

Housing Authority of the City of Cape May

REGULAR MEETING

June 20, 2016

At 4:00 PM, Chairperson Thomas G. Hynes **Called to Order** the June 20, 2016 Regular Meeting of the Board of Commissioners of the Housing Authority of the City of Cape May. The meeting was held in the Conference Room of the Housing Authority located at 639 Lafayette Street, Cape May, NJ 08204. **Roll Call** was taken and the following Commissioners were present:

Chairperson Thomas G. Hynes
Vice-Chairperson Patricia M. Swain
Commissioner Jean Capilli
Commissioner Frank Acker

Dr. Keith Lafferty, Commissioner Designee and Commissioner Thomas White were not present at the meeting.

The following individuals were also present: Carol Hackenberg, Executive Director, Joseph Culligan, Site Manager, Linda Avena, from Avena, CPA's, Charles W. Gabage, Solicitor from the firm of Eisenstat, Gabage & Furman and Steven N. Kutsuflakis, Auditor from the firm of Barbacane Thornton & Company.

Chairperson Thomas G. Hynes noted that there were no members of the public present at the meeting.

Chairperson Thomas G. Hynes read the "**Statement of Compliance – Sunshine Law**" and led the Pledge of Allegiance.

Following the roll call of Commissioners, Chairperson Thomas G. Hynes declared there was a quorum present.

Chairperson Thomas G. Hynes called for a Motion to accept the May 16, 2016 Regular Meeting Minutes.

Vice-Chairperson Patricia M. Swain made the Motion, seconded by Commissioner Frank Acker to accept the May 16, 2016 Regular Meeting Minutes.

The following vote was taken to approve the May 16, 2016 Regular Meeting Minutes.

Chairperson Thomas G. Hynes	(Yes)
Vice Chairperson Patricia M. Swain	(Yes)
Commissioner Jean Capilli	(Yes)
Commissioner Frank Acker	(Yes)

ACCOUNTANT'S REPORT:

The Accountant's Report – The Board reviewed the 8-month Financial Report as submitted by the Accountant. The bottom line for the eight months ending May 31, 2016 showed a loss of \$7,042.

Chairperson Thomas G. Hynes asked Ms. Avena to present the proposed budget for the new fiscal year ending September 30, 2017.

Ms. Avena advised the Board that in order to avoid a negative budget several items needed to be adjusted as follows:

1. The Operating receipts – the rental income has been increased by \$10,000.00 per the ED's direction who anticipates an increase in income due to the number of children turning 18 and whose income will increase the rent.
2. Based on information from HUD the Operating Subsidy has been calculated at 83.8% of the 2016 grant, reducing the anticipated income to \$289,180.00 versus the projected income for 2016 of \$309,530.00

3. The Maintenance budget needs to be reduced by eliminating the part time employee; this will generate a savings of \$15,000.00. After some discussion the Board approved increasing the maintenance overtime budget and reducing the part time employee; however the Authority will still have the option of using this employee on an as needed basis.
4. The Accountant has calculated minimal employee wage increases for the next year.
5. Due to the shortfall from employee benefit costs last year, employee benefit costs for the New Year have been increased to \$108,120.00 versus \$94,650.00 last year.

The Board of Commissioners approved the DRAFT budget which will be formally presented at the next Board Meeting to be held in July.

ANNUAL AUDIT:

Chairperson Thomas G. Hynes asked the Auditor to present the Annual Audit. Steven Kutsuflakis of Barbacane & Thornton presented the Annual Audit as follows:

1. The audit report was held up due to the need to wait for information from the PERS State Department of Pension concerning the Authority’s Pension Liability.
2. The adoption of GASB Statements No. 68 and No. 71 have had, and will continue to have, a profound effect on the financial statements and net position of governments not only in New Jersey, but across the nation. The Authority’s proportion of the pension liability is 0.0025 percent, or \$561,871.00
3. For the year ending September 2015, the Authority recorded a loss of \$198,840 due to the Pension liability.
4. The Audit includes a new schedule showing the Authority’s Proportionate Share of the net Pension liability.

Chairperson Thomas G. Hynes thanked the Auditor for his report and he was excused from the meeting.

