

MORRISTOWN HOUSING AUTHORITY  
BOARD OF COMMISSIONERS  
39 Early Street  
Morristown, New Jersey 07960  
Monday, July 28, 2014  
Commencing at 6:00 p.m.

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RE: Regular Open Public Meeting  
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TRANSCRIPT  
OF THE  
PROCEEDINGS

M E M B E R S P R E S E N T:

VERA WHITE, Chairperson  
DOROTHY HOLMAN, Commissioner  
MARION E. SALLY, Commissioner  
FRANK VITOLLO, Commissioner

A L S O P R E S E N T:

LEANORA GROSS, Acting Executive Director  
ALISON DEEB, Council Liaison  
MICHAEL MAURICE, Auditor  
STEVEN KETCHAM, Accountant

A P P E A R A N C E S:

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1 CHAIRPERSON WHITE: I, Vera White,  
2 chairperson of the Board of Commissioners of the  
3 Housing Authority of the Town of Morristown, and  
4 presiding officer at this meeting do hereby state  
5 that it is now six o'clock in the evening on July  
6 28, 2014, and we are convening at 39 Early  
7 Street, Morristown, New Jersey, and do hereby  
8 announce publicly that proper notice of this  
9 regular meeting has been provided in accordance  
10 with the New Jersey Open Public Meetings Act.

11 Roll call.

12 (Whereupon, roll call was taken.)

13 CHAIRPERSON WHITE: Pledge of  
14 allegiance to the flag.

15 (Whereupon, the flag was  
16 saluted.)

17 CHAIRPERSON WHITE: Now have a  
18 moment of silence.

19 (Whereupon, a moment of silence  
20 was observed.)

21 CHAIRPERSON WHITE: Okay. We're  
22 now going to open the floor to the public. Are  
23 there any public, anyone from the audience that  
24 would like to address us?

25 MS. GROSS: Before we open up to

1 the public we have our auditor here.

2 CHAIRPERSON WHITE: Since I only  
3 see one person in the audience I was going to  
4 allow him to speak, and then we will give it to  
5 him.

6 MR. MAURICE: That's fine.

7 CHAIRPERSON WHITE: Come up, state  
8 your name, and where you live.

9 MR. ALEXANDER: Victor Alexander,  
10 Apartment 517, 39 Early. I have the same  
11 question as the last meeting, about there's a  
12 brick roof in our building. I asked the  
13 commissioners if it's possible to paint it in  
14 white or silver. If not maybe it could be used  
15 an epoxy resin with white powder on it, for when  
16 it is -- outside it is 95, in our apartment is  
17 89. The air conditioners aren't working.

18 CHAIRPERSON WHITE: We do remember  
19 that you asked us that question, and --

20 MR. ALEXANDER: I don't know what  
21 the solution is. I didn't receive any answer  
22 about it.

23 CHAIRPERSON WHITE: Would anybody  
24 like to address that? Have we looked into it at  
25 all? Because I know expense-wise I don't know if

1 we can afford to paint the roof right now. Have  
2 we looked into it?

3 MS. GROSS: No, we haven't. If  
4 I'm not mistaken in one of the other board  
5 meetings Ramirez was saying that wasn't possible  
6 to do what it was he was asking.

7 CHAIRPERSON WHITE: Okay. We're  
8 still kind of looking into that. We will find  
9 out exactly what the answer is. We haven't  
10 really come to a final conclusion yet.

11 Are there any more in the public  
12 that would like to speak?

13 If not we're going to close the  
14 public session and we're going to ask our auditor  
15 to come forward at this time and make his -- Joe,  
16 did you want to say something?

17 MR. MANFREDI: Madam Chair, can  
18 the accountant go first, or does it matter?

19 CHAIRPERSON WHITE: I'd like to  
20 know our findings first. We want to ask the  
21 auditor.

22 MR. MAURICE: Good evening. My  
23 name is Mike Maurice, and I'm with Polcari &  
24 Company. I was the partner on this audit this  
25 year. I'm going to present the audit tonight.

1 If you were to look on page six of your audit  
2 report, that is the page where we included our  
3 opinion letter on the financial statements. If  
4 you look through that letter, you'll note we gave  
5 an unqualified opinion on the financial  
6 statements this year. There are three types of  
7 opinions that can be issued; unqualified,  
8 qualified and adverse. And unqualified is the  
9 opinion you would be looking for.

10 In addition to that report, we  
11 issued two additional reports that are required  
12 for a government audit. The second one is on  
13 page 34, which is the yellow book report, which  
14 is the report on internal control. The  
15 expression of an opinion on that report was not  
16 our goal. It's just to bring -- we just have to  
17 test your system of internal controls, and we  
18 found no deficiencies that we noticed to bring to  
19 your attention.

20 The second -- the third and final  
21 report that we issued was on page 36, which was  
22 the opinion on major programs, the A133 report.  
23 That report had an expression of opinion. That  
24 was also an unqualified opinion. And the major  
25 program that we tested in 2013 was the low rent

1 public housing program. And the opinion was on  
2 the compliance with the regulations for that  
3 program.

4           If you look on page eight, I just  
5 would like to review the balance sheet and the  
6 income statement with you. If you look on page  
7 eight, if you go to the bottom under net assets,  
8 you'll see -- net assets is all your assets minus  
9 your liabilities. It's the equity basically that  
10 the authority has. If you notice, the equity is  
11 required to be presented in three different  
12 categories. There's three buckets. The invested  
13 and net capital assets, net of related debt would  
14 be your fixed assets, less the debt, that's the  
15 buildings, the items you couldn't convert to cash  
16 readily. The restricted net position, that is  
17 \$159,000. That really represents all your HAP  
18 equity, the money that's available for HAP  
19 payments, and that's restricted by HUD.

20           The last component of net assets  
21 is unrestricted net position. That was 1.4  
22 million. That is the assets that are available  
23 to satisfy your current liabilities. That amount  
24 increased from last year by \$177,000. That  
25 increase, quickly, if you turn to page nine, you

1 can see is, will be the excess of your revenues  
2 over your operating expenses. Now, the amount  
3 shows a loss of 460, but you have to adjust that  
4 for depreciation, which is an operating expense,  
5 but it doesn't affect -- it affects invested and  
6 net fixed assets and not unrestricted. So  
7 adjusting that for the depreciation, your  
8 revenues over your expenses affecting  
9 unrestricted net assets was \$170,000. So we  
10 operated within our budget and within the  
11 constraints of the subsidy and the revenues we  
12 received from tenants for the current year.

13 Our cash increased this year,  
14 flipping back to page eight, by \$477,000. Again,  
15 that's primarily due to the excess of our  
16 revenues over expenses, the \$170,000. Plus in  
17 the prior year we had a \$267,000 receivable from  
18 HUD for subsidy at the end of the year, which we  
19 received this year. So that accounted for  
20 primarily the additions to cash in the financial  
21 statements.

