

VERNON HOUSING AUTHORITY

21 Court Street, Vernon, CT 06066

Annual Report 2017

On behalf of the Board of Commissioners, I am pleased to present the Annual Report for the Housing Authority of the Town of Vernon for Fiscal Year Ending December 31, 2017. This past year has been a success due to the hard work and commitment by the commissioners and staff of the Housing Authority of the Town of Vernon (VHA).

Over the course of the past twelve months the VHA commissioners and staff have focused efforts toward completing our goal of maintaining our high standards in the leasing of our housing stock and assisting additional Housing Choice Voucher Program clients.

The VHA was successful in averaging a 96% occupancy rate at our properties throughout the year. Our Local Housing Choice Voucher Program continued to assist as many families as possible considering the continued underfunding of the program. The number of families stayed steady at 290. Additionally, we were able to increase the number of families served in our State of Connecticut DOH - HCV and RAP Program from 1,128 to 1146. All of this was completed with diminished operating and administrative funding coming from the Department of Housing and Urban Development. These funding shortfalls necessitated the use of some program reserves to meet operating and administrative costs of the program.

In 2017 the VHA began work on a \$3.9 million grant to redevelop the Francis J. Pitkat Congregate Living Center. After an extensive application and approval process that began in 2016 the grant through the State of Connecticut was finalized in March of 2017 and work began on the project in May.

The VHA Board of Commissioners and staff remain committed to providing quality affordable housing opportunities despite the challenges that lay ahead. The Vernon Housing Authority will continue to work in 2018 with a focus on preserving these vital assets.

Respectfully Submitted,

Jeffrey Arn, Executive Director

ORGANIZATIONAL SUMMARY

Board of Commissioners

Mr. Peter Olson, Chairman
Mr. J. Michael O'Neil, Vice Chairman
Ms. Karen Roy-Guglielmi, Commissioner
Mr. Glenn Tarro, Commissioner
Ms. Judith Hany, Resident Commissioner

Housing Authority Staff

Administration

Jeffrey Arn, Executive Director
Bobbi Kruglik, Finance Manager
Susan Plefka, Receptionist

Public Housing

Linda McComber, Housing & Programs Manager
Judy Hyde, Property Manager
Maria Reardon, Leasing Coordinator
Donna Webber, Resident Services Coordinator

Francis J. Pitkat Congregate

Mary Wheeler, Congregate Assistant Housing Manager
Laurie Mangun, Resident Service Coordinator

State of CT DOH HCV & Rental Assistance Program & Local HCV Program

Betsy Soto, Programs Manager
Charlene Charette, Coordinator
Michael Gentile, Coordinator
Ashley Baird, Coordinator
Victoria Duffy, Section 8 Assistant
Abby Bellock, Part Time Assistant

Maintenance

Tommy Do, Supervisor
Greg Gauthier, Maintenance Aide
Timothy Carpenter, Maintenance Aide
Cuong Truong, Maintenance Laborer

MAJOR ACTIVITIES

CHFA Capital Plan

In order to comply with the recommendations of the CHFA Capital Plan the VHA began to assemble a development team to begin the process of redeveloping the Francis J. Pitkat Congregate Living Center. We contracted with John D'Amelia and Associates as our Modernization Consultant and Quisenberry Arcari & Malik, LLC as our design professional. The design and application for funding to the state was submitted to the State in April 2015. We were notified in August that we had a successful application and that we will be receiving \$3.9 million in funding from the state to renovate the property. The extensive closing process for the grant including bidding of the project was executed in 2016. This included bidding the project twice with the contract being awarded to BRD Builders, LLC in the amount of \$3,416,380. The project began in spring 2017 and was 60% complete through December 31, 2017. The project is scheduled to be completed in June 2018.

Appointments to the Board of Commissioners

Mr. Peter Olson was appointed to a five year term by the Vernon Town Council in March 2017.

Housing Advocacy & Associations

The VHA continues to be committed to advocating for public housing. VHA Executive Director Jeffrey Arn remains an active Executive Board member for the Connecticut Chapter of the National Association of Housing and Redevelopment Officials (CONN-NAHRO). In October 2017 Ms. Betsy Soto was elected to the Board of the New England Regional Counsel of NAHRO.

