

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

10400 Detrick Avenue
Kensington, Maryland 20895
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**Budget, Finance, and Audit Committee Minutes
December 20, 2023**

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Budget, Finance and Audit Committee was conducted via a hybrid platform (with some participating in-person and some participating online/via teleconference) on Wednesday, December 20, 2023 with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 11:02 a.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

Present

Richard Y. Nelson-- Chair
Jeffrey Merkowitz - Commissioner
Frances Kelleher – Commissioner

Also Present

Chelsea Andrews, President/Executive Director	Timothy Goetzinger, Chief Financial Officer
Kayrine Brown, Senior Executive Vice President	Richard Congo
Terri Fowler, Budget Officer	Kathryn Hollister
Aisha Memon, Senior Vice President, Legal	Morgan Tucker
John Wilhoit	Ali Ozair

Present via Zoom

Claudia Wilson	Zachary Marks
John Broullire	Monte Stanford

IT Support

Aries “AJ” Cruz

Commission Support

Jocelyn Koon, Senior Executive Assistant

Commissioner Nelson opened the meeting with a welcome and introduction of Commissioner Kelleher, Commissioner Merkowitz, and President Chelsea Andrews. Commissioner Nelson began the meeting with the approval of the minutes.

APPROVAL OF MINUTES

- 1. Approval of Budget, Finance and Audit Committee Minutes November 3, 2023**
- 2. Approval of Budget, Finance and Audit Committee Minutes November 3, 2023- Closed Session**

The minutes of the November 3, 2023 open meeting and closed session meeting were approved as submitted with a motion by Commissioner Kelleher and seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Nelson, Merkowitz and Kelleher.

ACTION/DISCUSSION ITEMS

- 1. 2024 (FY'24) First Quarter Budget to Actual Statements: Presentation of First Quarter FY'24 Budget to Actual Statements**

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Tim Goetzinger, Chief Development Funds Officer/Chief Financial Officer and Terri Fowler, Budget Officer, to provide a summary of the financial positions of the agency. Staff addressed questions from the Committee. Staff recommended that the Budget, Finance, and Audit Committee join its recommendation to the Commission to accept the First Quarter FY'24 Budget to Actual Statements. The motion was moved by Commissioner Merkowitz and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

- 2. Fiscal Year 2024 (FY'24) First Quarter Budget Amendment: Presentation of the FY'24 First Quarter Budget Amendment.**

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Tim Goetzinger, Chief Development Funds Officer/ Acting Chief Financial Officer, and Terri Fowler, Budget Officer, to provide a summary of the financial positions of the agency. Staff addressed questions from the Committee. Staff recommended that the Budget, Finance, and Audit Committee join its recommendation to the Commission for approval of the proposed FY'24 First Quarter Budget Amendment. The motion was moved by Commissioner Merkowitz and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

- 3. Fiscal Year 2024 First Quarter Unaudited Financial Statements: Presentation of the Unaudited Financial Statements for the First Quarter Ended September 30, 2023**

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Francisco Vega, Assistant Controller, who provided the detailed presentation on the Unaudited Financial Statements for the First Quarter Ended September 30, 2023. Staff addressed questions from the Committee. After the presentation concluded, Commissioner Nelson advanced to the next item on the agenda.

4. Uncollectible Tenant Accounts Receivable: Presentation of Request to Write-Off Uncollectible Tenant Accounts Receivable (July 1, 2023 – September 30, 2023)

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. Timothy Goetzinger introduced Nilou Razeghi, Accounting Manager, who provided the detailed presentation. Staff recommended that the Budget, Finance, and Audit Committee join its recommendation to the full Commission authorizing the write-off of uncollectible tenant accounts receivable of \$132,684. The motion was made by Commissioner Kelleher and seconded by Commissioner Nelson. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

5. Renewal of Primary Auditor Contract: Approval to Renew the Primary Audit Contract with CliftonLarsonAllen LLP for One Additional Year

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Timothy Goetzinger, Chief Development Funds Officer/ Acting Chief Financial Officer who provided the detailed presentation. Staff requested that the Budget, Finance, and Audit Committee join its recommendation to the full Commission to renew the primary audit contract with CliftonLarsonAllen LLP for a one-year term. The motion was made by Commissioner Merkowitz and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

6. Extension of Property Management Contracts: Request to Extend Property Management Agreements Expiring in First Quarter Calendar Year 2024

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Ali Ozair, Director of Property Management, who provided the detailed presentation. Staff recommends that the Budget Finance and Audit Committee join staff's recommendation that the Commission approve the extension of the property management services contracts with the respective management companies for The Barclay, Fairfax Court, Fenton Silver Spring, Pooks Hill Towers, Pooks Hill Court, Residences On the Lane, Rad 6 (Ken Gar, Parkway Woods, Sandy Spring Meadow, Seneca Ridge, Towne Center Place, Washington Square), Camp Hill Square, Shady Grove Apartments, Dale Drive, Manchester Manor, Southbridge, Tanglewood & Sligo, Spring Garden Apartments, The Willows, Timberlawn Crescent, Oaks at Four Corners, and Paddington Square. The motion was made by Commissioner Kelleher and seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

7. Approval of Property Management Contract: Approval to Select Bozzuto as Property Manager for Hillandale Gateway

Commissioner Nelson introduced Chelsea Andrews, President, to provide an overview of the presentation. President Andrews introduced Ali Ozair, Director of Property Management, who provided the detailed presentation. Staff recommended that the Budget, Finance, and Audit Committee join its recommendation to the full Commission for the President/Executive Director to execute a management contract with Bozzuto for property management services at Hillandale Gateway. Commissioner Kelleher suggested the wording provided to Bozzuto specifies a performance based payment as opposed to a flat fee. Commissioner Kelleher also would like it to be clarified if the payment is a residential, not commercial. The motion was made by Commissioner Kelleher to move the item to the full Commission with the

clarifications that was discussed. Commissioner Merkowitz seconded. Affirmative votes were cast by Commissioners Kelleher, Nelson, and, Merkowitz.

8. Proposed Protocol for Future Audit Presentations

Commissioner Kelleher provided the presentation. Commissioner Kelleher offered a resolution that formalizes best practices of having external auditors present audit reports to the Commission instead of staff. The motion was made by Commissioner Kelleher to move the resolution to the full Commission. Commissioner Merkowitz seconded. Affirmative votes were cast by Commissioners Kelleher, Nelson and Merkowitz.

Based upon this report and there being no further business to come before this session of the Commission, the Commission adjourned the open session at 12:14 p.m.

Respectfully submitted,

Chelsea Andrews
Secretary-Treasurer

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