SUDBURY HOUSING AUTHORITY
55 HUDSON ROAD
SUDBURY, MASSACHUSETTS 01776
director@sudburyha.org

SHEILA M. CUSOLITO
Executive Director

PHONE: 978-443-5112
FAX: 978-443-5113

MINUTES OF THE REGULAR MEETING

May 12, 2026

The SHA met in open session at 7:00 p.m. Those present: Vice Chair: T. Vitvitsky; Treasurer: A Lepak; Assistant Treasurer: F. Riepe; Member: S. Cline; Executive Director: S. Cusolito

Also present: J. Milne, CPA (by phone)

Absent: Chair: S. Swanger

PUBLIC COMMENTS

None.

MINUTES

None.

NEW BUSINESS

FYE26 Q4 Financial Report, J. Milne, CPA: Fee accountant J. Milne gave an overview of the Q4 financials. For the State program, she noted that reserves now stand at 42% of max, reflecting significant expenditures in extraordinary maintenance. Additionally, this was the first year in several where the SHA was fully staffed. She explained that additional subsidy from the State and reimbursements from the SHA's other programs will augment the reported $72K cash on hand. On the operating statement, she noted that rental income exceeded projections, but interest earnings were lower than projected, in part due to utilizing invested funds. The operating subsidy was near budget at $217K. Utility expenses were significantly higher than budgeted, offset slightly by solar credits. Ms. Milne noted the higher than typical maintenance supply costs that reflect maintenance work accomplished thanks to increased staff capacity. As well, the SHA expended over $296K on extraordinary maintenance, including funding portions of capital projects, repaving the Village emergency access road, and purchasing new equipment. She does not anticipate this level of spending in FYE27. S. Cusolito commented that SHA was required to use reserves to augment capital project budgets, in large part because the SHA's reserves were high. She noted that SHA could do that level of work every year with staff capacity, but that the level of funding will not be in place.

Ms. Milne provided an overview of the New Duplex financials, highlighting the significantly larger reserves and available cash relative to the State program. Ms. Milne confirmed that the funds can only be used for the 11 units in the program. S. Cline commented that the reserves were accumulated as a result of the program structure that is separate from the State. Ms. Milne noted that the program does have a mortgage, including a replacement reserve that doesn't have a minimum or max, all paid out of reserves. S. Cusolito also noted that each year, the SHA splits the revenue 50:50 with the State by a formula based on costs. The program does not include a subsidy from the State, with reserves also covering all capital work costs. S. Cusolito commented that the units are reaching the age where those costs will come into play, with boiler replacement already underway.

The SHALIP program, which is the Willis Lake house, is also financially healthy. S. Cusolito mentioned the Board may consider a write-off of a small TAR that resulted from a rent calculation error by SMOC that is unlikely to be resolved. Like the New Duplex program, the SHALIP receives no subsidy from the State, with reserves covering all program costs. Ms. Milne stated the reserve stands at just under $330K, supplemented by a small investment account just under $10K. The property also has a small mortgage. A pre-existing development account, from which certain development initiative costs are paid, is tied to this program. These include initiatives that might have costs reimbursable in whole or part by CPA funds and/or the PHI 2024 grant funds awarded for the 705 redevelopment initiative.

J. Milne then reviewed the "Top Five" form, which summarizes salaries paid over the fiscal year according to payment source. She explained that part-time staff are allowed to receive some compensation for State program capital projects administration and that wages, including maintenance overtime, are pro-rated across all programs. She further noted that the part-time maintenance person's wages should have been adjusted on the budget revision to account for working fewer hours than budgeted. This will result in a finding on the PMR.

The TAR, which trended upward in the last couple of years of limited staffing/outreach capability, was reviewed. The reduction from last year's TAR was highlighted and S. Cusolito expects that trend to continue, given increased staff capacity, though the current result will also be a finding on the PMR.

A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to certify to compliance with notification procedures for Federal and State lead paint laws as presented and in the words of the certification.

A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to certify to the FYE25 year-end financial statements, Top Five Compensation Form and the Tenant Accounts Receivables data as presented and in the words of the certification.

Fee Accountant Contract: A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to approve the contract between the Sudbury Housing Authority and Milne, Shaw & Robillard, P.C., for FYE27 accounting services as presented.

Ms. Milne noted the 4.8% cost increase for financial reports and the additional fee, which is reimbursed by the state, for MOD reporting.

FINANCIALS

A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to approve the checks written in April 2026.

NEW BUSINESS

FYE27 MVTO Budget: A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to approve the FYE27 MVTO budget as presented.

