

# Trumbull Housing Authority – May 12, 2020

## Congregate Committee

Trumbull Housing Authority Virtual Meeting  
Congregate Committee  
May 12, 2020  
4:00 pm

**Commissioners Present:** Maureen Bova, Suzanne Donofrio, Jean Rabinow and Laurel Anderson

Also Present: Executive Director Harriet Polansky, Jason Geel, Accountant and Attorney Christopher Cody

The meeting was called to order by Mrs. Donofrio at 4:03 pm followed by Roll Call and the Pledge of Allegiance.

### **Past Minutes**

Motion was made by Mrs. Rabinow to approve the minutes of the Congregate Committee of May 5, 2020 as written. Seconded by Mrs. Bova and approved unanimously.

### **Review and Discussion of Operations and Areas Impacting the Congregate**

#### Legal Issues:

Mrs. Rabinow noted there is no additional data as the documents from the State have not been located.

#### Financial Issues:

Mrs. Anderson posed the following questions to Mr. Geel with regard to finances.

1. What was the operating cost as of 5/12 for the Congregate including services? Mr. Geel noted it was \$9,000 in cash plus \$9,000 in reserves.
2. What do we owe in operating payables as of 5/12? Mr. Geel noted it was \$3,334 not counting Village.
3. What was the total liability as of 5/12 including what is owed to the Village? Mr. Geel noted it was \$328,528. Mrs. Anderson noted that as of March the debt was \$315,000 and questioned why the amount was now \$328,000. Mr. Geel noted there were extra payables that have come in that have not been paid such as for food services. He will need to look further to explain the difference. He felt they had enough to pay down the Village for February and March obligations which was nearly \$30,000. They were able to do this because they received the subsidy.
4. When is the payroll reimbursed to Stern? Mr. Geel noted it is at the beginning of every month with the next reimbursement in June. It is always one month behind.

Mrs. Anderson noted this was \$13,000 more debt with only \$3,000 in payables. The debt has increased approximately \$10,000 for unknown reasons. Cash is down by \$8,000; total liability debt is up by \$15,000. Mr. Geel noted there are some deposits that have not been recorded and there are some timing differences being in the middle of the month. Cash amounts can be accurate but payables are more difficult to define at this time. Looking at the end of April, the cash is \$20,000 with a debt of \$352,000.

Mrs. Anderson felt that the Treasurer's report does not help with understanding the financial statement. It is not the Profit and Loss sheet as much as the Balance Sheet because the Balance Sheet shows the cash and what you owe at any point in time. She suggested that in order to make the financial reports

## **Trumbull Housing Authority – May 12, 2020 Congregate Committee**

easier, Mrs. Bova and Mr. Geel should discuss how the reports could be a more useful tool for the Commission and would like to see what the cash and debt is for both corporations. They also need the operating expenses. If the Commission received a report every month that reported cash, payables and debt numbers with explanations it would be more understandable. She would feel more comfortable knowing where they are with the Congregate because of the financial issues.

5. What was the Profit and Loss on the Congregate as of April? Mr. Geel noted the month is not 100% closed and needs to be reviewed. Most large items have been posted such as payroll. Month of April had a profit of \$8,000 due to the subsidy that was received from the government. There would be a loss of \$220 without the subsidy. Year-to-date is a \$36,000 loss. Mr. Geel noted that in the last two years, the Congregate has not been profitable. He and Ms. Polansky have reviewed the Congregate program that did not portray the real cost of operating the program making budgeting difficult. They also discussed obligations and goals with regard to the Congregate.
6. What was the highest level of reserves over the last few years? Mr. Geel noted it was \$180,000 back in 2013. One third was covering operating losses; two thirds was covering various capital projects. In 2015, the reserve was \$50,000 to \$60,000 and \$60,000 down to \$10,000 over the last year. Mrs. Anderson felt the amount in the reserves should be noted in the Treasurer's Report. This has been reported in the past to the Commission.

Mrs. Donofrio noted they are one entity with one program incurring more expenses. They are not looking to make a profit off the Congregate but to provide services to most at-risk people. Mr. Geel noted until recently these programs were evaluated separately.

Mrs. Rabinow felt there should be a breakdown in the Treasurer's Report of the operating expenditures with a notation of expenses for special projects on both the Congregate side and the Village side. This would give a better sense of where they stand and if the monthly income is meeting expenses. Mr. Geel discussed the reserves and grant money received for various projects. A report would not be difficult to generate because the reserve account does not have many transactions.

Mrs. Anderson agreed they are one entity but if they know the Congregate cannot pay for itself most of the time, than the Village has to pay for it. They need to be on top of expenses and figure out a way of getting more income in the Congregate so that it is not a burden on the other residents. Are we willing to take more revenue from the profitable side? Are we paying enough attention so that the Congregate is not a drain on the Village? Mr. Geel didn't know if the two entities were ever parsed separately as far as how the ins and outs work.

Mrs. Rabinow noted that she didn't know from the reports presented how much would be available to the Village in the event of an emergency that required a major capital expenditure as much of what is deemed reserves is something the Congregate will never pay back. Is there a limited from the State as to how much we can raise the rent in the Congregate? She understands the maximum is 3% per year. Is there anything similar on the Village side because there could be problems? Mr. Geel noted there are restrictions from CHFA which approves the rents. They limit the rent increases to 3% or \$50.00. Mr. Donofrio noted many major repairs have been made and any future catastrophic event would most likely be covered by insurance. Most residents have told the Commission they cannot handle a rent increase. Rent increases were discussed. There needs to be a plan with regard to rents but this also presents some challenges. This is now being looked at differently from the past.