22 That is a pretty good summary of  
23 how we did this year. If anyone has any  
24 questions, I will be happy to take them or answer  
25 those now.

1 COUNCIL LIAISON DEEB: May I ask a  
2 question, Chair?

3 MR. MANFREDI: No, only board  
4 members can ask questions.

5 CHAIRPERSON WHITE: This is only  
6 for board members.

7 Are there any questions from our  
8 board members?

9 COMMISSIONER VITOLO: On page  
10 five, on interest on investments.

11 MR. MAURICE: On page five?

12 COMMISSIONER VITOLO: Of  
13 management discussion analysis. Shows a  
14 reduction of about \$6,500 in interest income,  
15 interest on investments.

16 MR. MAURICE: Right.

17 COMMISSIONER VITOLO: What was  
18 that a result of?

19 MR. MAURICE: I believe if you  
20 look on page eight I was going to say, but we're  
21 not going to see it there. I think the reduction  
22 of interest rates on our investments that we  
23 have, our investments were up slightly from last  
24 year. They went from 686 to 711, so it would be  
25 the interest rates would -- probably had some CDs

1 that matured, and they're not renewed at the  
2 rates we previously had them at. I couldn't give  
3 you the exact -- I can look up the rates. I  
4 don't have them with me. But I could take your  
5 email address and get you what those rates were.

6 COMMISSIONER VITOLO: I don't  
7 know, or invested in, you said CDs.

8 MR. MAURICE: HUD only allows you  
9 to invest in no risk investments. You can't have  
10 any loss of principal. So it would basically be  
11 U.S. Treasuries or CDs. And all our investments  
12 were in CDs, and those interest rates aren't what  
13 they were previously.

14 CHAIRPERSON WHITE: Anymore  
15 questions from the board members?

16 COMMISSIONER VITOLO: Do you do  
17 work for other housing authorities?

18 MR. MAURICE: We do audits for  
19 about 80 other housing authorities and fee  
20 accounting.

21 COMMISSIONER VITOLO: So how does  
22 the health of our balance sheet compare to  
23 other --

24 MR. MAURICE: Yours is pretty  
25 good. You had a -- you made money this year.

1 Your revenues exceeded your expenses. I mean,  
2 I've seen housing authorities where they have had  
3 hundred thousand dollar losses for the year.  
4 Some of that is because expenses, you know,  
5 running away from -- getting a little out of  
6 control. Some of it is because of HUD cut their  
7 subsidies. HUD did reduce, and it was their  
8 intention to reduce public housing, your equity.  
9 And it was also their intention to reduce -- in a  
10 lot of housing authorities' cases their HAP  
11 equity got reduced down to zero. So you would  
12 see in a lot of cases -- when you're looking at  
13 this in total, it's also a good idea to look at  
14 the FDS, which is financial data schedule, which  
15 starts on I believe page 24 of your report. And  
16 that breaks out the projects and the voucher  
17 program, the different programs. And you can see  
18 from that, the breakout of what makes up the  
19 entity-wide financial statements. So it was  
20 HUD's intention in most cases to reduce  
21 subsidies, which forces housing authorities to  
22 cut expenses. And with the housing choice  
23 voucher program, they wanted you to spend down  
24 your reserves to zero. So it became very  
25 important in the last year, year and a half,

1 almost two years that your Section Eight  
2 coordinators really monitor that program to make  
3 sure that you don't exceed the money that you  
4 had. There was some set aside money put aside,  
5 but you couldn't really go beyond your baseline,  
6 they wouldn't fund you, and the money would have  
7 to come out of your administrative reserves from  
8 Section Eight. And that would then put a real  
9 financial hardship to pay salaries, benefits and  
10 other operating expenses of the authority.

11 COMMISSIONER VITOLO: Any red  
12 flags in here that you see?

13 MR. MAURICE: No, there were no  
14 findings in the report. As I said, all the  
15 opinions on the two reports were unqualified this  
16 year.

17 COMMISSIONER VITOLO: No yellow  
18 flags either.

19 MR. MAURICE: We can only list  
20 findings.

21 COMMISSIONER VITOLO: I  
22 understand.

23 Councilman Deeb, can you tell me  
24 what your question is? And if I think it's a  
25 good question I'll ask it.

1 COUNCIL LIAISON DEEB: I wasn't  
2 sure if I heard properly or accurately what he  
3 was saying, because he was talking about the big  
4 cash increase, the cash, and I was just wondering  
5 why that was. And it seemed like a significant  
6 amount, \$477,000. And I was just wondering if I  
7 heard that correctly.

8 COMMISSIONER VITOLO: Can you  
9 address that?

10 MR. MAURICE: As I explained, the  
11 reason for the increase in cash was two-fold.  
12 The first is that our operations produced  
13 \$170,000 in revenue, which translates into  
14 \$170,000 in cash. The other reason is if you  
15 look on page eight, you'll notice that we had a  
16 receivable from HUD last year for \$267,000. So  
17 that receivable is down to 44. So that decrease  
18 in receivables translates to an increase in cash  
19 because the money came in, and that's why the  
20 cash balance increased this year.

21 COMMISSIONER VITOLO: Okay. I  
22 don't have any other questions.

23 CHAIRPERSON WHITE: I just want to  
24 say before we call Mr. Ketchum in, if we say, and  
25 this is to all the commissioners, I have attended

1 quite a few of the council meetings, the town  
2 council meetings for many years. With respect to  
3 Mrs. Deeb, even way before you got there, and  
4 when they are discussing certain things, we're  
5 not allowed to ask questions. And so I'm going  
6 to ask that we refrain from even asking a  
7 question for someone when we say it's not  
8 allowed. That goes for all of us. And I  
9 understand she was curious, and that's okay. But  
10 let's run our meetings the way they're supposed  
11 to be run. And that's by Robert's Rules. I  
12 can't say to Tim or I can't say to anybody, can  
13 you ask this question for me, because it's not  
14 allowed.

15 But anyway, we're going to ask  
16 Mr. Ketcham to come forward now.

17 COMMISSIONER VITOLLO: I got one  
18 more question for the auditor. On your page 23,  
19 this is towards the back, the statement and  
20 certification of actual modernization cost. It  
21 says, all modernization work is completed and  
22 there were no -- I believe it said there were no  
23 additional modernization.

