

**HOUSING AUTHORITY OF BERGEN COUNTY**  
**One Bergen County Plaza, Hackensack, New Jersey**

**MINUTES OF ZOOM VIRTUAL MEETING OF NOVEMBER 24, 2020**

THESE MINUTES ARE NOT VERBATIM BUT ARE INSTEAD A SYNOPSIS OF WHAT TRANSPIRED AT THE REGULAR MEETING OF NOVEMBER 24, 2020 – A ZOOM VIRUTAL MEETING OF THE HOUSING AUTHORITY OF BERGEN COUNTY BOARD OF COMMISSIONERS

**PRESENT:**

Commissioner Peter Caminiti, Sr.  
Commissioner Angelo D’Arminio, Jr.  
Commissioner Junior Hernandez  
Commissioner Daniel Ortega  
Commissioner Harvey Sohmer  
  
Bill Katchen, HABC Fee Accountant  
Rich Larsen, Novogradac – HABC Auditor

Terrence Corriston, General Counsel  
Lynn Bartlett, Executive Director  
Al Restaino III, Accounting Manager  
Julia Orlando, BCHHH Director  
Vincent Bufis, Field Operations Director  
Esther Gatria, HR Manager  
John Biale, HDC Dir. Of Development  
Heather Wei, IT/Comm. Specialist  
Joe D’Angelo, Information System Spec.

**ABSENT:**

Commissioner Joanne English-Rollieson  
Commissioner Danielle Peterson

**CALL TO ORDER**

The meeting to order at 5:30pm. Executive Director Lynn Bartlett read the following statement:

Consistent with the Byron M. Baer Open Public Meetings Act: P.L.1975c231 - All meetings of public bodies shall be open to the public at all times. Notice of the virtual meeting schedule of the HABC Board of Commissioners setting forth the date, time and hyperlink information was posted by The Record on April 21, 2020. The same notice was posted on the Authority website and provided to the County Clerk for posting at the County Administration Building on April 17, 2020. The minutes of this meeting will be available following the next regularly scheduled meeting.

**PLEDGE OF ALLEGIANCE**

Chairman Ortega led all in the pledge of allegiance.

**ROLL CALL**

Commissioners Caminiti, D’Arminio, Hernandez (late), Ortega and Sohmer were all present for the meeting. Commissioners English-Rollieson and Peterson were absent.

**MINUTES**

The Chairman asked for a motion to approve the regular meeting minutes of the October 2020 meeting of the HABC Board of Commissioners. Motion was made by Commissioners Caminiti and seconded by Commissioner D’Arminio; upon roll call the motion carried unanimously.

**ROLL CALL VOTE:**

Caminiti – YES

D’Arminio – YES

English-Rollieson - ABSENT

Hernandez – ABSENT

Ortega – YES

Peterson – ABSENT

Sohmer – YES

## **EXECUTIVE DIRECTOR REPORT**

Director Bartlett introduced Rich Larsen from Novogradac to present the HABC and HDC audits.

*Commissioner Hernandez joined the meeting (5:34pm)*

Mr. Larsen explained that Novogradac completes several audits for the HABC and HDC. Beginning with Lehmann Gardens (Park Ridge) and Brookside Gardens (Bergenfield) Mr. Larsen explained that both were given unmodified opinion. He explained that internal controls were tested in accordance with Government Auditing Standards and no material weakness were found as well as no overriding internal controls. Lastly uniform guidance compliance tests to determine programmatic regulatory compliance for each project and both were issued an unmodified opinion with no findings and no issues. He pointed out that these levels are the highest levels of auditing assurance that can be given for these projects.

Mr. Larsen went on to explain that the financial statements for the HDC are very strong, citing the development corporation to be very liquid with in excess of \$7,000,000 in working capital. Essentially, this current assets less current liabilities and illustrates the capacity to pay bills when they come due. The HDC has just over two years of operating expense reserves which is a fantastic for a non-profit development corporation.

Mr. Larsen then presented the HABC audit, explaining that the Authority also was given an unmodified opinion on their financial statements. He explained that part of the audit consists of testing the Authority's internal controls which is quite extensive, looking at cash disbursements, cash receipts, Board meeting minutes and adherence to Board resolutions. Mr. Larsen pointed out that HABC Management had self-reported the issue with late and incorrect filings of IRS 1099 forms which has been reported to the Board and is a compliance issue.

