

Housing Authority of the City of Vineland

REGULAR MEETING
Thursday, September 15, 2011
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 15, 2011 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 Elizabeth Gordon	
Commissioner Beatrice Corbin	(absent)
Commissioner Carmen Nydia Diaz	(absent)
Commissioner Mario Ruiz-Mesa	
Commissioner Vickie Burk	(absent)
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 and Gloria Pomales, Executive Assistant.

Chairman D'Orazio read the Sunshine Law.

Chairman D'Orazio is not sure if any other Commissioner received a letter, but he received a letter yesterday at his home from Vickie Burk informing him that she has resigned as a Vineland Housing Authority Commissioner effective immediately. There is now a position open for a Resident Commissioner.

Mrs. Jones stated Vickie made a personal and professional decision to move to Florida. She is going to be a site manager at an apartment complex in Florida. This also gave her mother an opportunity to move with her and an opportunity to retire. Living expenses in Florida are a lot more affordable and her goal is to purchase a home in Florida as well. Vickie grew up in Florida and she has always wanted to return so the timing seemed to be right for her.

The Chairman entertained a motion to approve the minutes of the Regular Meeting held on August 18, 2011. A motion was made by Commissioner Ruiz-Mesa and seconded by Commissioner Gordon. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D'Orazio	(Yes)

Chairman D'Orazio called for the Financial Report from Avena's office. Ms. Cavallo reviewed the Financial Report for the eleven months ending August 31, 2011. Chairman D'Orazio asked how the Authority looks now that it is eleven month through. Ms. Cavallo stated they are trying to spend some of the money down. Mrs. Jones stated most of it is Central Office Cost Center (COCC). The

concern is the Authority does not want to have too much money because HUD likes to take it. Based on the calculation the Authority's reserve for public housing isn't equal to four month's of expenses. The Authority can keep four months of expenses in reserve, but you never know when HUD will come in and take your money. Some of the money will not be spend by the end of the fiscal year but the Authority will be spending some of the money in COCC for the front office area. The amount will be in the \$50,000 range, which was discussed last month. The Authority will end the year pretty good. Mr. Avena briefly talked about the funding cuts. Mrs. Jones stated Authorities have seen cuts before, but nothing like this.

Chairman D'Orazio requested the Executive Administrative Report. Mrs. Jones stated Authorities have not been in a stable budgeting environment with HUD for a long time. The last couple of years it has been horrendous. The Authority was into the fiscal year for 9-10 months in 2011 before it found out what its operating subsidy was going to be. HUD does not know what money they have and they don't know how they are going to allocate it. The Authority's operating receipts for 1 year is almost \$7.7 million dollars. Only \$1 million comes from HUD. The rest of it comes from tenants, interest income and management fees from managing the Authority's properties. VHA does not depend on HUD that much and Mrs. Jones would like to depend on HUD even less. Mrs. Jones had a couple of staff meetings the last couple of days discussing ideas of what the Authority can do to make more money and diversify sources of income. Even though the Authority is managing Glassboro and Buena, they will be having their operating subsidy cut as well, which will not affect the VHA's contract with them right now, but beyond that the Authority is facing a deficit situation. The VHA is exploring the possibility of managing market rate housing to diversify its clientele. The Authority is looking into this. There is some building going on in Vineland. There might be an opportunity for the Authority to purchase some rental property to service a different clientele. Mrs. Jones will bring this information back to the Board in a month or so with an update.

Besides the Public Housing funding cuts there are expected Section 8 Administrative fee cuts at 25-30%. The VHA had applied and received the ROSS and FSS grants. The ROSS grant is for 3 years and the FSS grant is for 1 year. The Glassboro Housing Authority also received the ROSS grant for 3 years. Pat Harrison and Donna Pflaumer were already doing social service work. The Authority placed them in those slots so that relieves the operating fund. Elizabeth Bermudez who was working in the Authority's Section 8 Department and is two classes shy of her Social Services Degree so she will fill in the FSS slot. This will remove her from the Section 8 Department. This plan was already in place and then Vickie Burk resigned. Vickie was an Occupancy Specialist just like Elizabeth. The plan is to take the case load from both Public Housing & Section 8 and divide the caseload between three processors. They are Cori Goldsborough and Emma Maldonado who both have a lot of experience and are very efficient. The third processor is Noemi Cordero. Noemi is not new to the Authority but is new to this position. She is very smart and the Authority believes she will not have any problems grasping the work. They will each have a heavy case load. The Authority is hoping the regulations will change that will only require a recertification of an elderly/disabled resident once every two years rather than once every year will help relieve the case load. Recertifying every 2 years would make sense because the income in the elderly/disabled population does not change that much. There is an administrative cost to processing each file and any relief of the requirements would be helpful.