24 MR. MAURICE: It says, all  
25 modernization work done in connection with this

1 program has been completed, all liabilities in  
2 connection with the program have been paid. So  
3 we're required to certify in the audit after a  
4 capital fund year has been fully expended, and  
5 the certification has been sent, the mod cost  
6 certificate, which is a one page form which is  
7 signed by the executive director, is sent to  
8 HUD. HUD requires us to put in the report a  
9 certification that all the funds were spent for  
10 the program, all the funds were spent in  
11 accordance with the budget, and all the funds  
12 were -- and there are no existing liabilities for  
13 the program. Now, the capital fund wasn't  
14 audited this year as a major program. It's  
15 usually audited every other year. Since you're a  
16 low risk auditee we're required to test 25  
17 percent of your federal awards. So the low rent  
18 program covers 25 percent of your federal  
19 awards. And every year, it wouldn't matter if we  
20 go over 25, we have to test a program once every  
21 other year, every three years we have to test the  
22 program. So that's why this is included in the  
23 report. HUD requires this. The capital fund  
24 program is tested really every other year. And  
25 when I say tested, we pull bid documents, things

1 of that nature, certified payrolls. But the  
2 expenditures as a matter of substantive tests are  
3 locked at every year. And of course the first  
4 year of the program we looked to see that the  
5 costs are matching up with the budget, that is  
6 what you've expended.

7 COMMISSIONER VITOLO: Got it.

8 Thank you.

9 CHAIRPERSON WHITE: Mr. Ketcham?

10 MR. KETCHAM: Good evening  
11 everybody. It's time for the annual review of  
12 the first bite of the apple with your budget. I  
13 believe there's two resolutions on tonight, one  
14 is for the introduction of the state budget,  
15 which if approved by this board would authorize  
16 your acting executive director to sign and submit  
17 it to the state for their review, comments and  
18 approval. And the second would be the approval  
19 of the HUD budget.

20 Now, the budget as presented is  
21 based on a few different sources. The first one  
22 is, and the largest one is the objective nature  
23 in terms of the HUD funding formula. HUD now  
24 funds you on a calendar year basis. So in your  
25 case where your year starts October 1st of '14,

1 you would have three months at '14 level, and  
2 nine months at '15 level. This year's funding,  
3 the funding level for '14 calendar year is at 89  
4 percent, the highest it's been in a few years.  
5 The projection out there for next year, and it's  
6 flip a coin, crystal ball, etcetera, is 81  
7 percent. So in preparing this budget,  
8 conservatively I use the percentage of 82  
9 percent. You have to be reasonable and you have  
10 to be conservative. You don't want to overreach  
11 in terms of your funding level. The result of  
12 that is that if we receive more funding, then it  
13 will go right to the bottom line. But I don't  
14 expect that you're going to receive any less, but  
15 nobody really knows for sure. And by the way, we  
16 still as of today, July 28th, have not received  
17 our final allocation of the 2014 level. So if  
18 I'm back here a year from now, then a year from  
19 now I'll probably say the same thing to you, we  
20 have not received our final '15 allocation  
21 funding. I'm pretty comfortable with the funding  
22 level at the 82 or 83 percent.

23 Your rental income is based on  
24 what your actual rental income was for the month  
25 of July. Your other expenditures, other than

1 utilities which is based on formula wrapped into  
2 the funding level, is based on a few different  
3 items. Number one, where are we to date for this  
4 year, number two, how does it compare to our  
5 current year's budget, number three, how does it  
6 compare to last year. And lastly, any specific  
7 expenditures, such as purchase of equipment,  
8 which Jean had brought to my attention based on  
9 maintenance, were added to the budget also. I  
10 think a truck, a back loader, something like  
11 that.

12                   So the results of that now from  
13 the standpoint of the HUD budget, is we  
14 anticipate a surplus of \$102,900 for this next  
15 year, which would result in a potential surplus  
16 next year of \$1,511,090. That's on the public  
17 housing side, the buildings.

18                   On the housing choice voucher  
19 side, which is you can see on page SS11 for the  
20 state budget, we anticipate a loss of \$43,010.  
21 There's a reason for that. It's not because  
22 you're not putting in for the money, it's not  
23 because you have done something to give rise to  
24 getting less money. This year is a historically  
25 low proration of funding for administrative

1 purposes for the housing choice voucher program.  
2 As Mike mentioned as part of the audit, housing  
3 choice voucher program has two sources of  
4 funding, administrative, and the funding for the  
5 rents to landlords. This year the rents to  
6 landlords are at 99.7 percent, but the housing  
7 choice voucher funding for administrative  
8 purposes is at 73 percent, until last week we got  
9 good news that HUD found, found 40 million  
10 dollars, which is good news. We're going to get  
11 retroactive to January 1st voucher funding for  
12 administrative purposes of 79 percent. But even  
13 with that, 79 percent is a tough pill to swallow  
14 in terms of running your program. You don't have  
15 a lot of staff people. Your Section Eight  
16 program is your director, an inspector, a little  
17 bit of bookkeeping on that side. You don't  
18 prorate anybody else.

19 Now, you came into the year with  
20 a surplus of 93, we project a deficit of 43 in  
21 that program. I anticipate we're going to have  
22 to revisit the correct allocations of staff to  
23 kind of pull a little bit away from there, move  
24 it towards the public housing program. But be  
25 that as it may, you're adequately funded for

1 rents to landlords. Matter of fact, we keep  
2 pushing to put more people on the program to stay  
3 at the level you're at. And I'm comfortable with  
4 next year's projection for administrative that we  
5 will be okay.

6                   So the results of it is on  
7 page -- on the actual resolution, your revenues  
8 are projected to be \$5,582,190, your expenditures  
9 are anticipated to be \$5,522,300, so there's no  
10 use of U&A surplus this year projected on the  
11 combined programs. In addition, we've  
12 anticipated capital projects at 146. We know  
13 that your capital fund is somewhere around  
14 \$600,000 this year, Jean?

15                   MS. WASHINGTON: Five something.

16                   MR. KETCHAM: Well, some of that  
17 goes towards debt service on the leveraging, some  
18 goes towards operation, some goes towards  
19 administrative. That's not listed as capital  
20 expense for purposes of the budget, but it is  
21 identified as the use of funds for those  
22 purposes. So if and when the state comes back  
23 and says you're okay to adopt, we've stated  
24 September 22nd, which is your September meeting,  
25 as the date for adoption within 45 days. They

1 have now wanted you to specifically state the  
2 date, because they will call you a day or two  
3 ahead of time and say you could adopt, consistent  
4 with other municipal government, other municipal  
5 authorities. And they have added a whole bunch  
6 of stuff this year. They added an information  
7 statement for the chairperson to certify to that  
8 your website complies with the state law. They  
9 added an information statement, they want to know  
10 who your auditor is, all the commissioners,  
11 there's more disclosure out there than ever  
12 before. So there's a lot more stuff, stuff in  
13 the state budget.

14                   Your HUD budget goes nowhere.  
15 The only thing that goes to HUD, because you're  
16 not a troubled authority, is a copy of the  
17 resolution if approved tonight. That's it.

18                   Thank you.

19                   CHAIRPERSON WHITE: Any  
20 questions?

21                   COMMISSIONER VITOLO: Did we build  
22 into the budget hiring a full-time executive  
23 director?

24                   MR. KETCHAM: Yes.

25                   COMMISSIONER VITOLO: What did we

1 build in for that?

