

MINUTES OF SPECIAL MEETING  
- OPEN SESSION -  
OF THE SPRINGFIELD HOUSING AUTHORITY  
HELD ON OCTOBER 3<sup>rd</sup>, 2024

The members of the Springfield Housing Authority met in Open Session at the Conference Room of the Springfield Housing Authority at 60 Congress St., Springfield, Massachusetts and on Zoom at 3:00 PM on October 3<sup>rd</sup>, 2024.

A copy of the Notice of Meeting, pursuant to Section 23B of Chapter 39 of the Massachusetts General Laws, as amended, with the Certificate as to Service of the Notice, was ordered spread upon the minutes of the meeting and filed for records.

NOTICE OF MEETING


Notice is hereby given in accordance with Section 23B of Chapter 39 of the Massachusetts Laws, as amended, that a special Meeting of the Board of Commissioners of the Springfield Housing Authority will be held at 3:00 PM on Thursday, October 3<sup>rd</sup>, 2024 at the Conference Room of the Springfield Housing Authority at 60 Congress St., Springfield, Massachusetts.

SPRINGFIELD HOUSING AUTHORITY  
/s/Denise R. Jordan, Executive Director  
October 1<sup>st</sup>, 2024

CERTIFICATE AS TO SERVICE OF THE NOTICE OF MEETING

I, Denise R. Jordan, the duly appointed and qualified Secretary of the Springfield Housing Authority, do hereby certify that on October 1<sup>st</sup>, 2024, I filed in the manner provided by Section 23B, Chapter 39 of the Massachusetts General Laws, as amended, with the Clerk of the City of Springfield, Massachusetts, a Notice of Meeting of which the foregoing is a true and correct copy.

Attest:

  
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Denise R. Jordan / Executive Director/Secretary to the Board

Chairman Labonte called the meeting to order at 3:00 PM, and those present upon roll call were as follows:

PRESENT

Thomas Labonte  
Jessica Quinonez  
Angela Robles (attended on Zoom)  
Willie Thomas (arrived at 3:04 pm)  
Raymond Warren

ABSENT

ALSO PRESENT

Michael Guyder  
Austin Harris  
Nicole Kane

The Board reviewed the Minutes of September 17<sup>th</sup>, 2024. With no questions or comments and upon a motion made by Commissioner Warren, seconded by Commissioner Quinonez and following a board roll call (Commissioner Thomas was absent at the time of voting), it was unanimously

VOTED: to approve the Minutes of September 17<sup>th</sup>, 2024.

Finance Director presented the 1<sup>st</sup> item on the agenda and explained that the SHA is required to approve submission of its operating statements to the State on annual basis. He stated that on overall, the financial situation looks good. In response to Commissioner Warren's question, he confirmed that the numbers do not measure against the budget.

Commissioner Thomas entered the Conference Room at 3:04 pm.

Michael Guyder from Marcum LLP stated that for FY23 and FY24, the SHA might be in a situation when it might be losing subsidy from programs like 401 or MRVP because program operating reserves approaching maximum allowable amount. The SHA is closely monitoring this and should a situation occur that the reserves exceed that threshold, the SHA can earmark reserves for capital improvements and protect those reserves from being recaptured. He added that as the audit is being wrapped up, should be there any adjustments needed, the Board will be presented with a resolution to make changes.

Commissioner Warren inquired what is causing to have operating reserves possibly exceeding the thresholds, Michael Guyder explained that with the SHA being a large agency, overhead expenses get spread across programs. With regards to MRVP reserves, it shows that the program has been run fairly efficiently and the reserves have been accumulating over many years.

Upon a motion made by Commissioner Warren, seconded by Commissioner Robles and following a roll call, it was unanimously

VOTED: to adopt Resolution #9812 to approve the submission to the Executive Office of Housing and Livable Communities of the operating statements for fiscal year ending 3/31/2024 for the following programs: 200-A, 705-A, 400-1, 689-C, 667-A, and MRVP.

Austin Harris presented the next item and explained that the information on the Top 5 Compensation form was presented to the Board earlier this year and now a formal vote is required to meet the submission requirement. In response to Commissioner Warren's comment, Mr. Harris confirmed that not submitting the top 5 Compensation form was one of the items that the SHA was cited for by the State and explained that the form could not be submitted without the year end financials.

