

## **Town of Fairfield Housing Authority**

The Housing Authority of Fairfield held a special meeting on June 27, 2012 at 6:00 p.m. in the Community Room at 15 Pine Tree Lane.

PRESENT: Carol Landsman, Chair  
Rita Waterman, Vice-chair  
Andrew Baumgardner, Treasurer  
Dorothy Anderson, Commissioner  
Maureen Delaney, Resident Commissioner

ALSO PRESENT: Carol Martin, Executive Director; Tim Sandor, Accountant; Bruce Whitaker, Millenium Management

CALL TO ORDER: Ms. Landsman called the meeting to order at 6:04 p.m.

### **Revisions to 2012 Budget: Review & Discussion**

Ms. Martin presented a revised 2012 consolidated operating budget to the commissioners.

Ms. Martin explained that the original consolidated operating budget would have produced an unacceptable deficit of about \$40,000 for the Pine Tree development. Due to a distribution from the APTS program and a withdrawal from the STIF account, she expects that the Pine Tree operating budget for the current fiscal year will balance. However, these are one-time infusions and are not to be considered on-going sources of revenue. There have been no withdrawals from the STIF account in 2012 and Mr. Sandor and Ms. Martin are hoping to keep the reserves in this account intact.

In order to strengthen the budget, Ms. Martin and Mr. Sandor have shifted some items within the expense column to make the working of the authority more transparent and accurate. There are revisions in the administration and maintenance areas with a goal of controlling expenses.

Trefoil Court, a State project subsidized through Federal Project Based Section 8 Vouchers is stable at this time though the income provides only a nominal cash flow surplus to cover unexpected expenses. Ms. Martin said she expects that there will be some rent increases at Trefoil to allow for deposits into the reserves.

Pine Tree is a State project that is not subsidized. Revenues here do not cover expenses. The current rents on the 38 units cannot support the facility and will have to be revised.

Ms. Martin said the HCV program must to grow in order to sustain the administrative costs. She and Mr. Sandor have a goal of issuing 3 additional vouchers in each of the

next 6 months. Ms. Martin emphasized that the success of this effort will positively affect next year's funding level.

On the expense side of the budget, Ms. Martin said she had increased the line for 'legal expenses' to \$12,000 in anticipation of potential labor litigation.

Mr. Baumgardner asked what costs are attributed to Millenium Management. Ms. Martin said that they (and/or the new management company) will be paid an estimated management fee of \$12,540 for services from May 2012 through December 2012. The management fee is equal to %5 of collected tenant rent payments.. This is an industry-standard fee. The cost of administering the HCV program has not been determined yet though Millenium is handling it now at no extra cost to the FHA. Ms. Delaney asked if the contract with the management company has produced savings. Ms. Martin said these are not apparent in the current figures but should become evident by November 2012.

Mr. Baumgardner asked who has the authority to withdraw funds from the STIF account. Ms. Martin said it is the Executive Director. There is no oversight from the state.

Ms. Landsman asked if Ms. Martin and Mr. Sandor had addressed the money owed to the Town by the Authority. Ms. Martin said she has had conversations with the Town about this issue and that they are willing to work out a repayment plan in the future. Regarding the HUD debt, Ms. Martin said they seem to recognize that the Authority needs additional sources of income before that can be addressed.

Mr. Sandor commented that this fiscal year is one of transition. The bookkeeping process needs improvement. He expects FY2012 data to be more accurate, resulting in a smoother process for 2013.

Mr. Baumgardner asked if the Authority's insurance policies had been examined. Ms. Martin said that, due to time constraints, this had not been done. As policies come up for renewal, they will be reviewed. He further asked if there was coverage for the Board. Ms. Martin affirmed that there was. Ms. Martin said she would investigate bonding for those individuals signing checks.

In answer to Mr. Baumgardner's question, Mr. Sandor said that the budget is based on a chart of accounts used by HUD.

**Resolution #12-03: the Board of Commissioners of the Housing Authority of the Town of Fairfield approves revision #1 to the Budget approved at the January 10, 2012 meeting.**

Ms. Landsman made a motion that Resolution 12-03 be adopted. The motion was seconded by Ms. Delaney and passed unanimously.

Ms. Martin thanked Mr. Sandor and Mr. Whitaker for their work on this project.

Ms. Landsman thanked Ms. Martin for her contribution to the improved budgeting process.

The Board adjourned to executive session at 7:00 p.m. It returned from Executive Session and immediately adjourned at 8:38 p.m.

The next regular meeting will be held on July 10, 2012.

Respectfully submitted,

Gretchen Goethner