2 MR. KETCHAM: In terms of salary?

3 COMMISSIONER VITOLO: Dollars,  
4 yes.

5 MR. KETCHAM: It's the same number  
6 that was there last year, and that is \$130,000.

7 COMMISSIONER VITOLO: Okay. Now,  
8 when I attended one of your classes I think last  
9 year, there was a lot of doom and gloom about the  
10 operating funding. So what happened?

11 MR. KETCHAM: It's still -- you  
12 got to remember something, when you attended the  
13 class, we're in the middle of that horrible time  
14 called sequestration. If sequestration had not  
15 been relieved, and if I remember, if my memory  
16 serves me right, sequestration could come back in  
17 about a year or so. I thought that was just put  
18 off for a short period of time. Maybe somebody  
19 can correct me on that. That resulted in your  
20 level of funding to be at a certain level with  
21 another five percent haircut. That was at 81  
22 percent. Now, last year congress and the  
23 president agreed to raise to a funding level of  
24 89 percent, but they're talking about for '15 81  
25 percent again. We are far from being out of the

1 woods. The capital fund is half of where it was  
2 six years ago. There was almost four billion  
3 dollars, this year the funding is 1.8. All  
4 domestic programs of this type, other than the  
5 rents to landlords, they are leaving that at a  
6 level which they hope will consistently allow you  
7 to continue to subsidize the same number of  
8 people. But that's, if you could think of Pac  
9 Man, is eating away at this budget. The funding  
10 for that is now 19 billion. It's gone from 12  
11 billion in the last five years. And they're  
12 talking about raising it maybe another three  
13 percent next year. They don't know how to get on  
14 top of that problem. And that's hurt the  
15 domestic funding of all the other programs. So  
16 is there still gloom and doom? We haven't seen  
17 100 percent funding since President Obama's first  
18 year, and you're never going to get it back. On  
19 the voucher side we haven't seen 85 percent in  
20 five years on the administrative side. So what  
21 end, your health benefit increases, outstrip the  
22 amount of increases you get from HUD, your  
23 pension numbers have become stable, come down a  
24 little bit, but they're still high. And with  
25 utilities, what happens is, and this is a concern

1 that I have with all my clients, is your level of  
2 funding now, because gas rates have come down,  
3 the way the funding goes, is ratcheted down to  
4 where your average is right where you are in  
5 terms of expenditure. One of the reasons for  
6 your surplus last year and the year before other  
7 than the economies and efficiencies, was we  
8 budgeted -- the way this formula works, you get  
9 to keep some of the increase when -- or decrease  
10 in expenditures, when rates had gone up and then  
11 they started coming down. Now you're at that  
12 level and you're being funded at that level. So  
13 any increases, and I'll tell you across the board  
14 water increases are up across the state, sewer  
15 increases are up, electric is up, gas has  
16 remained pretty stable. Nobody uses oil  
17 anymore. If they do it's a problem. So if we  
18 see any utility increases, that's going to go  
19 right against your bottom line.

20                   The one thing that has also  
21 helped you a lot is you have been with the New  
22 Jersey PHA for a bunch of years, so your  
23 insurance premiums have been flat or gone down,  
24 worker's comp, general liability and other. So I  
25 can't say we're out of the woods, and I'm still

1 talking gloom and doom, but due to some cuts you  
2 made in terms of staff and retirements you've  
3 been able to get ahead of that bubble.

4 COMMISSIONER VITOLO: The surplus,  
5 is there any rules or HUD regs on surplus, what  
6 you can use it for?

7 MR. KETCHAM: You can only use the  
8 surplus within the envelopes of your public  
9 housing buildings. There were regulations that  
10 came out that said, QHWRA, 1989, that said that  
11 if you want to use it for other than public  
12 housing projects you would request HUD's  
13 approval. I think we will all be retired before  
14 HUD approves any of those. But the results are  
15 so within the envelopes of your buildings is to  
16 the extent you can use your public housing  
17 surplus for.

18 COMMISSIONER VITOLO: Otherwise it  
19 sits in what kind of account, that money?

20 MR. KETCHAM: Interest-bearing  
21 checking, savings, CDs.

22 COMMISSIONER VITOLO: It's the  
23 same limitation, we can only invest in a  
24 non-risky --

25 MR. KETCHAM: That's both from a

1 HUD standpoint and state standpoint. Both of  
2 them require -- you have two masters. And the  
3 most conservative in that case is HUD. Usually  
4 the most conservative is the state. HUD pretty  
5 much says treasuries, CDs. Anything that would  
6 be considered deemed an investment under the FDIC  
7 is what the state requires.

8 COMMISSIONER VITOLO: Your advice  
9 is spend the money, because it's really not a  
10 rainy day fund, we can't use it to shortfall.

11 MR. KETCHAM: No, I'm not saying  
12 that. I'm recommending that you do your budget,  
13 you spend the money on the projects as needed,  
14 but keep in mind that surplus does not get  
15 regurgitated like your capital fund every year.  
16 Once you use it it's going to be difficult to  
17 build it back up again, so to the extent you need  
18 it --

19 COMMISSIONER VITOLO: Just bank  
20 it. Okay.

21 MR. KETCHAM: Yes. Any other  
22 questions?

23 CHAIRPERSON WHITE: Any other  
24 questions?

25 MR. KETCHAM: Thank you.

1                   COMMISSIONER VITOLO: I'm sorry,  
2 can I ask him one more question?

3                   CHAIRPERSON WHITE: Sure.

4                   COMMISSIONER VITOLO: As you  
5 probably know, we haven't had a full-time  
6 executive director for quite awhile. We get  
7 legal advice about that. As far as financially,  
8 should we be concerned at this point we've had a  
9 vacancy for so long? You've looked at the  
10 books. What's your advice on that?

11                  MR. KETCHAM: You have an acting  
12 executive director who serves in that capacity.  
13 The board reviews all the bill lists. We budget  
14 it, so it's not going to come to a shock to you  
15 financially, so, no.

16                  COMMISSIONER VITOLO: I know you  
17 advise a bazillion boards. Have you seen a  
18 vacancy this long? Is it something we should be  
19 concerned about?

20                  MR. KETCHAM: There's a lot of  
21 vacancies across the state. And there's more  
22 every day, for a lot of reasons. HUD put in a  
23 maximum salary. Health benefits -- for people to  
24 move here, it's difficult, because the cost of  
25 living is high. But there are a lot of

1 vacancies, and more every day. On the way over I  
2 got a call from another accountant who said to  
3 me, can you tell me who's out there, because  
4 there's just not -- and New Jersey is the most  
5 stringent of all the states in terms of  
6 educational requirements and work experience.

7 COMMISSIONER VITOLO: Are boards  
8 going part-time for a lot of their EDs?

9 MR. KETCHAM: Not -- in actuality,  
10 no. I don't see it. The demands of this job  
11 have really increased. In terms of -- technology  
12 has allowed HUD to put more of a thumb on top of  
13 your day to day operations than it did before.

