

MINUTES OF THE REGULAR MEETING
- OPEN SESSION -
OF THE SPRINGFIELD HOUSING AUTHORITY
HELD ON JANUARY 21st, 2025

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 at 4:00 PM on January 21st, 2025.

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

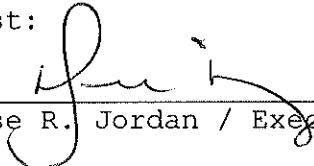
Notice is hereby given in accordance with Section 23B of Chapter 39 of the Massachusetts Laws, as amended, that a regular Meeting of the Board of Commissioners of the Springfield Housing Authority will be held at 4:00 PM on Tuesday, January 21st, 2025 at the Conference Room of the Springfield Housing Authority at 60 Congress St., Springfield, Massachusetts.

SPRINGFIELD HOUSING AUTHORITY
/s/Denise R. Jordan, Executive Director
January 16th, 2025

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 January 16th, 2025, 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:


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

Chairman Labonte called the meeting to order at 4:00 PM, and those present upon roll call were as follows:

PRESENT

Thomas Labonte
Jessica Quinones (attended on Zoom)
Angela Robles
Willie Thomas (arrived at 4:16 pm)
Raymond Warren

ABSENT

ALSO PRESENT

Nicholas Beauchamp
Brittany Bezok
Andrew Fox
Fidan Gousseynoff

Austin Harris
Denise Jordan
Nicole Kane
Matthew Rogers

The Board reviewed the Minutes of December 17th, 2024. With no questions or comments and upon a motion made by Commissioner Robles, seconded by Commissioner Warren and following a board roll call, it was unanimously (Commissioner Thomas not present at the time of voting)

VOTED: to approve the Minutes of December 17th, 2024.

HR Director Fidan Gousseynoff presented the 1st item on the agenda. She provided brief information about the successful cooperation programs between the SHA and the Hampden County Sheriff's Department explaining the differences between the existing vocational training program that provides employment and training opportunities to incarcerated individuals and the new Workforce Initiative program that will provide a slot or two for people who are not in custody anymore. With the new program, the HCSD will be acting like a staffing agency - they will be selecting, screening and referring candidates to work for the SHA as entry-level maintenance workers as well as providing insurance, taking care of Workers Compensation claims, disciplining etc. Mrs. Gousseynoff stated that the SHA is happy to provide opportunities to individuals referred by the Sheriff's Department and expressed her belief that programs like this help a lot of people to successfully reintegrate to the community. She told that since 2012, over 300 individuals have had an opportunity to work for the SHA assisting its maintenance crews with performing custodial tasks and minor repairs and some of the participants got promoted after completing the program and are currently active regular SHA employees.

The need to have a new program is explained by the fact that since COVID, the HCSD has been having trouble referring candidates through the vocational training program and many of the 8 slots allocated for the program have remained open. Now that the candidate pool will expand to people who are not in custody anymore, the hope is that all the slots will be filled but the total number of temporary maintenance staff members hired through both vocational program and the Workforce Initiative program, will be eight so that the SHA stays within the budget.

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

VOTED: to adopt Resolution #9820 to approve entering into a staffing agreement with the Hampden County Sheriff's Department's Workforce Initiative Inc.

Finance Director Austin Harris introduced Andrew Fox and Nicholas Beauchamp from EFRP Group that recently completed the SHA's audit. Andrew Fox explained that the audit reports were completed for both 2023 and 2024 years, the results are pretty similar and most of their presentation would be about the 2024 audit. He explained who was a

part of their engagement team and stated that the audit process initially began in 2023 but could not be completed because of the number of issues primarily related to Yardi. Michael Guyder and his team together with the SHA Finance's team were working on fixing those issues. AUP for 2023 and 2024 were submitted on time and by December 30, 2024, the audit reports were also submitted. The opinion issued on December 18th listed results of the audit, including the financial statements that presented fairly, internal control with that some weaknesses identified and compliance that revealed some compliance issues. Mr. Fox stated that the weaknesses that were identified were caused primarily by issues related to Yardi. He expressed his confidence that with the transition to the new software, the corrective action plan will be implemented. Mr. Fox explained how some programs were grouped into clusters and told that those clusters were audited as a whole. He stated that one of the biggest deficiencies identified during audit was VMS reporting and emphasized the importance of conducting trainings. Another significant deficiency was not submitting financial data to Federal Clearinghouse but he stated that it is not expected to be an issue in the future. Mr. Fox spoke about the federal awards expenditures and explained that Mr. Guyder and his team is working on it and a checklist was created. Andrew Fox also explained that it is important that capital fund closeout happen no later than 90 days. He said that as far as the cash goes, the numbers are very healthy and do indicate that the Authority has a pretty positive financial position. The current liquidity ratio indicates the Authority's ability to pay off immediate obligations.

