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NEWTON HOUSING AUTHORITY
32 LIBERTY STREET
NEWTON, NEW JERSEY 07860

(This is a condensed version of Regular Scheduled
Meeting Minutes of Board of Commissioners of
Newton Housing Authority.)

October 20, 2025

PRESENT: Chairman Rick Bitondo
Commissioner MaryAnn Carlson
Commissioner Wendy Vandermaas
Commissioner Mark Fiedorczyk – via phone

ALSO PRESENT: Executive Director William Snyder
Deborah L. Alvarez, Secretary

Excused: Commissioner Karen Crossley

FLAG SALUTE

OPEN PUBLIC MEETINGS ACT

"Adequate notice of this meeting has been provided by the filing of an Annual Meeting Notice with the Municipal Clerk, posting on the official bulletin board and delivery of same to the New Jersey Herald & Star Ledger on December 10, 2024.

The New Jersey Open Public 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 the 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 Newton Housing Authority to comment during the public comments portions of the meeting. There will be two public comment sections of the meeting. Residents can address the Board of Commissioners on agenda items during the Public Comments Agenda portion of the meeting and general

subjects of interest during the public comments General Items of the portion.

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 right of rights and feelings of any individuals they feel compelled to discuss at an open public meeting. General comments and statements should be made in a common and civil manner. Comments that violate the rights of employees, residents and members of the public can be subject to a civil law suit for damages. The individual making such statements will be personally libel for any monetary damages resulting from their statements."

EXECUTIVE DIRECTOR'S REPORT – ED William Snyder

Audit will be explained separately at the Resolution. Interim budget leads into the audit and then remarks from the public.

We have no vacancies in the building. One person may be moving out.

Roof air handler and heating – complaints received. When heat put on this year, air in hallways is like 100 degrees. Company came to look at it. Our current plumber/HVAC man has looked at it; fixed it many times. We then called in a new company. There is a thermostat that regulates air coming in, mixes with a heating element up there that heats up outside air. There are louvers which open mechanically, some not opening. Man will be greasing them; get them to work. The thermostat there controls temperature so we can get correct temp in the hallway. It was terrible and stifling. We cannot turn that off because it's a code requirement. I'm getting a price and then we'll have the work done. Please share that with other residents.

Elevator Car 1 is completed. Work starting on Car 2, hoping in several weeks that will be done. Elevator Inspector was here. Extra cost to move electrical panels, etc. It has taken longer than we expected.

Rental Assistance Demonstration Program – it keeps going on and on. The history is: we were doing Streamline Voluntary Conversion – a different type of program, which was done away with at end of 2024. NHA had capital needs assessment done by HQW for purposes of determining what work needed to be done in our building. At the time, the capital needs assessment was not required as part of SVC. Now we switched to RAD, capital needs assessment is the center of everything. If I had to do it over

again, I'd probably use somebody else. Chris Wolverton is very good, but never did one before; you have to learn the portal. The capital needs assessment part is done. Unfortunately, HQW doesn't do energy audit. It is required that it is uploaded to the portal. Company on the agenda tonight – ADI – this is what they do. If we approve that tonight, he already called today, Karen can sign my name, send it out to him and he will do it in a week or two. When I get that done and upload it, that will go to portal. When in the portal, I will then prepare quickly reports that they want. My accountant will prepare a pro forma telling NHA how much we can borrow, what we need to borrow.

Last month you gave me approval to get banking proposals. That is next step, so we know our financing. We'll have a call, next step after receiving documents, HUD will tell us what we need to do to prepare financing plan. Before we submit financing plan to HUD, after another resident meeting. At that time we'll explain to residents work that we're doing per that capital needs assessment. It will go to HUD – but it's all shutdown right now. They'll issue an RCC or RAD Conversion Commitment. In that document, it tells us what we need to do to go to a physical closing. We have an attorney who is an expert in these closings. When closing takes place, we'll go out for architectural firms to do work we have in capital needs assessment. I asked for extension on financing plan, which was due in October – now I'm hoping to close before June.

Resident Services Advisory Committee – last meeting was in August, next meeting is December 8th. Notices will go out to everybody.

Activities: Division of Health & Education for County of Sussex: next year Move to Groove classes Monday & Tuesday; Walk With Ease starts in May. Newton Department of Recreation did a pumpkin painting on 10/14th and well attended. We will do Medicare enrollment on October 23rd, November 20th and December 3rd – noon to 2:00 P.M. to do a presentation and to enroll people. Kelly Buttel (ph.) will be doing that.