14 COMMISSIONER VITOLO: Thanks.

15 CHAIRPERSON WHITE: Anymore  
16 questions?

17 Can we move on to the approval of  
18 the minutes, or should we -- we can take the vote  
19 and let them go.

20 MR. MANFREDI: Sure, Madam Chair,  
21 if you want.

22 CHAIRPERSON WHITE: To resolutions  
23 and then back up on the meeting. Have we asked  
24 all the questions we need to ask and understand  
25 what we need to understand?

1 MR. MANFREDI: Madam Chair, I  
2 believe it's resolutions 2014-06, 2014-09,  
3 2014-10 and 2014-12.

4 CHAIRPERSON WHITE: Do I have to  
5 read them all or can I just --

6 COMMISSIONER VITOLLO: Ten has to  
7 to do with raises. Right?

8 MR. MANFREDI: I'm sorry. That's  
9 my mistake. 12.

10 CHAIRPERSON WHITE: So it's nine,  
11 12 and six. Six, nine and 12. Right?

12 MR. MANFREDI: Correct, Madam  
13 Chair.

14 CHAIRPERSON WHITE: I'll just read  
15 them out. Resolution 2014-06, a resolution  
16 approving the annual budget and capital budget  
17 for fiscal year beginning October 1st, 2014 and  
18 ending September 30, 2015.

19 COMMISSIONER SALLY: I'll move  
20 it.

21 CHAIRPERSON WHITE: Can I get a  
22 second?

23 COMMISSIONER HOLMAN: I'll  
24 second.

25 CHAIRPERSON WHITE: Roll call.

1 (Whereupon, roll call was taken  
2 with Commissioner White, Commissioner Vitolo,  
3 Commissioner Holman and Commissioner Sally voting  
4 in favor.)

5 CHAIRPERSON WHITE: Resolution  
6 2014-09, a resolution adopting the annual audit  
7 report prepared by Polcari & Company, certified  
8 public accountants, for the fiscal year ending  
9 September 30, 2013. Can we move it?

10 COMMISSIONER SALLY: I'll move  
11 it.

12 CHAIRPERSON WHITE: Can we get it  
13 seconded?

14 COMMISSIONER HOLMAN: I'll  
15 second.

16 CHAIRPERSON WHITE: Roll call.  
17 (Whereupon, roll call was taken  
18 with Commissioner White, Commissioner Vitolo,  
19 Commissioner Holman and Commissioner Sally voting  
20 in favor.)

21 CHAIRPERSON WHITE: Resolution  
22 2014-12, a resolution approving and authorizing  
23 the submittal of the housing authority's  
24 streamlined annual PHA plan to HUD for the fiscal  
25 year beginning 10/01/14. Can we move it?

1 COMMISSIONER HOLMAN: I'll move  
2 it.

3 CHAIRPERSON WHITE: Can we get a  
4 second?

5 COMMISSIONER VITOLO: I'll  
6 second.

7 CHAIRPERSON WHITE: Roll call.  
8 (Whereupon, roll call was taken  
9 with Commissioner White, Commissioner Vitolo,  
10 Commissioner Holman and Commissioner Sally voting  
11 in favor.)

12 CHAIRPERSON WHITE: Gentlemen,  
13 thank you for your time.

14 Do I want to finish the  
15 resolutions?

16 MR. MANFREDI: It's your choice,  
17 Madam Chair. Might be easier to go back to the  
18 meeting, just given what we have before us.

19 CHAIRPERSON WHITE: Let's go to  
20 approval of minutes. Can we move them?

21 COMMISSIONER SALLY: I'll move  
22 it.

23 CHAIRPERSON WHITE: Can we get a  
24 second?

25 COMMISSIONER HOLMAN: Second.

1 CHAIRPERSON WHITE: Roll call.

2 (Whereupon, roll call was taken  
3 with Commissioner White, Commissioner Holman and  
4 Commissioner Sally voting in favor.)

5 COMMISSIONER VITOLO: You know,  
6 normally when I don't attend a meeting I can't  
7 vote on the minutes because I wasn't there, so I  
8 don't know what happened, so -- but we can't pass  
9 the minutes, we need four?

10 MR. MANFREDI: We need four votes.

11 COMMISSIONER VITOLO: I'm going to  
12 abstain and approve the minutes at the next  
13 meeting.

14 CHAIRPERSON WHITE: I understand.

15 CHAIRPERSON WHITE: We will move  
16 on to the executive report.

17 MS. GROSS: For public housing  
18 currently there are 14 vacancies project-wide,  
19 four units were scheduled for August move-in.  
20 The housing department continues to work  
21 diligently to try to fill all units. For the  
22 housing choice voucher program we are currently  
23 at a 97 percent utilization rate for the voucher  
24 program, and there were no new vouchers issued in  
25 the past month. For maintenance there was a

1 total of 240 work orders for the month of June.  
2 All were completed well within the guidelines.  
3 There was no modernization or finance meeting.

4 CHAIRPERSON WHITE: Any  
5 questions?

6 Were there any committee  
7 meetings?

8 MS. GROSS: No.

9 CHAIRPERSON WHITE: Senior  
10 advisory board, buildings and grounds, personnel  
11 or finance. None.

12 COMMISSIONER HOLMAN: None.

13 CHAIRPERSON WHITE: Old business.

14 COMMISSIONER VITOLO: Chairwoman,  
15 can I ask for an update from the -- we formed a  
16 committee for the search, right, for the new  
17 executive director?

18 CHAIRPERSON WHITE: Yes, I was  
19 going to ask that myself. That would be under  
20 old business.

21 MR. MANFREDI: We're going to  
22 adjourn into closed session on various personnel  
23 items this evening, so I can give an update to  
24 the full board.

25 COMMISSIONER VITOLO: Okay. That's

1 fine.

2 CHAIRPERSON WHITE: That would  
3 fall under old business. We know we're going  
4 into closed session on that.

5 Schedule of bills. Can we move  
6 it?

7 COMMISSIONER VITOLO: Can you wait  
8 one second, please? I have one or two questions  
9 on this. I just wanted to confirm, we have a  
10 charge on here from Joe P. Clark Associates of  
11 \$1900. Right?

12 CHAIRPERSON WHITE: Why is that?

13 COMMISSIONER VITOLO: I wanted to  
14 know what he does.

15 CHAIRPERSON WHITE: I do too.

16 MS. WASHINGTON: He's the capital  
17 fund coordinator.

18 COMMISSIONER VITOLO: That doesn't  
19 mean -- no offense, I don't know what that  
20 means. But can you explain it?

21 MS. WASHINGTON: He does prepare  
22 like the -- I'm going to send him the close-out  
23 for the 2012. He'll prepare that so I can submit  
24 it to HUD. Also he prepared the information, the  
25 annual statement, and the five-year plan. He

1 does that too.

2 COMMISSIONER VITOLO: Does he keep  
3 a time record? For example, when he submits a  
4 monthly invoice does he say, I worked six hours  
5 or I worked five hours?