2017 Resident Services

The Vernon Housing Authority enhances our ability to provide a positive living environment through a commitment to resident services. This is achieved by dedicating a full time staff member to work directly with our residents and also by organizing events and activities.

This past year, the VHA has assisted approximately 197 residents with different services that they have needed. The list of services includes; Homemaking Service, Home Health Aides, Transportation Services, Public Assistance Programs, Mental Health Services, Medicare/Health Insurance, Visiting Nurses Service, Protective Services & Community Meals.

We once again teamed with the Town of Vernon Department of Social Services to sign up our residents for the rental rebate program. Over two hundred of our residents took advantage of this offer allowing them to supplement their limited budgets.

In addition to services we have provided community relations through health clinics, entertainment and community functions. Clinics & functions at all of our senior and disabled housing sites included; Blood Pressure Clinics, Foot Care Clinics, Summer Picnics, Holiday Parties, Ice Cream Socials, Musical Entertainment, Bingo, Pizza Parties, Dinners and other miscellaneous game playing functions.

At Court Towers we continued the operation of the Gift and Coffee Shops as a service for our residents. These are able to continue operation thanks to our resident volunteers including; Veronica Mace, Evelyn Robbins & Doris Farr.

HUD Housing Choice Voucher Management Assessment

The VHA has maintained the status of being a High Performing Agency with the U.S. Department of Housing and Urban Development in the management of the Section 8 Program. The VHA was assessed for the year ending 2017 and received 93 of 100 possible points.

Public Housing Assessment System

The VHA was scored on the PHAS system for 2017. We were informed by HUD that we achieved high performance status again.

Payment in Lieu of Taxes (PILOT)

The Housing Authority of Town of Vernon was able to increase amount of PILOT payment made to the town in 2017 due to our high occupancy rates. The PILOT payments made in 2015, 2016 & 2017 are listed below;

<u>Property Designation</u>	<u>2017 Pilot Payment</u>	<u>2016 Pilot Payment</u>	<u>2015 Pilot Payment</u>
Court Towers, Franklin Park West & Scattered Sites	\$47,283	\$44,558	\$42,289
Franklin Park East	\$11,847	\$10,589	\$ 9,898
Windermere Court	\$10,158	\$10,229	\$ 9,609
Francis Pitkat Congregate	\$15,235	\$14,718	\$12,763
Total Payment	\$84,523	\$80,094	\$74,559

As demonstrated above the VHA was able to increase value we have developed to the Town of Vernon by not only providing more affordable housing to our residents but also maintaining the increased amount of money we are able to give the Town in our PILOT payment.

FACILITIES

Work Orders

Through December 31, 2017, the VHA maintenance staff completed 986 work orders for maintenance services.

Unit Turnover

The VHA maintenance staff renovated 40 apartments in preparation for new and/or transferred residents.

