



# **The Housing Authority of Gloucester County** REGULAR BOARD MEETING

*August 28, 2019*

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**A Regular Meeting of the Housing Authority of Gloucester County was held in the Joseph A. Reed Board Room, Nancy J. Elkins Building, on August 28, 2019 beginning at 4:30 P.M.**

## **ROLL CALL:**

**The Secretary (Kimberly Gober) called the roll and the following answered "aye":**

- ✓ Chairman William W. Bain, Jr.
- ✓ 1<sup>st</sup> Vice Chairman Dan Reed
- ✓ 2<sup>nd</sup> Vice Chairman John Giovannitti
- ✓ Treasurer Scott Kintzing (via conference call)
- ✓ Commissioner Brenden Garozzo (via conference call)
- ✓ Commissioner Frank Smith (via conference call)

**And the following were absent:**

- ✓ None

**The Secretary notified the Solicitor that a quorum is present.**

**Also in attendance were:**

- ✓ Jeff Daniels, Esq., Solicitor
- ✓ Kimberly Gober, Executive Director
- ✓ Jessica Laine, Esq., Assistant to the Executive Director
- ✓ Nelly Rojas, Administrative Aide
- ✓ Paul Letizia, AHO Director
- ✓ Grace Seeney, Finance Director
- ✓ Michael Jeziarski, Accountant
- ✓ Nina Sorelle, Bowman & Company

## **SOLICITOR:**

The Solicitor stated "In accordance with the Open Public Meetings Act of 1975, this meeting is called to order pursuant to notice of Annual Meeting, a copy of which has been made available to newspapers of general local public circulation, a copy of which has been made available to the Clerk of Gloucester County, and a copy of which has been posted publicly in accordance with the law."

## **PUBLIC PORTION:**

Agenda items only.

### **Motion to open to the Public:**

MOTION: 2<sup>nd</sup> Vice Chairman John Giovannitti

SECOND: 1<sup>st</sup> Vice Chairman Dan Reed

ALL IN FAVOR

Not seeing anyone from the Public,

### **Motion to Close:**

MOTION: Treasurer Scott Kintzing

SECOND: 1<sup>st</sup> Vice Chairman Dan Reed

ALL IN FAVOR

## **AUDIT REPORT:**

- Nina Sorelle, Bowman & Co.'s partner in charge of the Audit FY2018 indicates that, just as presented to HAGC's Audit Committee last week, the most important items included on this audit are the allocation of an estimate for OPEB and NJ PERS, these are paper numbers and do not affect the operation's cash flow. Bowman and Co. also issued a Management letter as there were very minor issues that needed attention regarding tenant's files.

Overall, it was a clean audit, Nina Sorelle would like to commend management for its cooperation, especially Executive Director Kim Gober, as she was able to aid with the Actuary and the OPEB's new changes that happened this year, resulting in the negative numbers that appeared on the Financial Statements this year, (negative ~\$11M) most of which is related to OPEB future payments, as the Accounting principles require they should be recorded now.

For a more accurate picture of the Authority's financial status, the Statement of Cash Flow for Operations activities on page 14 of the Audit, shows a positive number as opposed to last year's total. Another change incorporated this year has to do with including Colonial Park and Pop Moylan in the Component Unit column, due to changes in the interpretation of how to apply some of the standards as to what qualifies as a Component Unit.

- Kim Gober indicates that the 2017 numbers in the audit were re-stated to show a more apples to apples comparison of Component unit numbers. She also indicates that the OPEB numbers had to be booked before under GASB45 rules; GASB75 changed the assumptions the Actuary made, and the Actuarial methods employed, resulting in an increase of ~\$7.383M booked for OPEB, which was not re-stated on the 2017 numbers due to the complexity of reallocating all the necessary data, instead the cumulative effect due to the change in the accounting principle is noted on the P and L, on page 13, accounting for the difference between GASB45 and GASB75.

Additionally, on page 15, Statement of Cash Flows, under Net Cash provided it shows ~\$470K, as opposed to year 17, which shows a negative number.

- Kimberly Gober informs to the Commissioners joining via conference call that there is an Audit Certification that needs to be signed by all commissioners for submission to the State, please contact Nelly Rojas to inform us if you will be able to stop by the office or, if not possible, to arrange to personally meet to obtain signatures.