Uniform guidance audit – testing HCV program failed inspections to comply, tenant files, SEMAP reporting to HUD. Found issue with a few tenant files with missing documents being reported to Authority. Overall Authority is very strong with in excess of 7.5 months of operating reserves; this also exceeds HUD guidance. Statement of financial position reporting a negative amount is due to State required reporting of unfunded pension liability. Overall the financials are exceptionally solid for the Authority.

Mr. Larsen pointed out to the Board that this year's was done 100% remotely and entirely through secure portal. He was generous in his praise for HABC staff, explaining that the amount of documents that must be made available for an audit of a program as large as HABC's requires a level of coordination for both financials and program documents that is not easily comprehended. He explained that document accessibility and provision was exceptional and seamless.

He then asked if there were any questions relative to the audit as presented.  
There were no questions.

Ms. Bartlett thanked Mr. Larsen for acknowledging HABC staff for their time, commitment, and dedication. She wholeheartedly concurred with his recognition and appreciation of their professionalism, response time and ability to complete an audit as large as HABC and HDC fully remotely as worthy of praise. Ms. Bartlett also pointed out that although HUD has provided extensions and waivers for audit submissions under COVID, the HABC having had no lapse in business service and continuity was able to complete the audit process on time without extension. She gave kudos to the staff for continuing normal operations even while transitioning operations to a telecommuted work environment. She further thanked and congratulated Rich and his staff for being willing to work with HABC in this way and for completing the audit on time, in normal time.

Ms. Bartlett explained that the findings relative to tenant files missing documents, are borne of a new process which gave the auditor access to all tenant files electronically. She explained that in the past the Authority would be given a list of tenant files to be provided to the auditor, this would allow time for staff to locate the physical file and review it for completion before presenting it for audit. She explained that the Authority has put check and balances into the electronic process to ensure file review should the audit process continue being completed remotely in future years.

Having no questions or comments from Board members, Ms. Bartlett thanked Mr. Larsen for joining the meeting and presenting the audit. Mr. Larsen wished all a very happy holiday season and left the meeting.

Ms. Bartlett then introduced Fee Account Bill Katchen to assist her in presenting and addressing anticipated changes in the HABC's management agreement with Ridgecrest Senior Housing in Ridgewood. Ms. Bartlett explained that the HABC has been the non-profit's chosen property manager for the past several decades and that more recently the Ridgecrest Board has begun negotiating a sale of the property to a restructured for-profit entity in light of a refinance of their current mortgage. Mr. Katchen, Ms. Bartlett and Accounting Manager Al Restaino, III have participated in meetings with members of the current Ridgecrest non-profit board regarding the sale, financial closing and property management relationship.

Ms. Bartlett reported that a she had a follow up phone call from a Ridgecrest Board member who informed her that the Ridgecrest Board had internally discussed and agreed that the new owner would be seeking a new property manager.

Mr. Katchen pointed out that Ridgecrest always a very demanding property for HABC. Historically, he explained that the original project funding and financing was provided by the HUD 202 program which only supports non-profit 501 c 3 entities. He furthered that the Ridgecrest Board has decided to move away from a wholly owned 501 c 3 not for profit to a for profit entity with a brand new organization will be the managing GP with a group of investors of Limited partners with refinancing of loan. On the checklist of items for the closing are items related to property management and management documents.

On the call with the Board members HABC asked why .. LP agreement, sources/uses and formation documents, purpose of entity, what will be done with profit – received push back. HABC requested docs in writing and no response followed up with call to Lynn that Board has decided to go in new direction with property management. Ms. Bartlett pointed out that the HABC being a public entity, even though only the property manager and likely not entitled to this information, not having this information just to protect the public responsibilities of the Authority is concerning.

Ms. Bartlett then explained that she, Human Resources Manager Esther Gatria and Director of Operations Vincent Bufis met with HABC Ridgecrest staff to inform them that Ridgecrest was being sold and that HABC would no longer be managing agent for the property. She reported that she assured staff that all employees would be absorbed by the Authority and retain their employment. She also informed staff that they were likely to be re-assigned throughout HABC portfolio. Ms. Bartlett explained that there is a live in superintendent at Ridgecrest and she would keep the Board informed relative to their housing relocation.

