

STATE OF NEW JERSEY  
HACKENSACK HOUSING AUTHORITY  
65 FIRST STREET  
HACKENSACK, NEW JERSEY 07601

THURSDAY, JULY 9, 2015

**(This is a condensed version of the taped minutes of the Regularly Scheduled Monthly Meeting of the Hackensack Housing Authority commencing at 6:00 P.M.)**

Chairman Anthony Stassi called the meeting to order.

**ROLL CALL**

Present: Chairman Anthony Stassi  
Commissioner May D'Arminio  
Commissioner Marie Dukes  
Commissioner Tasha Russell  
Commissioner Ralph Rivera  
Commissioner Blanche Stuart  
Commissioner Gino Tessaro

Also Present:

Anthony Feorenzo, Executive Director  
William F. Snyder, Consultant to the Board  
Bradley M. Wilson, Esq., Counsel to the Authority  
Officer Jeffrey Compesi, Hackensack Police Department

**OPEN PUBLIC MEETINGS ACT**

Adequate notice of this meeting, as required by the Open Public Meetings Act, has been provided by the filing of an Annual Meeting Notice with the Municipal Clerk, the posting of said notice on the official bulletin board in the Municipal Government Building, and delivery of same to the Bergen Record & Star Ledger on 12/1/14. This body wishes to advise you that, in accordance with N.J.S.A. 26:3D(1), et seq. (Smoking in Public Buildings), smoking is prohibited while this body is in open or closed session.

**FLAG SALUTE** – Pledge of Allegiance recited. Moment of silence held in support and remembrance for police, firemen and Armed Forces personnel.

(At this point in the meeting, Commissioner Dukes arrived.)

## **APPROVAL OF MINUTES – JUNE 2015**

Motion to approve minutes of June 2015 made by Commissioner Rivera; seconded by Commissioner Russell.

VOTE: AYES/All Present Commissioners (7)

## **RESOLUTIONS #2015-12 AND #2015-13**

ED Feorenzo has two resolutions for this evening's approval. Prior to the resolution on budget introduction, Accountant William Ketchen was introduced to detail the budget.

(Commissioners received this packet of information in their monthly packet.)

Mr. Ketchen discussed budget for fiscal year ending 9/30/16, plus audit for 9/30/14 that's been completed. Audit is required because HHA receives majority of its funding from Federal resources. It raises audit to highest level of review. A CPA was hired, Policari & Company, who completed audit in June, and submitted in a timely fashion to HUD by June 30. Resolution for consideration talks about two things: 1-you received the audit; 2-that you specifically reviewed section entitled "Audit Findings and Recommendations". Audit does not have any findings and recommendations. HHA will get maximum financial points in terms of the review.

In terms of reports, there are three auditor presents. One is on Page 6-8 – Auditor's Opinion, which gives an overall opinion on financial statements. Second report on Page 32 – auditor's report on compliance with internal control of financial reporting and compliance. Third report on Page 33 – on compliance of requirements of OMB Circular A133. Please read, because it is meant to be for Board members and volunteers and is the MD&A, Pages 1-5; this is in plain language for non-financial types to understand current year results of operations compared to prior year and what you're looking forward to next year.

This report has nothing to preclude HHA from getting highest financial score with HUD. The surplus at end of September 30<sup>th</sup> – unrestricted net assets, which is synonymous with retained earnings in taxable arena was \$2,557,140.

BUDGET: HHA has basically three budgets: HUD form of budget and a resolution for that. With HUD form of budget, HHA has an asset management budget. Because HHA has over 400 units of public housing, HUD requires under asset management regulations that HHA consider breaking out properties by AMPs (asset management properties) and a central office core center – management part of it. That ASM budget is presented and is a roll-up to the HUD form of budget.

HUD budget is principally formula driven. On Page 2 of that, under HUD formula, HHA is entitled to funding of \$1,763,756, but HHA has not received full entitlement since first year of Obama Administration, when they funded everybody 100 percent. HHA will be funded next year at 83 percent of entitlement resulting in a "haircut" of \$299,839. This is nationwide because Congress did not make available funds in order to fund HHA at 100 percent. So costs get cut. Costs for maintenance have remained stable and gone down. Insurance premiums are flat because HHA is in JIF. Only cost increasing, outside of HHA control, is health benefits. HHA also has brought in additional sources of revenue, i.e., rooftop antennas, which are outside the formula. Laundry commissions and rooftop antennas generate ability to increase bottom line or decrease the deficit. With that, this budget anticipates a surplus of \$65,087. It is a miracle due to day to day operations.

This year HHA sees a much different State Budget. As a result of New Jersey Transparency Act, which Legislature adopted and Governor signed, budget for New Jersey has gone from this to this (indicating a larger amount). State of New Jersey budget due August 1, 2015. Tonight's resolution, if approved, authorizes ED Feorenzo to sign it and send to the State for their review. Then in September, it will be considered for adoption.