- Scott Kintzing would like to add that as Chair of the Audit Committee, he is very comfortable with the Audit, and would like to Motion for its acceptance and approval.

**19-75**

**CONSIDER RESOLUTION ACCEPTING AND APPROVING AUDIT FYE2018**

MOTION: Treasurer Scott Kintzing

SECOND: 2<sup>nd</sup> Vice Chairman John Giovannitti

ROLL CALL VOTE- ALL COMMISSIONERS RESPONDING "AYE"

**EXECUTIVE DIRECTOR REPORT:**

- On August 2, President Trump signed into law a Budget deal that raises spending by \$320B above the sequestration levels, which ends the threat for the across the board spending cuts that would have been required back from the Budget Control Act of 2011. It also suspended the debt ceiling thru July 31, 2021. Lawmakers must pass the appropriation legislation FY2020 in order to keep the government open after September 30, 2019. There is still work to be done, as the Senate has not really done anything with the 302B, however, work activity on the budget usually starts around the very end of the budget period.
- There is a Resolution on the Agenda for emergency expenditures due to a sewage backup on one of the 204-1 houses. Paul Letizia, AHO Director and his team responded quickly to the emergency and helped relocate the family, as well as coordinating the cleanup and repairs.
- There is a second Resolution on the Agenda for a 204-1 house, for emergency expenditures due to water infiltration and the installation of a sump pump system. Situations like these are good examples of why it would be advisable to dispose of these homes,
- The sale of the EHO program houses was settled on July 27<sup>th</sup> and the proceeds have been deposited in our accounts. The proceeds and the assets are both included on the Financial Statements distributed to the Board, eventually the assets will be removed, including the accumulated depreciation to properly account for it.
- Paul Letizia adds that his department has tried to keep expenditure down on the 204-1 houses, however, there are situations that must be addressed, like carpet replacement to avoid trip hazards, water infiltration in some of the basements, etc.
- Kim Gober indicates that the hot water tank at Colonial Park has been installed, with minimal interruption to the service. The old tank is still there, but the contract includes the cutting and disposing of the tank pieces. Paul Letizia adds that the contractor was very responsive and is happy with the results. Chairman Bain would like to thank 1<sup>st</sup> Vice Chairman Reed for lending his expertise on how to solve this situation.
- The Housing Choice Voucher waitlist opened from August 5<sup>th</sup> to August 10<sup>th</sup>, we received 2,915 applications, it will take some time to process them all. Waitlists for S8 Veterans and the high rises remain open.
- HAGC has moved to Office365, since the server was from 2010. Information will now be stored remotely on a cloud, this will help with disaster recovery in case is ever needed.
- There will be a public hearing during the September meeting to receive comments and discussion from the public regarding the annual plan to be submitted to HUD. This process is done annually and includes meeting with members of the Resident Advisory Board (RAB) and drafting a comprehensive plan for the upcoming year(s). A copy of the plan has been posted online for the public's review and made available to the commissioners via email.

**NO COMMENTS OR CONCERNS FROM THE COMMISSIONERS**

## **AGENDA:**

- A. Review and Action of Minutes –JULY 2019
- B. Consider Interim Bill List, 19-08 Sections A, B, C, D
- C. Consider Bill List 19-08 E, F, G, H
- D. Consider Ratification of GCHDC, Seniors, Shepherd’s Farm, eMurphyg, Inc., PMURC, Inc. Sections A, B, C, D, E, F
- E. Consider Acknowledgment of Pop Moylan, Colonial Park LP Sections G, H, I

