

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE BOROUGH
OF HIGHTSTOWN, NEW JERSEY
HELD ON WEDNESDAY, December 15th, 2021 AT 7:00 P.M.
Meeting VIA Zoom**

Chairperson James Eufemia called meeting to Order at 7:05PM

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 Eva Teller, Commissioner Jeet Gulati, Commissioner Terry Parliaros.

Also, Present:

Absent: Mayor Larry Quattrone.

Approval of Minutes: Regular Meeting Minutes of November 17th, 2021. The minutes were motioned to be approved by Commissioner Rivenburgh and seconded by Commissioner Gulati. Minutes were unanimously approved.

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.

Borough Council Liaison Report:

- None

Committee Report:

- None

Resident Council Report:

- None

Resolutions:

- 2021-10 To accept and submit the 2022 budget as written to the State of NJ. The Board reviewed and discussed the 2022 budget. This is the final approval for the State. The board unanimously approved the motion.

Discussion Items:

- Keith discussed the completed stair tread project. Just over 30 stair treads were replaced. Keith had an additional 10 stair treads made for any future replacements that are needed. Keith is having the staff clean and power wash the balance of the stairs so that they look newer. All the stair treads were removed, the stringers scraped, sanded, and repainted with a paint that is used on roller coasters in amusement parks. We are hoping to get many years of service out of the stairs.
- The roofing project was discussed. The contractors are done on building 3 and 4 and working on building 5. It is fortunate we are doing the project now. Much of the plywood is in bad shape, the contractors are having to replace a lot of the material. We are having a particular problem with the fire treated plywood. The board discussed the project and asked if we could move forward on the balance of the roofs. Keith has spoken to Pete and the money is available. We are expecting a large sum of capital funding in 2022 which should cover the expense. Pete feels we can move forward and use the money we hold in reserves, then reimburse the money from Capital fund in the spring. Keith will contact the architect and contractor to make sure we are able to get the same shingles for the balance of the roofs. The materials for the soffit, fascia, and gutters are arriving, but delayed. They will be completed together after the first of the year.
- The PILOT agreement was discussed. Keith had the attorney talk to the Borough attorney. The Borough Attorney says he knows nothing about it and relies on the Mayor and Council for guidance and direction. He has no ability to move forward without them. Commissioner Rivenburgh asked how the PILOT was constructed and why we were asking for a reduction in the PILOT. Keith explained that PILOT is a formula: Resident Rents-Utilities*10%. We have worked very hard with our residents to calculate the correct certified amounts so that everyone is paying the correct amount of rent. Also, we have aggressively moved on the utility costs, installing all LED lighting, installing daylight sensors, installing new super high efficiency boilers for heat and hot water, water saving fixtures throughout, air sealing and insulating. Almost 1.5 million dollars has been invested to improve the resident's life and comfort. The changes have increased our rent roll by almost 20% and decreased our utility cost by just over 30%. This has resulted in an almost \$20,000 dollar increase in the PILOT over the period. Keith explained the money saved should be benefiting the residents, not just the borough. The board asked Keith to get us on the Council agenda when possible, to discuss the PILOT agreement. Keith said this may not be until the February meetings, as the Council has their reorganization in the beginning of January and the second meeting will be very full.

Executive Director Report:

- We are currently at 99% occupancy. We received a 2-bedroom unit from a woman that we downsized to a one bedroom. She originally came to us with a daughter that joined the military and has now purchased a home in California. The 2-bedroom unit will be completely redone for a new tenant.
- We have replaced one of the decaying storage tanks in building 4. We have systematically replaced all the hot water storage tanks now and should be in good shape for the foreseeable future.