6 MS. WASHINGTON: No.

7 CHAIRPERSON WHITE: Is it like a  
8 salary?

9 MS. WASHINGTON: He makes \$1900 a  
10 month.

11 COMMISSIONER VITOLO: He gets this  
12 money no matter what he does or doesn't do. It's  
13 a stipend?

14 MS. WASHINGTON: It's in his  
15 contract.

16 CHAIRPERSON WHITE: It's a  
17 salary.

18 COMMISSIONER SALLY: On that  
19 generally, for Joe Clark, generally that's under  
20 a contract that's been approved by the board in  
21 advance for the year, or a two-year. I'm just  
22 throwing that out to you.

23 MS. WASHINGTON: Yes, for two  
24 years. I think it was in September or October.

25 CHAIRPERSON WHITE: So we voted on

1 it two years ago?

2 MS. WASHINGTON: No, last year, I  
3 think it was October.

4 MS. GROSS: October.

5 MS. WASHINGTON: For a two-year  
6 contract.

7 COMMISSIONER VITOLO: And just on  
8 legal bills, Joe's doing a great job, I think  
9 we'd all agree, but where does that \$28,000 come  
10 in with what we do normally per month? Is that  
11 around what we're doing? You can tell us.

12 MS. WASHINGTON: It's a little  
13 higher.

14 MR. MANFREDI: It's higher.

15 COMMISSIONER VITOLO: I'm not  
16 saying there's anything wrong with it. Just a  
17 little higher. Okay. That's all I got.

18 CHAIRPERSON WHITE: So schedule of  
19 bills, we are not going to -- did we move that?  
20 We were open to discussion. Can we move it?

21 COMMISSIONER SALLY: I'll move  
22 it.

23 CHAIRPERSON WHITE: Can we get a  
24 second?

25 COMMISSIONER HOLMAN: I'll

1 second.

2 CHAIRPERSON WHITE: Roll call.

3 (Whereupon, roll call was taken  
4 with Commissioner White, Commissioner Holman and  
5 Commissioner Sally voting in favor.)

6 COMMISSIONER VITOLO: I'm going to  
7 say yes, but I would like to revisit Joe Clark's  
8 monthly, but subject to that I will vote for it.

9 CHAIRPERSON WHITE: Moving on to  
10 resolutions, resolution 2014-07, a resolution  
11 approving disbursement of family self-sufficiency  
12 escrow funds to Sharone MacMillan in the amount  
13 of \$5,909. Anybody want any discussion on this  
14 one? Does everybody understand what --

15 COMMISSIONER VITOLO: I don't know  
16 what that is.

17 CHAIRPERSON WHITE: I'm going to  
18 let Marion explain it, even though I was part of  
19 it, so I do know what it means, but she can  
20 probably elaborate a little better.

21 COMMISSIONER SALLY: It's a  
22 program set up by HUD. When a family is on the  
23 HAP program for family self-sufficiency and  
24 voucher, they enter into a five-year contract  
25 with the Morristown Housing Authority, whereas

1 there are certain things they must accomplish in  
2 that five-year period, whether it's going back to  
3 school to get their education, or --

4 CHAIRPERSON WHITE: Buy a house.

5 COMMISSIONER SALLY: Well, they  
6 can't buy a house right in the beginning. But  
7 what happens is, they set up a five-year  
8 contract, they agree to get credit counseling, go  
9 to school, do everything they can that's going to  
10 make them more self-sufficient in the long run.  
11 And what happens is once that contract has been  
12 signed, every year that person's rent increases.  
13 So let's say if it increases \$25 a month, that  
14 money goes into a fund in that person's name and  
15 the Morristown Housing Authority's name, so over  
16 the next five years, whatever their rent increase  
17 may be, the difference goes into an account for  
18 that person. At the end of the five years, if  
19 they have completed everything they agreed to do,  
20 they receive a check and a celebration, you  
21 know. The Morris County Housing Authority does  
22 the same thing. If at the end of five years they  
23 have not fulfilled their contract, the money goes  
24 to the housing authority. So when I see this, I  
25 get really excited and I feel really good for

1 this family. Because that means that they've got  
2 their GED, they might have gotten some kind of  
3 nursing certification, they might have even have  
4 acquired a college degree. But the bottom line  
5 is, years ago they would sometimes get up to  
6 \$20,000, and can use it as a down payment on a  
7 home. That's where all the credit counseling  
8 comes in. This is an excellent program.

9 CHAIRPERSON WHITE: And I want to  
10 say, if I read right about Sharone McMillan,  
11 didn't she receive her master's? This woman did  
12 an excellent job. She really went for it. She  
13 got her master's. I can remember one of the  
14 reasons this was set up was because people were  
15 saying, the residents were saying we always have  
16 to pay 30 percent of our rent so we can never get  
17 ahead. So HUD looked at that. Some people went  
18 through this program to get out of here. They  
19 wanted a way out. But when you always have to  
20 pay 30 percent, and every time you get a dollar,  
21 you had to give 30 cents to the housing  
22 authority, they couldn't get anywhere. So they  
23 set this up as a safety net, and as a purpose or  
24 to help them to get out of public housing, to do  
25 some things that would help them grow. So it is

1 an excellent program, and I'm extremely proud of  
2 this young lady. She has accomplished a lot.

3 COMMISSIONER VITOLO: Can I ask a  
4 question? It says due to an error the funds were  
5 not credited to her account. When was she  
6 supposed to get the money?

7 MS. WASHINGTON: She's supposed to  
8 get it now, but what happened was back in 2009,  
9 the escrow account was not set up. So that's  
10 what transpired.

11 CHAIRPERSON WHITE: It wasn't set  
12 up properly.

13 MR. MANFREDI: So it takes a  
14 resolution of the board to release it now.

15 COMMISSIONER VITOLO: Was money  
16 going into the escrow?

17 MS. WASHINGTON: No.

18 COMMISSIONER VITOLO: So there is  
19 no escrow.

20 MS. WASHINGTON: No. But they did  
21 calculate what should have occurred, but did not  
22 occur. And he gave that information to the  
23 lawyer to do the resolution. And that's the  
24 amount that is due to that tenant.

25 COMMISSIONER VITOLO: But the

1 money didn't come from putting aside the  
2 increases in rent.

3 CHAIRPERSON WHITE: But it was  
4 supposed to.

5 COMMISSIONER VITOLO: I completely  
6 understand that. So where is the money coming  
7 from?

8 MS. WASHINGTON: It's going to  
9 come -- right now it's going to be paid out of  
10 the general fund and charged to Section Eight.  
11 Hopefully they'll pay it back, or they will have  
12 to pay it back to public housing.

13 COMMISSIONER VITOLO: But the  
14 money putting aside, that was the federal  
15 government putting the money aside or us putting  
16 the money aside?

