

**HOUSING AUTHORITY OF THE BOROUGH OF CLEMENTON  
BOARD OF COMMISSIONERS MEETING  
FEBRUARY 3, 2016**

Chairman Schmidt called the Housing Authority of the Borough of Clementon Board of Commissioners Meeting to order at 6:02PM and announced that the meeting has been properly advertised pursuant to N.J.S.A. 10:4-6, the Open Public Meetings Act. The meeting was held at the John Leshar Senior Center located at 49 Berlin Road, Clementon, New Jersey.

Salute to flag.

Upon roll call the following were present: Commissioner Armbruster, Commissioner Casella, Commissioner Closs, Commissioner Nicholson, Commissioner Watson, Vice-Chairman Cater, and Chairman Schmidt. Also present at this meeting were William J. Harris, Executive Director (arrived at 6:09PM), Anthony Ogozalek, Jr., Solicitor, and Barbara J. Murray, Secretary.

**MINUTES**

Chairman Schmidt asked for a motion to approve the minutes of the January 6, 2016 Regular Meeting and Executive Session in block. Chairman Schmidt said that he would like the wording changed from absent to excused for Commissioner Closs. Hearing no other changes, Commissioner Nicholson, seconded by Vice-Chairman Cater, made a motion to approve the minutes of the January 6, 2016 Regular Meeting and Executive Session with the aforesaid change. Roll call vote: Ayes: Commissioner Armbruster, Commissioner Casella, Commissioner Nicholson, Commissioner Watson, Vice-Chairman Cater, and Chairman Schmidt. Abstain: Commissioner Closs. The motion carried.

**BILLS**

Chairman Schmidt asked if there were any questions on the bills. Commissioner Armbruster asked why there were two bills for rock salt and ice melt; Commissioner Nicholson said that Quality Landscaping uses their own rock salt and ice melt and that we purchase our own supply to have on hand here. Chairman Schmidt asked for clarification on Solicitor Ogozalek's bill and asked if part of that bill was for a Section 8 hearing. Solicitor Ogozalek said that there was some confusion on a previous bill and that this bill is actually for three months; he is not sure if part of this bill includes the Section 8 hearing, he would have to check with Mr. Harris or Barb. Hearing no other questions, Commissioner Casella, seconded by Commissioner Watson, made a motion to approve the payment of bills dated January 7, 2016 thru February 3, 2016. Roll call vote: Ayes: Commissioner Armbruster, Commissioner Casella, Commissioner Closs, Commissioner Nicholson, Commissioner Watson, Vice-Chairman Cater, and Chairman Schmidt. The motion carried.

**MANAGEMENT REPORT**

Chairman Schmidt asked if anyone had any questions on the Management Report from Mr. Harris. Commissioner Casella said that he was concerned with the letter that our accountant, Joseph E. Kavanaugh sent with his budgeted statement of operating receipts and expenditures from July 1, 2015 thru December 31, 2015. Mr. Harris explained that he had asked Mr. Kavanaugh to prepare this report for the Board to show where we are financially at the end of the first six months of our fiscal year and

that these figures are categorically accurate and derived from our books of entry. Solicitor Ogozalek explained that this is an internal document and that Mr. Kavanaugh does not want anyone to rely strictly on this report because it is an unaudited report.

Chairman Schmidt asked if Mr. Kavanaugh has given us a date when he will have the draft budget prepared; Mr. Harris said that he has not.

## **OLD BUSINESS**

### **RFP's**

Chairman Schmidt said that there is a committee meeting scheduled to discuss the RFP's on February 24, 2016.

## **NEW BUSINESS**

### **Admission & Occupancy Policy**

Chairman Schmidt advised that the Public Housing program, which is designated for persons 62 years of age, for Wooster Towers gives preference to veterans and Clementon Borough residents.

Chairman Schmidt said that there is no language for that in the Section 8 Admission & Occupancy Policy; at Mr. Harris' request he has appointed a committee of himself, Vice-Chairman Cater, and Commissioner Nicholson to discuss whether or not we would like to add these preferences to the Section 8 policy.

Chairman Schmidt asked for a motion to authorize Resolution HA16-4 to enter into Executive Session to discuss shared service negotiations with the Borough of Clementon and personnel salaries, not to last more than 30 minutes. Commissioner Nicholson, seconded by Vice-Chairman Cater, made a motion at 6:17PM to enter into Executive Session to discuss shared service negotiations with the Borough of Clementon and personnel salaries. Voice vote: All ayes. The motion carried.

Chairman Schmidt asked for a motion to adjourn from Executive Session and go back to the Regular Meeting. Commissioner Armbruster, seconded by Commissioner Closs, made a motion at 6:51PM to adjourn from Executive Session. Voice vote: All ayes. The motion carried.

## **EXECUTIVE SESSION DISCUSSION**

Commissioner Armbruster said that we have to look at every option to save money and has spoken to Bill about ways that we could possibly get help with getting a new generator; he said that he has spoken to a few of our legislators and also spoke to Borough Council about maybe getting help with this. Mr. Harris said that we also participated in a meeting with the Borough on their FEMA plan and a generator for the Housing Authority was put into that plan. Commissioner Armbruster said that nothing is immediate and these things require the use of capital funds to get things started and that we do not have much capital to work with because we are using it for operations. Mr. Harris also added that he has spoken with Chief Freiling about the Borough of Woodbine who is very aggressive in obtaining grants and the State Homeland Security Department had about a year and a half ago a 75% matching grant for

a generator; Mr. Harris offered to help in possibly obtaining a matching grant with the hope of using 25% of our capital fund towards it.

