

# Housing Authority of the City of Vineland

**REGULAR MEETING**  
**Thursday, September 16, 2010**  
**7:30 p.m.**

The Regular Meeting of the Housing Authority of the City of Vineland was called to order by Chairman Robert A. D'Orazio on Thursday, September 16, 2010 at 7:30 p.m. at the office of the Authority located at 191 W. Chestnut Avenue, Vineland, New Jersey 08360. The following Commissioners were present:

Commissioner Joseph Asselta	
Commissioner Samuel Levy	
Commissioner Beatrice Corbin	<b>(Absent)</b>
Commissioner Carmen Nydia Diaz	<b>(Absent)</b>
Commissioner Vickie Burk	
Chairman Robert A. D'Orazio	

Also present were Jacqueline Jones, Executive Director, Wendy Hughes, Assistant Executive Director, Charles W. Gabage, Esquire -- Solicitor; Dan Avena and Linda Cavallo from the VHA's fee accounting firm, Gloria Pomales, Executive Assistant, and auditors Nina Sorelle and Elizabeth Dugan from Bowman and Company.

Chairman D'Orazio read the Sunshine Law.

The Chairman entertained a motion to approve the minutes of the Regular Meeting held on August 19, 2010. A motion was made by Commissioner Asselta and seconded by Commissioner Burk. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

Chairman noted there is a revised agenda for tonight's meeting. He called for the Auditor's report. Nina Sorelle introduced herself as well as Elizabeth Dugan. Mrs. Sorelle read the two letters addressed to the Board of Commissioners. The one letter explains the responsibilities of the auditors under the U.S. Auditing Standards. This is for the auditor to plan and perform the audit to obtain reasonable assurance of whether the financial statements are materially correct. She reported of one significant change in accounting policy regarding the post employment benefits (GASB 45) which Jackie previously discussed with the Board. In regards to significant audit adjustments, there are a few. For the new homeownership program the auditors could not see any reason why they were being restricted at this point because there wasn't a homeownership program operating under the HUD rules. The Auditors suggested it should be unrestricted at this point in time. The auditors also corrected interest expense on some loans and corrected capital fund program revenues. They also suggested the accrual of the post employment liability