FINANCIAL SUMMARY

	Project Total	HCV	State/Local	Business Activities	Subtotal	Total
111 Cash - Unrestricted	\$507,375	\$68,207	\$268,946	\$149,282	\$993,810	\$993,810
112 Cash - Restricted - Modernization and Development	\$244,000		\$867,056		\$1,111,056	\$1,111,056
113 Cash - Other Restricted		\$33,231			\$33,231	\$33,231
114 Cash - Tenant Security Deposits	\$12,364		\$1,350		\$13,714	\$13,714
100 Total Cash	\$763,739	\$101,438	\$1,137,352	\$149,282	\$2,151,811	\$2,151,811
122 Accounts Receivable - HUD Other Projects	\$4,275				\$4,275	\$4,275
124 Accounts Receivable - Other Government			\$12,726		\$12,726	\$12,726
125 Accounts Receivable - Miscellaneous		\$6,416		\$49,125	\$55,541	\$55,541
126 Accounts Receivable - Tenants	\$9,391		\$691		\$10,082	\$10,082
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,294		-\$691		-\$2,985	-\$2,985
120 Total Receivables	\$11,372	\$6,416	\$12,726	\$49,125	\$79,639	\$79,639
142 Prepaid Expenses and Other Assets	\$66,032	\$7,330	\$27,640	\$1,802	\$102,804	\$102,804
143 Inventories			\$3,503		\$3,503	\$3,503
150 Total Current Assets	\$841,143	\$115,184	\$1,181,221	\$200,209	\$2,337,757	\$2,337,757
161 Land	\$364,941		\$65,076	\$11,608	\$441,625	\$441,625
162 Buildings	\$10,448,974		\$4,020,564	\$102,742	\$14,572,280	\$14,572,280
163 Furniture, Equipment & Machinery - Dwellings	\$436,631		\$300,458		\$737,089	\$737,089
164 Furniture, Equipment & Machinery - Administration	\$606,291	\$44,478	\$56,736	\$13,528	\$721,033	\$721,033
165 Leasehold Improvements	\$1,049,361				\$1,049,361	\$1,049,361
166 Accumulated Depreciation	-\$9,702,170	-\$40,944	-\$3,106,916	-\$45,245	-\$12,895,275	-\$12,895,275
167 Construction in Progress	\$1,592,340		\$1,609,615		\$3,201,955	\$3,201,955
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,796,368	\$3,534	\$2,945,533	\$82,633	\$7,828,068	\$7,828,068
171 Notes, Loans and Mortgages Receivable - Non-Current				\$150,726	\$150,726	\$150,726
174 Other Assets	\$33,558				\$33,558	\$33,558
180 Total Non-Current Assets	\$4,829,926	\$3,534	\$2,945,533	\$233,359	\$8,012,352	\$8,012,352
200 Deferred Outflow of Resources	\$123,376	\$34,866	\$64,369	\$45,595	\$268,206	\$268,206
290 Total Assets and Deferred Outflow of Resources	\$5,794,445	\$153,584	\$4,191,123	\$479,163	\$10,618,315	\$10,618,315
312 Accounts Payable <= 90 Days	\$5,534	\$19,016	\$24,311	\$1,981	\$50,842	\$50,842
333 Accounts Payable - Other Government	\$69,288		\$123,004		\$192,292	\$192,292
341 Tenant Security Deposits	\$12,364		\$1,350		\$13,714	\$13,714
342 Unearned Revenue			\$22,268		\$22,268	\$22,268
343 Current Portion of Long-term Debt	\$48,994		\$233,506		\$282,500	\$282,500
346 Accrued Liabilities - Other	\$65,730	\$684	\$4,234		\$70,648	\$70,648
310 Total Current Liabilities	\$205,268	\$19,700	\$408,673	\$1,981	\$635,622	\$635,622
351 Long-term Debt, Net of Current	\$1,526,378		\$1,349,059		\$2,875,437	\$2,875,437
353 Non-current Liabilities - Other	\$35,799				\$35,799	\$35,799
357 Accrued Pension and OPEB Liabilities	\$320,399	\$90,548	\$167,164	\$118,409	\$696,520	\$696,520
350 Total Non-Current Liabilities	\$1,882,576	\$90,548	\$1,516,223	\$118,409	\$3,607,756	\$3,607,756
300 Total Liabilities	\$2,087,844	\$110,248	\$1,924,896	\$120,390	\$4,243,378	\$4,243,378
400 Deferred Inflow of Resources	\$5,461	\$1,543	\$2,849	\$2,018	\$11,871	\$11,871
508.4 Net Investment in Capital Assets	\$3,464,996	\$3,534	\$1,362,968	\$82,633	\$4,914,131	\$4,914,131
511.4 Restricted Net Position		\$33,231	\$867,056		\$900,287	\$900,287
512.4 Unrestricted Net Position	\$236,144	\$5,028	\$33,354	\$274,122	\$548,648	\$548,648
513 Total Equity - Net Assets / Position	\$3,701,140	\$41,793	\$2,263,378	\$356,755	\$6,363,066	\$6,363,066
600 Total Liabilities	\$5,794,445	\$153,584	\$4,191,123	\$479,163	\$10,618,315	\$10,618,315

Annual Financial Audit

The Fiscal Year 2016 Audit Report was completed and filed as required. There was one non-material finding cited in the report and the finding has been corrected. A full copy of the audited financial statements is available upon request at the VHA Office.

Management Plans

The Congregate Housing Management and Services Plans and also the Elderly Rental Plan was submitted and approved as required.

Base Rent Structure

State Elderly & Disabled – the base rents did not increase in 2017. The base rents are \$300 for an efficiency and \$330 for a one bedroom per month. Some residents who cannot afford the base rent may receive a rent subsidy from the State of Connecticut’s Rental Assistance Payment (RAP) program if funds are available. However continued and/or adequate funding for this program is a major concern due to the ongoing State of CT budget crisis.