COMMITTEE REPORTS:

There were no committee reports.

a. Executive Administrative Report

Ms. Hackenberg reported the following:

Investments: The C.D. and Money Market Investment schedule is as follows:

MONEY MARKET

TOTAL

\$281,591.08

Money Market (Sturdy Bank)

TOTAL **\$281,591.98**

Energy Savings:

The energy savings for this month was approximately \$2,476.51 or 23.28%

Commissioners:

The Authority received notification from the City of Cape May City Manager’s office on Wednesday, June 8, 2016 confirming the appointment of Dr. Lafferty to the Board of Commissioners filling former Commissioner, Tony Williams’s unexpired term.

Almost simultaneously, the E.D. received a call from the DCA asking for her opinion on the potential appointment of Dr. Keith Lafferty. The E.D. explained that the City of Cape May Manager had confirmed this week the appointment of Dr. Keith Lafferty as his appointee.

Chairperson Thomas G. Hynes advised the Board that he has instructed the E.D. to contact the Governor’s office to accept the Governor’s appointment to the Board of Commissioners. Additionally, per the Board’s approval, the E.D. will be extending an invitation to Mrs. Diane Hutchinson, to become a member of the Board of Commissioners

of the City of Cape May Housing Authority. It is anticipated that the City of Cape May will approve this appointment at their July meeting. Ms. Hutchinson currently sits on the Zoning Board and is the past President of the Mid-Atlantic Center for the Arts.

ANNUAL PLAN:

The Authority is in the process of beginning preparations to submit the Annual Plan due on July 15, 2016. A Senior Resident Council Meeting was held on Thursday, May 5, 2016. Resident input will be included in the plan. The public hearing will be held on July 1, 2016 at 10:00a.m. as advertised.

SECURITY CAMERAS:

The SMS Company has presented an estimate to provide temporary security camera coverage on Broad Street. Because it is very costly the Authority will continue to explore less expensive options.

The Site Manager is currently in conversation with COMCAST to fix the current non-functioning camera system in conjunction with City Hall.

EMPLOYEE CONTRIBUTIONS:

Employee contributions for Health and Pension Benefits will again be increasing as of July 1, 2016. The Pension contribution will increase to 7.20% of salary; the Health contributions increases range between 4.5 and 21.0 percent.

BROAD STREET CONCRETE WALL:

The E.D. and the Site Manager are gathering quotes to repair the damaged wall on Broad Street Court and some uprooted sidewalks.

SALE OF PROPERTY RUMOR:

The Board reviewed the rumor about the sale of Osborne Court. Attorney Gabage explained that since the property is owned by the City of Cape May (Housing Authority), HUD could not force a sale of the property; however the Authority could not sell the property until HUD has been notified of their intentions.

Miscellaneous:

1. The Community Garden on Lafayette Court has been planted with the assistance of some of the resident council and the former RC President, Jean Capilli.
2. Cape May County received 200 more vouchers through the State DCA.
3. One of the tenants on Lafayette Court passed away last month; the Maintenance Staff will be involved in another unit refurbish.

Resolutions:

#2016-20 – A Resolution Approving Monthly Expenses

Chairperson Thomas G. Hynes called for a Motion to approve the resolution. Vice-Chairperson Patricia M. Swain made a Motion to approve the resolution, seconded by Commissioner Frank Acker. The following vote was taken:

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Jean Capilli	(Yes)
Commissioner Frank Acker	(Yes)

#2016-18 – A Resolution Approving Executive Session

No Executive Session was needed.

#2016-13 – Audit Review Certificate

Chairperson Thomas G. Hynes called for a Motion to approve the resolution. Vice-Chairperson Patricia M. Swain made a Motion to approve the resolution, seconded by Commissioner Frank Acker. The following vote was taken:

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Jean Capilli	(Yes)
Commissioner Frank Acker	(Yes)

Following Board approval Chairperson Thomas G. Hynes made motion to cancel the August 2016 Board Meeting, the motion was seconded by Vice-Chairperson Patricia M. Swain the Commissioners unanimously approved the motion.

There being no further business before the Board, at 4:50PM Chairperson Thomas G. Hynes called for a Motion to **adjourn the meeting**. Vice-Chairperson Patricia M. Swain made the Motion; seconded by Commissioner Jean Capilli and the following vote was taken:

Chairperson Thomas G. Hynes	(Yes)
Vice-Chairperson Patricia M. Swain	(Yes)
Commissioner Jean Capilli	(Yes)
Commissioner Frank Acker	(Yes)

Respectfully submitted,

Carol Hackenberg
EXECUTIVE DIRECTOR