

**REGULAR BOARD MEETING  
September 7, 2017**

The undersigned being all members of the Holyoke Housing Authority under the Laws of Massachusetts, assent and agree the Regular Board Meeting of the Authority shall be held at Falcetti Towers, 475 Maple Street, Holyoke, Massachusetts on Thursday, September 7<sup>th</sup> 2017 at 6:00 pm.

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**NOTICE OF REGULAR BOARD MEETING**

Notice is hereby given in accordance with SECTIONS 18-25 OF MGL CHAPTER 30A OF THE GENERAL LAWS THAT a Meeting of the members of the Holyoke Housing Authority will be held at 6:00pm at 475 Maple Street, Holyoke, Massachusetts on August 31, 2017.

Holyoke Housing Authority

BY: \_\_\_\_\_  
Matthew A. Mainville, Secretary

**CERTIFICATE AS TO SERVICE OF NOTICE OF REGULAR MEETING**

I, Matthew A. Mainville, the duly appointed and qualified and acting Secretary of the Holyoke Housing Authority, do hereby certify that on August 31, 2017 I hereunto set my hand this thirty-first day of August 2017.

\_\_\_\_\_  
Matthew A. Mainville, Secretary

**Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

**Absent:**

**Timothy W. Purington**

**Staff Present:**

Brian Burbank	Janara Healy
Katherine Barz	Nicholas Ottomaniello
Anne Darcy	Matthew Mainville
Donna Wagner	Marc Ruell

**VISITORS PRESENT:** Michael Guyder of Guyder, Hurley, PC, Falcetti Towers Residents Barbara and Donald Lavalee, Lauren Zeigler (taking minutes)

**Counsel Present:** Priscilla Chesky

Meeting was called to order at 6:03pm by Chair Cooper-Gordon. The Chair thanked everyone for their attendance then asked the Executive Director of the Housing Authority Matthew Mainville to begin the meeting.

**MINUTES of July 6, 2017**

**MOTION**

**17-053**

On a motion by Commissioner Wilson and seconded by Vice Chair Falcetti, the Board approved the minutes of July 6, 2017 as written. The Board voted in favor of this motion:

**Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

**Absent**

Timothy W. Purington

**LYMAN TERRACE INFRASTRUCTURE WORK**

Change Order #3 has been submitted by the Contractor at the Lyman Terrace Development. Changes include flushing and obtaining video regarding the condition of the existing sewer laterals not scheduled for repair, installation of cascade type grates in lieu of standard grates as per Holyoke Department of Public Works, removal and disposition of 1-4 Building concrete floor to allow installation of fire service, removal and replacement of portion of sewer service at 3-1 Building and 2-2 Building, repair of sewer service connection at 2-5 Building and removal of tree roots and debris from sewer service at 1-5 Building with a total estimated additional cost of \$45,243.21.

This change order applies to the entire 5 ½ acre site of Lyman Terrace. Camera work was done to detect the needs covered by this Change Order #3. MassWorks and Tighe and Bond have approved this Change Order.

Executive Director added this type of work has been recognized at Beaudoin Village and repaired. The only other development that may need inspection is Toepfert Apartments.

**MOTION**

**17-054**

On a motion by Vice Chair Falcetti and seconded by Chair Cooper-Gordon, the Board voted to approve Change Order #3 to Geeleher Construction in the amount of \$45,243.21 for Lyman Terrace infrastructure work. The Board voted in favor of this motion:

**Present and voting:**

Theresa Cooper-Gordon            Yes  
Michael Falcetti:                    Yes  
Marilyn Sanabria:                 Yes

**Absent**

Timothy W. Purington

*Abstained: Aaron W. Wilson*

**PRESENTATION BY MICHAEL GUYDER**

Michael Guyder of Guyder, Hurley, P.C. arrived and was introduced by Executive Director. Mike has been a partner with the HHA for a number of years. He does a large number of audits across the Commonwealth, and is highly recommended by DHCD and HUD. They provide excellent service. Our 2016 Audit has recently been completed and the draft will be discussed.

As the Board has not had an audit explained for a few years, Mr. Guyder is here to discuss the most recent audit, as well as describe the details of an audit.

