

LOWELL HOUSING AUTHORITY
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, JULY 19, 2023

Mercier House
21 Salem Street
Lowell, Massachusetts

---- Reported by: Lori Willis ----

Board of Commissioners:

Phillip L. Shea, Chairman

Mony Var, Vice Chairman

Joanie L. Bernes, Commissioner

Matthew Marr, Commissioner (Absent)

Rodney Elliott, Commissioner

Lowell Housing Committee:

Tha Chhan, Executive Director

Sherry Giblin, Chief Financial Officer

Kevin J. Murphy, General Counsel

P-R-O-C-E-E-D-I-N-G-S

Thank you. The hour is 5:15 p.m. on Wednesday, July 19th. Welcome to the Special Meeting of the Board of Commissioners at the Mercier Center of the Lowell Housing Authority. Thank you to our Lowell Housing Authority general counsel, legal counsel Kevin Murphy, for attending the special meeting this evening. I will ask the clerk for the roll call please.

Mr. Chhan: Chairman Shea.

Mr. Shea: Present.

Mr. Chhan: Vice Chairman, Mony Var

Mr. Var: Here.

Mr. Chhan: Commissioner Bernes

Ms. Bernes: Here.

Mr. Chhan: Commissioner Elliott.

Mr. Elliott: Here.

Mr. Chhan: Commissioner Marr (Not Present)

Four present.

Mr. Shea: Thank you.

Item Number 1 is Resident Correspondence. Mr. Clerk, do we have any Resident Correspondence?

Mr. Chhan: We do not have any resident Correspondence.

Mr. Shea: Thank you. Item Number 2 on the agenda is Resident Organization.
Do we have any Resident Organization?

Mr. Chhan: No, Mr. Chairman, we do not have any Resident Organization.

Mr. Shea: Item Number 3 on the agenda is the Report of the Chair.
I have nothing to say except I don't mind stating for the record.
It's easy to say for the record when good things happen at the Housing Authority, sometimes you have to say things that are unpleasant. I would like the record to indicate that I would like to commend the Executive Director and the Chief Financial Officer for their effort in the last couple of weeks with respect pertaining to the transfer of funds to a security deposit at 4.5%, 5 million dollars. That was a lot better than 1% that we were getting for the last 3 years. So that's a very good effort. That money was put into our checking account, to be used for the residents, our 5200 residents because it's their money. So, I just thought that I would indicate that was very good news that I heard. It was something that was talked about months ago and so with that being the case, I just wanted the record to note that it's recognized by myself and other members of the board, so definitely, put it in the public record. Also, we had a meeting this afternoon, of which, I guess there is no need to go into that the conversation, but we will have something to say with respect to our meeting on August 9th and that's basically all the Chair wanted to put on record. Once again, Tha, just a vey good effort on your behalf working with the Chief Financial Officer, so you both should be commended, so the report of the Chair, will have a roll call to accept the report of the chair, by Commissioner Mony Var seconded by Commissioner Rodney Elliott.

Mr. Shea: Report of the Chair, we will have a roll call with motion to accept the report of the Chair by Commissioner Mony Var, seconded by Commissioner Rodney Elliott. Item Number 3, and the clerk will call the roll.

Mr. Chhan: Chairman Shea.

Mr. Shea: Yes

Mr. Chhan: Vice Chairman, Mony Var

Mr. Var: Yes

Mr. Chhan: Commissioner Bernes

Ms. Bernes: Yes

Mr. Chhan: Commissioner Elliott

Mr. Elliott: Yes

Mr. Chhan: Commissioner Marr. (Absent)

Four yeas. (Motion carried)

Mr. Shea: With that being the case, we will move onto Item Number 4, Report of the Executive Director. Do we have the Report of the Executive Director?

Mr. Chhan: No, Mr. Chairman, no report at this time.

Mr. Shea: The next item on the agenda is Item Number 4.1.1, Motion to approve budget revision #1 to the state consolidated (c.667 and c.705) operating budget for the fiscal year ending September 30, 2023. I invite Chief Financial Officer, Mrs. Sherry Giblin to speak on behalf of the items submitted.

Ms. Giblin: Thank you, Mr. Chairman. The Department of Housing and Community Development (DHCD) strongly urges all public housing authorities to carefully review expenditures for budget variances. If there are any expenditures that are plus or minus 10% of budgeted amounts, DHCD recommends a budget revision be submitted. Budget revisions must be submitted no later than the first day of the eleventh month of the PHA's fiscal year. For our agency this is August 1, 2023.

