

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF  
THE HOUSING AUTHORITY OF THE BOROUGH  
OF HIGHTSTOWN, NEW JERSEY  
HELD ON WEDNESDAY, September 20<sup>th</sup>, 2023 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 Brent Rivenburgh, Commissioner Sean McDonnell, Commissioner Anne Studholme, Commissioner Terry Parliaros.

**Also, Present:** Chelsea Graham, Jeet Gulati

**Absent:** Commissioner Jameelliah Lance

**Approval of Minutes:** Regular Meeting Minutes of June 21<sup>st</sup> meeting. The minutes were motioned to be approved by Commissioner Rivenburgh and seconded by Commissioner Studholme. 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.

Chelsea Graham was introduced to the Board.

**Resident Council Report:**

- Chelsea gave the Resident Council Report. She reported the bikes and bike racks were discussed at the meeting. Keith mentioned that the bike racks are gone over every 6 months, broken, damaged, and unridable bikes are removed and placed in the garage to see if anyone claims them. After a couple months they are given to the metal people for disposal. Another issue Chelsea brought up is the bug issue we have been dealing with. Bed Bugs have made a resurgence, and we have random issues that come up. Coopers deals with the problems as they arise.

**Borough Council Liaison Report:**

- Jeet Gulati gave the report for the Borough Council. He has discussed the crosswalk issue with the Mayor and Council, and it appears we are at an impasse on the issue. He will bring it up again with them. Regarding the Cooperation Agreement the council

does not feel there is anything to gain with them discussing and signing the agreement. Commissioner Studholme stated that the Housing Authority should just not pay them at all. Keith feels there is historical precedent to pay, and the arrangement we have, paying the PILOT to the Borough but paying the recycling cost to the attorney Escrow works for now. Jeet questioned how much is currently in escrow and Keith responded, around \$27-30 thousand. It's in everyone's interest to resolve the issue.

### **Committee Report:**

- None

### **Resolutions:**

- 2023-05 To Approve the Capitalization Plan as presented.
  - Keith discussed the resolution and mentioned that during the annual audit it was brought up that the current policy was for \$1000 dollars and that most Authorities were going as high as \$17,500. Keith raised the limit to the \$10,000 level for the policy. Commissar Studholme questioned if this was a finding or recommendation and Keith responded that it was a suggestion by the Auditor and not in the report. The resolution was approved by roll call vote.
- 2022-2 To Approve the Annual Audit as offered.
  - Discussion ensued. Keith described the Audit and the Audit process. Keith has our Fee Accountant in for the day to answer any questions the Auditor may have and provide any financial information he may need. Commission Studholme questioned why the Audit and the State provided Certification do not contain the same wording. It was pointed out that in the Audit those items are addressed. Keith suggested that Commissioner Studholme speak with the Auditor directly to resolve the problem. The resolution was tabled until the October meeting.
- 2022-3 To approve the 2024 Budget to the State of New Jersey.
  - Keith described the budget and the budget process. Included in the packet is the Federal version of the budget which is much easier to read and understand. The State forms are around 70 pages and contain a lot of legal information that is not pertinent to the discussion. The federal budget basically just contains the numbers, which are what is important. The resolution was approved by roll call vote.

### **Discussion Items:**

- Keith discussed the exterior painting project that included all the porches, balconies, exterior ceilings, posts, and columns. This was a big project that began with having all the masonry "spalling" addressed by a mason contractor, repairing all the areas that were deteriorating. The painting was done with a commercial coating that is designed to hold up to foot traffic and should last for years. We have touch up paint (the left-leftovers) to repair any areas that are wearing or need to be addressed. The outside looks much better, clean, and attractive.

- Keith discussed the piping project which is beginning in October. He is having a kickoff meeting tomorrow with the contractors and the engineer to review storage, staging, work hours and resident notification. We have the funding for the current phase and have made a formal request for the balance of funding so that we can work directly into the next phase. Keith was contacted by a HUD employee that our application, fully approved, has been sitting on a supervisor's desk for weeks. A call and email to the supervisor followed and the application is again moving along. Keith will follow up with Washington to make sure things keep moving.

### **Executive Director Report:**

- We are currently at 98% Occupancy. We currently have a two bedroom and a 3-bedroom unit empty. At this time, we have the maintenance staff have finished the three bedroom for a move in this month and are working on the two bedroom.
- O&S has completed the design phase of the piping project and conducted a second bid process. We are in possession of the contracts for the project and at this time it is designed to only commit to one phase, building 3,4 and 5. I have been in touch with HUD and requested information on updating our Grant proposal, covering any additional cost. HUD Newark has approved the revised request, now 1.92 million from 1.34 million and the engineers in Washington that work for HUD are in possession of the application. According to them there was 2022 money left over and given how little we are requesting should push this right through.
- Our new staff person is working out great. Chelsea has already finished her occupancy and certification course; she has completed the PHM certification and will be working on the Rutgers Executive Director program as time permits. The residents are very happy with her, and she is a wonderful addition to the office.
- The waiting lists remain closed. We are still looking at a 3-5 year wait time for most units. Letters are sent to each person every 6 months and the responses are logged. We did another letter in August and there will be no change until the next update in Jan/Feb of 2024.
- We made the choice to change tenant management vendor to PHA -WEB. This is the same company that handles our website and originally our email systems. Their platform is used by over 700 housing authorities around the country. We are currently in their "Q" for September and the transition has begun. The migration is supposedly easy, and Pete is aware of the company, as he has several Housing Authority's that are using the software. I have stressed "accuracy" is more important than speed at this point. We will be taking the time to review each household, making sure their security and monthly balances are correct as well as all their other personal data. One big change is this software will replace

our accounting software also, so transactions to a resident account will automatically affect the general ledger. When the transition takes place, we will need to get a payroll service like ADP or Paychecks to handle our payroll processing. We are looking at the first of the year, just so there is no disconnect in the W-2 processing and balance transfers. There is a nominal cost to the outside processing.