S. Cusolito noted that the SHA's FYE27 budget was voted in March and included the MVTO maximum allocation of $1,575, disbursement pending satisfactory completion of FYE26 year-end reporting and submission of the FYE27 budget. She stated that SHA's budget was reverted. Until it is approved by the sSate, spending cannot exceed the prior-year's budget. Commissioner Lepak asked if funds can be redistributed if necessary. S. Cusolito stated that it is possible to do so, with the caveat that only certain activities can be funded from the allocation. She further noted that the SHA provides additional funding through the RSC grant.

Grievance Panel: A motion was made by F. Riepe, seconded by A. Lepak, and unanimously voted, to <u>approve a change from a three-person grievance panel to a single hearing officer, pending approval by the Executive Office of Housing and Livable Communities</u>.

S. Cusolito noted that she has made this request periodically due to the difficulty in identifying panel members willing and able to serve. She stated that most LHAs have moved to a hearing officer. The hearing officer could be an executive director or former ED from another housing authority, or another individual with some tie to affordable housing. The SHA also uses the process for its non-State programs. Ms. Cusolito noted that the first step in the grievance process is an informal settlement conference. Although during her tenure all matters have been resolved at that stage, she emphasized the importance of having the ability to escalate a matter if necessary.

Public Housing Administration Notices: S. Cusolito provided a link to the published notices.

Subcommittee Reports: S. Cline reported that plans for the June 9 housing roundtable have been finalized. The event will be held at Goodnow Library starting at 7:00 p.m.

Liaison Reports: <u>SHT</u>: A Lepak stated that the SHT is meeting this Thursday.

<u>CPC</u>: S. Cline reported on the April 15 public hearing, with two attendees.

<u>UNFINISHED BUSINESS</u>

FISH 288075, 705 Septic Replacement Update: S. Cusolito reported on an oversight in determining the design fee for the project, noting that a fee amendment approval request is pending to increase the previously approved fee of $26,000 to $38,300. She noted that this is still lower than the EOHLC approvable estimate.

Tenant Board Member: A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to <u>support Commissioner T. Vitvitsky's application to continue to serve as the tenant board member</u>.

FYE27 Budget Update: SHA received notice that the budget was reverted due to technical issues and a transcription error on some entries. S. Cusolito is working with fee accountant J. Milne to resolve the issues for resubmission.

SHA Feasibility/705 Redevelopment Update: The RFP for project delivery services, advertised mid-April, has generated at least seven queries, with five representing prospective firms. The site visit, which one firm attended, was held last Friday. S. Cusolito noted that given the nature of the project, the site visit is not critical to attend. She stated that responses to all questions the various interested parties have asked in this interim will be published and distributed to all plan holders this Friday. RFP responses—separate sealed technical and price proposals—are due by the end of this month, with the price proposal held until a technical proposal has been accepted. S. Cusolito also reported that the proposed contract was not included in the RFP and is currently under development with two legal firms, one for the construction elements and one for the conveyance elements. In addition to meeting with the legal firms, SHA also participated in a meeting with EOHLC program and legal representatives. Her expectation is that the contract will be part of the amendment that will be published and distributed this Friday.

S. Cusolito reported that a letter of interest for the Community One-Stop infrastructure funding was submitted with a request for $500,000, similar to the unsuccessful application submitted last year.

DIRECTOR'S REPORT

Cash Receipts: The cash receipt report was presented.

RSC Quarterly Report: The quarterly report was presented.

New Duplex Loss: On Sunday, a pipe in the bathroom of the recently vacated unit at 6 Landham resulted in extensive damage to both that unit, which had recently been painted, and to 4 Landham. An insurance adjuster is expected to view the property on Friday. S. Cusolito stated that moisture mitigation is underway and the tenant at 4 Landham has been temporarily relocated for an unknown duration.

FISH 288088, 705-4 Overhang Repair/Replacement: SHA received a draft Work Order for this project. She is inquiring about returning shed replacements to the scope of work.

Public Records Request: A significant request was received for a legal matter not directly related to SHA. SHA responded that it does not consider the records requested to be public.

Board Vacancy: S. Swanger is expected to submit his letter of resignation from the Board, having identified a prospective candidate. The procedure involves a joint meeting of the SHA and Select Board to make the appointment.

Board Member Training: _All Commissioners should have received a letter from the state outlining the training requirements.

250 Celebration: S. Cusolito reported on the nice turnout and well-received presentation at the SHA-sponsored celebration of the 250^{th} anniversary of the signing of the Declaration of Independence.

Vacancies: There are two vacancies at the Village for tenants moving on to higher levels of care. An existing tenant will move to one of the two.

MEMBERS' FORUM

No comments.

ADJOURN

A motion was made by S. Cline, seconded by A. Lepak, and unanimously voted, to adjourn the May 12, 2026 Regular Meeting. The time was 8:29 p.m.

Yes: S. Cline
Yes: A. Lepak
Yes: F. Riepe
Yes: T. Vitvitsky