Federal program compliance is reviewed during the audit, as well as financial statements. The federal Moving to Work Demonstration program was examined, as well as a wide spectrum of transactions. An opinion is then given. The Financial Statements and Compliance was unmodified. No findings were disclosed.

There was a significant deficiency under financial statements and internal control related to Lyman Terrace. For the closing at the end of December 2016, some transactions were not recorded in that fiscal year. Material audit adjustments were necessary. There was a significant deficiency in internal controls regarding loans through the Lyman Terrace partnership. This can be addressed by Management and the Fee Accountants getting a full understanding of the documents in the closing binder for Lyman Terrace.

The implications of those transactions are:

Disposal of units at Lyman Terrace, happening in phases, and the accounting for those phases. Financing through the housing authority needs to be recorded.

Developer fee receivable payments need to be recorded on an annual basis. That was missed at the end of 2016. Audit adjustments were proposed to the Authority.

Going forward with the next phase, each phase that closes has transactions that need to be accounted for on an ongoing basis.

Accounting needs to be aware of details of the closing documents. The timing was important in this particular situation, however, the closing happened at year end. Had it happened in January of 2017, Accounting would have had more time to make the correct entries. This complicated the process of the transactions.

Executive Director added our fiscal year is our calendar year. The closing was at the end of December. We understand the feedback and have a blueprint to handle the next phases. It is serious and hopefully the timing will not be at year end.

Vice Chair asked if there were any negative impacts through HUD. Mr. Guyder did not expect this to happen. The findings in these reports are more concerning matters of improvement. The Field Office is happy to see the Authority's opportunity to correct the issues. Executive Director will correspond with the HUD Boston Field Office to explain corrective measures taken.

Vice Chair asked about any effect going forward into 2017. There will be no negative effect going forward. Attorney Chesky noted the closing took place over about 3 days.

Chair Cooper-Gordon added it is a learning curve going forward. Year end is a difficult time.

Finance Director added the errors will not be repeated. All adjustments have now been made.

Teresa Ewald added they were aware that deadlines had not been met, however, time constraints prevented getting it all completed. They totally understand how it works. They are aware and understand what has to be done, and it is hoped it doesn't happen again with only a few days to year end. It was not a complete oversight, it was known what had to be done but there was not enough time to do it.

Executive Director stated he looks at the audit like a personnel review.

Going forward, the Authority is financially in good shape. The controls within the Accounting Dept. are in good shape. There are some areas for improvement regarding resident files and Family Self Sufficiency Program, as well as the Central Office Cost Center.

COSS was explained as a cost pool under the authorities of HUD. Costs are recovered by charging fees to the Federal programs. Matt and Anne are well aware of the impact of the disposal of Lyman Terrace on the Authority as a whole.

No procurement issues nor major issues have come up regarding compliance. GASB Standard 68 for pensions was implemented last year. There is a major occurrence regarding retirement liability, which is mandated by the Commonwealth. It has always existed.

The retirement system is in very good shape, in relation to other retirement systems in Massachusetts. It is over 60% funded. Some Authorities are only 25% funded. The retirement system follows PERAC regulations.

Executive Director added all in all, the HHA is in a good place, with good controls in accounting and running of the program. We have a strong financial position, good operating system that will only get better. The HHA is doing the right thing.

Mr. Guyder gave an overview of the cash flow statements.

Vice Chair Falcetti asked about the EMPHASYS computer system. Although it has some drawbacks, it is one of only two compatible with Moving to Work. There is another computer system that is considerably more expensive. There are other systems that Mr. Guyder prefers from an auditing standpoint, but the only other system that works with Moving to Work is twice the price.

MIS Director added we are always looking at these products. Moving to Work deals with Yardi and EMPHASYS.

Executive Director would like to get together a panel of staff and fee accountants to look over the two systems.

Mr. Guyder left at 6:55pm.