The Authority's financial statements through May 31, 2023, indicate that a budget revision is needed to account for material budget variances. The major factors for the budget revision are overages in tenant relocation expenses, employee benefits, maintenance materials and contracts. The state consolidated program has seen an increase in the number of vacancies this fiscal year. These vacancies are units that have not been turned over in years, and therefore are requiring substantial rehabilitation to lease these units back up. In addition, the State program is facing significant pest infestations that have required tenant relocation.

The net effect of the budget revision is a decrease to operating gains of \$57K, net of operating reserve contribution. Budgeted operating expenses have increased by \$75K. The state provides a calculation of allowable non-utility expense level (ANUEL), which is essentially operating expenses less utilities and certain direct reimbursement expenses from grants. Due to the increase in budgeted operating expenses, the Authority is exceeding its ANUEL by \$68K and must cover this using reserves.

Mr. Shea: Any questions for Chief Financial Officer with respect to Item Number 4.1.1? Motion to approve Budget Revision #1 to the state consolidated (c.667 and c.705) operating budget for the fiscal year ending September 30, 2023. Item Number 4.1.1 I have a motion by Commissioner Joanie Bernes, seconded by Mony with that being the case, the clerk will call the roll.

Mr. Chhan: Chairman Shea.
Mr. Shea: Yes
Mr. Chhan: Vice Chairman, Mony Var
Mr. Var: Yes
Mr. Chhan: Commissioner Bernes
Ms. Bernes: Yes
Mr. Chhan: Commissioner Elliott
Mr. Elliott: Yes
Mr. Chhan: Commissioner Marr. (Absent)

Four yeas. (Motion carried)

Mr. Shae: The next item on the agenda is 4.1.2 Motion to approve Budget Revision #1 to the c.689 Program (Community Residences) Operating Budget for the fiscal year ending September 30,2023. I ask the Chief Financial Officer to explain.

Ms. Giblin: Thank you. The synopsis I gave you was for all the state programs, but we just have to have a separate vote. So, this is just for the second state program that we just need a separate vote for.

Mr. Shea: Any questions for our Chief Financial Officer for Item Number 4.1.2? With that being the case, Commissioner Joanie Bernes, seconded by Vice Chairman Mony Var motion to accept 4.1.2. The clerk will call the roll call.

Mr. Chhan: Chairman Shea.
Mr. Shea: Yes
Mr. Chhan: Vice Chairman, Mony Var
Mr. Var: Yes
Mr. Chhan: Commissioner Bernes
Ms. Bernes: Yes
Mr. Chhan: Commissioner Elliott
Mr. Elliott: Yes
Mr. Chhan: Commissioner Marr. (Absent)

Four yeas. (Motion carried)

Mr. Shea: The next item on the agenda is Item Number 5 Old Business.
Do we have any old business?

Mr. Chhan: Mr. Chairman, there is no old business to report.

Mr. Shea: The next item on the agenda is Item Number 6 New Business. Do we
have any new business?

Mr. Chhan: No new business.

Mr. Shea: The next item on the agenda is Item Number 6(a) Motions of the
Board.Members. Do we have Motions of the Board Members?

Mr. Chhan: We do not have any.

Mr. Shea: We will move onto the next agenda Item Number 6(b) Executive Director Announcements. Do we have any Executive Director Announcements?

Mr. Chhan: No Executive Director Announcements.

Mr. Shea: The next motion is Item Number 7 Motion to Adjourn. Other than that, we will have our regular meeting on Wednesday, August 9th at 5 o'clock here. The next item on here is the Motion to Adjourn. Before we adjourn, I want the record to indicate our next regularly scheduled meeting will be on Wednesday, August 9th at 5:00pm. That is the regular scheduled meeting of the Lowell Housing Authority Board of Commissioners and other than that, Commissioner Mony Var, seconded by Joanie Bernes move to adjourn, and the clerk will call the roll.

Mr. Chhan: Chairman Shea.

Mr. Shea: Yes

Mr. Chhan: Vice Chairman, Mony Var

Mr. Var: Yes

Mr. Chhan: Commissioner Bernes

Ms. Bernes: Yes

Mr. Chhan: Commissioner Elliott

Mr. Elliott: Yes

Mr. Chhan: Commissioner Marr. (Absent)

Four yeas. (Motion carried)

Whereupon the Board of Commissioner's meeting concluded at 5:45pm.