

**CUMBERLAND HOUSING AUTHORITY**  
**April 12, 2018 Meeting Minutes**

**I. Call to Order:** Vice Chairman Bill Hansen called the meeting to order at 6:30 pm.

**II. Roll Call: Present:** Bill Hansen - Vice Chairman, James Clifford, Norman Maze & Sally Pierce. Town Council Liaisons Bill Stiles & Tom Gruber. **Staff:** Carla Nixon - Executive Director, Bill Shane - Town Manager and Christina Silberman - Administrative Assistant. **Absent:** Connie Bingham, Joyce Frost (Chairman) & Eileen Wyatt.

**III. Executive Director's Report:**

**Tenant Report:** Ms. Nixon reported that there has been one turnover during the past year.

Mr. Stiles asked if there have been any transitions from one type of unit to another. Ms. Nixon replied that there have not been any transfers.

Mr. Gruber asked when the waiting list was last validated. Ms. Nixon said it would have been the last time the Town made calls looking for a new tenant. Ms. Silberman added that she called the people on the current resident, one bedroom list. Mr. Gruber said that the waiting list could be challenged and we should think about validating the entire list. Mr. Shane suggested sending a letter to the people on the waiting list to notify them of the new rental rates and to ask if they want to remain on the list. Mr. Hansen suggested requesting a response by a certain date in the letter and stating in the letter that if there is no response, the person will be removed from the list. Mr. Shane suggested sending a certified letter prior to removing any names from the list. Mr. Maze moved to direct the Executive Director to send a letter to people on the current waiting list with an update the rental prices, seconded by Ms. Pierce and **VOTED, 4 yeas – all in favor, motion passes.**

**Window Replacement Project:** Ms. Nixon reported that the windows are original to the building (26 years old). When the Town started charging residents for the heat, which had been part of the rent, comments were made by the tenants regarding the windows being terrible and causing more expense to heat the units. In addition to the windows not being efficient, they are also difficult to open and close. The Town will be replacing the windows in all 30 units beginning in May. The Town went through a competitive bid process for this project with a certain specification of the type of window the Town is looking for. Mr. Shane added that the company that was awarded the bid is out of Augusta and has worked for multiple housing authorities and is experienced.

**Driveway Repair:** Ms. Nixon reported that there is a fair amount of heaving and cracking going on with the driveways. The circular road, Hawthorne Court, is not in need of work but some of the driveways are. The Town will be taking care of the driveways and walkways that need repair beginning at the end of June.

**Kitchen Lights Added:** Ms. Nixon reported that Jonathan Carpenter, Maintenance Manager, approached her around budget time to propose adding one light over each kitchen sink in the units. There was only 1 central light fixture in the kitchens aside from the light over the stove. Ms. Nixon said that she thinks the residents will be pleased about this improvement. These are LED lights.

Mr. Hansen asked about the expense for the driveway repairs and the kitchen lights. Ms. Nixon said that the lights were under \$1,000.00 plus the cost of the electrician. Mr. Shane said that the driveway repairs will be done by Public Works so the only expense will be for the pavement.

Ms. Nixon said that as units are turned over the Town has tried to update them, especially in the bathrooms. Ms. Nixon said that something to think about is replacing the countertops. A fair number of appliances have been replaced on an as needed basis. Carpeting is replaced as needed. This can be challenging with tenants living in the units because everything has to be moved out to replace the carpet.

#### **IV. New Business:**

**018-01: Overview of Present & Future Finances:** Mr. Shane said that the bottom line is that this is another deficit budget meaning that revenues are at \$336,000 and expenses are at \$387,000. The budget expenses are about \$53,000 over the revenues. The budget is built on a ten year projection. The Town has one more big bond payment next year. Mr. Shane reviewed future projections. The budget will come out of deficit in 2020 or 2021 and after this there will be a positive cash flow. Last year the rent rates increased by 1%. Mr. Shane said that this year a 2% rent increase would be the right number. The budget is built on a 2% rent increase. Mr. Shane said that the Town also has to start saving for future replacement of things. Capital transfers are at \$20,000 and this should be brought up to \$50,000 so that there is a safety net built up.

Mr. Hansen asked if the fund balance is a negative right now. Mr. Shane said that right now it is not quite a negative but it will be after the window project is done.

Mr. Stiles asked how much it would help the budget if there were all new tenants. Mr. Shane said this would help a lot. Right now there are many different categories of renters with different rates. The lowest rates are around \$600.00 and the highest is \$1,208.00. This is a big gap. The Town has committed to having no less than 3 subsidized rental units. Mr. Shane it could happen that there are several vacancies at once. There is a younger group of people moving in. The increase for the tenant share of the heat is going up to 80% and will be 100% the following year. The newer tenants pay 100% of the heat.

Mr. Hansen asked what the overall value of the property is. Mr. Shane said that the last time it was valued it was in the ballpark of \$11 to \$13 million. There are 9 buildings with 30 total units. There are 18 single bedroom units and 12 two bedroom units. Tenants are age 55 and over.

Mr. Shane said that he thinks the budget is in great shape and there is no need for alarm bells to go off. Carla and Jonathan have been on top of the maintenance so the Town is not inundated with massive repairs. Mr. Shane thinks that the tenants that have been there the longest are the ones getting the short end of the stick because the Town cannot easily go in to repaint and replace carpets.

**018-02: To set rental rates for fiscal year 2018-2019:** Ms. Nixon said the proposal is for a 2% increase across the board. The members of the Housing Authority discussed the increase and agreed that a 2% increase is reasonable. Mr. Clifford moved to have a

2% increase in the rental rates, seconded by Mr. Maze and **VOTED, 4 yeas – all in favor, motion passes.**

**018-03: To consider and act upon adoption of the proposed 2018-2019 fiscal year budget:** Mr. Shane reviewed the proposed budget. Ms. Pierce moved to adopt the 2018-2019 fiscal year budget, seconded by Mr. Clifford and **VOTED, 4 yeas – all in favor, motion passes.**

**V. Correspondence:** None.

Mr. Shane reported that an Eagle Scout will be building 6 kiosks for the Town and one of them will be going to the senior housing.

Mr. Gruber asked if a person gets into Hawthorne Court and then they decide to change their residency to another state, is there anything in the policy that says they have to maintain their residency here. Ms. Nixon said she does not think that there is anything in the rules and regulations about this. Mr. Gruber said there are some residents of Hawthorne Court that have changed their residency to the State of Florida. Ms. Nixon said that she is not aware of any of the residents being away for more than a few weeks at a time. Mr. Shane said that he thinks this is a serious issue. The Town cannot be retroactive but can be proactive and require that future residents maintain Cumberland residency. The bylaws would need to be updated. Mr. Hansen asked that Ms. Nixon send the Housing Authority members a current copy of the bylaws to review.

Mr. Gruber asked why there isn't a resident of Hawthorne Court on this committee. Mr. Shane said that these are public meetings and anyone can attend. Mr. Gruber said the residents need to be notified. Ms. Nixon noted that Hawthorne Court residents could not be voting members and that having a tenant member would be awkward if there is a need for her to raise a tenant issue. Privacy of these discussions is important and executive sessions are not an option.

**VI. Adjourn:** Mr. Maze moved to adjourn the meeting at 7:20 pm, seconded by Mr. Clifford and **VOTED, 4 yeas – unanimous, motion carries.**

Respectfully submitted,

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Christina Silberman, Administrative Assistant