## **RESOLUTIONS**

<b><u>19-76</u></b>	<b>CONSIDER RESOLUTION APPROVING THE PURCHASE OF (1) MOTOR VEHICLE FOR THE USE OF HAGC</b>
<b><u>19-77</u></b>	<b>CONSIDER RESOLUTION APPROVING THE TRANSFER OF FUNDS FROM HAGC’S GENERAL OPERATING ACCOUNT TO GCHDC IN THE AMOUNT OF \$6,000</b>
<b><u>19-78</u></b>	<b>CONSIDER RESOLUTION THE EXECUTION OF THE RENEWAL OF THE SHARED SERVICES AGREEMENT BETWEEN HAGC &amp;THE COUNTY OF GLOUCESTER REGARDING THE MANAGEMENT &amp; ADMINISTRATION OF THE TENANT BASED RENTAL ASSISTANCE (TBRA) PROGRAM</b>
<b><u>19-79</u></b>	<b>CONSIDER RESOLUTION AUTHORIZING AN EMERGENCY REPAIR, CLEAN UP AND RELOCATION DUE TO SEWER LINE FAILURE AT A NJ204-1 SCATTERED SITE UNIT</b>
<b><u>19-80</u></b>	<b>CONSIDER RESOLUTION APPROVING CONTRACT FOR WATERPROOFING REPAIR AND INSTALLATION OF A SUMP PUMP AT A NJ204-1 SCATTERED SITE UNIT</b>
<b><u>19-81</u></b>	<b>CONSIDER RESOLUTION AUTHORIZING AWARD OF CONTRACTS FOR RENOVATION OF AN ADDITIONAL CONFERENCE ROOM AT DEPTFORD PARK BUILDING</b>
<b><u>19-82</u></b>	<b>CONSIDER RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF GLOUCESTER, NEW JERSEY AND HOUSING AUTHORITY OF GLOUCESTER COUNTY, NEW JERSEY AND ROWAN COLLEGE AT SOUTH JERSEY AND THE TOWNSHIP OF DEPTFORD, NEW JERSEY CONCERNING THE DEVELOPMENT OF SPECIAL NEEDS HOUSING</b>
<b><u>19-83</u></b>	<b>CONSIDER RESOLUTION AUTHORIZING AN EXECUTIVE SESSION</b> MOTION TO GO IN TO CLOSED SESSION: 1 <sup>st</sup> Vice Chairman Dan Reed SECOND: Commissioner Brenden Garozzo <ul style="list-style-type: none"><li>• <b>NEGOTIATION WITH AFSCME COUNCIL 63, LOCAL 1847. SOLICITOR JEFF DANIELS OUTLINED THE CHANGES TO THE CBA AGREED UPON WITH THE UNION AND THE NEGOTIATIONS COMMITTEE (PLEASE SEE ATTACHED CS MINUTES)</b></li></ul> MOTION TO GO OUT OF CLOSED SESSION: 1 <sup>st</sup> Vice Chairman Dan Reed SECOND: 2 <sup>nd</sup> Vice Chairman John Giovannitti

**19-84**

**CONSIDER RESOLUTION APPROVING AN AGREEMENT BETWEEN THE HOUSING AUTHORITY OF GLOUCESTER COUNTY AND THE AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES (AFSCME), AFL-CIO DISTRICT COUNCIL 63, LOCAL 1847 FOR THE PERIOD JANUARY 1, 2019 THROUGH DECEMBER 31, 2020**

MOTION: 1<sup>ST</sup> Vice Chairman Dan Reed

SECOND: Commissioner Brenden Garozzo

ROLL CALL VOTE- ALL COMMISSIONERS RESPONDING "AYE"

**MOTION TO APPROVE THE RESOLUTION:**

MOTION: 2<sup>nd</sup> Vice Chairman John Giovannitti

SECOND: Commissioner Frank Smith

ALL IN FAVOR

** COMMENTS FROM THE PUBLIC:**

MOTION: 1<sup>st</sup> Vice Chairman Dan Reed

SECOND: 2<sup>nd</sup> Vice Chairman John Giovannitti

ALL IN FAVOR

No comments, motion to close,

MOTION: 2<sup>nd</sup> Vice Chairman John Giovannitti

SECOND: 1<sup>st</sup> Vice Chairman Dan Reed

ALL IN FAVOR

**NO COMMENTS OR CONCERNS FROM THE COMMISSIONERS**

** ADJOURNMENT:**

MOTION: 2<sup>nd</sup> Vice Chairman John Giovannitti

SECOND: Commissioner Frank Smith

ALL IN FAVOR

**Respectfully submitted,**



**Kimberly Gober, Secretary**

**Dated: August 28, 2019**