- All the exteriors of the buildings have been repainted including the porch ceilings, columns, and floors. I had the maintenance staff clean all the light fixtures and replace any that were damaged or not working properly.
- The annual Audit took place on July 18<sup>th</sup>. Copies of the Audit have been sent to our website, the Borough, and are available to all members in hard copy. There were no findings. The only recommendation was to change our Capitalization policy to a higher limit, up to \$17,00. We are submitting a resolution to raise the limit to \$10,000.
- The electricians were in a changed 12 exterior light fixtures that were no longer working as designed. Given we changed all the lighting 8+ years ago, with no bulb changes which we used to do semi-annually, the one-day project was inexpensive compared to monthly bulb changes.
- We are relandscaping the front of Building 7 to include drainage for the gutters and new plantings in all the beds. Over the years everything has outgrown the space and needs to be refreshed. We budgeted capital funds for the project. We should look at the other buildings and begin to reevaluate the plantings. We will budget capital funds in the coming years to cover the expenses.
- We need to begin the process of replacing all the security camera system. HUD has come up with the ruling that this equipment cannot come from specific Chinese manufacturers. Unfortunately, our system is one of them. We will be replacing, in parts, the entire system, from server to cameras. Fortunately, the wiring is all good, so its just the equipment. We are budgeting 2024 and 2025 capital fund money to accomplish this.

### **Financial Update: June, July, August 2023**

In review of the financial reports for the months of July and August 2023, the Hightstown Housing Authority completed the month with positive results. The result was enhanced by a larger than expected subsidy payment to balance the year. Year to date we have achieved over \$75K in excess income that will help supplement our capital program.

#### **Income:**

- Residential income has come in slightly over budget.
- Excess utility is over budget for the period. We are under budget for the season, but that will come more in line in September.

- Interest income is over budget for the period. Interest rates are rising as the FED tries to deal with inflation. We spoke with the Bank and had all of our rates adjusted.
- Other Operating receipts are over budget for the period and over for the year. This is due to the insurance dividends that were received.
- Laundry income is over budget for the period and the year.
- Operating Subsidy income is over budget for the period. Starting in April we saw the adjusted numbers and final numbers for the year. We should be receiving higher subsidy amounts continuing this year.

#### Expenses:

- Administrative salaries are over budget for the period. We had an overlap in executive positions for a couple weeks and paid out the outstanding vacation time for the retiring employee.
- Legal expenses are under budget for the period. We have filed 2 evictions, so the expense was up in June.
- Staff Training is over budget for the period. Chelsea has taken the Rent Certification course and exam as well as the PHM course and exam. She passed each with flying colors.
- Travel is under budget for the period and the year.
- Telephones are slightly over budget for the period. I have added a cell phone to the plan for the new person which will increase the expense. We had to purchase one phone so that the other 3 could be financed.
- Sundry Administrative is under budget for the period.
- Computer supplies are under budget for the period. We will be looking to upgrade at least 2 more computers this year when we install the new tenant management software.
- The Audit occurred in July with no findings.
- Dues and Memberships are under budget for the period. This will come into line as the year progresses, and most memberships renew early in the year.
- Misc. Maintenance supplies are under budget.
- Water and Sewer experienced a 17% increase this year that is unbudgeted. The next bill is October 1 and we will deal with the increase. The new rates are included in our 2024 budget.
- Electric is over budget for the period, but within budget considering the excess utility.
- Natural Gas is under budget for the period. We have had cooler than normal temperatures during this period.
- Maintenance salaries are under budget. June was a 3 pay month.

- Maintenance materials are over budget for the period. As we are tuning over units, we are changing all the switches, outlets, base trim, and lighting. Fortunately, we have turned over 8 units this year. We have flooring and base trim inventoried for the units we are turning over, which comes mostly from the capitol budget.
- Misc. Maintenance supplies are slightly over budget, but well within our budget.
- Electrical contract cost is over budget due to the replacement of 12 building light fixtures.
- Extermination Cost is over budget due to a bed-bug situation we are dealing with.
- Security Alarm is under budget for the period, and over for the year. We had to install a new front door remote strike and wiring.
- Grounds maintenance is under budget. This will come in line later this year.
- Blue Cross/Blue shield. We experienced a 20% price hike on January 1. Fortunately, a larger increase was budgeted, but the expense is still larger than budgeted. We will be adding a new employee onto the system starting in September. Budget will be increased next year.
- Collection Losses-includes all losses encountered during the year that are considered uncollectable.

**Next meeting is scheduled for October 18<sup>th</sup> at 7:00**

The meeting was adjourned by a motion made by Commissioner Eufemia and approved by the Board.

Respectfully Submitted by:

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Allen Keith LePrevost, Executive Director