

A REGULAR MEETING  
OF THE HOUSING AUTHORITY  
OF THE CITY OF SALEM

October 27, 2022

A regular meeting of the Salem Housing Authority (SHA) Board of Commissioners was held on Thursday October 27, 2022, at the Broadway Tower Community Room. 205 Seventh Street, Salem, NJ. The meeting was convened at 5:07 pm.

Chairwoman Ferguson announced that the Sunshine Law had been met, properly posted, and advertised.

Karen Chiarello proceeded to call the roll at this time. Present were Chairwoman Rebecca Ferguson, Commissioner Cathy Lanard, Commissioner Tim Gregory, Commissioner Annalisa Moritz, and Executive Director Samantha Silvers. Also present were Accountant Ralph Polcari, Solicitor Adam Telsey and SHA staff. Commissioner Crystal Hallman and Commissioner Shalonda Tomlin were absent.

Chairwoman Ferguson asked for a motion to approve the minutes of the September 22, 2022, meeting. Commissioner Lanard made a motion and Commissioner Moritz seconded. All present were in favor.

**Financials**

Salem has a consolidated MTD operating profit of \$41,374 and a YTD operating profit of \$203,813.

Public Housing

Salem has a MTD operating profit of \$40,430 and a YTD operating profit of \$204,651.

1. MTD operating revenues are \$169,596, or \$16,379 better than budget.
  1. Tenant rental revenue is \$42,825, or \$3,925 below budget.
  2. Operating subsidy revenue is \$103,400 or \$15,900 above budget, due to HUD's allocation methodology.
  3. Other revenue is \$6,338, or \$4,421 better than budget, as the Authority charged its tenants for air conditioners in September.
  4. There are no other significant operating revenue items to note. All other revenue categories are above or only slightly below budget.
2. MTD operating expenses are \$129,166 or \$11,437 better than budget.
  1. MTD administrative salaries are \$4,120, or \$1,145 above budget, because there were three pay periods this month.
  2. MTD maintenance salaries are \$7,379, or \$3,136 above budget, because there were three pay periods this month.
  3. There are no other significant operating expense items to note. All expense categories are above or only slightly below budget.

## HCV

Salem has a MTD operating profit of \$944 and a YTD operating loss of \$838. Salem's HAP revenue of \$19,673 was enough to cover regular HAP expenses of \$19,053.

### **Occupancy Rates**

Our occupancy rate is 81%. Westside Court occupancy rate is 76%, Anderson Drive is 82% and Broadway Towers is 88%.

### **PHAS Scoring**

PHYSICAL. All of SHA was inspected over two days September 7<sup>th</sup> & 8<sup>th</sup>. We received a score of 64, almost double our previous score of 37! Given the preliminary Management and Financial score calculations, moving from the Substandard category to Standard may be feasible this year. Even if not, I am not too concerned for any immediate penalties if we remain in the Substandard category since we have a Recovery Action Plan, attached, with HUD which demonstrates our desire to work towards compliance. We need to keep deadlines in the forefront and show improvements.

FINANCIAL. Preliminary score is 24.00. Salem's preliminary quick ratio of 4.90 results in the maximum 12 points. SHA's preliminary MENAR score of 3.03 earns an estimated 10 points out of the maximum 11 points. The Authority has only CFP debt and therefore earns the maximum 2 points for the debt service score.

MANAGEMENT. Preliminary management score is only 4 out of 25. The occupancy rate earns 0 out of 16 points. In addition, the tenant accounts receivable balance is 34.31% of rental revenue and earns 0 out of the possible 5 points in this category. It is noted that the Authority has over \$170,000 of outstanding receivables due from tenants. Finally, the Authority earns the maximum 4 out of 4 points in the accounts payable category.

CAPITAL FUND. The SHA will score 5 points if 90% of the capital fund is obligated within 2 years of award and an additional 5 points if occupancy rate is 96% or above. We can anticipate 5 points for obligation but most likely no additional points.

### **Unit Tours**

Unit tour was conducted 10/4/2022 per request of the commissioners. Various samples of units were shown including newly vacated, quick turns, major renovations, infestations/debris, and ready for occupancy. Commissioner Ferguson was very please with the tours. She said that it was very beneficial to see the process. The most discouraging thing she saw was the rehabbed unit that had been vandalized.

### **Recovery Plan**

The preventive plan will be sent to HUD. Should be set by 10/27/22.

### **Grants**

We were denied for the Safety and Security grant. They said that we did not have an actual emergency. We may need a specialized grant writer in the future.

### Old Business to Discuss

- Camera follow up – Commissioner Moritz did work on a list of questions to be asked and a possible list of vendors. Chairwoman Ferguson asked her to forward her list to the Board members and Samantha. The idea of mobile security units is favorable. This would be especially good if we do demo Westside Court. We would not have spent money on cameras that cannot be moved easily.
- Pest Control Services – this is ongoing
- Tenant Meetings – nothing has been scheduled at this time
- Atlantic City Electric – Denise Smith has spoken with Atlantic City Electric, and they stated that there really isn't a way for them to tell us what is causing the increased usage. There are six units in this building and only three are occupied. There may be something else tied into this meter. We will continue to investigate this for further explanation. We will also see about having the electrician review the meter and determine what is tied to the meter.
- Waitlist purge update – Jennifer has gotten responses to update information for people currently on the list.

### Demolition of WSC

The City of Salem is in negotiations with Developers. The SHA is on their radar. We are currently in a holding pattern on the demo application. If the developers do show interest, we would not need to use our capitol funds. They could then be used at Anderson Drive and Broadway Tower.

Chairwoman Ferguson indicated that there were resolutions to approve.

#### **Resolution #23-22**      Resolution Approving the Payment of Bills for October 2022

##### Roll Call Vote:

Motion: Commissioner Lanard  
Second: Commissioner Gregory  
Roll Call: Unanimous

#### **Resolution #24-22**      Resolution Approving a Contract for Auditing Services

##### Roll Call Vote:

Motion: Commissioner Lanard  
Second: Commissioner Gregory  
Roll Call: Unanimous

Chairwoman Ferguson asked if there was any old business. This was included in the Executive Director's report.

Chairwoman Ferguson asked if there was any new business. There was none.

Chairwoman Ferguson asked if there was any public comment. There was none.

At 5:31 Chairwoman Ferguson asked if there was a motion to adjourn. Commissioner Moritz made a motion and Commissioner Lanard seconded. All present were in favor.

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Samantha Silvers – Secretary

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Date

