipment, net	\$ 640,876	\$ 683,195
Construction-in-progress	<u>\$ 356,493</u>	<u>\$ 343,119</u>

Total Capital Assets - Net	<u>\$1,174,883</u>	<u>\$1,203,828</u>
TOTAL ASSETS	\$2,877,870	\$2,946,188

LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities:	2023	2022
Accounts payable and accrued expenses	\$31,432	\$ 61,687
Compensated absences	\$10,236	\$ 9 ,151
Tenant security deposits	\$15,835	\$ 16,773
Unearned revenue	<u>\$36,692</u>	<u>\$ 33,872</u>
Total Current Liabilities	<u>\$94,195</u>	<u>\$121,483</u>
Noncurrent Liabilities:		
Compensated absences	\$ 27,890	\$ 27,867
Unearned revenue	<u>\$175,000</u>	<u>\$208,334</u>
Total Noncurrent Liabilities	<u>\$202,890</u>	<u>\$236,201</u>
Total Liabilities	\$297,085	\$357,684
NET POSITION		
Investment in capital assets	\$ 1,174,883	\$1,203,828
Restricted	\$ 790,418	\$ 832,348
Unrestricted	<u>\$ 615,484</u>	<u>\$ 552,328</u>
Total Net Position	<u>\$ 2,580,785</u>	<u>\$2,588,504</u>
TOTAL LIABILITIES & NET POSITION	\$2,877,870	\$ 2,946,18

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATIERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Whisman Giordano audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Newark Housing Authority ("the Authority"), Newark, Delaware, which comprise the statement of net position as of March 31, 2023, and the related statement of revenues, expenses, and change in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated

September 8, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Report on Compliance for Major Federal Program Opinion on Major Federal Program

Whisman Giordano audited the Newark Housing Authority's ("the Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended March 31, 2023. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and recommendations.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2023.

Basis for Opinion on Major Federal Program

Whisman Giordano conducted the audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States ("Government Auditing Standards"); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ["Uniform Guidance"]. Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective Internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion

on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAA.S, Government Auditing standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole. In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on Internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's Internal control over compliance. Accordingly, no such opinion is expressed.

Whisman Giordano are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses In Internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet Important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in Internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The report above concluded the Financial Audited Report for FYE March 31, 2023. As a result of the auditor's report, Whisman Giordano issued an Unmodified.

Q&A:

Commissioner Clifton asked if outside of speaking with staff if a board member was interviewed.

Mr. DeFroda responded, "This is Whisman Giordano's first year auditing the Newark Housing Authority. This year we interviewed staff. We plan to rotate with interviews. Next year we plan to interview a couple of the board members."

Commissioner Clifton asked, "How would you handle things if there is a discrepancy during the audit?"

Mr. DeFroda responded, "We would speak to management first. If the discrepancy was a serious material finding in addition to speaking to staff, we would also disclose it to the board during our exit presentation like we are presenting today."

"In our auditing of the financial statements for this period, we found no issues." However, Mr. DeFroda stated, "If the board has concerns, the board can share them with Marene, and she will get a hold of me, and we can do additional testing."

Commissioner Clifton responded, "There is no need for additional testing. I just wanted to know if there is a process in place."

Chairperson Lane asked Mr. DeFroda how long he has been auditing housing authorities.

Mr. DeFroda responded, "We not only audit housing authorities, but I have been doing this for over 30 years."

Chairperson Lane asked if there were any additional questions. Since there were none, she thanked Mr. DeFroda for his presentation.

III. Approval of Minutes:

(a). Meeting Minutes from October 4, 2023

The Chairperson asked if there were any questions regarding the meeting minutes from October 4, 2023. Since there were none, she asked for a motion to approve those meeting minutes. Commissioner Brown made a motion to approve the meeting minutes. The motion was 2nd by Commissioner Tillman.

Aye 5 (Tillman, Clifton, Tompkins, Lucas and Brown)
Nay 0
Motion passed, Vote: 5 to 0

(b). Special Meeting Minutes from October 11, 2023

The Chairperson asked if there were any questions regarding the special meeting minutes from October 11, 2023. Since there were none, she asked for a motion to approve those meeting minutes. Chairperson Lane made a motion to approve the meeting minutes. This motion was 2nd by Commissioner Tillman.