Congregate – A base rent increase of \$20 per efficiency and \$20 per one bedroom unit went into effect July 1, 2017. This increased the base rents to \$450 and \$520 respectively.

Section 8 Housing Choice Voucher Program

During 2017, the VHA continued to work with diminished funding while maintaining a high level of services for our clients. We decreased our total by 1 from 291 to 290 vouchers at the year’s end.

This department continues to work off our waiting list to provide rental assistance to families in need.

Annual Agency Plan (HUD required)

The required Agency Plan for FY 2017 has been submitted and approved by the US Department of Housing and Urban Development. A copy of the plan is available for viewing at the Central Office during regular business hours.

HOUSING PROPERTY & Program SUMMARY

Federally Funded Elderly and Disabled Developments

Residents pay rents based on 30% of their adjusted gross income. All utilities except phone and cable are included in the rent at these sites. The flat or maximum rents are based on 80% of the fair market rents as published by HUD annually. In 2017 the flat rents were \$626 for an efficiency and \$777 for a one bedroom.

Franklin Park West, 114 Franklin Park West, Built 1964 - 64 Elderly & Disabled Units

Court Towers, 21 Court Street, Built 1970 - 72 Elderly Units & Disabled Units

Franklin Park East, Franklin Street, Built 1963 - 40 Elderly Units & Disabled Units

Windermere Court, 29 Windermere Avenue, Built 1970 - 40 Elderly Units & Disabled Units

Federally Funded Low Income Housing Developments

Residents pay rents based on 30% of their adjusted gross income and they pay all utilities except water at these sites. The flat or maximum rents are based on 80% of the fair market rents as published by HUD annually. In 2016 the flat rents were \$970 for a two bedroom, \$1,213 for a three bedroom and \$1,366 for a four bedroom.

Scattered Sites, Seven Properties - 9 Family Units

State Funded Developments

Residents pay rents based on 30% of their adjusted gross income. All utilities except phone and cable are included in the rent at these sites. There are base or minimum rents at these properties. In 2016 the base rents were \$300 for an efficiency and \$330 for a one bedroom per month.

Grove Court, 55 Grove Street, Built 1968 - 24 Elderly Units & Disabled Units

Grove Street Extension, 55 Grove Street, Built 1977 - 30 Elderly Units & Disabled Units

State Funded Congregate Facility

The Congregate program includes a combination of rent and services in the monthly cost. The base rents in 2017 were \$450 for an efficiency and \$520 for a one bedroom which includes all utilities except phone. There is a monthly service fee of \$810 which covers the cost of the congregate program related assistance. The services include 24 hour front desk attendants, one daily meal, light housekeeping, service coordination, entertainment and some transportation services. Residents who would be paying in excess of 30% of their adjusted monthly income are eligible to participate in the State of Connecticut's Rental Assistance and Congregate Subsidy Programs if funding is made available.

Francis J. Pitkat Congregate Center, 80 Franklin St. - 43 Frail Elderly Units

Federal Housing Choice Voucher Program

Program participants use the voucher in the private rental market. Program participants pay 30% to 40% of their adjusted gross monthly income toward the rent. A Housing Assistance Payment (HAP) is made directly to the owner for the balance of the rent within certain limitations based on Federal guidelines.

As of December 31, 2017 the budget authority utilization rate was 102% in 2017 the voucher utilization went from 291 to 290.

State of CT Department of Housing Housing Choice Voucher and Rental Assistance Program

Program participants use the voucher or RAP certificate in the private rental market. Program participants pay 30% to 40% of their adjusted gross monthly income toward the rent. A Housing Assistance Payment (HAP) is made directly to the owner for the balance of the rent within certain limitations based on Federal guidelines. In 2017 the voucher utilization went from 1,128 to 1,146.

Contact & Meeting Information

***For more information regarding the Housing Authority of the Town of Vernon, please
feel free to contact us at:***

Vernon Housing Authority
21 Court Street
Suite 114
Vernon, CT 06066

Phone: 860-871-0886 **Fax:** 860-875-9811

www.vernonhousing.org

**The Regular Meeting of VHA Board Commissioner's is held the second Thursday of each month at 1 PM
in the Conference Room located at 21 Court Street, Vernon, CT (unless otherwise posted).**