Mrs. Jones discussed some ideas to try and get the Authority to a zero based budget this year. As just discussed the position that has been vacated by Vickie Burk will not be filled. Since Noemi Cordero will be moving from her position, the Authority has brought someone in part time with no benefits to help fill the administrative gap. In maintenance, John Randall has put in for retirement/resignation effective December 1, 2011. Mrs. Jones has spoken with Gary Tirelli the maintenance supervisor about being creative with the current staff and filling that void. He will

move another maintenance repairman into John's spot and not fill John's position at this time. The Authority needs to sit tight and be conservative and wait to see where the numbers fall. In addition, the Authority will have to cut out security services. Also, in congregate services we have a person who has been working with the Authority for 3 years part time. There is a full time position available in Glassboro and she will probably take that position. This will remove about 30 hours of an employee from congregate at VHA. The VHA's congregate program is shrinking. The VHA will keep it rolling as long as there are participants. It appears to be shrinking every year. Lastly, regarding the Corbin Center, the Authority believes it has enough capital fund to get through the after school program this year. There will not be enough money for the summer program next year. Mrs. Jones advised Pat Harrison of this and she is fast at work trying to find some grants for the summer program this year. Since the VHA is going to use one of VHA's staff members for the ROSS grant in Glassboro, this will help offset VHA's payroll because the Authority will be able to back charge Glassboro for its services. These are the ideas thus far. The Authority attempted to put a 2% raise increase in the budget for the employees, but this is not possible. Mrs. Jones would like the VHA to join the New Jersey Disability. The Authority does not belong to NJ Disability and the employees do not have the protection of temporary disability for 6 months should something happen. A lot of the VHA employees are using AFLAC, which is very expensive. The thought is if the VHA implements this plan it would be effective January 1, 2011. It is an across the board benefit for everyone. It will cost employees .005 of their salary and cost the Authority approximately \$10-12,000 for the year. This is not a raise, but something that can offset AFLAC payments and also give protection that most employees do not have right now. As Mrs. Jones has mentioned before the staff works very hard and with the staff cuts the employees ultimately are going to be working harder.

Commissioner Asselta asked if there has been any contact with any other housing authorities in reference to the funding cuts. Mrs. Jones stated she has talked to a couple and their opinion is similar to the VHA's. They are dumb founded and there is no logic to it. They feel as though Washington wants housing authorities to go out of business. The Housing Authorities' strongest advocate is the NAHRO organization. The communication regarding these issues is relayed to housing authorities through NAHRO.

Mrs. Jones stated with the Capital Fund you have to obligate the funds in 3 years and spend them in 4 years, but there is never enough funding to do any substantial capital work. Authorities spend it on little items but it does not do anything to further the life of the buildings. The VHA is in good shape, but it needs to plan for the future.

Solicitor Gabage stated he does not know what is going to happen because the deal that was cut has a committee where they have to get two trillion dollars in 10 years. He would assume that public housing is an entitlement. There are tremendous lobbies for Social Security and Medicare, but you have poor people who are not very well organized. The money needs to come from somewhere. No one knows where these cuts are going to come from. Mrs. Jones stated even before this committee was established the President went to all the Departments and told them they had to come up with cuts. They had to come up with a number and be able to live with it. Sean Donovan the Secretary of HUD told the President he could come up with a billion dollars. Half of it was coming from reserve money and the other half was going to be in cuts. He had already committed to that before the financial issues surrounding the debt ceiling were in the spotlight. Mrs. Jones noted that the only area receiving an increase was HAP payments. There is an expected 2% increase over last year's formula base. The 2% increase in HAP payments is because it goes to private landlords. Private landlords who have subsidized buildings and they have contracts with HUD. It is okay with Mrs. Jones if the VHA was one of those types of landlords, which HUD has proposed to convert our properties to vouchers. The VHA would have a

contract and be funded that way, but they took that off the table as well. It was originally called Transformational Rental Assistant (TRA). The problem was HUD was not going to give housing authorities the same amount of money they would give a private landlord unit per unit. They were going to under fund the Authorities and not treat them like a private landlord.