Aye 5 (Tillman, Clifton, Tompkins, Lucas and Brown)
Nay 0
Motion passed, Vote: 5 to 0

(c). Executive Session Meeting Minutes from October 4, 2023

The Chairperson asked if there were any questions regarding the executive session meeting minutes from October 4, 2023. Since there were none, she asked for a motion to approve those meeting minutes. Commissioner Lane made a motion to approve the meeting minutes. This motion was 2nd by Commissioner Tillman.

Aye 5 (Tillman, Clifton, Tompkins, Lucas and Brown)
Nay 0
Motion passed, Vote: 5 to 0

IV. Report of the Executive Director:

(a). Staff Reports from October 2023

The Chairperson asked for the report of the Executive Director. Before Mrs. Jordan proceeded with the report for the month of October, she acknowledged that Commissioner Brown and Moone had both attended the NAHRO conference, completed their Ethics Training and received their NAHRO Certified Commissioner Certification. Congrats to both.

Mrs. Jordan proceeded with the following report:

Relaunch of Family Re-entry Program continued:

The team continued its collaboration in email exchanges and virtual meetings. Action items discussed:

- FRP Coordinator
- Original MOU and revisions
- Updated revised Operations Plan

Follow-up:

- DSHA will revise the existing MOU that expired in July of 2022 and circulate.
- Consultant will update operations plan based on last virtual meeting.
- The goal is to have the relaunch of the FRP implemented in January of 2024 prior to Director Young resigning in December of 2023.

Note:

The consultant informed all that funding was secured for an FRP Coordinator for the 1st year.

Admin Position Advertised:

Interviews for the Administrative Assistant position is scheduled. We will continue to accept resumes for this position until filled.

HUD Revision to the Administrative Plan and Admission and Continued Occupancy Policies:

In the board packets provided there is a list of updates required by HUD either in a PIH notice or a CFR. Please review and let Ms. Jordan know if you have any questions. For the HOTMA changes, HUD is basing the implementation for those changes on each PHA's FYE. So, those changes for NHA must be completed by October 18, 2024.

Annual Plan:

The NHA will begin the process of our Annual Plan with an effective date of April 1, 2024. The process includes a 45-day review period for all changes including a public hearing period along with a Public Hearing. The plan will be available for review and comments beginning November 10, 2023, through December 26, 2023. A Public Hearing is scheduled for December 28, 2023.

Centralized Waiting list:

The collaboration continues with bi-weekly calls to discuss the next steps. We have received a draft MOU of the agreement between the housing authorities of which you received a copy. NHA's attorney, Don Gouge, was asked to review the agreement before executing. The group also discussed the process of creating an RFP to procure an administrator who will be responsible for the initial kick off and maintenance of the waiting list. Meetings will continue until we reach our date to go live.

Housing Choice Voucher Alignment of Policies for all PHAs.

DSHA technical assistance Kick-off Call to discuss the creation of a shared set of principles, goals, and practices for current and future engagement regarding alignment of the HCV program policies and procedure and landlord engagement was held. Follow-up meetings are expected.

Alder Creek update:

NHA received notification on October 18, 2023, that all fire panels have been replaced at Alder Creek. This major issue has been corrected. The 409-building lighting/wiring shortage repair has been completed and the light is working on that building. The exterior lighting throughout the site was also repaired. As of November 1, 2023, the Alder Creek property is without an onsite manager. This position is expected to be filled within the next few weeks.

Physical/Management:

Notice to Landlords Who Participate in the Housing Choice Voucher Program:

The NHA mailed notices to all landlords on October 1, 2023, informing them that as of January 1, 2024, rent increases will be capped at \$1200 annually with a 60-day notice of a rent increase provided to their tenant and NHA. The reason for this notice is that rent increases for this past year were well over increases prior to COVID. These increases were granted because we had the funding and wanted to avoid losing additional funding.

