

VERNON HOUSING AUTHORITY

21 Court Street, Vernon, CT 06066

Annual Report 2018

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, 2018. 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, assisting additional Housing Choice Voucher Program clients and implementing Project Base Vouchers into our Grove Court housing development.

The VHA was successful in averaging a 97% 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 assisted grew to 322. Additionally, we were able to increase the number of families served in our State of Connecticut DOH - HCV and RAP Program from 1,146 to 1170. All of this was completed with diminished operating and administrative funding coming from the Department of Housing and Urban Development.

The 3.9-million-dollar redevelopment of the Francis J. Pitkat Congregate Living Center began in May 2017 and most of the construction was completed by July 2018. The VHA has worked diligently to repurpose all awarded funds to complete the awarded grant funds for the betterment of the property in 2018. Including the design and installation of furniture appropriate to the purpose of the building. The furniture is schedule for installation in early 2019.

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 2019 with a focus on preserving these vital assets.

Respectfully Submitted,

Betsy R. Soto, Executive Director

ORGANIZATIONAL SUMMARY

Board of Commissioners

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

Housing Authority Staff

Administration

Betsy R. Soto, Executive Director
Bobbi Kruglik, Finance Manager
Janel Rios, Receptionist

Public Housing

Judy Hyde, Property Manager
Hassan Abbas, Leasing Coordinator
Donna Webber, Resident Services Coordinator

Francis J. Pitkat Congregate

Mary Wheeler, Congregate Assistant House Manager
Laurie Mangun, Resident Service Coordinator
Diane Torza, Assistant Resident Service Coordinator

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

Michael Gentile, Lead Housing Programs Coordinator
Ashley Baird, Assistant DOH Lead Coordinator
Charlene Charette, Housing Coordinator
Debra Hedger, Housing Coordinator
Abby Bellock, Part Time Assistant

Maintenance

Tommy Do, Maintenance Supervisor
Greg Gauthier, Maintenance Aide
Robin Cason, Maintenance Aide
Cuong Truong, Maintenance Laborer

MAJOR ACTIVITIES

In June of 2018 after 10 years with the Vernon Housing Authority Mr. Jeffrey S. Arn, left the agency. The Vernon Housing Authority will forever be grateful of his time and dedication to the agency. This change made way for an upcoming member of the management team Ms. Betsy R. Soto. A dedicated employee of the Vernon Housing Authority for 14 years, she is a graduate of the Eastern Connecticut State University with a BA in Human Services with Deans Distinction and she holds an associate degree in Business Management. Additionally, she holds certificates in Housing Choice Voucher Executive Management, Public Housing Management and as a Housing Choice Voucher Specialist. Ms. Soto has a strong knowledge of the Vernon Housing Authority and an exceptional public housing background. Ms. Betsy R. Soto was appointed as the 4th Executive Director of the Vernon Housing Authority on June 1, 2018. Her dedication, passion and enthusiasm for Housing has brought her to this leadership position. Her goal is to make sure the VHA continues to provide our families, clients and the public with the best customer service possible while providing our residents with safe, sanitary and affordable housing.

VHA Major Capital Improvements

Security cameras at Franklin Park West and East. The project was publicly bid in November 2018. Bids were received in December 2018 and the lower bidder American Total Protection Company was awarded the contract in the amount of \$116,168.88. Project is scheduled to commence in January 2019 and due to be completed June 2019.

The VHA redeveloping the Francis J. Pitkat Congregate Living Center continued in 2018. The \$3.9 million project was 99% complete through December 31, 2018. The VHA was able to repurpose grant funds saved due to cost underruns in construction and project management to design and purchase all new program appropriate furniture for the property. The Executive Director and design team painstakingly fought for this and were successful in convincing the State that this was an essential purchase for the completion of the project. The new furniture is planned to be installed in early 2019.

The VHA procured professional design services for the Court Towers Lobby Interior finishes in March of 2018. The project was under design and being prepared to bid for early 2019.

Appointments to the Board of Commissioners

Mr. Michael O'Neil was appointed to a five-year term by the Vernon Town Council in February 2018.

Housing Advocacy & Associations

The VHA continues to be committed to advocating for public housing. VHA Executive Director Betsy R. Soto remains an active Executive Board member for the New England Regional Counsel of NAHRO. She is a member on numerous committees within NERC-NAHRO and Connecticut Chapter of the National Association of Housing and Redevelopment Officials (CONN-NAHRO). Ms. Soto is the Jury Chair of the NAHRO Awards of Merit NERC Region and most recently was appointed to the NERC/NAHRO Nominating Committee Appointees. This honor is typically only given to State Chapter Presidents.

2018 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 by organizing events and activities.

This past year, the VHA has assisted approximately 305 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 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 can 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 2018 and received 96 of 100 possible points.

Public Housing Assessment System

The VHA was scored on the PHAS system for 2018. 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	\$42,296
Franklin Park East	\$11,847	\$10,589	\$ 9,898
Windermere Court	\$10,158	\$10,229	\$ 9,609
Francis Pitkat Congregate	<u>\$15,643.51</u>	<u>\$15,235</u>	<u>\$14,718</u>
Total Payment	\$84,931.51	\$80,611	\$76,521

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, 2018, the VHA maintenance staff completed 855 work orders for maintenance services.

Unit Turnover

The VHA maintenance staff renovated 19 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 2017 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 the Elderly Rental Plan was submitted and approved as required.

Base Rent Structure

State Elderly & Disabled – 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, 2018. This increased the base rents to \$470 and \$540 respectively.

Project Based Voucher Program – This program is one part of the HCV program. It helps pay for rent in privately owned rental housing, but only in specific entity-owned buildings or units. That means that if you get a **project-based voucher**, you don't get to choose the unit you live in because the subsidy is within the property and its units. 54 Project Based Vouchers were implemented October 1, 2018 at our Grove Court Property. There are currently 39 studios and 15-one bedrooms. The studios rent amounts are \$830 and the one bedroom are \$862. Residents rent is based on 30% of their adjusted gross income.

Section 8 Housing Choice Voucher Program

During 2018, the VHA continued to work with increasing funding while maintaining a high level of services for our clients. We increased our total by 31 from 291 to 322 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 2018 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 a minimum of 80% of the fair market rents as published by HUD annually. In 2018 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 a minimum of 80% of the fair market rents as published by HUD annually. In 2018 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 2018 the base rents were \$300 for an efficiency and \$330 for a one bedroom per month.

Project Based Vouchers were implemented October 1, 2018 and rent amounts were increased and to \$830 for an efficiency and \$862 for a one bedroom per month. Residents rent is based on 30% of their adjusted gross income.

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 2018 were \$470 for an efficiency and \$540 for a one bedroom which includes all utilities except phone. There is a monthly service fee of \$820 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. - 44 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, 2018, the budget authority rate was 87.4% and voucher utilization went from 291 to 324.

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 2018 the voucher utilization went from 1,146 to 1,174.

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).**

