

**HOUSING AUTHORITY OF THE BOROUGH OF PRINCETON
MINUTES OF THE MONTHLY MEETING
DECEMBER 20, 2011**

The members of the Board of Commissioners, Housing Authority of the Borough of Princeton, met in regular session at the Henry F. Pannell Learning Center, 2 Clay Street, Princeton, NJ.

The meeting was called to order by Chair Newlin and upon roll call, those present and absent were:

Present: Commissioners Newlin, DeGeorge, Swain, Pannell, Sippelle, Attorney Cochran and AED Parsons. Commissioner Levy arrived at the beginning of agenda item HUD 50058 Delinquency Report.

Absent: None

Guests: Barbara Trelstad (Borough Liaison), Crystal Knapp (reporter), Greta Cuyler(reporter)

Opening Statement

A motion to open the meeting was made by Mr. Pannell and seconded by Mr. DeGeorge. All were in favor.

The following is an accurate statement concerning the providing of notice of this meeting.

Adequate notice to the public of the time, date, and place of this regular meeting of the Board of Commissioners of the Housing Authority of the Borough of Princeton to be held on Tuesday, December 20, 2011 at 5:45 p.m. at the Henry F. Pannell Learning Center, 2 Clay Street, Princeton, New Jersey was given by:

1. Posting notice of the same in the Borough of Princeton, Borough Hall, One Monument Drive, Princeton, New Jersey, on the bulletin board reserved for notices of public meetings, at least 48 hours in advance of the meeting; and
2. Proving notice to and causing to be published in the Princeton Packet, the official newspaper of the Borough of Princeton, notice hereof; and
3. Filing notice hereof with the Clerk of the Borough of Princeton at Borough Hall, One Monument Drive, Princeton, New Jersey.

This announcement of the Board of Commissioners' compliance with the notice provisions of the Open Public Meetings Act shall be duly entered in the minutes of this meeting.

I. Public Comment Period

None

II. Approval of Minutes

A motion to approve the minutes of the November 15, 2011 board meeting was made by Mr. Pannell and seconded by Mr. DeGeorge. All were in favor. (Levy absent)

III. Approval of Payment of Bills

Copies of the November 2011 check registers were provided to all commissioners. After discussion and questions on several bills, a motion to approve the payment of bills was made by Mr. DeGeorge and seconded by Mr. Pannell. All were in favor.

IV. New Business/Reports

Tenant Balances

A copy of the tenant balance report was provided to all commissioners. The outstanding balances at the end of November 2011, for active tenants, were \$9,154.72. The report also indicates that \$4,275.99 is due from vacated tenants. The total amount due from current and vacated tenants, including back rent charges and fraud recovery charges, is \$47,829.68. The Aged Accounts Receivable schedule indicates that of the \$9,154.72 due from current residents, \$6,420.72 (70.14%) is in the range of 0-30 days delinquent. Additionally, the report indicates the total Tenant Accounts Receivable balance equals 1.07% of the annual tenant charges where the HUD benchmark is 1.5% or less.

Vacancy Report

The vacancy report, effective December 15, 2011, was provided to all commissioners. The report indicates that there are five vacant apartments. The report also indicates that four apartments have been leased since the last board meeting and there are three known upcoming vacancies.

Financial Statements

Financial Statements for the four months ending October 31, 2011 were provided to the commissioners. The financial Statements indicate an \$147,803 surplus through October. Through 33% of the budget year, the PHA has expended 31.14% of the budget. The Maple/Franklin financial statements indicate a \$3,470 deficit through October.

HUD 50058 Delinquency Report

Mr. Parsons provided all commissioners with a copy of the HUD 50058 Delinquency Report as of November 30, 2011, which indicates the Princeton Housing Authority's reporting rate is 100.00%.

Tenant Affairs/Issues Discussions at Board Meetings

This item was tabled until the next board meeting.

CFP Project Updates

Mr. Parsons provided the commissioners with an update on the status of the Pannell Center renovations, the security camera installation, and the Spruce Circle boiler replacement. At Pannell, the fire rated stairwell is complete and the bathroom renovations are scheduled to begin in January once the Borough approves the plans. The security camera installation has been completed with the exception of some faulty cameras that will be replaced shortly. The Spruce Circle boiler replacement will be going out to bid again in January.

Waiting List Opening Advertisement

Mr. Parsons provided commissioners with a copy of the notice/advertisement that was put in the local paper regarding the PHA waiting list being opened in January. The information is also located on our web site and has been passed along to all prospective applicants that have come in during the year.

Employee Annual Bonuses

Mr. Parsons provided commissioners with a resolution requesting annual bonuses for the PHA employees. After discussion, a motion to approve paying of the bonuses was made by Mr. Levy and seconded by Mr. DeGeorge. Sipprelle voted nay due to the fragile economy and the recent HUD funding cuts and all other commissioners were in favor. (see resolution 2011-18)

Affordable Housing Task Force Meeting Minutes

Mr. Parsons provided commissioners with the minutes to the December 13, 2011 task force minutes.

PHA Presentation to Borough Council

The final order of business was a discussion of the PHA presentation to Borough Council and the resultant media articles and the published request of Roger Martindell, Borough Council person, for an investigation into the Housing Authority of the Borough of Princeton.