Commissioner Robles who attended the meeting by Zoom stated that she will come to the office on Friday to sign the form.

Upon a motion made by Commissioner Warren, seconded by Commissioner Quinonez and following a roll call, it was unanimously

VOTED: to adopt Resolution #9813 to accept and submit to EOHLA the Springfield Housing Authority's Top 5 Compensation Form for FY2024



Chairman Labonte invited to Board members to ask the fee accountant any questions they might have. In response to Commissioner Thomas's question about having a comprehensive plan with regards to the troubled designation, Mr. Guyder explained that the agency is currently going through a 3<sup>rd</sup> party audit and a comprehensive review of the agency's financial situation is expected.

Commissioner Thomas inquired if all the deficiencies the agency has been experiencing were caused by the software transition issues. Mr. Guyder confirmed that issues with software were the root cause and that the staff and the fee accountants have been working on resolving some of the problems, catching up and reconciliating data and now the agency is in a position where good reliable accounting data for FY23 and FY24 is available and is currently being audited. With the new software implementation, there will be a process in place to ensure that timely and accurate financial reporting, comparatives, budget analysis, and bank activity information are available and there will be much more comprehensive reporting that SHA has not been able to get from Yardi. With the new software, it is expected that monthly reliable reports will be available and that would give a clear picture to the managers where the authority is at financially.

In response to Commissioner Thomas's question, Mr. Guyder explained that the primary issue was that the SHA was not able to meet the reporting deadline for FY 3/31/23. That report had to be submitted by 12/31/2023 and the SHA could not do it because the data could not be verified and that triggered getting the troubled agency designation from HUD. The SHA did meet the 7/15/24 deadline for submitting its unaudited financial report and it is the audited financial data that HUD now requires. Commissioner Thomas inquired if the SHA's data was not accurate or was not submitted at all and Mr. Guyder said that no report was submitted.

Commissioner Robles inquired how close is the SHA to having that report ready. Mr. Guyder and Mr. Austin responded that the auditors are currently working on site and their objective is to finalize both FY23 and FY24 audit by 12/31/24 and the agency should be in compliance. Deputy Kane added that the staff is having a call with EFRP Group staff the next day and more information will be available. In response to Commissioner Thomas's question Michael Guyder explained that the Board is not required to formally vote on the report but some Boards choose to vote on formally accepting it. He added that he would be happy to answer any questions the Board might have after the report becomes available. Austin Harris added that representatives from EFRP are planning to attend the Board meeting in December or January to present it and discuss any concerns or answer questions. Mr. Harris and Deputy Kane stated that in case the auditors won't be able to present the report to the Board before January meeting, it is important that the 12/31/24 deadline for the submission is met and that presenting of the report to the Board does not hold the submission.

Commissioner Warren commented that getting the report will be very helpful to see the financial situation and all the strengths, weaknesses and other findings identified by the auditors.

In response to Chairman Labonte's question about the end of the trouble designation, Michael Guyder explained that even though the agency is on time for FY24, it still has been dealing with residual effects of FY2023 and catching up with bank reconciliation and it still could be reflected in the auditors' report. He said even though he can't speak for the auditors' conclusion is but the objectives are that with the upcoming software conversion, the SHA would have monthly reporting that management and board could rely on and see if there are any red flags. Once the conversion takes place, FY24 should be covered and the SHA will be at a better spot than it was before Yardi implementation.

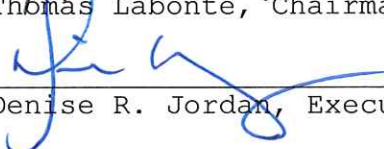
Commissioner Thomas asked if there any suggestions to the Board and how could they see any red flags. Mr. Guyder explained that his firm provides fee accounting services to about 35 housing authorities in MA and NY and in order to ensure transparency and accountability, and as a part of their services, [Marcum] provides monthly analysis of the financial situation, including evaluation of the finance director's performance on recording financial data and if there are any issues, they make their clients aware.

There being no further business to come before the members of the Springfield Housing Authority Board, upon a motion made by Commissioner Warren, seconded by Commissioner Thomas, and following a board roll call, it was unanimously

VOTED: to adjourn the Open Session of the Special Meeting of the Springfield Housing Authority at 3:38 PM.

ATTEST:

  
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Thomas Labonte, Chairman

  
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Denise R. Jordan, Executive Director