There was some discussion on other ways to cut costs and the fact that if we cut back on maintenance hours, we would get further behind and it seems that our maintenance personnel do not have much down time. Commissioner Armbruster said that he doesn't think that reducing the work hours for maintenance is the best idea. Mr. Harris asked if the Borough would have been able to help us out during the last snowstorm; Commissioner Armbruster said not really because the storm was a difficult one but added that they could cut the grass. Vice-Chairman Cater said that maybe we could use the Borough for shared services with our landscaping and that would be a big savings.

Chairman Schmidt asked if there was a range that the Board wants to set going into next year's budget, including the cuts that have already been made, that they want to give to Mr. Harris to reduce our operating budget. Mr. Harris advised to keep in mind that our budget is approximately \$550,000 and \$52,000 in Capital Funds. Commissioner Armbruster asked how much of our Capital Funds we are using for operating costs. He went on to say that when he went to the finance class they discouraged the use of Capital Funds for anything other than Capital projects. Mr. Harris advised that there is a regulation for housing authorities with less than 440 units allowing them to use their Capital Fund for operating costs. He went on to say that this is the first year that we have done this and in fact, Joe Kavanaugh advised us to do this last year. Commissioner Armbruster is concerned that we are setting ourselves up for failure. Mr. Harris said that it is a matter of operating and paying our bills or how much we want to defer the much needed capital cost that we have to pay for; we will never have enough money from HUD, we get very little. Mr. Harris added that we have about \$58,000 in our surplus.

Chairman Schmidt said that he would like a majority consensus to the Finance Committee on whether we want to budget all of our Capital Funds for the upcoming budget year for operating expenses or do we only want a certain percentage to be budgeted for operations. A discussion followed. The majority consensus was a minimum of 3% to 4% and the maximum 7%.

#### **Letter to Borough Regarding Water Damage**

Chairman Schmidt said we were created by the Borough, we are an extension of the Borough and our information is listed on the Borough website so why should we be treated like a private homeowner. Commissioner Armbruster said that we are providing a service of housing which is different than providing a service to taxpaying residents; most housing authorities do a PILOT program, Clementon does not. He went on to say that when we spend money and the Borough reimburses us, the tax paying residents are paying for that and it is not their responsibility to pay for other people; we are here to share everything as a community and equal that cost out.

Chairman Schmidt asked if we could get a reduction on our water and sewer bills; Commissioner Armbruster said that was a question for the Borough Solicitor but in most cases when you do it for one you have to do it for all. Chairman Schmidt asked what other entity of this Borough was created by the Borough and Borough Council appoints 6 of the 7 members on the Board, and the Borough also has the power to dissolve the Housing Authority. Commissioner Watson said that the Authority was created by the Borough but the Borough does not fund it. A discussion followed.

Mr. Harris advised that we do have specs that were prepared by PMH Engineering that we do not have money to pay if we were to go out for bid on upgrading our electrical service from the transformer on the pole and bring the cable underground into our panel to provide sufficient electrical connections so that a generator could be brought in on a trailer to provide power to the heater that it presently does not supply as well as supply electric to all of the apartments. Commissioner Armbruster said that he spoke to the Borough Engineer regarding this and he said that the trailer to bring in a portable generator is huge and the rental cost would be astronomical.

Mr. Harris said that this is the second time that we have gotten a "no" or no response to the letters that were sent to the Borough clerk and he is not going to write another letter. He advised that he filed a claim with our insurance company and our deductible is \$1,000; he asked Commissioner Armbruster to ask Borough Council to reimburse the \$1,000 deductible and we would take what the insurance company gives us. Commissioner Armbruster agreed to ask Borough Council. Chairman Schmidt said that maybe another way to reimburse us would be not to charge us if the Borough cuts our grass this spring and summer, up to \$1,000. Commissioner Armbruster said that he is not a fan of doing things that way and said that everything should be kept above board. Mr. Harris stated that he would like to clear this bill up now, not wait until summer.

#### Section 8

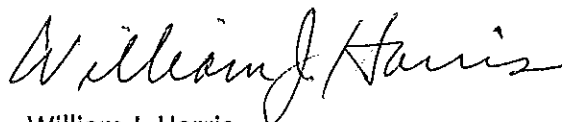
Commissioner Armbruster asked if it were possible for the Housing Authority to purchase some of the abandoned homes in town, refurbish them and rent them out as Section 8. Mr. Harris explained that the Authority could do what is called a project-based program up to 20% of our total allocation, we could theoretically be in a deal where we own or have some control; there is a process for this that is subject to the funding that is available to us. Commissioner Armbruster said that this could be a source of revenue for us and a way to bring the town back. A discussion followed.

#### PUBLIC

Chairman Schmidt opened the floor to the public; there being no public, Chairman Schmidt closed the floor to the public.

Chairman Schmidt asked for a motion to adjourn. Vice-Chairman Cater, seconded by Commissioner Closs, made a motion at 7:36PM to adjourn. Voice vote: All ayes. The motion carried.

Respectfully submitted,



William J. Harris  
Secretary