



Fort Lee Housing Authority

1403 Teresa Drive
Fort Lee, New Jersey 07024
Tel (201) 947-7400/7401
Fax (201) 947-9710

HOUSING AUTHORITY OF THE BOROUGH OF FORT LEE

MINUTES OF SCHEDULED MEETING

November 5, 2025

1. **MEETING** called to order at 6:03 pm by Sherry Bauer on November 5, 2025.
2. Pursuant to the Open Public Meetings Act the Executive Director read the following statement:

Adequate notice of this meeting has been provided in the following manner:

On December 22nd, 2024, a notice of this meeting, setting forth the date, time and location of this meeting was posted on the Housing Authority's officially designated public bulletin board at 309 Main Street, Fort Lee, New Jersey, the authority's website and provided to The Record, The Jersey Journal and Clerk of the Borough of Fort Lee.

The Secretary is hereby directed to enter into the minutes of this Meeting this public announcement.

3. **Roll Call:**

PRESENT: Commissioners S. Bauer, D. Steinberg, A. Yook, Shari DePalma, C. Chung (via Zoom)

ABSENT: E. O'Neill, R. Sohmer

ALSO PRESENT: Council Liaison Joseph Cervieri, Exec. Director Terrence Corriston, Thomas Furlong (Accountant), Richard Larson (Auditor), and Sylvia Ruiz

4. **Minutes:**

Motion made by Dolores Steinberg and seconded by Shari DePalma, to approve the Minutes of the meeting of October 8, 2025.

Ayes: S. Bauer, D. Steinberg, A. Yook, Shari DePalma, C. Chung

Nays: None

Abstain:

Absent: E. O'Neill, R. Sohmer



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5. NOVOGRADAC & CO, LLP Audit Report by Richard Larsen:

Mr. Larsen advised the Board of the following:

Mr. Larsen addressed the Audit with the Board. Page 1 is where they give an opinion on the financial statements of the Authority. It says that the financial statements present fairly, in all material respects, the net position of the Authority. This is an unmodified opinion and is the highest level of assurance he can give as auditor. Mr. Larsen commented that the Authority should be very happy with the result as this is the best outcome you could hope for.

The second Audit is on page 31. That is the audit in accordance with government auditing standards. There are two parts to this audit. The first part is Internal Controls Over Financial Reporting. The Auditors documented and tested internal controls over financial reporting. These are the processes that the Authority has in place to safeguard authority assets. They test the cash receipts process, cash disbursements, payroll, procurement, review minutes. They select resolutions to ensure they were followed. Mr. Larsen said, “the great news here ... we did not find any deficiencies, in this internal control that we consider to be a material weakness.” He also said, “the great news is, this is the highest level of assurance that we can give, and we say, we did not identify any deficiencies.”

Mr. Larsen continued, that the second and last part of this government auditing standards audit is that last paragraph where it says, “Compliance and Other Matters”. They test our compliance with laws and regulations. They are making sure that we follow the enabling legislation and the laws of New Jersey. They are looking for material noncompliance. Mr. Larsen said, “the great news here is the results of our test disclose no instances of noncompliance or other matters that are required to be reported under government auditing standards. This is the highest level of assurance that we can give. So you couldn’t have asked for a better outcome with government auditing standards report.”

Mr. Larsen also reviewed the schedule of federal expenditures of about 9 million dollars in federal awards. Given the amount of money, federal and state law require that they perform a Uniform Guidance Audit. They are required to test all the strings that are attached to the money that we receive from the housing choice voucher program. They tested the program for direct and material compliance



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requirements with the voucher program. The tested tenant files, waitlist, inspections, failed inspections, reporting with HUD. This third report is the

Uniform Guidance Report. On page 33, they say, "In our opinion, the Authority complied in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended December 31st. It's called an unmodified opinion. Mr. Larsen said, "It's the highest level of assurance that we can give, and I could tell you, we audit about 85 housing authorities across the country. We qualify our opinion on the voucher program quite a bit, because of the nature of the hundreds of compliance requirements. So, this really is a great outcome, highest level of assurance that we can give.