Chairman Ortega asked if the loss of revenue would be significant or something Authority could weather? Ms. Bartlett explained that for Ridgecrest there is a management fee and bookkeeping fee of approximately \$96k. Accounting Manager Al Restaino III confirmed, explaining there is a management fee of approximately \$84,000 and a bookkeeping fee of approximately \$11,000. Ms. Bartlett pointed out that full amount is not enough to cover salary and benefits for all the employees allocated to Ridgecrest. Further, she explained that the expansion of HDC projects and properties in Upper Saddle River and Closter would add units to the Ridgecrest Zone.

Ms. Bartlett thanked Mr. Katchen for his time and counsel.  
Mr. Katchen wished all very happy holidays.

Ms. Bartlett reported that Federal Home Loan Bank of New York announced their 2020 awards earlier in the day and both the HDC Closter project and Upper Saddle River project were successful and awarded \$525,000 and \$1,050,000 respectively.

She then reported that the Authority was compliant with the most recent Governor's Executive Order on employee self-assessment for employees returning to work . She informed that the HABC has installed thermal scanners and an electronic self-assessment accessible through a QR code at all buildings and sites for employees reporting to HABC workspaces. She also happily reported that self service kiosks had been delivered the previous day, and the HABC drop box had been installed at One Bergen County Plaza.

Finally, she informed all that HUD had issued a PIH Notice with guidance on remoted hearings and briefings to ensure equal opportunity, non-discrimination and full participation. She explained that staff are working on improving all processes to ensure ongoing compliance.

Before closing, Ms. Bartlett pointed out the additional resolution to consent agenda acknowledging and accept the audit as presented.

#### **ATTORNEY REPORT**

General Counsel Terry Corriston stated that he had nothing to report except that he was home recuperating from COVID.

Mr. Corriston commented that the federal moratorium has not been extended for households claiming they are unable to pay rent due to COVID. Ms. Bartlett reported that HABC has been awarded over \$1 million Emergency Solution Grant funds to assist those at risk of homelessness which cannot be expended until the courts reopen because the program requires documentation of filed eviction to validate at-risk status and eligibility.

Ms. Bartlett sincerely thanked Mr. Corriston for joining given his health and wished him well, hoping that he would be feeling better soon which was wholeheartedly resonated by all Commissioners and staff. Mr. Corriston thanked everyone for their well wishes and wished everyone a happy Thanksgiving.

#### **PUBLIC MEETING**

Chairman Ortega asked for a motion to open the meeting to the public. Motion was made by Commissioner Sohmer and seconded by Commissioner Hernandez, motion carried unopposed.

There was no members of the public in attendance. Commissioner Caminiti motioned to close the public portion of the meeting. The motion was seconded by Commissioner Sohmer and carried unanimously.

#### **CONSENT AGENDA**

Chairman Ortega asked for action to approve the consent agenda. Motion was made by Commissioner D'Arminio, seconded by Commissioner Caminiti and carried unanimously upon roll call.

#### **A. Resolution 2020-80**

Resolution approving the routine expenditures for the HABC for the period of 10/16/20 - 11/18/20.

**B. Resolution 2020-81**

Resolution approving the routine expenditures for the HDC for the period of 10/16/20 - 11/18/20.

**C. Resolution 2020-82**

Resolution authorizing consultants to be placed on a list of Qualified Professional Consultants for Professional Services.

**D. Resolution 2020-83**

Resolution authorizing a contract extension with Regional Risk Managers, LLC for professional risk management services.

**E. Resolution 2020-84**

Resolution accepting the Audit for FYE March 31, 2019.

ROLL CALL VOTE:        Caminiti – YES  
                                 D’Arminio – YES  
                                 English-Rollieson - ABSENT  
                                 Hernandez – YES  
                                 Ortega – YES  
                                 Peterson – ABSENT  
                                 Sohmer – YES

Chairman Ortega wished everyone a happy thanksgiving. He thanked the staff for their commitment to sustaining operations and resident safety; though it is uncertain when the Board would gather or be able to recognize staff efforts in person he encouraged all to remain safe until then.

Seeing no further business Commissioner D’Arminio moved to adjourn the meeting at 6:02pm, seconded unanimously by all.

Prepared by: Lynn Bartlett