

**CUMBERLAND HOUSING AUTHORITY**  
**July 11, 2017 Meeting Minutes**

**I. Call to Order:** Chairman Joyce Frost called the meeting to order at 6:30 p.m.

**II. Roll Call: Present:** Joyce Frost - Chairman, Bill Hansen - Vice Chairman, Connie Bingham, Sally Pierce, Bill Stiles - Town Council Liaison and Tom Gruber - Town Council Liaison.

**Absent:** Norman Maze, James Clifford and Eileen Wyatt

**Staff:** Carla Nixon - Executive Director, Bill Shane - Town Manager, Jonathan Carpenter - Maintenance Manager, and Christina Silberman - Administrative Assistant

**III. Executive Director's Report:** Executive Director Carla Nixon reported that there have been 3 turnovers within the past year. Ms. Nixon also reported that the waiting list for a 1 bedroom unit has 39 people that are Cumberland residents, 58 people with family members that live in Cumberland and 49 other people. The waiting list for a 2 bedroom unit has 98 people that are Cumberland residents, 79 people with family members in Cumberland and 55 other people. Ms. Nixon said that the numbers of people waiting are still quite strong and the number of inquiries for senior housing opportunities in Cumberland has jumped dramatically.

**IV. New Business:**

**017-01: New Senior Tax Circuit Breaker Program adjustment:** Town Manager Bill Shane gave a presentation on the new Senior Tax Circuit Breaker program. Mr. Shane said that last year the program was frustrating to the people living at Hawthorne Court because the way it was set up was based more toward the taxpayers of the community. The State laws allow and require the Town to involve renters as well as property owners in the senior tax rebate program. The adjustment the State allows for renters is to take the rental payment for the year and multiply this by 15%. Mr. Shane encouraged everyone to apply for this program. The program is also dependent on income. Notices about the program will be sent to all residents around the first week of August. The program is for persons 70 years of age or older who have lived within the community for at least 10 consecutive years. Mr. Shane said the program has changed this year.

**017-02: Overview of Present & Future Finances:** Mr. Shane displayed a chart showing ending cash balance projections and explained that the Town looks at many things for the senior housing program at Hawthorne Court. There are things that have to be done over the course of time such as driveway paving, roof replacement, heating system replacement, etc. Mr. Shane said that when the rental rates are calculated, monies have to be factored in for the "rainy day fund". Right now, the rainy day fund is nearly drained due to the improvements that have been done. The Town has put over \$600,000 towards new roofs and new heating systems. Replacement windows will probably be done next spring.

Mr. Shane said that there is a budget for appliance replacements and renovations that is calculated into the operating budget. The Town looks ahead 30 years for the senior housing project and tries to project where the highs and lows are. Mr. Shane said that in fiscal year 2020, which is two years from now, the cash reserves will be at the lowest point. Mr. Shane said these projections are looked at when setting rental rates. Mr. Shane recommended that the Housing Authority consider a 1% increase in rent vs. a 2% increase and said this will still keep the budget on track. Mr. Shane said that it is important to look at the year to year income streams because a

lot can happen and the Town will look at this again next year. The present cash flows are positive but these monies are committed for capital projects and the final capital project is the window project that will be around \$130,000.00. The funds will be built back up to allow for future replacement of items such as roofs and heating systems. Mr. Shane said he will be happy to get 30 years out of the new roofs and 20-25 years with the new heating systems. Mr. Shane said if the Town keeps on the budget path it is on now, the Town will be able to pay for projects out of reserves instead of going to bond in the future.

Chairman Frost noted that the materials they have are for the budget that represents a 2% rent increase and asked Mr. Shane why he is making a shift in his recommendation. Mr. Shane said that in looking at future cash projections, the original model was a little bit more conservative than it has to be. Mr. Shane said with a readjusted model with a 1% increase, the budget stays above water and he thinks it will be okay.

Mr. Shane listened to the concerns from some of the Hawthorne Court residents who were present and answered questions.

**017-03: Window Replacement Project Overview:** Maintenance Manager Jonathan Carpenter noted that over the last 3 years the Town has done a lot of infrastructure improvements at Hawthorne Court. Most of the improvements were energy related including new furnaces, roofs and storm doors along with smoke and gas detector replacements. Mr. Carpenter said the next piece of the energy improvements are the windows. The windows have been failing in a number of ways in recent years. It is a common occurrence for residents to come to Mr. Carpenter to say that they are not able to open their windows easily or at all. Mr. Carpenter has repaired the windows many times only to have them fail again. The Town was able to get excellent bids on previous projects like the furnaces and the roofs and this gave the Town the opportunity to further the energy savings. Mr. Carpenter has observed condensation on the windows and felt drafts from the windows in the winter months.

Mr. Carpenter looked into replacing the windows and checked with local manufacturers to determine the best way to go about a full scale window replacement project. The best option seems to be a replacement window that doesn't involve removing the frame, any of the siding or the interior trim. The window that is currently there will be taken apart and a set of replacement sashes will be put in. Mr. Carpenter said he has run into a couple of problems, such as meeting current building codes for an egress window in the bedrooms, but he has been able to resolve these problems. There are about 270 windows at Hawthorne Court.

