

MINUTES OF A REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF SALEM

January 24, 2019

A regular meeting of the Salem Housing Authority Board of Commissioners was held on Thursday, January 24, 2019 at the Broadway Tower Community Room, 205 Seventh Street in Salem, NJ. The meeting convened at 5:12 pm.

Chairwoman Ferguson announced the Sunshine Law Requirement had been met, properly posted and advertised.

Karen Chiarello, Director of Administration proceeded to call the roll at this time. Present were: Chairwoman Rebecca Ferguson, Commissioner Cathy Lanard, Commissioner Robert Lanard, Executive Director/Secretary Paul Dice. Commissioner Smith called in by phone. Also, in attendance was Solicitor Adam Telsey and SHA employees.

Chairwoman Ferguson asked for a motion to approve the minutes of the December 13, 2018 meeting. Commissioner R. Lanard made a motion and Commissioner C. Lanard seconded. All others present were in favor.

Financials

The Salem Housing Authority has a consolidated MTD operating profit of \$1,280 and a YTD operating profit of \$68,273.

Occupancy

We are currently 94% occupied. More lease ups are coming. We have had quite a few evictions and move outs, so we have struggled to keep pace with the unit turn arounds. We are expecting to be at 96% by next month. Our ideal position is 98%. We run into regulatory problems if we are not closer to 98%.

Government Shutdown

The U.S. Department of Housing and Urban Development (HUD) is one of the federal departments that has been shut down by the political impasse. However, we have been told that we should be able to access the necessary Operating Fund and Capital Fund revenue for Public Housing and Housing Assistance and Administrative funding for Section 8 through 2/28/19. After that, federal funding will cease unless Congress appropriates additional funds.

Our Public Housing operations are in considerable jeopardy without federal funding. We can forego many building modernization projects in the short run. But we are in deep trouble if we cannot afford to pay for gas, electric, water, sewer, fire protection systems, elevator system maintenance, insurance, trash hauling, etc. Further, and quite significantly, we might have to furlough staff.

The question now is, how much do we receive in tenant rent and select Capital Fund money to cover necessary recurring costs if the shutdown compromises funding from 3/1/19 forward? We are in the process of preparing an Emergency Shutdown Budget. We will present it at the January Board of Commissioners meeting. Once that budget is complete and we know what our resources are, we will then prepare a Public Housing Operational Contingency Plan.

The Public Housing Operational Contingency Plan will dictate what bills can be paid and what day-to-day functions will be performed and by who. For example, we can temporarily close the office and suspend many administrative functions, e.g., new tenant processing, recertifications of existing tenants, lease enforcement, etc. We can even suspend routine work orders such as unit turnovers, painting, preventative maintenance, etc. But we must continue responding to emergency work orders such as elevator operation problems, broken windows and external doors, water and gas leaks, heat malfunctions, sewer and toilet backups, water pump failures and fire alarm calls. And those are just a few emergency work examples.

The Contingency Plan for Section 8 is quite different than that for Public Housing. This program is 100% reliant on federal funding. We do not generate any additional non-federal revenue. However, we understand that HUD will be making reserve money in the amount of approximately \$1,800 available to us. That's the good news. The bad news is that we pay landlords almost \$17,000 each month. All landlords will be paid in full for January and February. For March alone, though, roughly 90% of our landlords will not be paid if the shutdown continues. There would be no funds to pay any landlord from 4/1/19 forward.

Paul Dice contacted Atlantic City Electric to see if we could forego payments for all three housing authorities during the shutdown on the condition that they would be paid once operations resume. I'm happy to report that they have agreed to work with us. They'll still generate the monthly bills as usual, but we will not be put into collections.

We are definitely in unknown territory!

Resolutions

Chairwoman Ferguson advised that there were resolutions to approve:

Resolution #1-2019

Approving the Slate of Officers for 2019

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #2-2019

Authorizing the SHA Board to Pay Bills for the month of January 2019

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner Smith

Roll Call: Unanimous

Resolution #3-2019

Approving the Contract for Fee Accounting Services

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #4-2019

Approving the Contract for General Counsel

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #5-2019

Approving the Contract for Operations Counsel

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #6-2019

Approving a Risk Management Consulting Agreement

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

Resolution #7-2019

Approving a Contract with The Huddle of South Jersey

Roll Call Vote:

Motion: Commissioner C. Lanard

Second: Commissioner R. Lanard

Roll Call: Unanimous

At 5:55 p.m. Chairwoman Ferguson announced that the meeting was adjourned so that Commissioner Smith could end his call in.

Public Comment

Tim Gregory spoke about his group The Huddle of South Jersey. They would like to have access to space to run a cardio drumming exercise program. The class would be open to tenants and the whole community. The class will be advertised on Facebook, Flyers and through word of mouth. Classed would be limited to approximately 20 people. They would need SHA to supply chairs. Mr. Gregory will provide copies of insurance certificates. We would be provided with written notice if anyone other than Mr. Gregory would be in charge. Chairwoman Lanard suggested the contract not be long-term just as a precautionary measure.

There was a suggestion made about contacting Denise McCann (61 Westside Court) as a potential board member.

Chairwoman Ferguson announced that the next meeting is scheduled for February 28, 2019 at 5 p.m.

Paul Dice – Secretary

Date