- The heating system is working well. We had one issue addressed with the warm weather shut down on the Senior side. It was going a bit lower than their comfort zone, so we had it moved up.
- The support beam has been repaired as per the plans. While the mason was here, he took care of a few other areas that were spalling. Our staff will repaint the affected areas as the temperatures permit.
- The roofs have been started. Currently the men are working on building 5. There is a lot more plywood damage than previously expected. We have a \$20,000 dollar allowance built into the contract, but it may not cover all the damage. The plan is to finish all the roofing before starting on the soffits, fascia and gutters. This year we will be reroofing buildings 3,4 and 5. I would like to consider moving forward with the other 4 buildings next year. This will cost an additional \$249,000. At a minimum we should move forward on buildings one and two. (\$137,000)
- The stair project is completed, and we had a final walkthrough with the architect. There were several punch list items that are being addressed by the contractors including replacing some steps, touch up repainting and treads for inventory.
- We are having a large tree removed near the senior building. It is a locust tree that has far outgrown the space and is now impacting the building. We will look into replacing the tree with something smaller in the spring.
- All the trees in the Courtyard will be cut back this month now that the leaves have fallen. This keeps the trees away from the buildings and keeps their height down below the roof line. They look bad at first, but quickly grow back in the springtime.
- Covid safety is still our priority. The outside lobby have been reopened to our residents and it feels good to be getting back to “normal” We have been discussing and are concerned with the increase in cases being reported. We are actively watching the variants that are out there and we are prepared to reinstate protective measures as needed.

Financial Update: October 2021

In review of the financial reports for the months of November 2021, the Hightstown Housing Authority completed the months with positive results. Our major projects continue, but we have not had any billing to date.

Income:

- Residential income has come in well over budget for the period and over budget for the year. This is mainly due to conservative budgeting and strong incomes by our tenants.

- Excess utility is over budget for the period and the year. We had a very warm year, and many people kept their air conditioners in until we removed them.
- Interest income is below budget for the period. This is mainly due to the low interest rate environment.
- Other Operating receipts are over budget for the period. This is mainly due to the waste removal payments we have been receiving and for money left from repairs needed after a move out. We also have insurance dividends that have been placed here.
- Laundry income is slightly under budget for the period, and slightly under for the year.
- Operating Subsidy income is over budget for the period. We will keep an eye on this as the year progresses as it is running well above budget. We have received the December subsidy and it continues to run well above budget. The Government finalized the 2021 budgets and subsidies. We have not been given any indication as to prorations for 2021. We recently received the January and February subsidy payments from HUD. These run well above our budgets.

Expenses:

- Administrative salaries are under budget for the period and the year. December is a 3 pay month, so the budget will come back in line.
- Legal expense is slightly under budget for the period and slightly under budget for the year.
- Staff Training is under budget for the period and slightly under for the year.
- Travel is under budget for the month, but well under for the year. Due to the pandemic, most conferences have been cancelled this year.
- Sundry Administrative is under budget for the period, and slightly over for the year. We renewed the Affordable Housing Accreditation for the 21-22 time period and have filed our annual report with them.
- Telephone is over under budget for the period and under for the year.
- Dues and Memberships are under budget for the period but over for the year due to license and association renewals.
- Water is on budget for the year.
- Electric is under budget for the period. Combining our budget with the excess utility line item brings us right in line or under budget.
- Natural Gas is slightly under budget for the period and under for the year. We had a very cold spring, and we have done well, running at the low end of our expectations.
- Maintenance salaries are under budget for the period, but over budget for the year due to overtime costs. December is a 3 pay months, which will put us over by that much more.

- Maintenance materials is over budget for the period and over budget for the year due to apartment renovations being done. Money is spent at HD Facilities and Home Depot for materials including new flooring, switches, outlets, cover plates and smoke detectors. for the units.
- Electrical contract costs are on budget for the period and the year.
- Ground's maintenance is over budget due to additional work being done on the site including planting, trimming and additional cleanup.
- Extraordinary maintenance is used for all costs that are outside the CFP funding and will be capitalized at the end of the year. Some of these costs are planned and approved items including the Architectural fees.

Next meeting is scheduled for January 19th at 5:00

The meeting was adjourned by a motion made by Commissioner Eufemia

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director