Mr. Larsen said they tested internal controls over compliance as part of the Uniform Guidance Audit. They document and test all of those processes that the authority has in place to make sure it complies with the requirements. That includes, how we bring new participants on the program, handle inspections and the waitlist. They looked at hundreds of compliance requirements. They found two files that were missing the rent reasonableness determinations. In both cases the rent was reasonable, but the forms which the Authority prints to support the finding were missing from the files. Going forward staff is aware how important it is to keep those determinations in the files. He said, "This did not cause us to qualify our opinion and had no questioned costs associated but rather, it was a process issue.

Mr. Larsen said that all three audit reports had the highest level of assurance you could receive for all of them which was a "very, very good outcome."

He also discussed the financial statements or "balance sheets." He always looks to liquidity, which really measures the strength of a housing authority and the ability to pay bills as they come due. HUD measures liquidity by current assets, which are \$2.1 million, less current liabilities which are \$70,000. That results in \$2,023,000.00. Mr. Larsen said this is exceptional. It represents about 21 months of operating expenses. He said, "most housing authorities have 2 to 4 months which is about average. 4 to 6 months is good. Fort Lee has 21 months of working capital operating reserves." He said it was a great decision to convert from public housing under RAD because we protected these reserves from recapture as best we can. He said that having \$2 million worth of reserves for an authority of our size is not something that happens overnight and represents good financial



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management over the years. He said our annual overhead is \$1.1 million, which is about \$94,000 per month to run the Authority (excluding HAP payments, which is a pass through). Since we have \$2 million in working capital, divided by \$94,000 per month, you get 21 months' worth of operations in reserve which he said is a great number.

Mr. Larsen said our adjusted operating profit this year was \$799,000.00, "which is fantastic" We generated \$574,000 of cash from operations and our cash balance increased by almost \$600,000 from one year to the next. Mr. Larsen said, "this is a really positive report."

In closing, Mr. Larsen said he is available to answer any questions that members may have either now or in the future and advised the board members that they can email or call him. He also thanked the staff, Tom and Terry, for their cooperation in making the audit go smoothly. His staff was very complimentary and said they had run of the place and were provided with everything they needed.

6. Executive Director's Report:

Mr. Corrison advised the Board of the following:

Mr. Corrison reiterated that the staff is going to be reviewing each other's files randomly to confirm that all files are properly documented. They routinely confirm rent reasonableness, but some apparently did not file the documentation to support it.

Mr. Corrison reported that we have three upcoming bid openings: generator maintenance at both sites and landscaping.

We just got approved for grants of \$78,878 for Holtje House and \$78,878 for 8th Street Gardens from the County CDBG program. At Holtje House the money will be used for access doors security system and to connect office electricity and the fire standpipe to the generator.

At 8th Street the funds are for installation of security cameras, and to repair an interior drain line and retaining wall.



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We are submitting new grant applications for next round CDBG funds. At Holtje House we would like funds for façade restoration and sidewalk repairs and are submitting a request for \$146,000.00

At 8th Street we would like funds to paint the exterior and fire escapes and are requesting \$55,000.

With respect to the government shutdown, we've been told that December HAP payments will be made so we can make the landlord payments and receive our administrative fees.

If funds are not paid after that we may have to use our reserves with the hope of being reimbursed by HUD. Fortunately, as you heard from Rich Larsen we have healthy reserves. If we need to spend those funds, we will pass a resolution to do so at our next meeting.

Work orders are up to date. 8th Street is fully occupied. We have a vacancy here due to the recent death of a tenant.

Inspections are up to date.

We also still have a 2-bedroom available here.

Mr. Corriston reviewed the following proposed Resolutions with the Board:

- **2473-** Bills for payment
- **2474-** Resolution accepting the Audit of the Housing Authority of the Borough of Fort Lee for the year ended December 31, 224, prepared by Novogradac & Company LLP., Certified Public Accountants.
- **2475-** Resolution accepting the 2025 Housing Authority Budget for the Fort Lee Housing Authority Fiscal Year: January 1, 2026, to December 31, 2026.