Mr. Carpenter proposes using a Mathews Brothers replacement window that is a double hung, high efficiency window that is double paned and argon gas filled. The windows have a built in grid system and will tilt in for easy cleaning. Mr. Carpenter said this is not a top of the line window but it is a good energy efficient window and is far from the bottom. Mr. Carpenter installed one of these windows at Hawthorne Court to see how easily it could be done and he was impressed with how it came out and how quickly he was able to do it by himself.

Mr. Carpenter said that installing new windows at Hawthorne Court will be a benefit to the residents and the funds have been procured. New windows will make a difference in monthly heating costs, comfort, being able to open the windows easily and not having condensation on the windows.

Mr. Carpenter said he thinks the easiest way to do the window replacement is to focus on one unit at a time with a two man crew with one man inside and one man outside working together. Depending on the contractor, there could be more than one crew at a time. Mr. Carpenter said that no windows will be left out overnight. The one bedroom units should take one day and the two bedroom units could be done in two days.

Mr. Carpenter said that the window replacement will improve the community and rounds out the Town's energy program really well. Mr. Carpenter said he does not think that trying to get the project done this summer is a good idea. There is a six week lead time to have the windows made and he does not want to be rushing to get the windows in come late fall. Mr. Carpenter said it is wiser to wait until next spring and be done by mid-summer and he estimates it will be a six week project.

Mr. Gruber asked if these are vinyl windows and Mr. Carpenter said that they are. Mr. Gruber asked if the windows will meet fire code needs. Mr. Carpenter said they do meet all codes. A casement window will have to be put in each bedroom to make it an egress window. These casement windows will look identical to the double hung window. Ms. Pierce said that because the area of the glass on the replacement window is a whisker smaller than the current window, in order to have an egress window in the bedroom there will be one crank out window in each bedroom. Mr. Carpenter concurred and said that the code requires an area of 5.7 sq. ft. of open area for one bedroom window. A question was raised about putting an air conditioner in a casement window and Mr. Carpenter and Ms. Nixon will look into this.

**017-04: To set rental rates for fiscal year 2017-2018:** Chairman Frost noted that there has been quite a bit of discussion on the rental rates already and asked if committee members have any further discussion. Chairman Frost asked if there is a revised budget based on a 1% rental increase and Mr. Shane explained that the budget is the same.

Mr. Hansen asked Mr. Shane if the projections shown on the graph looking forward consider a 1% increase this year and next year. Mr. Shane replied that it considers a 1% increase for the next 3 years. Mr. Hansen said that he heard the comments and concerns about cost and it is something that they have talked about a lot. Fiscally the Town has to be responsible to try to get the budget to match expenses. Mr. Hansen said he supports the recommendation of the Town Manager for a reduction in the rent increase from the 2% proposed to 1%. Mr. Hansen said the Town will have to look at this each year to see where the projection moves and if the Town is able to sustain the budget with the lower percentage increase then the Town will do that.

Mr. Hansen said he has been on this board since before Mr. Shane was here and they were looking at building more units and thought they had money to do this. Mr. Shane came along and did a projection and saw that an iceberg was coming and changes were made to avoid it. If the additional units had been built, there would be a serious issue. Mr. Hansen said it is important to have Cumberland residents stay in town and it is great to have the Hawthorne Court residents here. At the end of the day, the Town has to make sure that the expenses are met by the income. Mr. Hansen said that the good news is that with all the work that has been done, going forward it is unlikely that there will be any large bumps in the road. Mr. Hansen said that provided that things don't change outside of the Town's control, such as utilities, the Town can keep increases to a minimum and keep the site sustainable. Mr. Hansen supports the budget with a 1% increase with the understanding that the committee will reevaluate the budget forecast next year.

Ms. Brown moved to increase rental rates by 1% for the next fiscal year for the reasons articulated by the Town Manager, seconded by Mr. Hansen and **VOTED, 4 yeas – unanimous, motion carries.**

**017-05: To consider and act upon adoption of the proposed 2017-2018 fiscal year budget:**

Chairman Frost asked Mr. Shane if he has anything to share on this. Mr. Shane said the budget is consistent with what has been done in the past and he is looking for the Cumberland Housing Authority's approval on the operational budget as presented. Mr. Shane noted that the Town continues to bid out as much as the Town can to try to reduce costs.

Ms. Brown said that the category of expense that increased quite a lot is salaries and she asked Mr. Shane to comment on this. Mr. Shane said that each year the Town analyses how much staff time is put into the senior housing project. There have been health insurance increases of over 20% for the last several years. Salaries have increased less than 2% for the last 3 years. The salary budget is adjusted to reflect the amount of input staff puts into processing applications and work done at senior housing. Typically the Town does not charge for outside assistance for Mr. Carpenter but a large portion of his salary is charged to the senior housing project. Ms. Brown said this line is based on the amount of time spent and Mr. Shane agreed.

Ms. Brown moved to approve the 2017/2018 budget, seconded by Ms. Pierce and **VOTED, 4 yeas – unanimous, motion carries.**

**V. Correspondence:** None.

**Adjourn:** Ms. Pierce moved to adjourn the meeting at 8:02 pm, seconded by Mr. Hansen and **VOTED, 4 yeas – unanimous, motion carries.**

Respectfully submitted,

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Christina Silberman, Administrative Assistant