2nd Resident Informational Meeting held on October 18, 2023:

The Newark Housing Authority held a 2nd residential informational meeting for the George Reed Redevelopment. The meeting was well attended with most of the residents attending being seniors. (13 seniors and 2 scattered site families were present.) The residents were provided with the most recent information known as of October 18th. Most importantly, the residents were informed that the mid-rise building will not have balconies or storage space but offered a roof top deck. Site plan and floor plans were made available during the meeting only. The circulation of the plans was not available and will not be available until they are officially approved.

This meeting also allowed NHA tenants to take part in a brief survey. The survey included some of the questions below:

- Were they receiving the newsletters?
- Were they reading the newsletters?
- Did they find the information in the newsletter helpful?
- Do they have access to internet service?
- Do they have access to a landline or cellphone?
- Do they find that having the office doors locked gives them an unwelcoming feeling when they stop by the office?
- For emergency work orders, do we provide enough notice when we need access to their unit?
- When interacting with or visiting the office, do they find the staff accommodating and helpful?
- Do they prefer to continue with remote recertification or in person?

Overall, the responses to the survey gave staff the impression that the residents are pleased with how we communicate with them as well as being pleased with the services we provide.

After our meeting, Commissioner Lucas reached out to receive clarification as to whether only public housing tenants receive the newsletter.

She was informed that it is common practice for staff to circulate Newsletters to the Public Housing Tenants only. This is because there is information regarding reporting repairs, property maintenance (seasonal), utility bills, etc. that is pertinent only to PH residents being that NHA is the landlord and has a lease agreement in place.

To increase awareness of when board meetings will be held, as of January 1, 2024, a Newsletter specific to the voucher program will be generated. The newsletter will include the announcement of board meetings and specific information relating to landlord issues as they relate to their tenants (NHA voucher holders). The newsletters for both programs will be circulated quarterly.

Others in attendance for the informational meeting were:

- Board Chairperson Lane
- Board Vice-Chairperson Tillman
- Council Member Ford
- State Representative Paul Baumbach

Finance Sub-Committee Meeting:

A finance sub-committee meeting was held on October 17, 2023. This meeting allowed for a discussion inclusive of:

- Source of NHA's Income LIPH:
 - ❖ Operating Subsidy
 - ❖ Capital Funds
 - ❖ Tenant Rents
 - ❖ CDBG Funds/Other Grants
- Source of NHA's Funds for HCV:
 - ❖ Housing Assistance Payments
 - ❖ Administrative Fees
- HUD Reporting Requirements
 - ❖ Financial Challenges
 - ❖ Overall Financial Condition

Commissioner Tillman added that the meeting was productive and provided insight into procedures and the processes involving HUD.

SEMAP Reporting for Failed indicator #13:

On October 4, 2023, NHA submitted its 1st quarterly report to HUD for failed indicator #13. On October 16, 2023, the HUD field office acknowledged the report was received and noted that continued quarterly reporting is required until NHA can demonstrate acceptable performance that is verified.

Housing Choice Voucher Briefing:

On October 19, 2023, NHA held another Housing Choice Voucher Briefing and issued 8 vouchers to families who qualified. For CY 2023, NHA held three briefings and issued a total of 19 vouchers. The status of the vouchers are as follows:

- Port/Leased 6
- Port/Pending 1
- Voucher Extensions 4
- Forfeit 1
- Recently Issued 7

That staff report from the Executive Director was concluded.

Commissioner Clifton asked where the information regarding the Annual Plan was posted.

Mrs. Jordan responded, "The notification for the public hearing is posted on our website as well as advertised in the Newark Post."

Chairperson Lane asked how NHA was notified of the management position being vacant at Alder Creek.

Mrs. Jordan responded that she received a response to an email sent to the manager that included a notification of the position being vacant.

Chairperson Lane asked if maintenance personnel were still onsite at Alder Creek.

Mrs. Jordan responded that she was not aware one way or another but will follow-up.

Chairperson Lane asked Ms. Jordan to include in her response as to whether and how resident needs are being addressed.

The Chairperson asked if there were any questions or comments regarding the staff report. Since there were none, she proceeded with a motion to approve the Staff Report for October 2023. Commissioner Brown made a motion to approve the staff report for September. The motion was 2nd by Commissioner Clifton.