expense. The auditors also proposed an adjustment of an allowance for inventory because there was not an auditable record of what constituted the inventory recorded in the books. Mrs. Sorelle stated these were the adjustments the auditors proposed and were recorded. She asked if anyone had any questions about the adjustments. Mr. Gabage asked if the restricted Home Ownership Account was the same account that was restricted because the Authority thought HUD wanted it restricted. Mr. Avena stated the Authority restricted the account, but not because HUD wanted it restricted. Mrs. Sorelle explained that the Board can't restrict anything it has to be an outside party that mandates the restriction. The Board can designate it, but not restrict it. Mr. Gabage asked if there was no such thing as the HUD restricted account. Mrs. Jones stated that was correct based on this adjustment. Mr. Gabage asked if anyone discussed this with HUD. Mr. Avena explained that Mr. Noble's opinion was that HUD may come after this money if we didn't restrict it. HUD didn't mandate it, but the Authority restricted it on its own. Mrs. Sorelle further explained that the Board has been unrestricting at will and you can't do that. If you can unrestrict it at will then it was not restricted to begin with because in order for it to be restricted it must be restricted by an outside party such as HUD. Mr. Gabage understood that before the Authority ever got involved in Mr. Noble's suggestion of moving money over so that hopefully, HUD would not be able to take it back and he thought there was a requirement by HUD that certain accounts be restricted so the Authority couldn't go into them and take the money out. Mr. Gabage remembers discussions about this years and years ago and he does not remember exactly why it came up, but he was under the opinion that this was a HUD requirement. Mrs. Sorelle stated there is nothing that they could find as far as a HUD requirement. At this point in time the way it has been operating you unrestrict the money at will, you notify HUD that you are going to use it for something and they do not say anything there is no blessing that they didn't give. It appears that as long as you are using it for an affordable housing purpose that they are not going to answer you and just say by their silence that it is okay. This is not really what you call restricted under accounting guidelines. Mr. Gabage stated he will do a little research on his end on the communications he has had on the subject years ago to see if he can find anything. Mrs. Sorelle stated if there was an operating homeownership program the money would be restricted, but at this time there is not an operating homeownership program at this point in time. Mr. Gabage stated it would be restricted because HUD would require it. Mrs. Sorelle agreed. Mr. Gabage stated maybe that was the reason because there had always been a homeownership program. Mrs. Sorelle reviewed the audit adjustments that were not recorded. For this being a first year audit with Bowman and a lot of questions were asked that will not have to be asked again in the future. All in all, there were some problems getting the audit done this year that are not expected in the future. Mrs. Sorelle indicated the Board was also provided with less significant issues and believes they were previously discussed with the Board. Mrs. Sorelle discussed some suggestions they made to improve the Authority's operations. This suggestion was for the fee accountant's staff to get their work on the books and into the Authority's system as promptly as possible. They are doing a lot of complicated calculations and sometimes things don't get on the books every year as quickly. Other items were in regards to the online submission to HUD, which had some old buildings that were no longer in existence and a recommendation was made for them to be removed. Another item had to deal with the waiting list as far as how the waiting list was being used, which didn't seem to correspond with selection policies in that the local and other preferences were not bubbling to the top. This was an issue with the Yardi system not operating properly. There were some miscomputations of rent, but were not significant. There just needs to be some type of internal audit of the files on a regular basis. Abating housing assistance payments for landlords was also an issue in regards to the absence of proof of repairs not being provided. Mrs. Sorelle stated that New Jersey statutes require that Authorities in New Jersey have vouchers or some form of documentation that includes a vendor certification of the services provided. The current system the VHA is using does not provide for any kind of vendor certification. This is something the VHA will have to also implement. Mrs. Sorelle reviewed briefly other issues consisting of contracting and procurement, inventory and

fixed assets. Mrs. Jones stated she felt it was a fair and thorough audit. The Authority recognizes the issues. The VHA has already changed some policies and put procedures in place to correct these issues. Mrs. Jones briefly discussed the effects the GASB 45 has on the VHA's financial statements. The auditors were dismissed from the meeting.

Chairman D'Orazio called for the Financial Report from Avena's office. Ms. Cavallo reviewed the Budget for the FYE September 30, 2011. She also presented the Financial Report for the eleven months ending August 31, 2010 by reviewing the numerous line item figures.

Chairman D'Orazio requested the Executive Administrative Report. Mrs. Jones reported the inspection from the State for the one elevator regarding the Kidston Towers elevator refurbish project. This elevator is completely online and working properly. The other elevator will be taken offline shortly and hopefully it will be back online within 4-6 weeks or so.

The Parkview project is moving along regarding the "green" money received. The audit for this fiscal year will begin next month. There is a resolution tonight to pass the budget for FY 2011. There is also a resolution tonight for Extermination Services that was re-bid due to an error in the specs the month before. Mrs. Jones reported she is putting together a proposal for consulting services to work on the Move to Work application which was discussed last month.

Mrs. Jones updated the board on the Tax Credit application. It has been worked on as of the last board meeting and continues to be worked on. She anticipates it being files in the next 30 days or so.

With no other discussion in related matters the Chairman moved to the Resolutions.