Chairman Newlin began the discussion by noting that in his 15 year tenure as a member of the Board of Commissioners, PHA had never before been invited to make a presentation of the state of the Authority before Borough Council. This observation was confirmed by Jacqueline Swain. Chairman Newlin opined that he did not believe that it was sheer coincidence that the invitation was for the same date that the Planet Princeton ran an article critical of the Authority's entering into the Intergovernmental Services Agreement ("ISA") with Lakewood and that, upon appearing before Council, he felt as though he had been ambushed. Chairman Newlin reported to the Board that counsel for the Authority, Glenn R. Cochran, had spoken at length this afternoon with Roger Martindell and asked Mr. Cochran to report on that discussion.

Mr. Cochran related that he had called Mr. Martindell prior to reading the article in the Princeton Packet that resulted from Mr. Martindell's "press release", but after becoming aware that Mr. Martindell had publicly called for an investigation of PHA by the Department of Community Affairs. Mr. Cochran further related that Mr. Martindell expressed three central concerns based upon information provided to him by Council liaison, Barbara Trelstad:

1. That the September 26, 2011 special meeting of the Board of Commissioners was held in violation of the Open Public Meetings Act due to the failure to publish notice of the time, place and purpose of the meeting;
2. The financial terms of the Authority's agreement with "Scott Parsons" and his perception that Mr. Parson's was being paid 2/3 of his former salary for 25% of the work; and
3. The Authority's practice of paying bills and then having the Board approve the expenditures owing to a lack of checks and balances.

Before specifically addressing the above concerns, Mr. Cochran learned from Mr. Martindell that he had never seen an executed copy of the ISA, but rather only the first draft supplied to him by Ms. Trelstad. Mr. Cochran then related his specific responses to Mr. Martindell's concerns:

1. It appears based upon a preliminary investigation that, owing to the fact that the Executive Director had left the employ of the Authority prior to the scheduling of the September 26, 2011 meeting and had always assumed the responsibility on the Authority's behalf for complying with the publishing requirements of the Open Public Meetings Act, the Board met under the incorrect impression that the required notices were provided. It is now clear that they were not and, consequently, all business transacted at that meeting was null and void. Upon discovering this oversight, the Board placed the approval of the Intergovernmental Services Agreement on the agenda of its regularly scheduled meeting in October. All proper notices were given for that meeting and the Agreement was properly adopted at that meeting. A written resolution adopting the Agreement was signed and bears the roll call vote of all Board members in attendance.

Mr. Cochran advised Mr. Martindell that he was not in attendance at either the September 26, 2011 special meeting or the October, 2011 regular meeting due to prior calendar commitments, but that he would be at all future Board meetings until further notice and would ensure that such meetings complied with the Act.

2. Mr. Cochran corrected Mr. Martindell's characterization of the ISA as a contract with "Scott Parsons" and advised that the ISA was with the Lakewood Housing Authority. Mr. Cochran further advised that the draft Mr. Martindell relied upon in making his accusations had undergone significant revisions making the same more favorable to the Authority. Moreover, he advised that prior to its adoption, the ISA had been thoroughly reviewed by the Borough Attorney who provided comments and suggested revisions, and that the ISA had been expressly approved by the New Jersey Department of Community Affairs. Contrary to Mr. Martindell's characterization that Mr. Parsons was providing only "10 hours" of work per week in exchange for \$65,000, Mr. Cochran advised that the ISA had a much broader scope of services provided and that the "10 hours" referred to services to be provided "on-site" in Princeton in addition to other work that could be performed in Princeton, in Lakewood or any other place where the provider had access to a computer and an internet connection.
3. Mr. Cochran advised Mr. Martindell that, contrary to his assumption, the Authority had in place a policy for accounts payable which had a system of checks and balances and described the system as follows. When a bill is received, the staff bookkeeper reviews the same for accuracy and checks to make sure that all goods and services appearing thereon have been delivered. When his review is complete, he provides his review and the invoice to the Executive Director for his/her review and analysis. When the Executive Director approves the invoice for payment, a Board member is advised that an invoice is ready to review. That Board member makes a third, independent, evaluation of the invoice. Only after the Board member also approves the invoice is the check cut. All checks in require two signatures, one by the Executive Director and one by a member of the Board.

Following Mr. Cochran's report, a lively discussion among the Board ensued. Chairman Newlin, Jacqueline Swain, Henry Pannell and Toby Levy all expressed dismay that an elected official would level allegations against the Board in the press without first having personally investigated his concerns. Chairman Newlin related that he welcomed an investigation by the Department of Community Affairs and was confident that such an investigation would not only fail to reveal any impropriety, but would likely result in a favorable opinion of the Authority. He called upon the Borough Council and the press to report as fervidly the results of that investigation as they did the unsubstantiated allegations leveled against the Board.

All members conceded the unintentional oversight resulting in the technical violation of the Open Public Meetings Act in September and committed themselves to being more procedurally vigilant.

Following an extensive question and answer period between Board members and Borough Council liaison regarding how the facts became so misconstrued, the Board decided to address the issues in writing to the Mayor and Council in an attempt to set the record straight.

V. Unfinished Business - None

A motion to adjourn the meeting was made by Mr. DeGeorge and seconded by Ms. Swain. All were in favor.

Respectfully submitted,

Scott E. Parsons