

Board of Commissioners – Housing Authority of the Town of Morristown
Special Board Meeting Minutes Summary
200 South Street-4th Floor, Morristown, NJ 07960
June 7, 2023 – 6:00 pm

Board of Commissioners

Martha Ballard, Chairperson
Luma Oweis, Vice Chairperson
Nohemy Zabala, Commissioner
Tina Lindsey, Commissioner
Derrick McCoy, Commissioner
Laura Lutz, Commissioner
Eva Turbiner, Commissioner - Telephone

Housing Authority

Keith Kinard, Executive Director
Allison Durham, Deputy Director
Pauline James, MHA, Chief Financial Officer
Frank Borin, Esq., MHA General Counsel Office
Bakari Lee, Esq., MCDC Counsel

Town of Morristown Officials

Mayor Timothy Dougherty - Absent
Mr. Robert Iannaccone, Town Council Liaison - Absent

Call to Order

Chairwoman Ballard called the meeting to order at 6:06 p.m. The meeting was properly noticed under the New Jersey Open Public Meetings Act. Roll call was taken and Chairwoman Ballard, Commissioners Oweis, Lindsey, Zabala, McCoy, Turbiner and Lutz were present. The flag was observed.

Pledge of Allegiance & Moment of Silence Observed

Mr. Kinard introduced the MHA's Chief Financial Officer, Pauline James, to the Board. Ms. James started on May 15, 20223. Ms. James has several years of finance experience and had worked for the largest public Housing Authority in New Jersey, Newark Housing Authority, for almost 11 years in the finance department.

Resolutions

- 2023-011 Resolution: Submit FY 2023 Revised Annual Budget to the State of New Jersey

MHA's Fee Accountant, Bill Katchen, conducted a presentation on the State budget to be submitted to the Commissioners. Mr. Katchen stated that approximately 30 years ago, the State of New Jersey amended the Local Fiscal Affairs Act to provide that the New Jersey Department of Community Affairs (DCA) would have the right to review MHA's budget; although, the MHA does not receive any funding from the State for its operations. The State of New Jersey requires the Board to first approve the submission of the budget to the State for review and comments. Following review by DCA, any comments will be addressed by the MHA. Once approved by the State, the Board will then be presented with a resolution to adopt the Budget approved by the State. Mr. Katchen noted that the MHA Board had previously reviewed and approved a budget submission to the State in the Fall of 2022; however, due to fundamental program changes of the agency, a revised budget is necessary to be submitted to the State. The State has agreed to consider this budget as the primary budget submission to them for the fiscal year. Mr. Katchen reviewed the State's

budget document outlining assets, deficits, operations appropriations and voucher program appropriations to the MHA from the U.S. Department of Housing & Urban Development (HUD), along with State pension, and benefits projected obligation costs for the year. Commissioner Turbiner ask for clarification on the difference between this budget amount and what she recalls from last year of a budget amounting to approximately \$2 Million. Mr. Kinard responded that he believes the previous budget amount was most likely the submission to HUD for the operations subsidy appropriations that did not include the voucher program budgetary amounts. The State budget format outlines all funds including the Voucher program funds estimated at \$6.7 Million, the operations subsidy funds, estimated at \$2.1 Million, and the proceeds from the sales of the senior properties, approximately \$9 Million. Mr. Katchen further noted that the budget includes data of actual expenditures up to April for this year and projections from now until the end of the year and is confident the agency has adequate funding to meet its obligations. The budget for next year and moving forward, MHA will need funds from the sales of the properties to cover the cost of operations. If approved tonight, Mr. Katchen expects that the Board may receive a resolution to adopt the budget upon approval by the State. Commissioner Turbiner noted the deficit on this budget and asked Mr. Kinard if this is very specific to the transition year or do we expect to use the funds from the sales to fill in the budget in an ongoing basis. Mr. Kinard responded that in his many years in this industry it has taken him some time to understand the structure that New Jersey requires for a budget format and submission because it ultimately gives the impression of a negative position but in fact the agency falls within a surplus environment at the end of the year. Mr. Katchen also noted that yes, the MHA will need to access the sales proceeds should the MHA not receive any further revenue funds. Commissioner Oweis asked for further clarification on the process with the State. Mr. Katchen noted that after approval of this submission to the State, they then review and provide any comments which he and MHA will address and reconcile; thereafter, once approved, the Board will then adopt the State approved budget. Commissioner Lindsey motioned to approve and Commissioner Oweis seconded to approve. Chairwoman Ballard, Commissioners Oweis, Lindsey, Zabala, Turbiner, and McCoy voted in favor. Commissioner Lutz abstained.

Executive Session

Commissioner Zabala motioned for the Board to move into Executive Session and Commissioner Oweis seconded the motion. All in Favor.

Commissioner Oweis motioned to return to open Board Meeting Session and Commissioner Zabala seconded the motion. All in Favor.

Adjournment

With no further business all voted to adjourn the meeting at 7:06 pm.