Aye 5 (Tillman, Clifton, Tompkins, Lucas and Brown)

Nay 0

Motion passed, Vote: 5 to 0

V. Committee Reports:

The Chairperson called for the report from the Policies, Procedures, and Compliance & Personnel Committee.

A. Report of Policies, Procedure, Compliance & Personnel Committee – Chairperson (Mr. Brown):

The Chairperson of this sub-committee, Mr. Brown, was present for this committee update. He reported that the board has finalized the evaluation held in Executive Session prior to this meeting and it needs to be signed.

Commissioner Brown asked if the new manager was introduced to the board last month.

The Executive Director responded, “No, she was not. Her name is Diana Feliciano. She will be introduced next month.”

The Chairperson called for the report from the Development Committee.

B. Report from the Development Committee – Chairperson (Vacant):

Mrs. Jordan suggested providing all with a copy of the GRV phasing plan showing units to be demoed during phase I. The packet also included a copy of the most recent site plans due to the city’s planning department on November 17, 2023.

Mrs. Jordan mentioned sharing the GRV project pre-development schedule of important upcoming dates. She also stated that NHA is on the Council’s agenda for Monday, November 13, 2023, for the vacating of Independence Circle as part of the process for the redevelopment of GRV. She asked for support from the commissioners who are able to attend the meeting.

Commissioner Tillman commented that he will be attending all the meetings scheduled at the City of Newark’s municipal building.

Mrs. Jordan acknowledged a George Reed Village zoom meeting held on October 27, 2023, with Renee Bensley, the Director of the Planning Department for the City of Newark. Ms. Bensley expressed concerns regarding our timeline for the building permits, planning commission approval and getting on the council’s agenda as the holidays approach. The conclusion of this meeting aligned everyone on the call with expectations moving forward.

ARPA SLFRF Quarterly Reporting:

The obligation deadline for ARPA funding is December 31, 2024, with the expenditure deadline being December 31, 2026. The report for George Reed Village was due in October 2023. NHA submitted no activity for this reporting period due on October 20, 2023, with no activity to report.

George Reed Village Sub-Management Agreement:

NHA's Mixed Finance Attorney is working on the response to our developer partner's sub-management agreement plan. NHA requested a plan defining roles and responsibilities and project expenses prior to closing.

C. Report of Finance Committee – Chairperson (Mr. Tillman):

(a) Committee Report - Monthly Financials:

The Chairperson of this sub-committee, Mr. Tillman, was present for this committee update. Commissioner Tillman confirmed that everyone received the financial reports. The financial reports covered the period from April 2023 through September 2023. He mentioned in his review the reports appear to be in order.

On the reports of Business Activities, Commissioner Tillman inquired into why the ground lease revenue was less than 50%.

Mrs. Jordan responded that she will look into it and report next month.

Commissioner Tillman also inquired about being fully funded with operating subsidy for CY 2023.

Mrs. Jordan responded HUD has not issued their final notice of eligibility yet. Usually, a notification is issued.

The Chairperson asked if there were any other questions. Since there were none, she moved onto the next agenda item.

The Chairperson called for the report from the Strategic Planning Committee.

D. Strategic Planning Committee – Chairperson (Ms. Lane):

There was no report from this committee needed. Previously discussed was the need for a strategy for relocation.

VI. Attorney Issues:

There were no attorney issues to report.

VII. Old Business:

- A. From the other Commissioners: None
- B. From the Executive Director: Mr. Gouge reported that NHA is being sued for alleged water damage from an adjacent unit. He does not expect a court date until sometime next year,
- C. From Legal Counsel: None.

VIII. New Business:

- A. From Commissioners: Commissioner Brown recommended a board retreat as a result of his having attended the NAHRO conference. A date is to be determined.
- B. From the Executive Director: None
- C. From Legal Counsel: None

XI. Visitors and/or Petition:

The Chairperson opened the floor to any visitors. There were no visitors present.

X. Adjournment:

The Chairperson asked for a motion for the meeting to adjourn. Commissioner Clifton made the motion for the meeting to adjourn. The motion was 2nd by Commissioner Brown.

Meeting adjourned at approximately 6:26 PM

Minutes Submitted by: Marene M. Jordan, Executive Director