

NEWTON HOUSING AUTHORITY
32 Liberty Street
Newton, New Jersey

SEPTEMBER 8, 2025

(This is a condensed version of the taped minutes of a
Regularly Scheduled Meeting.)

Chairman Richard Bitondo called the meeting to order at 5:19 P.M.

ROLL CALL:

Chairman Richard Bitondo
Commissioner Mary Ann Carlson
Commissioner Mark Fiedorczyk - phone
Commissioner Wendy Vandermaas – phone
Commissioner Karen Crossley

ALSO PRESENT: Executive Director William Snyder
Deborah Alvarez, Secretary

FLAG SALUTE

OPEN PUBLIC MEETINGS ACT

Adequate notice of this meeting has been provided by the filing of an Annual Meeting Notice with Municipal Clerk, posting on the official bulletin board and delivery of same to the New Jersey Herald and Star Ledger on December 10th, 2024. The New Jersey Open Public Meeting Law was enacted to ensure the right of the public to have advance notice and to attend the meetings of public bodies at which any business affecting their interests is discussed or acted upon. In accordance with the provisions of this Act, the Newton Housing Authority has caused notice of this meeting to be advertised by having the date, time, and place posted on the Newton Housing Authority website.

Members of the public are welcomed and encouraged by the NHA to comment during the "Public Comments" portions of the meeting. There will be two "Public Comments" sections of the meeting. Residents can address the Board of Commissioners on agenda items during the "Public Comment-Agenda items" portion of the meeting and general subjects of interest during the "Public Comments-General Items" portion of the meeting (for items not on the agenda segment of the meeting). All questions and comments from the public will be directed to the Chairperson. When addressing the Board of Commissioners, please give your name and address.

All members of the public should be cognizant of the rights and feelings of any individual they feel compelled to discuss at an open meeting. General comments and statements should be

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EXECUTIVE DIRECTOR'S REPORT – ED WILLIAM SNYDER

Financial auditors will be here tomorrow. NHA has submitted all documents they want; they come on-site looking at everything, which is for fiscal year ending 12/31/24.

We have no vacancies. Air-conditioning units being removed where requested and paid through end of August/September. Some people pay an additional month. Heat turned on in building no later than October 1st, maybe sooner if it gets really cold and we get complaints. State requirement is heat be on October 1 to May 15th.

Laundry room has new clock.

Elevator work has been started; men on-site in the pit. Yesterday I received a Change Order; tonight, it is on the list as \$19,900 request. They claim disconnect switch for elevators is improperly installed according to Code. I looked at it and other issues with this: wiring that's running through junction box for elevator, they say, is in violation of Code. I asked for a price, which you see, and also took list of work and asked them to meet with a group of electricians that I'm bringing in. Ed has called them and they will be here tomorrow. Basically, I erased their price leaving just scope of their work. They will also make sure when they're quoting the work that it's what this other man quoted. Resolution approves Change Order based upon my acceptance that price is reasonable. Only way to do that is to get other prices. It sounds high to me. Ed and I went through the building today. When Verizon had items on our roof, they had a long length of conduit from front to back of building – 3-4" in diameter. These men want to run new lines; I'm assuming it has to do with conduit they want to install, which is why I'm asking for other prices as we can run new wire through vacated conduit, which is empty. Conduit itself is probably thousands of dollars to run from elevator room to the back of building.

There was an issue that one car stuck. This company is quite responsible when an elevator goes down. I say with government money, if I won't do it with my money, I won't do it with Uncle Sam's money. \$19,000 sounds like a lot to me.

RAD Program (Rental Assistance Demonstration Program) – I've met with residents a few times and will meet again soon. We got letter from HUD approving Cliffside Park Housing Authority as Contract Administrator, which is a major hurdle because in past HUD has denied that. We've been working on that going back and forth almost 16 months. HUD time is HUD time. I've uploaded it to the portal and other is Capital Needs Assessment telling us all work that needs to be done in our building. It has been completed; I've reviewed it and I will go over with residents next time we meet.

The engineer/architect firm – HQW – worked on that, is not able to do energy audit component; I put them in touch with a company that does these things. HQW will work under them, and working on it now. When I get that uploaded, meet with everybody, we will have a Concept Call with HUD telling us the final few items that we need to do. On revised Agenda tonight I added a Resolution authorizing me to prepare a RFP for financial services to solicit for

a tax-exempt mortgage, already prepared in draft form, authorizing me to go out. This way we'll have proposals at our next meeting, hopefully, to approve. They'll be uploaded and NHA well along our way in terms of documents that are needed for financing plan.

Once everything is uploaded, completed, that's going to be scope of work that we're doing, a commitment, term sheet from a bank that you approve with financing. I'm hoping it will be a 20-year term, reasonable interest rate, but on term sheet, and awarded to most advantageous bank.