### **DHCD PROJECT 137078 – BUILDING IMPROVEMENTS SCATTERED SITES 705-1**

Mike Falcetti asked about Purchasing Agent’s current issues report regarding windows and budget constraints for scattered sites at 565, 567 South Summer Street (windows and doors), and Alternate #3 for windows at 553 and 555 South Summer. Executive Director explained how bid was put together, i.e., an Alternate for doors and a separate alternate for windows. The concern is that bids would come back higher than the estimate. That gives us an a la carte option.

The lowest responsive, responsible bidder is Aegean Builders in the amount of \$80,000.00. DHCD has approved this recommendation, and Aegean is highly recommended.

Executive Director mentioned work went well at Beaudoin Village with no change orders. Ninety percent of the work is complete.

### **MOTION**

#### **17-055**

On a motion by Vice Chair Falcetti and seconded by Commissioner Sanabria, the Board voted to award the lowest responsive, responsible builder, Aegean Builders, Building Improvements Scattered Sites 705-1, a base bid in the amount of \$80,000.00. The Board voted in favor of this motion:

#### **Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

#### **Absent**

Timothy W. Purington

### **BANKING SERVICES PROPOSAL SELECTION**

Eight banks responded to request for proposals. Two proposals were received. An in-house staff committee consisting of Purchasing Agent, Director of Accounting and our Accountant reviewed the proposals for their ability to service the HHA and our Residents. They recommended Peoples Bank.

Executive Director added Peoples is very good to work with, they are local with easy access for our residents. He is very pleased with them.

**MOTION**

**17-056**

On a motion by Chair Cooper-Gordon and seconded by Commissioner Wilson, the Board voted to award Peoples Bank a five year contract for banking services, beginning on the date the contract is fully executed. The Board voted in favor of this motion:

**Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

**Absent**

Timothy W. Purington

Commissioner Falcetti asked about involvement of our staff Accountant in Financial Department activities. He is involved in all meetings regarding finance, including Fee Accountants, banking and all Finance Department matters.

**New Business**

The Community Preservation Committee for Holyoke requires a voting member of the Board. The Executive Director is not eligible. Meetings are in the evening, at least twice a month. There are also on call meetings, therefore, they are time consuming. This requires a Board nomination and vote. A CPA Advisory Council will come in to give a presentation.

Commissioner Falcetti volunteered, as he is able to devote the time required.

**MOTION**

**17-057**

On a unanimous vote, the Board voted to appoint Vice Chair Falcetti to the Community Preservation Committee for the City of Holyoke. The Board voted in favor of this motion:

**Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

**Absent**

Timothy W. Purington

**Lyman Terrace New Business**

Chair Cooper-Gordon was approached at the Celebrate Holyoke event by several Lyman Terrace residents. They feel the drug situation has intensified, and Police have not been patrolling as necessary. They have reported this to TCB's office and do not feel this situation was seriously addressed. Executive Director and Assistant Executive Director will contact The Community Builders as well as the Police Department. Commissioner Sanabria added this was a major concern of the Community at the beginning of Lyman Terrace's redevelopment.

Chair Cooper-Gordon added she is glad the Community feels comfortable coming to us with concerns. Executive Director added outside security will also be considered.

Vice Chair Falcetti asked about meetings with the Developer. Assistant Executive Director responded meetings are held weekly. Investigation will take place, as this is the first the HHA has heard about this.

**New Business-August Board Break**

Chair Cooper-Gordon would like to reinstate an August meeting. Although the Board voted on an August recess for the past few years, August will be reinstated.

**Current Issues - Lyman Terrace**

Commissioner Sanabria asked about the first move-ins at Lyman Terrace. The first residents will move into the new units this coming Wednesday, September 13. She requested a tour. Executive Director will send an email to Commissioner Purington regarding a tour to be held on Thursday, September 14 at 3:00pm.

**MOTION**

**17-058**

On a motion by Treasurer Aaron W. Wilson and seconded by Chair Cooper-Gordon, the Board voted to adjourn at 7:15pm. The Board voted in favor of this motion:

**Present and voting:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

**Absent**

Timothy W. Purington

**ROLL CALL:**

Theresa Cooper-Gordon	Yes
Michael Falcetti:	Yes
Marilyn Sanabria:	Yes
Aaron W. Wilson	Yes

Timothy W. Purington