- **2476-** Resolution setting payment standards for the Section 8 Housing Choice Voucher Rent program for Fiscal Year 2026.



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- **2477-** Resolution authorizing the Executive Director to execute a contract with Chemical Specifics, Inc. for Chemical Testing and Treatment of the Hot Water Heating System at the Harry J. Holtje House for the Term of Three-Years in the Amount of \$1324.00 per Year.

The water treatment is for the water within the building. They properly condition it, so the system doesn't damage. This is not for the drinking water.

7. 2026 Budget Presentation by Thomas Furlong, CPA:

Mr. Thomas Furlong advised the Board of the following:

Introduced the budget for FY 2026 and reviewed some salient points: He started with dwelling rents and mentioned that the First St. Units are included in dwelling rents which results in an increase.

Interest income is increasing because all of our monies have moved over to the new Sweep accounts which provide significantly more interest.

Our grant for the FSS coordinator is also increasing.

Our operating subsidy for rents for the 40 units at Holtje House is also increasing as it does each year based upon HUD's Operating Cost Adjustment Factor (OCAF),

Total income is increasing by 7%.

As for expenses, some items are increasing but others, like Admin. Salaries are decreasing since we have had some retirements that are not being replaced. Salaries overall are decreasing by 10% while employees will still receive about a 4% increase. Other costs such as Administrative Costs are increasing for

inflation. Sundries, which is a catchall line item for things like office expenses, telephone, postage, public notices, computer maintenance, dues, software are increasing.



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Mr. Corriston said that with increased use of technology, including maximizing our use of programs like PHA Web our staff can work much more efficiently. We will be having training to increase our understanding and use of the program.

The board also asked about the legal fees, and it was explained that it is part of the ED's total salary and not in addition to the salary. Mr. Furlong explained that we have also budget for outside legal counsel if needed, but that we have not needed to utilize it.

Mr. Furlong stated that utilities are likely to increase again.

We are seeing huge increases in the cost of employee benefits. The state health benefits plan is increasing by about 35%. Mr. Corriston mentioned he would like to address the costs because for some employees the 4% increase, combined with the increase in benefit costs, would result in smaller take-home pay. He will make a proposal next month to try to address that problem.

Mr. Furlong continued that total expenditures are increasing by 7%, mostly in the rent area.

Despite the increased costs, overall, the budget still has a surplus of a little under \$100,000.

The Board also discussed our replacement reserve and the conversion under RAD.

In response to several questions Tom indicated he would revise his report to include the Actual year to date expenses and a schedule of what is included in the Sundry expenses.

8. RESOLUTIONS:

Mr. Corriston advised the board of Resolution 2476 shows you the Fair Market Rents (FMR) for year and last year. The units outside of Fort Lee will be set at 100% of the published FMR. If someone want to move out of Fort Lee, we would give them 100% because the rents are not as high as Fort Lee. Fort Lee is 95% of the HUD FMR because our rents are so high and we are already paying a lot. We get a certain amount of subsidy and the more each person gets the less



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people we are able to help. So this is the logic that went behind keeping it at 95%. If we find that people are struggling we can revisit this for an adjustment.

A motion to approve the Resolutions by Consent Agenda was made by Dolores Steinberg and seconded by Shari DePalma.

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The motion was unanimously approved.

9. OTHER BUSINESS.

Mr. Corrison and Ms. Ruiz exited the room while the commissioners discussed their salaries and raises. A motion was made by Shari

DePalma and seconded by Ashley Yook to combine Mr. Corrison's legal fees and administrative salary into one. The motion was unanimously approved. The Board agreed to revisit Ms. Ruiz' salary and Christmas Bonuses at the next meeting.



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10. ADJOURNMENT:

A motion made by Ashley Yook and seconded by Shari DePalma, to adjourn the meeting at 7:36 pm.

Roll Call:

Ayes:	S. Bauer, D. Steinberg, A. Yook, S. DePalma, C. Chung
Nays:	None
Abstain:	None
Absent:	E. O'Neill, R. Sohmer

Respectfully submitted,

Terrence Corriston
Executive Director