Mr. Snyder added Resolution on the first page tells total revenue and total amount of appropriations. HHA is projecting a surplus, which is unusual. Difference between 2013 and 2014 is unrestricted assets went up by several hundreds of thousands of dollars. It is anticipated again this year in excess of the budget. Mr. Ketchen said HUD rule of thumb is to have six-months of operating expenditures. This budget projects for next year to be \$2,644,000 – the audited amount plus current year expected results of operations plus next year. Only two of Mr. Ketchen's clients are projecting surplus at the 83 percent mark.

#### RESOLUTION #2015-12 – FYE 9/30/16 - BUDGET INTRODUCTION

Motion to approve as described by Mr. Ketchen made by Commissioner Stuart; seconded by Commissioner D'Arminio.

VOTE:	Chairman Stassi	Yes
	Commissioner D'Arminio	Yes
	Commissioner Dukes	Yes
	Commissioner Rivera	Yes
	Commissioner Russell	Yes
	Commissioner Stuart	Yes
	Commissioner Tessaro	Yes

#### RESOLUTION #2015-13 – AUDIT CERTIFICATION

Motion to approve as described by Mr. Ketchen made by Commissioner Rivera; seconded by Commissioner Dukes.

VOTE:	Chairman Stassi	Yes
	Commissioner D'Arminio	Yes
	Commissioner Dukes	Yes
	Commissioner Rivera	Yes
	Commissioner Russell	Yes
	Commissioner Stuart	Yes
	Commissioner Tessaro	Yes

Mr. Snyder added that there is an affidavit that each Commissioner has to sign under the Fiscal Control Act.

### **CORRESPONDENCE**

Mr. Snyder said Commissioners received a draft contract for the Executive Director. Personnel Committee met this evening and changes were discussed. It will be sent to the Commissioners in September. Commissioners will go into closed session. Questions may be asked and concerns addressed. Personnel Committee will present changes. If there is anything Commissioners would like to address before then, please contact Mr. Snyder.

### **PAYMENT OF CLAIMS FOR JUNE**

Motion to approve payment of claims made by Commissioner D'Arminio; seconded by Commissioner Dukes.

VOTE: AYES/All Present Commissioners (7)

Commissioner Russell asked, if possible, to have a running total on Payment & Claims each month. ED Feorenzo said accountant comes in quarterly. Mr. Snyder asked if it was running to actual that Commissioner Russell was interested in. Mr. Snyder said 7.1 is the budget to actual for this year through 3/31/15. Next will be budget to actual through 6/30/15. Mr. Snyder explained, for example, Maintenance Materials – it tells what's budgeted for the year and what's spent through this period. ED Feorenzo suggested Commissioner Russell come into the office and they could go over it.

### **MANAGEMENT REPORT & UNFINISHED BUSINESS**

Mr. Feorenzo said Officer Vinnie got a full-time job in New Milford as a police officer. Officer Jeffrey Compesi is taking his place and will be working from 6:00 PM to 2:00 AM five days a week. Officer Jeffrey has been with the department 1-

1/2 years and is Class 2. Commissioner Stuart asked if HHA pays the same for a Class 2.

Mr. Feorenzo introduced Nurse Cheryl to the Commissioners. She explained not many seniors show up. A survey was handed out door to door, 20 received back. The same people show up for every in-service given. HHA seniors are very private and prefer to meet 1 on 1. Cheryl has been here 13 years. Commissioner Stuart asked what was on the survey. Cheryl said exercise groups, diet groups, diabetic teaching, and cardiac teaching. The same 4-5 show up. Everyone wants a personal trainer. A Physical Therapist was coming once a week for an hour at Railroad to do group exercises. Bus rides were provided, but only 4 showed up, and it wasn't worth it as he was a volunteer. An eye doctor is coming tomorrow. He comes every six months to do free eye exams. Hopefully, 6-7 people will show up. Many speak to Cheryl privately, but they are not comfortable in a group setting. Commissioner Russell asked how people are notified. Nurse Cheryl answered notices are given door to door, in elevators and mail boxes both in English and Spanish.

Commissioner Stuart asked about recreational activities. Nurse Cheryl said previously there was Tenant Services – bingo or movies. Commissioner Stuart said she had a schedule from MLK Center, many HHA seniors go there. Cheryl said she has all the schedules on her bulletin board, but mostly she is medical, but did just participate in the bar-b-que. A bingo survey was taken, but again, the same 4-5 attend bingo. There was a Tenant Council, but no one wants to run it and it was voted out. ED Feorenzo said when the new bus driver gets comfortable, routes could be changed. There might be a tenant applying for the position. She has a CD license and drives a bus during the school year. Commissioner D'Arminio asked if seniors indicate why they don't attend these programs. Cheryl said they don't say anything, but she believes it's a privacy issue, and many are not home during the day. The Health Department comes and gives a course. Chairman Stassi has taken it, but there were only 9 people at that. Each building is very cliquey. If one person in a group goes to a meeting, they all go. They do know what's available and her door is always available.