**Resolution #2010-74**  
**Resolution to Approve Monthly Expenses**

Chairman D'Orazio stated it has been reported Commissioner Asselta has reviewed all the bills and recommended payment in the sum of \$459,236.34. Commissioner D'Orazio called for a motion to approve the monthly expenses. A motion was made by Commissioner Burk; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

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**Resolution #2010-75**  
**Resolution Awarding Extermination Services Contract**

Chairman D'Orazio called for a motion to approve Resolution Awarding Extermination Services Contract to Alliance Commercial Pest Control, Inc. A motion was made by Commissioner Burk; seconded by Commissioner Asselta. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

**Resolution #2010-76**  
**Audit Review Certificate**

Chairman D'Orazio called for a motion to approve Resolution #2010-76. A motion was made by Commissioner Burk; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

**Resolution #2010-77**  
**Resolution Authorizing Payment under the Capital Funds Appropriations Program to TEC Elevator Inc. for Alterations to Elevators at Kidston Towers**

Chairman D'Orazio called for a motion to approve payment to TEC Elevator Inc. in the sum of \$50,154.50. A motion was made by Commissioner Asselta; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

**Resolution #2010-78 Executive Session**

Chairman D’Orazio entered a motion to hold an Executive Session. A motion was made by Commissioner Asselta; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D’Orazio	(Yes)

**Resolution #2010-79**

**Resolution to Dispose of Furniture and Equipment Utilizing the Disposition Policy**

Chairman D’Orazio called for a motion to approve Resolution #2010-79. A motion was made by Commissioner Burk; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D’Orazio	(Yes)

**Resolution #2010-80**

**Approval of the Operating Budget 2010-2011**

Chairman D’Orazio report in a meeting with Mr. Asselta, Mrs. Jones, Linda Cavallo and Dan Avena on Monday night and reviewed budget thoroughly. Chairman D’Orazio recommends the budget be approved as explained to the Board. Chairman D’Orazio called for a motion to approve Resolution #2010-80. A motion was made by Commissioner Burk; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D’Orazio	(Yes)

**Resolution #2010-81**

**Vineland Housing Authority Budget – Fiscal Year: October 1, 2010 to September 30, 2011**

Chairman D'Orazio called for a motion to approve Resolution #2010-81. A motion was made by Commissioner Burk; seconded Asselta. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

**Resolution #2010-82**

**Resolution Authorizing to Convert Employee's Medical Health Insurance Plan to the New Jersey Health Medical Plan**

Mrs. Jones gave a brief synopsis. Coverage has been compared to the current coverage as well as cost. Options are being offered that are similar to the benefits the employees are receiving now. Mrs. Jones briefly explained the options given. Mrs. Jones further explained the cost for the retirees is higher than what the VHA is currently paying, but when you look at the big picture the VHA will still save money. At this point the VHA will be able to put some information together to the employees as well as informative presentations. Chairman D'Orazio called for a motion to approve Resolution #2010-82. A motion was made by Commissioner Asselta; seconded Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

**Resolution #2010-83**

**Resolution Authorizing Payment under the 2009 Capital Fund Recovery Competitive Grant for Parkview/D'Orazio to Straga Brothers, Inc.**

Chairman D'Orazio called for a motion to approve payment to Straga Brothers, Inc. in the sum of \$56,737.80. A motion was made by Commissioner Asselta; seconded by Commissioner Levy. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Samuel Levy	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Vickie Burk	(Yes)
Chairman Robert A. D'Orazio	(Yes)

No comments from the press, public and/or Board Members.

Mr. Gabage stated he has a brief comment. He made a fatal error last meeting in mentioning Jackie, Wendy and Sandy about what a great job they are doing and he neglected to include Gloria. He feels she should be commended also.

Mr. Asselta wanted to know who the auditors were last year. Chairman D'Orazio stated Barbacane & Thornton were the auditors last year. Mr. Asselta asked why it was changed and was it out for bid. Mrs. Jones and Chairman D'Orazio concurred.

With no further business to discuss, Chairman D'Orazio entertained a motion for adjournment of the Regular Meeting. A motion was made by Commissioner Asselta; seconded by Commissioner Levy. The vote was carried unanimously by the Board Members present.

The Regular Meeting of The Board of Commissioners was adjourned at 7:56 p.m.

Respectfully submitted,

Jacqueline S. Jones  
Secretary/Treasurer