17 MS. WASHINGTON: That was the  
18 housing authority, like Marion explained.

19 COMMISSIONER VITOLO: So we were  
20 supposed to put the 25, whatever the increase, in  
21 an account somewhere, and then we would give it  
22 to the recipient at the end.

23 MS. WASHINGTON: Yes.

24 COMMISSIONER VITOLO: I'm just  
25 trying to figure out who blew it. If it wasn't

1 us, I think someone else should pay. If we were  
2 supposed to do it and didn't, we should pay.

3 MS. WASHINGTON: Well, it occurred  
4 in 2009, the account was not set up.

5 COMMISSIONER VITOLO: How many  
6 people are in this program?

7 MS. WASHINGTON: I think it's  
8 about 18 now. 17, 18.

9 COMMISSIONER SALLY: We have that  
10 money, Morristown?

11 MS. WASHINGTON: I would have to  
12 look at the statement. Because one of those  
13 tenants, I think McMillan, she transferred from  
14 Morris County, but the account was not set up  
15 with Morris County, it wasn't set up in  
16 Morristown either.

17 COMMISSIONER VITOLO: What about  
18 the other 17 people, do we have escrows set up  
19 for them?

20 MS. WASHINGTON: Yes. We have  
21 statements for all the escrow accounts.

22 COMMISSIONER VITOLO: So all the  
23 other escrows are fine, just this one.

24 MS. WASHINGTON: There was two.

25 COMMISSIONER VITOLO: How much do

1 we owe on the other one?

2 MS. WASHINGTON: It's on the  
3 resolution.

4 CHAIRPERSON WHITE: Was this one  
5 not set up either?

6 MS. WASHINGTON: Neither one of  
7 them.

8 COMMISSIONER VITOLO: Who reviewed  
9 like the paperwork for this to make sure that Ms.  
10 McMillan met all the requirements?

11 MS. WASHINGTON: Well, Doug set up  
12 the escrows in the amounts that should have been  
13 deposited in their account, and when --

14 COMMISSIONER VITOLO: I'm all for  
15 supporting this program, it sounds like a great  
16 program, but I want to make sure before we spend  
17 six grand someone looked to see if this woman met  
18 all the requirements. That's all.

19 COMMISSIONER SALLY: Mr. Priester,  
20 Douglas Priester, runs this program, and he's  
21 been running this program. He runs our voucher  
22 program. But he runs this program. And I don't  
23 know what's going on now, I know three years ago  
24 we worked in conjunction with NORWESCAP, we had  
25 the lady come out, and she would make sure,

1 social worker, that they were getting into the  
2 proper bank programs, things of that nature. We  
3 were also working in concert with Madison Housing  
4 Authority, and with the county housing  
5 authority. And usually when there's a graduation  
6 and they get these checks, there's a celebration,  
7 cake and coffee and that kind of stuff.

8 MS. GROSS: The celebration they  
9 had, Doug did go there.

10 CHAIRPERSON WHITE: NORWESCAP is  
11 still administering this program.

12 MS. WASHINGTON: That's where the  
13 the letter came from that they graduated.

14 COMMISSIONER VITOLO: Do we sign a  
15 contract with these people in the program?

16 CHAIRPERSON WHITE: Yes.

17 COMMISSIONER VITOLO: So we're  
18 obligated to make good on what we promised.

19 MR. MANFREDI: Doug certified the  
20 amounts as being correctly due based on the  
21 calculations to 2009. We did verify that,  
22 commissioner.

23 COMMISSIONER VITOLO: So she paid  
24 the increases in rent?

25 CHAIRPERSON WHITE: She paid the

1 increases. Sounds like to -- and, you know, she  
2 paid them but she wasn't given the credit for  
3 them. It sounds like Doug took them in her rent  
4 but it wasn't put aside. Sounds like they didn't  
5 put the increase --

6 MS. WASHINGTON: The escrow  
7 account was not set up. So those monthly  
8 payments, or whatever the payments were to be  
9 made, they weren't made.

10 COMMISSIONER VITOLO: We received  
11 the payments, they just weren't segregated to an  
12 escrow account.

13 MR. MANFREDI: Weren't placed in  
14 an escrow account.

15 COMMISSIONER VITOLO: Okay.

16 MR. MANFREDI: That's why it  
17 requires a resolution of the board to release  
18 it.

19 COMMISSIONER VITOLO: I want to  
20 make sure we know the universe of what we have,  
21 and if there's one other, I want to know how much  
22 we're on the hook for. It's only one other  
23 person.

24 MS. WASHINGTON: You have the two  
25 resolutions.

1                   COMMISSIONER VITOLO: And that's  
2 it. Okay. Great.

3                   CHAIRPERSON WHITE: Can we move  
4 this resolution, or have we moved it?

5                   COMMISSIONER HOLMAN: I move it.

6                   CHAIRPERSON WHITE: Can we get a  
7 second?

8                   COMMISSIONER SALLY: I'll second  
9 it.

10                  CHAIRPERSON WHITE: Roll call.  
11                  (Whereupon, roll call was taken  
12 with Commissioner White, Commissioner Vitolo,  
13 Commissioner Holman and Commissioner Sally voting  
14 in favor.)

15                  CHAIRPERSON WHITE: Resolution  
16 2014-08, a resolution approving disbursement of  
17 family self-sufficiency escrow funds to Shirley  
18 Furlow in the amount of \$3,061. Any questions?  
19 Can we move it?

20                  COMMISSIONER HOLMAN: I'll move  
21 it. Isn't it the same as --

22                  CHAIRPERSON WHITE: These are two  
23 different people, same situation.

24                  COMMISSIONER HOLMAN: I move it.

25                  COMMISSIONER SALLY: I'll second.

1 CHAIRPERSON WHITE: Roll call.  
2 (Whereupon, roll call was taken  
3 with Commissioner White, Commissioner Vitolo,  
4 Commissioner Holman and Commissioner Sally voting  
5 in favor.)

6 CHAIRPERSON WHITE: Resolution  
7 2014-10, a resolution approving and authorizing  
8 the amendment of the housing authority's 2013  
9 budget to allow merit-based raises and a raise  
10 for the acting executive director.

11 MS. WASHINGTON: It should be  
12 2014.

13 CHAIRPERSON WHITE: It says --  
14 it's 2013 budget. To allow merit raises and a  
15 raise for the acting executive director. Is that  
16 how it should read?

17 MS. WASHINGTON: The fiscal year  
18 beginning September 1st, 2013.

19 COMMISSIONER SALLY: It's an  
20 amendment.

21 CHAIRPERSON WHITE: This is open  
22 for discussion. Are we going into closed session  
23 on this one?

24 MR. MANFREDI: Yes, Madam Chair.  
25 If there's questions on this because it relates

1 to personnel matters, we should adjourn to closed  
2 session.

3 CHAIRPERSON WHITE: So 2014-11,  
4 I'll put it out, but that would also go into  
5 closed session.

6 MR. MANFREDI: Yes, Madam Chair,  
7 both.

8 CHAIRPERSON WHITE: 2014-11, a  
9 resolution approving and authorizing merit-based  
10 raises and a raise for the acting executive  
11 director.