Capital Needs Assessment will be uploaded. When it is all uploaded, HUD reviews it – maybe even 3 months, but their employees have in their contracts, a requirement that if you don't take vacation by 12/31 – you lose it. Many government employees, including State, in November/December just aren't working. Once we get the financing plan in and they approve it, an RCC (RAD Conversion Commitment) is issued, and we can proceed to close. We've already hired a law firm that specializes in this; they'll prepare all closing documents. After that I'll get permission from you to go out and get proposal from architectural firms to do actual plans/specifications to undertake the work. As soon as we close, we go out to bid, start bringing contractors in and some time in 2026, we'll be working on this.

Resident Association had their Labor Day BBQ, a big success, many people attended. They had Coffee with a Cop and planning to do it again. Move & Groove classes, Walk with Ease – those classes will be picked up again in 2026.

Newton Township Recreation Department – their flyers always posted. They had Senior Appreciation Day on August 21st, people were to sign up for the bus. Ann didn't think anyone went. Tech Support Classes still going on. Good feedback received as seniors are learning new things.

I was in Washington, D.C. Thursday night to Saturday morning getting an update on what's going on down there. We are timely in terms of this conversion. Current administration is going to work immediately on Public Housing Program. They've issued 2 notices – 2025-20 and 22. They state now that any interest income we earn from our investments in excess of \$500 goes back to them. There is no incentive to have any investments.

Secondarily, as you know, we get subsidies. Last year it was about \$175,000. We have 700-\$800,000 in the bank. Now they put this erroneous accounting requirement on Housing Authorities where we have to provide them a monthly cash flow projection. You have to use your reserves before you get any subsidy. We'd only get \$175,000; we'd have to spend all that money. It's timely for us as we put it towards the transaction, which won't take place until 2026 Federal Fiscal Year 2027, that stops October 1, 2026.

They've been trying to do away with Public Housing Program, and this is forcing people to convert to the RAD Program. When Obama was President, there was a law suit with the trade association (Public Housing Authority Director's Association) where they recaptured everybody's reserve. Large HA could have 3 months of their expenses as a reserve. Smaller

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HA 6 months reserve. So, if you have anything in excess of that, they took it back and redistributed it to everybody. Law suit, which HUD lost and they had to give all the money back.

Now they're going to make you use it. We're not telling you we're taking it back before we give you any money. The contract we have with HUD, it allows them to do that. My point is: it's timely in what we're doing.

Mary Ann Carlson asked about timeline for RAD. Chairman Bitondo explained 2026 would be year of paperwork; 2027 would be year of action and projects. ED Snyder thought construction would be in 2026 some time.

APPROVAL OF MINUTES OF AUGUST 11, 2025

Motion to approve minutes of August 11, 2025 made by Commissioner Crossley; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (5)

OLD BUSINESS – Nothing at this time

Commissioner Crossley commended the Tenant's Association because all the feedback Commissioners are receiving is so positive; a great change. Old business, but a new group. Congratulations.

RESOLUTION #2025-30 – Approval of Bill List for September 2025 meeting

Amount is \$53,214.94 – Motion to approve September bill list made by Commissioner Crossley; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (5)

RESOLUTION #2025-31 – Introduction of 2026 Budget – Fiscal Year 1/1/26 to 12/31/26

Motion to approve made by Commissioner Crossley; 2nd by Commissioner Fiedorczyk.

ED Snyder: Budget process is according to N.J. Fiscal Control Act; 2 stage process. First stage is introduction; 2nd stage is adoption. This is 1st stage Introduction. Turning to C-5 is the actual approval resolution. In that resolution, it's going to show you total revenues projected for FY 12/31/26 are \$759,500. It is an increase over last year of \$21,000. Total appropriation/expenses \$695,050 – an increase of \$43,000 and very similar to every budget since I've been here. We are projecting a budget surplus. In most cases, housing authorities I'm at, the reserves you have is dedicated to cover amount of deficit. Reason being, you don't get 100%. Going back to Reagan era and submitted your calculation for your subsidy for

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public housing, you got 100%. Somewhere around Ronald Reagan, they realized that we have a contract with them that says the money they give us is subject to Congressional appropriations. All of a sudden, these cycles started where they started a proration factor. Proration factor could be 99%, 98%. In some years, it's been 82%, meaning if you're entitled to a million dollars in subsidy, you only get \$820,000. It is difficult when budgeting. We are fortunate here we are on a calendar year. Other HA based on when their building went into operation are on fiscal year. It could be 6-30, 9-30, 12-31 or 3-31.

We are different because HUD appropriates the money, Federal FY starts October 1. You try catch-up with these proration factors. NHA is fortunate because even with the proration factor, we haven't had to dedicate any surplus since I've been here towards a deficit.

