

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, July 18th, 2018 AT 7:00 P.M.**

Chairperson James Eufemia called meeting to Order at 7:00 PM

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 Yolanda Swiney, Commissioner Brent Rivenburgh, Commissioner Pascale Emmanuel, Vice Chair, Monique Wilson, Resident Commissioner and Commissioner Carole Nelson

Also, Present: Diana McWilliams, AHAB

Absent: Commissioner Christopher Moraitis, Councilperson Lee Stults

Approval of Minutes: Regular Meeting Minutes of June 20th, 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: No Report

Resident Council Report: Will be discussed in the Discussion section.

Resolutions: None at this Time

Discussion Items:

- RAD Conversion- First Resident meeting update.
 - Keith discussed the Resident meeting that was also attended by Commissioner Swiney and Commissioner Wilson. They feel the meeting went very well, reassuring the approximately 25 residents in attendance that very little will change for them. The majority of the change will be in the office, as the subsidy we receive for each apartment will be coming from the section 8 program instead of the Public Housing Program. Specific questions included:
 - Can we take our subsidy and move? Keith explained that we are not and do not have access to Section 8 vouchers. Under RAD, our

subsidy will be fixed to the apartment unit and can not be transferred.

- Will our rents go up? The simple answer is NO, your rent will remain at 30% of income.
- Why do we have to sign a new lease? Keith explained the current lease mentions the Public Housing Program in several areas, and the name or structure of the HA may change. In either case a new lease would need to be signed, just like you currently do each year.
- Overall the residents were satisfied with the responses. A second meeting is planned for late August.
- September meeting date change- to September 5th or 12th. Keith has out of state meetings and will not be able to attend our regular scheduled date. The board discussed and decided on September 5th at 7:00PM.

Executive Director Report:

- We are currently at 98% occupied. We had 2 move out the end of June. One 4-bedroom unit and one senior unit. Both units are being renovated and will be occupied on August 1.
- The boiler project is moving along very well. The contractors have installed the boilers, all gas piping, the main pumps, headers and manifolds. The hot water heat exchangers have arrived and have been installed. At this time, we are mainly waiting for the new chimney lining that will be delivered by the end of this month.
- The new boiler room exit door that was ordered has been installed by the contractors.
- All work orders are up to date.
- There is a new, national accreditation program for affordable housing that has been launched. I have been following it since the concept was unveiled about 3 years ago. It is similar to what is being used for other industries, accounting, healthcare, senior housing, long term care, etc. The goal is to provide a baseline standard of quality in both physical condition and operational excellence. We have asked to join a pilot group to work through the process and become certified. I have substantially completed the paperwork and we will be undergoing our first site reviews and meetings at our July board meeting.
- We have held our first RAD conversion meeting with the residents. Commissioner Swiney and Wilson attended the meeting. The residents had several good questions that we addressed to their satisfaction. Commissioner Wilson will be setting up another resident meeting early in August for the residents that were unable to make the first meeting.
- I have had a few email conversations with the RAD team at HUD. At this time our application is considered complete and under review. The next steps will be for HUD to issue a CHAP, or Contract for Housing Assistance Payments that is the formal process to begin conversion. We have to discuss and negotiate with

HUD certain aspects of the closing to determine what is applicable and what can be waived. One of the requirements I would like to waive is the PCA, or Physical Conditions Assessment. This is typically done in conjunction with financing plans for major rehab of the units. I do not see that as a necessary step at this time. Next, we will need to develop a comprehensive financial plan which will lay out the operations of the Authority for the next 5-10 years showing the viability of the property post conversion.

Financial Update: June, 2018

In review of the financial reports for the month of June, 2018, the Hightstown Housing Authority completed the month with slightly 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.
- 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 slightly under budget for the year but will come into line with the next 3 payroll month, which is August.
- Legal expense is slightly over budget for the period, but still under for the year.
- Staff training is over budget for the year due to conference registrations.
- Telephone is over budget due to renewal of phone system lease.
- Travel is over budget for the year due to the recent New Orleans conference.
- Water is slightly under budget for the period.
- Electric is under budget for the period and under budget for the year.
- Water is under budget for the period (3 months) and the year.
- 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 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.

- Plumbing contract cost is over budget due to blocked drainage line behind building 1.
- Grounds maintenance is over budget due to summer plantings, lawn fertilizer and weed control.
- Extraordinary maintenance. This account will be used as part of the boiler construction project.

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

The meeting was adjourned into Executive Session to discuss the Accreditation process and governance interview with Diana McWilliams by Commissioner Eufemia at 7:35PM.

The meeting was adjourned at 9:05PM with no further action taken.

The next meeting will be on September 5th, 2018 at 7:00PM.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director