The next subject on the presentation was on the matter of receivables. He said that currently it takes about 54 days to collect tenant receivables balances and this number used to be lower.

Mr. Fox referred to pages 4-10 for the management analysis and comparison the result of the current year and prior year. He said that as far as the net position goes - the authority's assets exceeded the liability by \$27 million. He also spoke about the statement of revenue, expenses and changes in net position and that total expenses were at \$69 mln which was a decrease from 2023. He explained that statement of net position shows an increase in assets and decrease in current liabilities, primary related to pension liabilities and post-retirement benefits. Mr. Fox spoke about capital and financing activities.

Mr. Fox went over the management letter that was issued and said that some of the items listed in the letter also showed up in findings, for example VMS discrepancies. Other issues reflected in the letter are manual general ledger adjustments, misclassification of balances and having some completed capital projects still being recorded in capital projects. The recommendation is to establish a monthly process to monitor and ensuring all report are submitted in HAFIS on time.

Commissioner Warren commented that the Board should take a harder look on financial controls systems and to ensure that all needed work is done on time, accurately and in compliance. Mr. Fox stated that a lot of the items will be primarily handled by Mike Guyder at the year end

process and some of the findings are not in place anymore - the audit for 3/31/24 was submitted on time. He expressed his confidence that with PHWebb, reporting will be much more efficient.

In response to Commissioner Warren's question, Mr. Fox and Mr. Beauchamp and Deputy Kane provided explanation about the City's program of trash payments in lieu of taxes that ended up with the SHA having over \$900,000 liability because the City stopped collecting trash and trash fees from SHA and other state agencies.

Chairman Labonte questioned how confident are the auditors about the positive effect of the new software and Mr. Fox responded that about 15 other agencies he has been working with are using PHWebb successfully and he is confident that switching to this new software will eliminate all reporting issues.

Alex Fox, Nicholas Beauchamp and Brittany Bezok left the Conference Room at 4:56 pm.

RAO Manager Matthew Rogers presented the next item on the agenda and explained that including language on the Federally Chronically Homeless Program to the HCVP Admin Plan is needed to comply with HUD requirements. He provided brief information about the program that is run by the SHA and the City. The latter publishes a list of landlords willing to participate in the program and the SHA publishes RFP to invite landlords. The program is mostly for SRO and one-bedroom units. Most program participants may stay in their units for one year and most stay longer. In response to Commissioner Thomas's question, Mr. Rogers that the program currently provides 50 vouchers and the SHA is looking into expanding it.

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

VOTED: to adopt Resolution #9821 to approve including language on the Federal Chronically Homeless Program to the Springfield Housing Authority's Section Eight Administrative Plan.

Finance Director Austin Harris presented item number four in New Business and explained that while working with the fee accountant, some issues with the reserves were discovered in the state budget certification for FYE 3/31/2023 - everything was been corrected, approved and resubmitted but the wrong numbers carried forward to FYE2024 and FYE2025 before the correction was done. The FYE2024 numbers were also corrected and a formal vote is required to re-submit budget certificates to EOHLC. The FYE2025 numbers will be corrected and submitted for the Board's approval at the Special meeting.

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

VOTED: to adopt Resolution #9822 to approve the submission to the Executive Office of Housing and Livable Communities of the state

budget certification for fiscal year ending 3/31/2024 for the following programs: MRVP, 200-A, 705-A, 400-1, 689-C, 667-A.

The Board reviewed materials and a recommendation to amend the Section 8 Admin Plan and ACOP on the matter of earned income disallowance. Deputy Kane provided brief information about EIA that is being eliminated for new tenants as of 12/31/2024. She added that the program would still work for those who are currently in the program.

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

VOTED: to adopt Resolution #9823 to amend the HCVP Administrative Plan and SHA Public Housing Admissions and Continued Occupancy Plan on the matter of Earned Income Disallowance including Individual Savings Accounts.

Deputy Kane presented information about another HOTMA requirement that has to go into effect on 2/1/25. According to the new policy, the release of information form will not need to be signed annually at the recertification but only once until revoked. In response to Commissioner Warren's inquiry, Mrs. Kane said that the forms are currently kept in tenant files and hopefully, in the future, the SHA will have the capacity to store them electronically.