12 And we will go down to 2014-13, a  
13 resolution approving and authorizing a raise for  
14 the housing authority senior mechanic. And these  
15 will all be in closed session.

16 I want to get to new business  
17 before we go into closed session. Do we have any  
18 new business we want to address?

19 I want to get to the second  
20 public comment portion. Is there anybody else?  
21 I saw some people in the audience. They look  
22 like they left.

23 The mayor's not here. We do have  
24 our councilwoman here. Do you have any comments  
25 or any questions you'd like to ask?

1                   COUNCIL LIAISON DEEB: Just at the  
2 last couple of meetings I attended you were  
3 reviewing and deliberating the bid package to  
4 make improvements to three of your facilities, so  
5 I wondered what the status of that was, if that  
6 was approved, or is that going to be starting.

7                   CHAIRPERSON WHITE: It was not  
8 approved as of yet. I don't know if we can get  
9 into the details explaining that to her, but --

10                  MR. MANFREDI: You can.

11                  CHAIRPERSON WHITE: Because I  
12 don't know, to me I would tell you everything,  
13 but we're so restricted. We're not going to go  
14 forward with it for reasons that I can't explain  
15 here. But I'm sure that in the future -- will we  
16 be posting it? I guess it's going to be public  
17 information.

18                  MR. MANFREDI: I can explain,  
19 Madam Chair. The non-profit corporation Proceed  
20 who works in Union County, and they administer  
21 something called the New Jersey State  
22 Weatherization Grant, they had proposed using  
23 some funds that they secured from the state to  
24 replace boilers and windows at Ann Street. But  
25 when we worked with them we found that

1 unfortunately they utilized an engineer who is  
2 retired and had no insurance. And therefore the  
3 agency was not comfortable proceeding under those  
4 circumstances. There also were some other  
5 irregularities unfortunately that Proceed engaged  
6 in with the state, so the board opted not to  
7 proceed.

8 COUNCIL LIAISON DEEB: Thank you.

9 CHAIRPERSON WHITE: Any more  
10 questions or anything you want to announce to  
11 us?

12 So we are going to move -- I make  
13 a motion that we -- not a motion. Can we get it  
14 on the table that we go into closed session? I  
15 make a motion that we go into closed session.  
16 Can we move it?

17 COMMISSIONER SALLY: I'll move it.

18 CHAIRPERSON WHITE: Can we get a  
19 second?

20 COMMISSIONER HOLMAN: Second.

21 CHAIRPERSON WHITE: Roll call.

22 (Whereupon, roll call is taken  
23 and Commissioner White, Commissioner Vitolo,  
24 Commissioner Holman, and Commissioner Sally vote  
25 in favor.)

1 (Whereupon, closed session is  
2 held.)

3 CHAIRPERSON WHITE: Now that we're  
4 back into open session, I'm going to read again  
5 resolution 2014-10, a resolution approving and  
6 authorizing the amendment of the housing  
7 authority's 2013 budget to allow merit-based  
8 raises and a raise for the acting executive -- I  
9 can't do the acting executive director.

10 MR. MANFREDI: No, Madam Chair,  
11 that would have to be amended to stop at the word  
12 allow for merit-based raises.

13 CHAIRPERSON WHITE: Resolution  
14 2014-10, a resolution approving and authorizing  
15 the ammendment of the housing authority's 2013  
16 budget to allow merit-based raises. Can we get  
17 it moved?

18 COMMISSIONER HOLMAN: I'll move  
19 it.

20 COMMISSIONER VITOLO: Hold on.  
21 The amount is blank in here.

22 MR. MANFREDI: The amount is the  
23 amount that Ms. Gross indicated per employee,  
24 because that was the discretion of the board this  
25 evening as to whether or not to approve them.

1 CHAIRPERSON WHITE: What is that,  
2 for \$2,000 --

3 COMMISSIONER HOLMAN: Came to  
4 \$27,000.

5 COMMISSIONER VITOLO: I just  
6 pulled those numbers out of what you all were  
7 saying. Is that it, Lee?

8 MS. GROSS: That's it.

9 CHAIRPERSON WHITE: Should I say  
10 \$27,000, or I should I go for \$2,000 for 11  
11 employees and \$500 for the other two?

12 MS. GROSS: Yes.

13 CHAIRPERSON WHITE: How do we want  
14 to read it?

15 MR. MANFREDI: The actual  
16 resolution amending the budget we should have a  
17 firm number in that, since it's a budget change.

18 MS. GROSS: That would be 12  
19 employees -- I told him 14 originally.

20 COMMISSIONER SALLY: Which would  
21 be inclusive of you and Mr. Pounder.

22 MS. GROSS: It would be 12.

23 MR. MANFREDI: Times two.

24 COMMISSIONER VITOLO: \$24,000.

25 MS. GROSS: You're taking me and

1 Pounder out. 12 employees. Two are just going  
2 to get the \$500 each.

3 COMMISSIONER VITOLO: Ten  
4 employees at \$2,000, \$20,000, plus two getting  
5 \$500, so \$21,000.

6 CHAIRPERSON WHITE: \$21,000.  
7 We're going to read this again. Resolution  
8 2014-10, a resolution approving and authorizing  
9 the amendment of the housing authority's 2013  
10 budget to allow merit-based raises of \$21,000.

11 MR. MANFREDI: That's correct.

12 CHAIRPERSON WHITE: Can we move  
13 it?

14 COMMISSIONER HOLMAN: I'll move  
15 that.

16 COMMISSIONER SALLY: I'll second  
17 that.

18 CHAIRPERSON WHITE: Roll call.  
19 (Whereupon, roll call was taken  
20 with Commissioner White, Commissioner Holman and  
21 Commissioner Sally voting in favor.)

22 COMMISSIONER VITOLO: Yes. But we  
23 also -- Joe, just so you know, we have to amend  
24 some of the wording of this resolution, because  
25 it also says for acting director.

1 CHAIRPERSON WHITE: But we  
2 stopped.

3 COMMISSIONER VITOLO: But in the  
4 body itself, we got to make sure it doesn't have  
5 those provisions in there. Subject to the  
6 deletion of acting executive director in here,  
7 yes.

8 CHAIRPERSON WHITE: I guess we  
9 move for adjournment at this point. That's it.  
10 So meeting adjourned. Are we going to vote on  
11 it?

12 MR. MANFREDI: All in favor?

13 (All in favor.)

14 (Meeting was adjourned.)

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C E R T I F I C A T E

I, BETH A. BENSON, LICENSE NO. XI01373, a Notary Public and Certified Shorthand Reporter of the State of New Jersey, do hereby certify that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth, to the best of my ability.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

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BETH A. BENSON  
Notary Public of the  
State of New Jersey

My Commission Expires May 7, 2017  
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