

**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 14th, 2022 AT 7:00 P.M.**

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

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 Jeet Gulati, Commissioner Brent Rivenburgh, Commissioner Eva Teller, Commissioner Sean McDonnell, Commissioner Terry Parliaros.

Also, Present: Mayor Larry Quattrone

Absent: Commissioner Jameellah Lance.

Approval of Minutes: Regular Meeting Minutes of November 16th. The minutes were motioned to be approved by Commissioner Teller 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.

None

Borough Council Liaison Report:

- Mayor Quattrone thanked the Board for their service and noted this is his last time as Mayor meeting with the Board.

Committee Report:

- None

Resident Council Report:

- None

Resolutions:

- 2022-9 To accept the 2023 Budget as approve by the State of NJ

Discussion Items:

- Engineering RFP. We successfully advertised an RFP for engineering services this last month. We had 2, very qualified engineering firms respond to the RFP and submit proposals. We have worked with both firms in the past and are experienced with both. The low bid firm is also the firm that designed and specified all our boiler rooms. I suspect they won the bid due to their familiarity with the site, our systems and how everything works. Plus, its nice for us, their lead engineer that is onsite, Tamara is familiar with us and we with her. They are preparing the contract document and other documents necessary. We discussed our intention to be under construction when the heat is turned off in May, and they are on board with that.
- Keith discussed the annual dinner that is scheduled for 6:00PM after the Wednesday board meeting in January. He reminded everyone that spouses are included. There was little discussion, and the board is looking forward to the dinner.

Executive Director Report:

- We are currently at 100% Occupancy. As of this moment, we have one notice to move. The tenant is buying a home and the closing has been delayed several times. She paid her rent for part of December; with the understanding we will return the unused portion when she moves.
- We received 2 bids on the Crawl space repiping. O&S Engineering is the winning bidder at \$75,000. The second bid was for \$91,000. Both were excellent bids prepared by very qualified firms. O&S had the advantage as they designed all 3 of our boiler rooms and oversaw the demolition and construction of each. We are looking forward to working with them again on this project.
- The Lawn and Landscape will be cleaned up one final time this year and all the spring bulbs will be planted.
- Charlie is doing a detailed walkthrough of the site this month in preparation of the upcoming REAC inspection. I am putting this inspection on his shoulders (with careful oversight) so that he takes responsibility for the site and the sites condition. I have printed a detailed list for him of things to look for and repairs that may need to be done. Already he has pointed out items and we have had contractors address areas that need repair. He understands this inspection is a reflection of him and his work.
- The 2023 Budget that was approved has been submitted to the State and approved. It is in the December agenda for final approval.
- The wait list for all apartment units is now closed until further notice. We send letters to every person on the wait list every 6 months asking for an update. If we notice the waiting lists beginning to decline, we will open that list. We have gone through 6-10 people on the wait list filling the first studio.

- Rents are increasing for most of our population due to the Social Security increase. It equates to between \$30 and \$60 dollars per unit.
- We have done a couple of Zoom meetings with Yardi getting ready for our new software. I have the site all set up and ready for data to be migrated over. We will begin testing and using the new software after the first of the year.

Financial Update: November 2022

In review of the financial reports for the months of November 2022, the Hightstown Housing Authority completed the month with positive results.

Income:

- Residential income has come in well over budget for the period. This is mainly due to strong resident incomes and diligence by our office keeping up with our residents.
- Excess utility continues to be over budget for the period.(very hot summer-extending into the fall) We are well over budget in this category for the year.
- Interest income is below budget for the period. Interest rates are rising as the FED tries to deal with inflation. We will keep monitoring the rates and adjust as needed.
- Other Operating receipts are over budget for the period. Dividends from our insurance policies are posted here.
- Laundry income is over budget for the period and the year.
- Operating Subsidy income is over budget for the period. This is part of the balancing from the estimated payments received earlier this year. We received our final budget for the year and HUD is paying us 104% of the prorated amount of subsidy. This amount will continue to exceed budget.

Expenses:

- Administrative salaries are under budget for the period. We will have another 3 pay event in December that will run over budget, but within our budgeted limits.
- Legal expense is slightly over budget for the period. Discussions with the Borough, attendance at our October meeting as well as a couple legal actions against tenants drove this cost up during the year. We are over budget for the year and will make adjustment to the 2023 Budget.
- Staff Training is under budget for the period and under budgeted limits for the year. One commissioner is taking courses now which will bring this into line.
- Travel is under budget for the period and the year. I am not attending the January conference this year.
- Telephone is under budget for the period and the year.
- Sundry Administrative is under budget for the period and the year.
- Computer supplies is under budget for the period. Any upgrades will be done in December.

- Dues and Memberships are under budget for the period and the year.
- Water is over budget for the year. Bills will be arriving later in December. We are adjusting this category in the new budget.
- Electric is over budget for the period. We are still under budget for the year, and the December bills continue this trend.
- Natural Gas is under budget for the period. The weather is moderating, and so are the bills.
- Maintenance salaries are under budget for the period and will be more in line after the 3 pay in December.
- Maintenance materials are on budget for the period, but over for the year. As we are tuning over units, we are changing all the switches, outlets, base trim, and lighting. Fortunately, we have turned over 10 units this year. We have flooring and base trim inventoried for the units we are turning over, so the expense is lower.
- Maintenance Contract costs are over budget due to the plumbing repairs that have been done on the site this year. Some of this expense will be capitalized at the end of the year.
- Extermination Cost
- Grounds maintenance is under budget. We decided to not install the chrysanthemums this year and allow the existing summer flowers remain until frost. This category remains over budget, and hopefully some of the costs will be capitalized at the end of the year.
- 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 and roofing costs and various plumbing repairs. We will have to wait until year end to see how much of this cost the accounts wants to capitalize and depreciate.

Executive Session (Held in open due to lack of Residents in meeting)

- Keith discussed the staff salaries for 2023. He noted that the ED's salary does not change as it is under contract, this is just for the 4 staff people. We budgeted for and have State approval for a 3% increase. Being as SS is giving its recipients a 8.7% increase, the staff has already(not so subtly) they deserve the same. Keith provided numbers for the various levels of pay increase and the effect it will have financially. Keith is not concerned for the immediate impact, but the impact the increase will have on the future years. By raising the base up this high today, we will be compounding the raise in future years, making staff salaries disproportionate to the market. Keith also commented the there were several years when there was no increase in SS and the Housing Authority still provided a 3% increase. Several Board members commented, stating in their own industries

they were not receiving that type of increase and think we should do something, but not to the 8.7% level. The Board reached the compromise position of 5%, which is higher than we are currently giving the staff but will maintain our staff salaries within a reasonable level. Keith agreed and gave the board the financial impact that will have on the budget. He will talk to Pete and they will make the adjustment on the first payroll.

Next meeting is scheduled for January 18th at 5:00- Followed by Dinner at Fernando's

The meeting was adjourned by a motion made by Commissioner Eufemia and seconded by Commissioner Teller.

Respectfully Submitted by:

Allen Keith LePrevost, Executive Director