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

VOTED: to adopt Resolution #9824 to amend the HCVP Administrative Plan and SHA Public Housing Admissions and Continued Occupancy Plan on the matter of the form HUD-9886-A, Authorization for Release of Information.

The Board reviewed materials and a recommendation to accept the Certificate of final completion for window replacement project at 705-2 and 705-3 properties.

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

VOTED: to accept the Certificate of Final Completion from Aegean Builders, for the Window Replacement project at the 705-2's and 705-3's here by accepting the project as complete and release the final payment.

The Board reviewed materials and a recommendation to award the legal contract to Lyon and Fitzpatrick, LLC. Deputy Kane stated that the previous contract expired on 12/31/2024. Two companies responded to RFP. Referring to the Memo distributed to the Board, Mrs. Kane stated that the list of the review committee members was not accurate and the correct list includes Denise Jordan and Property Managers Celina Correa and Kevin Kleszczynski. Mrs. Kane referred to the chart attached to the Memo that listed both bidders' responses and evaluation and stated that L&F was chosen as most advantageous. Mrs. Kane added that under

the contract, Sullivan, Hayes and Quinn will be providing legal services on labor matters. In response to Commissioner Warren's question, Deputy Kane explained that 5 year is the maximum number of years for a legal contract to be approved.

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

VOTED: to award the Legal Services Contract to Lyon & Fitzpatrick, LLC for the term of five (5) years effective 01/01/2025 through 12/31/2029 for the hourly rate amounts proposed in the attached pricing sheet.

Chairman Labonte requested to provide brief information about the Pilot Trash program and Deputy Kane explained that in 2011, the City discontinued trash services to the SHA and grouped it with other large private landlords but, unlike, private companies, SHA could not raise the rent to cover some of their trash expenses. Many years of negotiations with the City did not bring any results and the City stopped charging SHA (as well as other agencies like Baystate, colleges etc.). The auditors required to record trash fees as a liability. The SHA had obtained a letter from attorney Craig Brown that said that if the City decides at some point to collect trash fees, it would be allowed to collect only for last 3 years (not since 2011) and this year, Attorney Chesky provided an updated letter that also said that the City won't be able to collect charges for no more than last 3 years and the auditors [EFPR Group] agreed to write down the \$900000 liability that had been accumulating for all those years and limit the liability to only 3 years.

Denise Jordan started her Executive Director's report by informing the Board about submitting the FY25 Annual Plan to HUD and submitting all outstanding Finance reports for FY23 and FY 24 with the reports for FY25 being on track to be submitted on time. Ms. Jordan continued by reporting that the SHA's financial policies and procedures are being revised by the fee accountant and will be submitted to HUD for approval.

Ms. Jordan informed that the management staff continues to meet every two weeks to address the outstanding corrective action findings and a lot of progress has been made. Deputy Kane continues working closely with RAO Director Berrios to monitor resolving issues that came out during the compliance review. A meeting with Maura O'Brien from HUD regional office will be scheduled for further guidance.

Director Jordan informed that the case with IRS caused by some landlords not reporting their EIN numbers correctly has been closed and a new procedure has been established to use going forward.

Ms. Jordan stated that the Applications Department has submitted its quarterly vacancy report to the State and expressed her satisfaction with the SHA's vacancy rates. Only one development is currently having a lot of vacant units because of the elevator modernization project.

Director Jordan completed her report by stating that her ED Evaluation has been completed and submitted.

Commissioner Warren inquired if any plan has been developed to respond to emergency situations such as data breach. Finance Director Harris stated that the IT Department has been working on it.

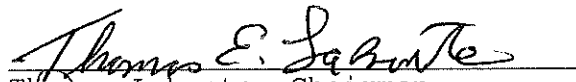
Chairman Labonte requested a motion to enter into an Executive Session. Upon a motion made by Commissioner Warren, seconded by Commissioner Robles and following a roll call, it was unanimously

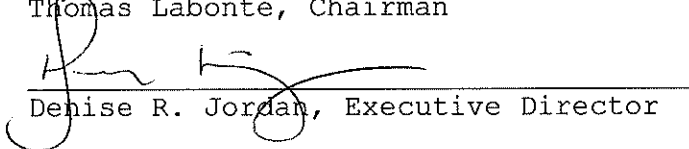
VOTED: to enter into an Executive Session to conduct strategy in preparation for negotiations with nonunion personnel and not to return into the Open Session.

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 Robles, and following a board roll call, it was unanimously

VOTED: to adjourn the Open Session of the Regular Meeting of the Springfield Housing Authority at 5:21 PM.

ATTEST:


Thomas Labonte, Chairman


Denise R. Jordan, Executive Director

