

MINUTES OF A REGULAR MEETING
OF THE HOUSING AUTHORITY
OF THE CITY OF MILLVILLE
January 26, 2016

A regular meeting of the Millville Housing Authority Board of Commissioners was held on Tuesday, January 26, 2016 at Cedarview Court Community Room, 2045 Wheaton Avenue, Millville, New Jersey. The meeting convened at 5:02 p.m.

Chairman Brian Tomlin announced the Sunshine Law requirement had been met, properly posted and advertised.

The meeting was called to order by Chairman Tomlin, who announced the meeting was being conducted under the Open Public Meetings Act.

Allison Corson, Director of Administration, proceeded to call the roll at this time. Present were: Chairman Brian Tomlin, Commissioner James Parent, Commissioner Larry Miller, Commissioner Paula Ring and Commissioner Kim Ayres. Commissioner Dale Finch was absent. Also present were MHA Solicitor Arnold Robinson, MHA staff, residents and members of the press.

Chairman Tomlin asked for a motion of approval for the December 15, 2015 minutes. Commissioner Miller made the motion and Commissioner Parent seconded. Commissioner Ring abstained. All others present were in favor.

EXECUTIVE DIRECTOR'S REPORT

Secretary Dice introduced Debbie Heinz, our Section 8 and Public Housing Consultant. Debbie worked for the Department of Community Affairs as Chief of Housing Services for thirty years.

FINANCIALS

For December 2015, the MHA posted a positive net income of \$3,341.00. Our year-to-date net income is a positive \$31,718. We continue to operate the MHA without having to access reserves.

Tony Polcari, MHA Auditor, was introduced by Secretary Dice. Mr. Polcari gave the board members a summary of our 2015 Audit. He stated our internal controls were satisfactory and there was no fraud or mismanagement discovered. He further stated the MHA is in a strong position with our current assets vs. liabilities. HUD is still only funding 84% of what our operating subsidy should be. However, the MHA has done a good job by cutting costs and finding additional revenue sources. Additionally, tenant revenues were up \$17,000 this year.

Tony explained that the MHA is booking 3 million dollars that we never had to before. This surrounds the NJ State Pension plan which is only 58% funded. Three million dollars is what the State has determined is the MHA's unfunded pension liability. We are now required to report this and recognize it on our books each year. Mr. Polcari said that this will not change the MHA's capacity to pay our debts.

In the past five years the MHA Operating Funds are down by 13%. Capital Funds are down 18% and Housing Choice Voucher is down 9% in revenue. He does believe that the long-term prognosis is that we will stay where we are now with funding.

Mr. Polcari said he and Secretary Dice have been comparing the MHA with other similar housing authorities in the state. They found that the MHA's tenant revenue is much better (per unit month) than those we were compared with. The MHA's non-traditional revenue is \$93.00 per unit month versus \$24.00 per unit month for other housing authorities. The MHA's employee benefits are 32% below other housing authorities.

Areas where the MHA costs were higher than other housing authorities included:

1. Admin Costs (there are costs associated with making money)
2. Legal Expense (31% higher than others)

As far as Holly City Family Center and Holly City Development Corporation, Mr. Polcari explained government controls must now be utilized for their Audit due to the fact that we are receiving the NRTC grant revenues. Mr. Polcari said that the swimming pool revenue is up 10% for 2015, but the HCFC's assets are now less than their liabilities. There was an \$82,000 net loss for fiscal year 2015 with depreciation. Tony explained that Secretary Dice is looking at leasing some of the space to help offset this loss. He also said we must watch our expenditures.

Rental Assistance Demonstration Program

Secretary Dice advised we are working with Manders, Portadin and Farrell Architects on analyzing the MHA housing stock. This analysis, known as a Physical Condition Assessment, is a detailed review of the physical needs of our buildings for the next 20 years. Secretary Dice is not proposing that we convert to RAD at this time but believes it is important we know what our options are with regard to the RAD finance model.

CHANGES IN ADMIN AND ACOP

Betsy Loyle, Director of Operations, advised we have been having difficulty recruiting near elderly to receive vouchers for Section 8. A proposal has been made to change our current preference system. Debbie Heinz passed out the income limits for Housing Choice Voucher for Cumberland County residents. 75% of new families have to be extremely low income. Our current preference is for working families. This makes meeting the extreme low income requirement very hard. We will institute a disabled member in family preference.

We will be presenting a resolution to the Board after we hold public hearings, etc..for these changes.

Chairman Tomlin advised there were resolutions to approve:

Resolution #01-2016 Approving the Payment of Bills for January 2016

Roll Call Vote:

Motion: Commissioner Parent

Second: Commissioner Ring

Abstain: Commissioner Miller on check #13115 and 13119

Roll Call: Unanimous

Resolution #02-2016 Authorizing the Appointment of G. Larry Miller to the MHA Board of Commissioners

Roll Call Vote:

Motion: Commissioner Ring

Second: Commissioner Ayres

Roll Call: Unanimous

Resolution #03-2016 Approving a Contract for Pest Control Services

Roll Call Vote:

Motion: Commissioner Miller

Second: Commissioner Parent

Roll Call: Unanimous

Resolution #04-2016 Approving a Professional Risk Management Consulting Service

Roll Call Vote:

Motion: Commissioner Parent

Second: Commissioner Miller

Roll Call: Unanimous

Resolution #05-2016 Approving the MHA Annual Audit FYE 9/30/15

Roll Call Vote:

Motion: Commissioner Miller

Second: Commissioner Parent

Roll Call: Unanimous

Chairman Tomlin asked if there was any old business. There was no old business.

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Chairman Tomlin asked if there was any public comment. There was no public comment.

At 6:00 p.m. Chairman Tomlin asked for a motion to adjourn the public meeting to go into the HCDC meeting. Commissioner Miller made the motion and Commissioner Parent seconded. All present were in favor.

Paul F. Dice

Date