## **Trumbull Housing Authority – May 12, 2020 Congregate Committee**

Mrs. Anderson would like to see a plan that maximizes the income, not necessarily rent increases, but trying to rent to the most advantageous demographic. This may allow the use of other mechanisms to get more rent and to raise the rent every year but have State assistance. She does not want to rely on raising the rent because it will not solve the problem. Mr. Geel noted there may be a legality as far as plans and not discriminating. There is an administrative process. Mrs. Anderson noted there may be some cutbacks in services that could be made. Mrs. Rabinow and Mrs. Anderson spoke with the Director of the Ridgefield Housing Authority. After this discussion, Mrs. Anderson noted they should be looking at best practices. The director has some that might be useful to hear, including the hiring of security. She would like to invite him to the next meeting to hear some of his best practices.

Mrs. Anderson would like to have some policy changes as a result of these committee meetings.

1. Limit vacancies in the Congregate to no more than two weeks looking at waiting list and maintenance turnaround time.
2. Repayment of the Congregate debt to the Village must have Board approval. In the records it must show that the Commissioners knew about and approved the debt. This way there is no question down the road about the increases as it would be approved and in the minutes. This will force the Commission to be aware that the Congregate model is weak and they may need to look at alternative financing. We should not always raise the rent in the Village to cover the Congregate.

Mr. Cody noted that other authorities keep a spread sheet to document the turnover of units and are able to work with the maintenance staff towards quick turnover. This could include date keys returned, waiting list interest, showing of units, maintenance time, etc. Ms. Polansky noted she has this information for the Village and could do the same for the Congregate.

Mrs. Rabinow noted one suggestion was to prioritize new admissions in the Congregate to the neediest. Are we legally able to do this? Mr. Cody will review this suggestion for any legal issues. Rent increases were discussed with regard to subsidy from the State and grants from the State for projects. Mr. Geel noted they just received the assistance agreement for the new project which should be helpful. He noted there are surplus cash restrictions. Fifty percent of any surplus cash must be returned to the State. Having a tracking process for reserves protects the money by establishing a reasonable amount.

Mrs. Anderson questioned whether there should be a process in place as to when reserve funds can be used. Mr. Geel noted there should be a policy setting aside a certain amount that can only be touched under certain circumstances which can be reported periodically.

Mrs. Anderson noted they were going to look at staffing and questioned what topics can be discussed in open forum and what topics can't be discussed in open forum. Mr. Cody noted this falls under Freedom of Information. Mrs. Anderson noted that the discussion needs to be on staffing expenses, how they operate, how they pay people and job responsibilities. Even looking at it in a broad sense, this discussion will identify specific individuals on the organizational chart. Mr. Cody stated that if the committee is not discussing topics on the exemption list per FOI, it is in open session. He will find materials for the Board to clarify what can be discussed in public session as opposed to in executive session. Mr. Geel noted that a large cost in the Congregate is contracted out so you would not be speaking about individuals.

Mr. Geel noted there is sufficient detail in the current budgetary process that lends to the understanding of where the costs are coming from. Some of the smaller costs may need more details.

## **Trumbull Housing Authority – May 12, 2020 Congregate Committee**

He noted the Committee spoke about 3% increase and what it would look like or how it would work. He would like to present numbers and increase services at least \$25.00 which is roughly 2%.

Mrs. Rabinow would like to see an annotation in the reports for when a service is contracted out and how long the contract runs. Ms. Polansky noted next year they will be looking at some of the current contracts such as food service, heating and security.

Mrs. Anderson asked if there are enough Villagers who would be interested in the food service through the Congregate and could it be a revenue source if it were structured correctly. Mrs. Bova felt there were sufficient Villagers interested but the price is. The Senior Center offers meals for \$3.00 but the Congregate meals are \$11.00. This could be an area for review with a mechanism for delivery developed. One option is to put this into the rent structure for the Village.

Mrs. Bova asked about the status of the budget vote. Ms. Polansky noted they need to see the numbers with the \$25 increase and its impact on residents. Then it will be presented to the Commission for approval. Mr. Geel would like to prepare the budget but would like to know what the board is comfortable with regarding the increase. Mrs. Donofrio noted we need to increase the services part of the Congregate because we need the budget to balance. We also need to fill the vacancies to bring revenue and look at contracts. Mr. Geel noted there could be violations with the assistance agreement with regard to the debt. The budget should be reviewed at the regular Commission meeting on May 26. Ms. Polansky noted the increase does not affect the leases. Paulette is completing the recertifications.

Mrs. Anderson suggested the next meeting agenda should include a discussion with the Director of the Ridgefield Housing Authority on best practices and reviewing of staffing and property management.

### **Resident Comments**

No resident comments. Star 9 for phone in callers to speak.

### **Adjournment**

There being no further business, Mrs. Rabinow moved to adjourn the meeting at 5:32 pm. Seconded by Mrs. Anderson and approved unanimously.

Respectfully submitted,

Barbara Crandall  
Clerk