Turn to Budget Message – message that goes with the budget – these budgets are done electronically, so after you approve this, Resolution is filled out by me, and it's submitted electronically to a state system called Fast System. A financial system that budgets get uploaded to, State reviews it, State will get back to me and say okay – all done online electronically. I keep checking and it says okay, approved. When approved, I come back to you with budget for adoption. If they make any changes then it may come back to you. Most are done by formula. NHA has no employees, no employee benefits because everything is done through ExecuTech. Budget line items are minimal. We never received the 6-30 budget to actual. I've asked Mr. Katchen for that so you'll have it next meeting.

On F-2, it's going to give you the budget message, basically telling you again, if you have an increase in expense or appropriation of 10% or more, it requires in budget message an explanation. We have an increase of 2.9% revenue and 6.9% in expenses, so need for an explanation.

F-1 tells you your proposed budget in terms of revenue and your expenses and column to the right it tells you the 2025 budget that was adopted so you can make a comparison. F-4 is detail and why expenses went up, what expenses are being spent on. Large number is ExecuTech contract, which went up last year and employees getting paid a little bit more money. Software and IT we have budgeted it in there. We are out on an RFP now as we need someone to handle our IT services.

Budget shows us that we'll have a surplus \$64,450. We had calculated Unrestricted Net Assets, which is synonymous retained earnings in commercial accounting or a surplus of \$778,256. That was at the end of 2023. I don't have the 2024 number as it's just being audited now, which is why I asked accountant with his 6-30 statement, can you project what our year-end surplus is going to be, so you would add it to that. Subtracted from that we have some elevator work, etc. that's going out because with RAD conversion, two things are very important. We have to show that the reserve money is being used for the conversion and capital fund money that we get is also being put into that and we're going to use that for the elevators any way. If you don't, they recapture that money. Timeline to spend down the money is by closing. Capital Needs Assessment is going to designate certain things. One is

urgent needs. We have CO2 detectors in there - \$20,000. We have to fix that before we close and certify that those items have been corrected.

We are projecting that we need to make an initial deposit for the Reserve for Repair & Replacement Account of \$2.5 million. When we go to the bank and borrow money, a chunk of that will go right into that account, but it will be minus whatever we have left over. I will put in balance of our reserves so that's dedicated and being used. Then balance, say, \$700,000, if we need to put \$2.5 million in, it would be \$1.8 million would go in from loan, balance from whatever we have in there.

VOTE: AYES/All Present Commissioners (5)

RESOLUTION #2025-32 – Approval of Change Order #1 for Elevator Repair

Change Order is \$19,800 expenditure largely for electrical upgrades that Current Elevator has deemed necessary. Important to note ED Snyder has taken extra step that that amount is in line with other companies, bringing in electrical companies to provide quotes as well. Resolution contains: BE IT FURTHER RESOLVED, etc.

Motion to approve Change Order #1 made by Commissioner Crossley; 2nd by Commissioner Carlson.

ED Snyder: Just for reference purposes, New Jersey Local Public Contract Law allows you to award contracts for up to 20% of initial contract. Contract here was about \$190,000, so we are significantly under that so contract is approvable by the State.

VOTE: AYES/All Present Commissioners (5)

RESOLUTION #2025-33 – Authorization to Solicit for RAD Financing Proposals

Motion to approve authorizing to solicit for RAD financial proposals made by Commissioner Crossley; 2nd by Commissioner Vandermaas.

ED Snyder: Feds talking about a 50-basis point cut in interest rate, so it's timely with this. A rate cut will give us a better rate from the banks. Lakeland Bank has been very involved – now Provident Bank; same people still there. They have the Community Reinvestment Act, they have requirements for financing doing different things that benefit the low-income constituency in the area. I've dealt mostly with them. We will solicit with RFP; if you know a local bank making sure, they get information. Chairman Bitondo: Hope Bank is interested in generating some local business, please reach out to them. ED Snyder: Smaller banks are sometimes interested. We used Mariner's Bank and Connect One Bank. We probably have \$20 million for JIF with them.

VOTE: AYES/All Present Commissioners (5)

REMARKS OF CITIZENS

MARY - #3D – What action are we going to see when you do everything? Chairman Bitondo: You won't see anything other than fast tracking of major capital projects – money and construction activity. ED Snyder: I will meet with residents and go over again what is contemplated. Chairman Bitondo: You won't see changes on a day to day basis.

PHYLLIS - #5M – On Resolution 2025-32 – it says Whereas the Current Elevator proposal for \$189,000 does not include any electrical work that may be necessary. What does it include? Just parts? ED Snyder: Everything else – labor, etc. Chairman Bitondo: Change Order is when they find something they didn't anticipate an issue that has to be resolved before they can proceed. They found wiring, non-compliance, and it has to be fixed before they can proceed with their work. Really, it's for our safety that they're doing this, and commend ED Snyder for taking extra steps and making sure that \$19,000 is legitimate.

ADJOURNMENT

Motion to adjourn made by Commissioner Carlson; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (5)

Meeting adjourned at 5:51 p.m.

Respectfully submitted,

Deborah L. Alvarez
Secretary/Transcriber