

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, October 17th, 2018 AT 7:00 P.M.**

Chairperson James Eufemia called meeting to Order at 7:03PM

Open Public Meetings Act Statement: In compliance with Chapter 213 of the Public Laws of 1975, Notice of this Meeting was given by way of the Annual Notice published in the Trenton Times, Princeton Packet and are posted on the calendar at The Hightstown Borough Municipal Building by the Authority and posted in a public place reserved for such announcements in the lobby of the Community Building of the Housing Authority Office.

Roll Call: showed that those present and absent were as follows:

Present: Allen Keith LePrevost, Executive Director, Commissioner James Eufemia, Chair, Commissioner Brent Rivenburgh, Commissioner Christopher Moraitis and Commissioner Carole Nelson.

Also, Present:

Absent:

Commissioner Pascale Emmanuel, Commissioner Yolanda Swiney, Commissioner Monique Wilson, Council President Stultz.

Approval of Minutes: Regular Meeting Minutes of July 18th, 2018.

Open Public Meeting: At this time the public is invited and encouraged to participate in open forum. It is requested by the Chairman of the Board and the Commissioners of the Housing Authority that all comments and opinions be relevant and timely, and be expressed in a manner which contributes to and advances the orderly progress of the meeting and for all concerned. The Chairman or presiding Commissioner may determine that it is necessary to limit the amount of time allotted to speakers from the public.

No Members of the public were in attendance.

Borough Council Liaison Report: None

Resident Council Report: None

Resolutions:

- **2018-7 To Approve the 2019 Budget to be submitted to the State of NJ.** The board discussed specific items. Keith explained the OPEB liabilities that are now on our book as a result of accounting changes. These are non-cash items, but need to be listed. The numbers have come from the Actuarial report from Aquarius capitol. Commissioner Nelson moved to adopt which was seconded by Commissioner Rivenburgh. The motion unanimously passed.
- **2018-8 To Accept the RAD ChAP agreement and begin the conversion process.** Keith discussed the RAD process and the next steps. He discussed the Planning Board meeting and the Borough's plan to have the municipal planner review the process to see how this conversion can best serve the Borough. Keith discussed how he wants to discuss the transition with our Accountant before committing to the current agreement. He will also discuss our conversion rates with the HUD RAD transaction manager. Commissioner

Nelson motioned to move 2018-8 with a second from Commissioner Rivenburgh. The motion unanimously passed.

Discussion Items: The RAD conversion and planning board meeting were further discussed.

Executive Director Report:

- We are currently at 99% occupied. We had 2 move out the end of July and two in September. One 3-bedroom unit and one senior unit. All units have been renovated and were occupied by late October.
- The boiler project is nearly complete. We have run into some venting issues that are causing the systems to occasionally fail. We are working with the contractor, engineer and manufacturer to resolve the issues. We basically were able to finish the project on time and within the original budgeted amount. We now have redundant systems for both the heat and domestic hot water. We will be looking into repairing and restoring the older hot water heaters to make sure they are working well and available to us as needed. We have the building 7 boiler room yet to complete. This fall we can discuss the options for getting this done ASAP.
- We have applied for a grant to assist small businesses with energy efficiency upgrades. The rebates we applied for cover boilers, variable speed pumps and controls. Our application has been deemed complete, so we are waiting for their determination. We applied for rebates that could be as much as \$10,000.
- The new boiler room exit door that was ordered has been installed by the contractors.
- All work orders are up to date.
- Our camera system had a significant failure this summer caused by an electrical surge. The vendor quoted us a price of approximately \$10K to bring everything back up and fully operational, including additional surge protection. I have called in another company I trust to consult on the system and the problems we have been suffering. We are getting the system upgraded and back on line for just under \$6K.
- We have completed the application and site visits for the National Affordable Housing Accreditation Commission. The reviewers were on site for 2 full days, interviewing staff, residents, community partners and also reviewing files and documents. We received nothing by praise for our work, and the only material weakness they saw (which will not affect accreditation) is the lack of a succession plan, especially the office staff. We will begin on a plan this fall to have in place for the first of the year.
- We have held our second RAD conversion meeting with the residents. The residents had several good questions that we addressed to their satisfaction.
- There have been no new RAD updates from HUD.

- We made a presentation to the Planning Board on RAD October 9th. The presentation was well received and the Planning Board will be discussing the options with the planner. I hope to hear from them soon with their thoughts.
- We are in the middle of our annual complete property inspections. They are going well, with the normal amount of work orders being generated.
- We have updated our wait lists and will be opening our waitlists on October 1 to December 31 for all apartment types. This is for applications only and placement on our wait list. Advertisements have been prepared and will be sent to the papers later this month.
- We had a major sewer line back up this month that caused some flooding in one apartment. We had the clog snaked out and a professional cleaning and restoration company come in and clean and sanitize the unit. We filed an insurance claim that covered everything except the \$1000. Dollar deductible.
- The Housing Authority has won a National Award of Merit for Administrative Innovation. The award is for our environmental projects that are used as learning tools for our residents and for the community at large. This includes site and plant ID signage, pollinator gardens, stormwater innovations and water conservation efforts.

Financial Update: July/August/September, 2018

In review of the financial reports for the month of July and August and September, 2018, the Hightstown Housing Authority completed the months with negative results due to the boiler construction project. At this time, payments out of operating cash are coming out of “Extraordinary Maintenance”. The accountant will then capitalize the expense later this year.

Income:

- Residential income has come in slightly over budget for the period and the year.
- Excess Utility is above budget for the period and the year.
- Interest income is above budget for the period.
- Other Operating receipts is over budget due to dividends received from insurance policies.
- Laundry income is slightly under budget for the period.
- Subsidy income is over budget for the year. The two-year spending bill passed by congress has increased our subsidy above budgeted levels. We are hopeful this trend will continue into the 2019 budget.

Expenses:

- Administrative and Maintenance salaries are on budget for the period and the year.
- Legal expense is slightly under for the year.
- Telephone is slightly over budget for the year due to renewal of phone system lease.

- Water is slightly over budget for the period due to billing mistake by the Borough. Water is under budget for the year.
- Electric is under budget for the period and the year. August bills were not available as of this date of printing.
- Natural Gas is under budget for the period, but still slightly over for the year. This is due to the extended cold weather this spring.
- Maintenance Labor is over budget for the year due to overtime costs associated with the boiler project.
- Maintenance materials is slightly under budget for the period but continues to be over budget for the year due to apartment renovations, cycle painting, lighting upgrades (where we are replacing fixed lighting to LED).
- Misc. Maintenance materials is over budget due to purchase of interior doors and exterior storm doors.
- Electrical Contract cost is over budget due to repairs to site lighting. We had a faulty underground wire that needed to be replaced.
- Plumbing contract cost is over budget due to blocked drainage line behind building 1.
- Small tools are over budget due to purchase of tools to replace missing items.
- Grounds maintenance is over budget due to summer plantings, lawn fertilizer and weed control.
- Boiler Contract costs are over budget due to repairs to existing domestic hot water boilers.
- Extraordinary maintenance. This account will be used as part of the boiler construction project.

The enclosed financials include: Income Statement for the Current Period- July 1, to September 30, 2018 (VS Budget), Cash Flow and General Ledger-Cash account.

Next meeting is scheduled for November 14th , 2018 at 7:00

The meeting was adjourned by a motion made by Commissioner Moraitis.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director