Capital Needs Assessment we prepared – it is broken down into critical items, which have to be prepared before we close. Then non-critical items would be done in 1st year and all other items that flow through over 20 years. Critical item they came up with were automatic doors in the Community Room, which is a good thing. I thought we had to go through a big configuration, but existing doors can be used. They'll put a closer on them, put a post 6-8 feet away on left-hand side with a button. You'll have a card reader – hit your card – door has electronic eye so as to not hit anyone. Door will open and people can go in and out. Two door price is between \$11,000 - \$12,000. Approval for proposals is on list tonight.

I did RFP already, hoping to get it done by Thanksgiving, so doors are in by then.

Interim Financial Report & Audit – Budget to actuals tells basically all revenues. First budget: actual budget through this period – 9/30 (75% of the year). Then actual: looking at top, "he" puts notes on the bottom, numbers on the side, explaining any variances. Note #1 – NHA got more money. Since I've been here, we've been collecting all air-conditioning money, called Excess Utility Charge – increase in fee when up almost \$9K. Lower amount and subsidy where it says PFS – Performance Funding System Operating Subsidy that HUD gives to us, down because money wasn't received by 9/30; it was received in October. Difference between that and budgeted amount – at bottom where it shows increase/decrease in our new position, we have budgeted the additional revenue over expenses of \$65,000. If you add additional 24 to that, we're about \$58K – not that far off.

If you come down on Expense side where other notes are, we had an increase a little bit in Administrative Costs for computer things we had to do; \$5K in software for company we pay handling our software for program.

We're in good shape. We have a projected surplus of \$65,000 with additional subsidy we're at about 58-\$59,000, if not better than that. Budget up for adoption tonight, this is one of the few Authorities I have where we don't project using any surplus, which is called Unrestricted Net Assets. We project our revenue; then our Expenses and forecast a Surplus. Most Housing Authorities aren't doing that, they're struggling. Some new things that Administration is doing in terms of withholding interest. You can't have interest in excess of \$500 and we have Unrestricted Net Assets or our surplus, which is about \$665,000. What they're saying to you is, you're going to use all your surplus and then we'll give you subsidy.

In our particular case, we probably have 2 years worth of subsidy and surplus. In those 2 years, we wouldn't get any money, that's what they're doing, trying to kill the public housing program. We're converting at the right time.

Commissioner Bitondo: In terms of revenue, in the last quarter, the additional revenue will come in. ED Snyder: It probably came in October. Yes. This is through 9/30. Even at the end of the year, if it wasn't received by December 31st, it will be booked as an Asset, as a Receivable.

ED Snyder: This is how the audit works. As you know, our financial management system starts with a budget. Budget introduced 60 days before start of fiscal year; it's submitted to State of N.J. Then they come back and approve it, which they did, and we do this on the **Fast System, an electronic portal**. Now it's up for adoption. We're adopting it – 1/1/2026 budget. During course of year that we're operating, we get those financial statements from our accountant – interim financial statement telling us how we're operating according to our budget, which is a plan. At end of the year, accountant prepares an FDS – **financial data schedule** – which is included in the audit. Sideway pages, starts on Page 51, Balance Sheet statement of Operations. They are prepared at end of NHA fiscal year, due to HUD 45 days after close of fiscal year.

That FDS is given to the auditor as part of the audit. When I submit this to HUD at the end of the year, it will say **Unaudited Financial Statements**. The auditor puts it in the audited report, which is final step and become **audited**. Audits – a section is prepared in front called MDNA – Managements, Discussions and Analysis (starting on Page 1). Page 1 – entire front section up to Page 13; that's made for all of you, put in plain English telling you simple stuff: what our surplus was, what our revenues are, what our expenses were. I look at on an audit – the Opinion – 4 types of opinions you can have: unqualified opinion (highest level, **which is what we have**); qualified opinion – the auditor cannot get something – sends out letters to attorney, any litigation, people aren't responding; bank doesn't respond – you get a qualified opinion. Then is an adverse opinion, not good – I came here, lot of things missing. Then is a disclaimer. He came in and you don't have books or records. NHA has an **unqualified opinion**, top you can get.