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

Resolution #2011-67
Resolution to Approve Monthly Expenses

Chairman D’Orazio called for a report from Commissioner Asselta. Commissioner Asselta reported he reviewed all the bills and recommended payment in the sum of \$596,257.80. Commissioner D’Orazio called for a motion to approve the monthly expenses. A motion was made by Commissioner Ruiz-Mesa; seconded by Commissioner Gordon. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D’Orazio	(Yes)

Resolution #2011-68
Resolution Awarding Extermination Services Contract to Alliance Commercial Pest Control, Inc.

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 Ruiz-Mesa; seconded by Commissioner Asselta. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D’Orazio	(Yes)

Resolution #2011-69
Resolution Authorizing Payment under the Capital Funds Appropriations Program to Charles J. Collins/Architect

Chairman D’Orazio called for a motion to approve payment to Charles J. Collins/Architect in the sum of \$7,468.75. A motion was made by Commissioner Asselta; seconded by Commissioner Ruiz-Mesa. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D’Orazio	(Yes)

Resolution #2011-70 Executive Session

Chairman D'Orazio entered a motion to hold an Executive Session. A motion died for lack of need.

Resolution #2011-71
Resolution to Award Investment Grade Energy Audit to EMG

Mrs. Jones explained the Housing Authority is required by HUD to perform an energy audit once every 5 years. The VHA is due for an energy audit. Mrs. Jones briefly explained the review process of the RFP and the submissions received. Chairman D'Orazio called for a motion to approve Resolution #2011-71. A motion was made by Commissioner Asselta; seconded by Commissioner Ruiz-Mesa. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D'Orazio	(Yes)

Resolution #2011-72
Resolution Adopting Cafeteria Plan

Mrs. Jones explained that the State of New Jersey enacted some recent changes to the Health Care Plan for State and Local Government employees. Part of that was the requirement of employee mandatory contributions and that State and Local entities set up a Flexible Spending Arrangement (FSA) for its employees. It is mandatory for the Authority to provide an FSA. Mrs. Jones briefly explained the definition of an FSA. Mr. Gabage stated he was asked to review the Plan. He stated he felt he did not have expertise in that area and really couldn't comment. The documents to set it up are fine, but as to whether which plan is better than other he couldn't comment on it. Mrs. Jones stated the Plan Documents were reviewed. The Plan Documents are pretty much boiler plate and there are certain areas the Authority can change. Mr. Gabage doesn't think this really needs to be reviewed by an attorney. His recommendation to the Board would be to trust Horizon to know what they are doing. Chairman D'Orazio called for a motion to approve Resolution #2011-72. A motion was made by Commissioner Asselta; seconded by Commissioner Ruiz-Mesa. The following vote was taken:

Commissioner Joseph Asselta	(Yes)
Commissioner Elizabeth Gordon	(Yes)
Commissioner Beatrice Corbin	(Absent)
Commissioner Carmen Nydia Diaz	(Absent)
Commissioner Mario Ruiz-Mesa	(Yes)
Chairman Robert A. D'Orazio	(Yes)

Chairman D'Orazio stated at the last meeting he had at the request of Commissioner Diaz put together a committee to review the By-Laws. He understands that there have been some meetings. Chairman D'Orazio asked if the Board anticipates a report by next month. Commissioner Ruiz-Mesa stated the committee has met and has also met with Mr. Gabage. Chairman D'Orazio stated it has been brought to his attention to consider moving the time of the

Board Meetings to possibly 7 p.m. The committee should consider changing the time of the meeting in the By-Laws.

Mrs. Jones reported she is in the process of communicating with James by Design for a sign for Tarkiln Acres/Administrative Offices located at Tarkiln and Chestnut Avenue.

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 Ruiz-Mesa. The vote was carried unanimously by the Board Members present.

The Regular Meeting of The Board of Commissioners was adjourned at 8:30 p.m.

Respectfully submitted,

Jacqueline S. Jones
Secretary/Treasurer