Commissioner Stuart said with some it's transportation issues getting from Kansas Street to MLK Center. Is it possible, when there is a driver, to change routes and get them there? Cheryl said some centers have buses and pick up seniors, but MLK does not. Commissioner Russell recommended visiting this again in September. Commissioner Stuart will email ED Feorenzo the most current schedule. Mr. Snyder said he just had a meeting with Bergen County Housing, who helped bail out MLK Center. They told him no one was using MLK Center and they are discouraged by it. They think more are going to M&M. Mr. Snyder said when bus is available; it would help out all these centers.

ED Feorenzo reported HHA is still waiting on Verizon permit for 60 Kansas Street. New roofs will be completed the week of July 23<sup>rd</sup>, weather permitting, down at Newman and Railroad. All eight roofs will then be completed lasting 25 years.

At last meeting, ED Feorenzo was asked to check on parking spaces at 175 Railroad and 164 Beech. He also checked to see how many cars are there, and how many residents are following policy. 57 automobiles and only 19 are in compliance – giving HHA their current insurance, driver's license and registration, which is to be done every year. He sent out letters, 10 came in and hopefully in another month, all will comply. There is total of 59 parking spaces, including 9 handicap/57 autos/19 in compliance. He asked if the Board wants him to send out letter about assigned parking or leave as is. At Newman & Railroad 40 percent of the people are not in compliance in giving registration, etc. to get their new parking stickers. ED Feorenzo told Officer Jeff this week tickets will be given out if they're not in compliance. Line has to be drawn somewhere. Commissioner Stuart asked about woman who attended meeting last month and wanted her spot changed because of flooding. She spoke personally with Commissioner Stuart today and said some in that parking lot have not complied, why can't she have one of those. Mr. Feorenzo said it isn't just for one, but he'd have to work it for everyone. They were told last month to attend a Council meeting and complain. The tenants have to attend en mass to get problem fixed. Discussion ensued about parking spots. It was a lot of work and those complaining did not request specific spots. Mr. Feorenzo said if she has handicap sticker, she can park there.

Bar-b-q was held last Thursday for seniors. There are 301 seniors/45 showed up from 11:30 to 1:30. It will be held again next year. Bus driver did start, he was very nice but he needed a full-time job, more pay and left on good terms. Mr. Feorenzo thanked Carmine for driving tenants to Shop-Rite.

ED Feorenzo reported he had a "kick-off" conference call with RAD at 1:30. Every month a conference call will take place at 1:30, 2<sup>nd</sup> Thursday of the month to give them updates.

Mr. Snyder, Consultant to HHA on RAD, stated they will introduce someone called a Transaction Manager, the person who shepherds this process from initial call to closing. Requirements are: submit a financing plan within 180 days. HHA is currently looking at financing sources. (1) First mortgage; (2) Low-Income Housing Tax Credit Program. HHA is deciding whether both or one or the other are needed. If Tax Credit Program not needed, it won't be used. Contract has been signed with engineering firm approved last month to do physical condition assessment, telling work needed to be done in buildings. They will start the PCA the last week of July/first week of August and take about a month to be completed. When completed, Mr. Snyder can determine funding sources, whether tax credits needed or not. Due to the reserve level at HHA, probably 2-1/2 to \$3-1/2 million can be raised. Using the Tax Credit Program, it would be

substantially more than that -- \$15 million. It is a complicated program with lots of juggling. An investment banking firm was brought in to advise HHA on mortgage. That contract was signed a year ago. A Tax Credit Consultant will file the application with New Jersey Housing Mortgage Finance Agency, if needed. RFPs will go out for special counsel. Special purpose entities have to be set up in order to do this process. If HHA goes with tax credits, a non-profit corporation with a for profit entity will be established. The main goal being that HHA controls all this. There will be an environmental review, an appraisal and a survey all done by RFPs, which Mr. Snyder will put together. The 180 days start on July 15<sup>th</sup> and ends January 15<sup>th</sup>. At any time as process goes on, HHA can pull out of this right up to date of closing. Then HHA would be converted to Section 8 project based program and contractor will have up to two years to make all improvements. Knowing 65 First Street building has leaks, that will be one of the things addressed. Once PCA is done, and work items finalized, by building there will be meetings with tenants and tell them what work items are being proposed.

Commissioner Russell asked when they met with tenants prior to this, as she was unaware of that meeting at the Boys & Girls Club. Mr. Snyder said they took the tenants comments and answered them in writing.

Commissioner Stuart asked for an update on the waiting list.

**OLD BUSINESS – nothing at this time.**

**NEW BUSINESS – nothing at this time.**

#### **OTHER BUSINESS**

ED Feorenzo said one or two Commissioners requested business cards. He asked if anyone else so desired them. Commissioner Duke and Commissioner Stuart requested them.

#### **ADJOURNMENT**

Motion to adjourn made by Commissioner D'Arminio; seconded by Commissioner Stuart.

VOTE: AYES/All Present Commissioners (7)

Respectfully submitted,

Deborah L. Alvarez, Secretary/Transcriber