On Page 1, Financial Highlights, Note #1, the net position of the Authority is \$1.4 million as of December 31 – unrestricted net assets, another thing I look at - \$655,915. That is what our surplus is. That's gone down from last year because we did the roof. We spent the money as a result of converting under Streamline Conversion because you have to spend all of your money before you convert. If you don't, they take it back. Under RAD Program, we're allowed to take that money and put it towards the improvements that we're making, which we'll do before closing.

Page 2 in the middle of it, Accrued Pension and OPEB Liability – Other Post Employment Benefits – where you're paying for medical insurance, pension payments, etc. Since 2018, you've had no employees, so your liability is next to nothing. Bottom third of page you see Total Operating Revenue last year was \$839,498 compared to \$855,057 from prior year – a

decrease of \$15,000. Total Operating Expenses is \$749,611 as compared to \$763,619. Even though we lost a little revenue, we made it up by the expenses being less, a decrease of almost \$14,000 of expenses, which resulted in an excess of revenue over operations of \$89,887. When you see revenue over expenses, then you know that's a good thing.

Page 5 is management discussion and analysis, giving you a comparative analysis of our cash, balance sheet for 2023-2024. We had capital assets of \$747,000; cash on hand of \$791,000 – our investments on hand. Capital assets are our building, furniture, vehicles we might have, etc.

Unrestricted Net Position – our surplus - \$1.4 million. We are required to have 2 things: FDIC – institution, which is covered by Governmental Unit Deposit Protection Act, which protects everything above that; then a HUD general depository agreement that says anything above FDIC or FSLIC limits has got to be placed in name of the Authority. If bank went down, they have to have that in other securities to give to us. We have about \$65,000 in New Jersey Cash Management Fund. State has their own fund and we earn a set amount of interest – fully protected.

Page 7 which I compare to Page 20-24 – a comparative review, entity-wide on Page 7 telling total revenues, amount of subsidies. You can go schedule by schedule on back of audit explaining Operating Subsidy and Capital Fund. \$475,000 is what we collected in tenant rents. Bottom, you have your expenses; then Net, Revenue Over Expenses of \$89K we talked about. \$28K in interest and then Change in Net Position.

Page 8, it gives narrative of what I just went over. Page 19, this is a statement and net position. The big number is our Unrestricted Net Assets of \$655K, which went down by 100 something from prior year.

Starting on Page 23, if you have questions, there are notes explaining exactly what happened. Good narrative information there.

Page 40 has Accrued Compensated Absences and also PILOT payment, how it's calculated, which is calculated for budget purposes and then actually evaluated at end of the year when we do that Financial Data Schedule as to what we owe the town. It's 10% of net shelter rent, so we do a budget, project our rents, take 10% of that, net of utilities and that's what the PILOT payment is. Beginning of year was 31, 32 and town always likes us to pay in advance. Compensated Absence, if you go to 41. You see zero – no worry about that. Bottom of page, you see our net position of Unrestricted Net Assets. When looking at these cash investments, there are 2 statements: balance sheet statement – assets minus your liabilities, giving you your net position. Those accounts stay every year – million

dollars in the account and at 12/31 we don't wipe that out. The million is there. Operating statement is revenue expenses – closed out. Rent is a revenue account and at 12/31 it's closed out to zero; then start again.

Page 49 gives you the breakdown – we got \$355K, it's telling you the breakdown between Operating Subsidy and Capital Fund. We have \$150K in Capital Funding. Five to 7 years ago you had 75-80K. It's almost doubled in that time period.

Page 51 – these numbers back into everything that's in front of audit. This is Financial Data Schedule prepared by our accountant, but then audited by the auditor to make sure all is accurate, uploaded to a portal from HUD and if HUD has an issue with it, it's got to be within 9 months of closing of fiscal year, the audit has to be uploaded within 45 days of the closing of fiscal year. For purposes of the Commissioners, if you turn to Page 58, this is where the Resolution you're approving tonight, this is a schedule findings and question costs. When I go through the audit, its first page I look at as I want to know if there are any findings. None reported – no findings – good clean audit. You are signing tonight that certification and passing a Resolution.

Chairman Bitondo: Would AEI submit a proposal for the Capital Needs Assessment or no? ED Snyder: No, I sent it out, reached out to them and they did not. When we got HW, my thought was who cares? It's not, doesn't have to be uploaded to portal. Now things have changed.

