

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**  
**10400 Detrick Avenue**  
**Kensington, Maryland 20895**  
**(240) 627-9425**

**Budget, Finance and Audit Committee Minutes**

**September 27, 2022**

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 model on Tuesday, September 27, 2022, with some participating by an online platform/teleconference, and others participating in-person at 10400 Detrick Avenue, Kensington, Maryland beginning at 11:05 a.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

**Present**

Frances Kelleher – Commissioner

**Attending via Zoom**

Richard Y. Nelson, Jr., Chair – Budget, Finance and Audit Committee

Jeffrey Merkowitz - Commissioner

**Also Attending**

Chelsea Andrews, Executive Director

Timothy Goetzinger, Acting Chief Financial Officer

Fred Swan

Eugenia Pascual

Aisha Memon, General Counsel

Terri Fowler, Budget Officer

Olutomi Adebo

**Also via Zoom**

Kayrine Brown, Deputy Executive Director

Marcus Ervin

Jennifer Arrington

Zachary Marks

Darcel Cox

Paige Gentry

Francisco Vega

Nathan Bovelle

Matt Husman

Olutomi Adebo

Alex Torton

Leidi Reyes

Niketa Patel

Nilou Razeghi

Claudia Wilson

**IT Support**

Aries "AJ" Cruz

**Commission Support**

Patrice Birdsong, Spec. Asst.

At the request of Committee Chair Nelson, Vice Chair Kelleher opened the meeting with a welcome and introduction of Commissioners Nelson and Merkowitz joining via Zoom, and the Executive Director as well as key staff presenters participating in person. Commissioners Nelson began the meeting with the approval of the minutes.

### **APPROVAL OF MINUTES**

The minutes of August 26, 2022, open session were approved as submitted with a motion by Commissioner Merkowitz and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

### **ACTION/DISCUSSION ITEMS**

#### **1. Fiscal Year 2022 Fourth Quarter Budget to Actual Statements: Presentation of Fourth Quarter FY'22 Budget to Actual Statements**

Chelsea Andrews, Executive Director, provided an overview of the presentation. Executive Director Andrews reported that the Agency ended the year with a surplus of one million twelve thousand dollars, and indicated that a recommendation will be requested that the surplus be divided into 50% allocations to both the General Fund as well as the Opportunities Housing Property Reserve. Executive Director Andrews introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer, who introduced Terri Fowler, Budget Officer, as the presenter. Ms. Fowler, who provided the presentation to the Budget, Finance and Audit Committee, recommending that the Budget, Finance and Audit Committee accepts its recommendation to the full Commission the acceptance of the Fourth Quarter FY'22 Budget to Actual Statements. Staff addressed questions. A motion was made by Commissioner Kelleher to recommend to the full Board that the surplus funds be split 50-percent to the Operating Reserves and 50-percent to the Property Reserves for approval. It was seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

#### **2. Fiscal Year 2022 Fourth Quarter Unaudited Financial Statements: Presentation of the Unaudited Financial Statements for the Fourth Quarter ended June 30, 2022**

Chelsea Andrews, Executive Director, provided an overview of the presentation. Executive Director Andrews highlighted that the Commission's net position increased as a result of various sales of properties, and as well as the current ratio of assets to liabilities. Executive Director Andrews introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer, who introduced Frances Vega, Assistant Controller, as the presenter. Prior to Mr. Vega's presentation, Eugenia Pascual, Controller, informed the Committee of a change in the reporting of the audit version. Mr. Vega proceeded with his presentation. There were no questions of the Committee. No vote was taken.

**3. Fiscal Year 2023 First Quarter Budget Amendment: Presentation of the FY'23 First Quarter Budget Amendment**

Chelsea Andrews, Executive Director, provided an overview of the presentation requesting support and recommendation to the full Board of amending the FY'23 First Quarter Budget. Executive Director Andrews introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer, who introduced Terri Fowler, Budget Officer, as the presenter. Commissioner Kelleher complimented the staff on budget projections. A motion was made by Commissioner Kelleher to recommend to the full Commission approval of First Quarter Budget Amendment. It was seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz. Staff addressed Commissioner Merkowitz questions regarding rate increases and the need of budget adjustments for higher interest expenses. Commissioner Nelson indicated that this was a valid questions and requested that staff could provide summary of the matter for discussion during the Development and Finance Committee Meeting convening on September 28, 2022, and a full explanation for the full Board.

**4. Uncollectible Tenant Accounts Receivable: Presentation of Request to Write-Off Uncollectible Tenant Accounts Receivable (April 1, 2022 – June 30, 2022)**

Chelsea Andrews, Executive Director, provided an overview of the presentation. Executive Director Andrews highlighted the presentation, and introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer, who introduced Nilou Razeghi, Accounting Manager, as the presenter. Due to audio issues, Ms. Razeghi, was unable to present. Presentation was done by Mr. Goetzinger, requesting that the Budget, Finance and Audit Committee accepts its recommendation to the full Commission the authorization to write-off uncollectible tenant accounts receivable for the fourth quarter of FY'22. During the presentation Commissioner Nelson temporarily stepped away requesting that Commissioner Kelleher preside. Staff addressed questions. A motion was made by Commissioner Merkowitz to recommend to the full Commission for approval amount requested for uncollectible tenant account receivables. It was seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Kelleher, Merkowitz, and Nelson. Commissioner Nelson returned to the meeting at 11:48 a.m. with a vote affirming the discussion item, and he requested that Commissioner Kelleher continue presiding the meeting.

**5. Extension of Existing Property Management Contracts: Arcola Towers, Avondale Apartments, Barclay Apartments, Bauer Park Apartments, Camp Hill Square, Dale Drive, Fairfax Court, Manchester Manor Apartments, The Metropolitan, Pooks Hill Court, Residence on the Lane, Shady Grove Apartments, Southbridge, Spring Garden Apartments, Strathmore Court at White Flint, Tanglewood, The Willows, Timberlawn Crescent and Waverly House Apartments**

Chelsea Andrews, Executive Director, provided an overview of the presentation requesting approval of the Budget, Finance and Audit Committee recommend to the full Commission execution of an extension of property management contracts with Edgewood, Buzzuto, and Residential One for the management of 19 traditionally managed properties and Executive Director Andrews opened the floor for staff presenters, that included Nathan Bovelleville, Chief Maintenance Officer/Acting Director of Property

Management, and Alex Thorton, Asset Manager. Mr. Bovellet provided the presentation requesting approval of a one year extension of property management contracts for 19-traditionally managed properties as well as 7 Development Corporations or until a completed property management solicitation has been awarded. Staff addressed questions. Commissioner Kelleher applauded staff on their move towards a more sophisticated and standardizing approach for contracting services. A motion was made by Commissioner Nelson and seconded by Commissioner Merkowitz to recommend to the full Commission for approval. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

**6. Extension of Existing Property Management Contracts – Development Corporations: Barclay Apartments, Magruder’s Discovery, Metropolitan, Montgomery Arms, Paddington Square, Pooks Hill, and RAD 6**

The discussion of approval of the property management contracts for the 7 Development Corporations was previously discussed. A motion was made by Commissioner Merkowitz and seconded by Commissioner Nelson to forward the request of the Barclay Apartments, Magruder’s Discovery, Metropolitan, Montgomery Arms, Paddington Square, Pooks Hill, and RAD 6 Development Corporations, to extend property management contracts. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

Based upon this report and there being no further business to come before this session of the Budget, Finance and Audit Committee, the meeting adjourned at 12:03 a.m.

Respectfully submitted,

Chelsea Andrews  
Secretary-Treasurer

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