Chairman Bitondo: I have a recommendation. As we get closer to finalizing RAD, I think we should do 2 things: a formal report to Town Council and also prepare a press release, because I think this is big news. We need to ensure that our Town Council is up to speed and community as well with a press release. Timing unknown. ED Snyder: Once we get financing plan from a bank. Commissioner Fiedorczyk: I agree public should know. Commissioner Vandermaas: I agree. Commissioner Carlson: I agree. Chairman Bitondo: So some time next year, a formal report to Town Council as well as a press release to local newspapers. ED Snyder: I provided verbal report to Town Manager, met with him and got a letter from Town supporting us.

PUBLIC COMMENTS ON BUDGET RELATIVE TO AGENDA ITEMS

Chairman Bitondo read list of items on Agenda to audience. ED Snyder announced that the new company (Sanico, Inc.) for waste, garbage, etc. is \$1,000/month less than previous contractor.

APPROVAL OF MINUTES FROM SEPTEMBER 8, 2025

Motion to approve meeting minutes of September 8, 2025 made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4)

Absent: Crossley

OLD BUSINESS – nothing at this time

NEW BUSINESS

Chairman Bitondo wanted it memorialized that recommendations to formally report to Town Council and prepare press release for RAD at some point in the future, both convenient and justifiable when NHA gets closer to finalization.

RESOLUTIONS #2025-34 THROUGH AND INCLUDING RESOLUTION #2025-47

1. **REVISED RESOLUTION #2025-34 – APPROVAL OF BILL LIST FOR OCTOBER 2025 MEETING**

Motion made by Commissioner Carlson; 2nd by Commissioner Fiedorczyk.

Chairman Bitondo asked if everyone had the corrected list containing Roto-Rooter @ \$530 (Check #25) and (Check #21 should be \$248.56). Total based upon those corrections is \$126,415.38. Chairman noted bills are higher than normal, largely due to paying Current Elevator and EM Electrical Contractors for elevator project and also paying this month for audit, which was \$8,325. Resolution will be **revised** as **REVISED RESOLUTION #2025-34** with total amount being \$126,415.38.

Motion on Revised Resolution #2025-34 made by Commissioner Carlson; 2nd by Commissioner Fiedorczyk.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

2. **RESOLUTION #2025-35 – ADOPTION OF 2026 BUDGET**

Motion to approve made by Commissioner Vandermaas; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

3. **RESOLUTION #2025-36 – APPROVAL OF CONTRACT FOR ENERGY AUDIT**

Motion to approve made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

4. RESOLUTION #2025-37 – APPROVAL TO ISSUE RFP FOR AUTOMATIC DOORS

Motion to approve made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

5. RESOLUTION #2025-38 – ELEVATOR MAINTENANCE CONTRACT AWARD

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

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

6. RESOLUTION #2025-39 – EXTERMINATING SERVICES CONTRACT AWARD

Motion to approve made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

7. RESOLUTION #2025-40 – PAINTING CONTRACT AWARD

Motion to approve made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

8. RESOLUTION #2025-41 – SNOW REMOVAL CONTRACT AWARD

Motion to approve made by Commissioner Vandermaas; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

9. RESOLUTION #2025-42 – LANDSCAPING CONTRACT AWARD

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

VOTE: AYES/All Present Commissioners (4)

EXCUSED: Crossley

10. RESOLUTION #2025-43 – WASTE/RECYCLING CONTRACT AWARD

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

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

11. RESOLUTION #2025-44 – APPROVAL OF CONTRACT FOR AUDITING SERVICES

Motion to approve made by Commissioner Vandermaas; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

12. RESOLUTION #2025-45 – FLOORING CONTRACT AWARD

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

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

13. RESOLUTION #2025-46 – IT SERVICE CONTRACT AWARD

Motion to approve made by Commissioner Vandermaas; 2nd by Commissioner Carlson.

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

14. RESOLUTION #2025-47 – AUDIT CERTIFICATION – FYE 12/31/24

Motion to approve made by Commissioner Carlson; 2nd by Commissioner Vandermaas.

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

PUBLIC COMMENTS – General Items – nothing at this time

ADJOURNMENT

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

VOTE: AYES/All Present Commissioners (4) EXCUSED: Crossley

Respectfully submitted, Deborah L. Alvarez