

Vice-Chair Piccolo: Do you know if there's any shortfall in our coverage with Ace?

Executive Director Rogers: No, not at all.

MOTION TO APPOINT WILLIS OF NEW JERSEY AS INSURANCE BROKER

Vice-Chair Piccolo made a motion to follow the Executive Director's recommendation to appoint Willis of New Jersey as the insurance broker using Ace as the Public Officials carrier for the Gloucester Township Housing Authority. Commissioner Washington seconded the motion.

A roll call was taken:

COMMISSIONER MATTHEWS	YES
VICE-CHAIR PICCOLO	YES
COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

Board Chair Carlamere: As to the Auditor Bowman and Company, they have for the Housing Authority, they have a not to exceed of ninety-five-hundred dollars. As long as that not to exceed is enforced.

Executive Director Rogers: Again with the Housing Authority the total income for two-thousand-thirteen I think is going to be approximately forty-three-thousand dollars.

They'll be some developing fees coming in, but as far as operating income, so I'm not even sure that we can warrant the ninety-five-hundred dollars, but that's up to the Board.

Board Chair Carlamere: So this isn't for both...we still have to have the audit though. The Authority still has to be audited. So you're thinking that that ninety-five is going to be high as well?

Executive Director Rogers: I think we'll get charged ninety-five-hundred dollars. I don't know if we'll get the value from it. Cause we don't have that much activity in the Housing Authority any longer.

Board Chair Carlamere: And then the bill from this year is higher because we are coming off of Franklin Square. Is that correct?

Executive Director Rogers: Right. The bill this year covers twelve-months of being with Franklin Square. Being oversight at Franklin Square.

Board Chair Carlamere: Okay so this year, we're going to be out of Franklin Square.

Executive Director Rogers: Right. January the first.

Theresa Colaizzo: May I please make a comment? In the year two-thousand-eleven the year of the same audit. There is a scope limitation, the files have been taken, so that's the big chunk of that audit. When Gloucester Township Housing Authority is audited you take away Franklin Square, you're reviewing bank reconciliations, the allocations of salary and benefits that are taken to the L.P. You're looking at litigation and accrued expenses. It's really not hard to audit. Bowman's a terrific firm. I've attended their continued education courses. They're renowned, they're terrific, but in terms of man hours, and of course looking at the hours that you just noted for the current year which isn't completed, it might be excessive. And in two-thousand-eleven there were no Franklin Square payments.

Executive Director Rogers: Two-thousand-twelve.

Theresa Colaizzo: Right. Exactly.

Executive Director Rogers: In two-thousand-eleven there was probably about one-million-nine-hundred-thousand dollars worth of payments.

Vice-Chair Piccolo: I don't know. I think we're kind of in a bind because I'm not prepared to sit here and advocate the audit service.

Board Chair Carlamere: I guess we don't have to accept the not to exceed of ninety-five. We can lower that...

Vice-Chair Piccolo: Do you want to table that appointment based on this was what came back after an RFP...

Theresa Colaizzo: Can I just say one more thing? All the work that is submitted to the auditor, all the work that I do, or all the work that whoever replaces me will do; they provide the work papers. All the accounting work, all the adjustments pretty much are done. You're looking at fulfilling policies and procedures necessary to provide that opinion. It's not like you're coming in and correcting...

Vice-Chair Piccolo: I appreciate that, but the need for that third party certification is there.

Theresa Colaizzo: Absolutely.

Vice-Chair Piccolo: I certainly appreciate that that may not be an agreeable figure based on the amount of work that it involves, but I don't know what's the proper course of

action. I don't think that we can just shed that responsibility from what we're providing. Would it be appropriate to table that and try to renegotiate it? Would it be appropriate to go out and advertise again, I don't know.

Board Chair Carlamere: Or give a lower not to exceed cap.

Amy Shotmeyer: Sure.

Vice-Chair Piccolo: I certainly want to find ways to try to reduce the amount of money that's...

Commissioner Washington: How many times a year are they audited?

Board Chair Carlamere: Once.

Commissioner Washington: Once a year and this is like nine-hours worth of work for one CPA.

Board Chair Carlamere: What are we looking at as a realistic price on that? Is five-thousand realistic? Or is seven-thousand realistic? Ninety-five-hundred seems a little high to me, especially based upon the conversations. So not to exceed six-thousand dollars? I know I keep throwing numbers out...

Commissioner Washington: What was it this past year?

Executive Director Rogers: Fourteen-thousand-five-hundred.

Vice-Chair Piccolo: Can we make up a number and approve it?

Board Chair Carlamere: Yes. We can.

Commissioner Washington: Let's lower it....especially if Franklin Square is going to be out of the mix.

Board Chair Carlamere: And as Roy indicated, our income for the Authority is only going to be fiftyish. Do you think five-thousand is a realistic figure?

Executive Director Rogers: I think Stan had a good idea.

Vice-Chair Piccolo: What approve it at five-thousand contingent upon them accepting....

Commissioner Washington: Let them....I mean that's four-hours a month at a decent hourly rate.

Vice-Chair Piccolo: Beyond that it would require the approval of the Board of Commissioners. I'm comfortable with that.

MOTION TO APPROVE BOWMAN AS AUDITOR

Commissioner Washington made a motion to approve Bowman as the Auditor for the Gloucester Township Housing Authority with a reduced fee of ‘not to exceed’ five-thousand dollars. Commissioner Matthews seconded the motion.

A roll call was taken:

COMMISSIONER MATTHEWS	YES
VICE-CHAIR PICCOLO	YES
COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

Executive Director Rogers: Are we going to address the accounting post tonight.

Board Chair Carlamere: We are going to...

Vice-Chair Piccolo: Yes I think we should. I was actually absolutely surprised. I don’t know what was discussed at the Council Meeting. Perhaps you could enlighten me because I don’t attend Council Meetings, I’m sorry.

Theresa Colaizzo: Okay, my understanding is that Chair Carlamere and the Business Administrator, am I correct? I don’t know the gentleman, mentioned the twenty-five-thousand dollars this year for my fees. And that the Township, Gloucester Township, would they be interested in a shared service agreement for ten-thousand dollars.

Board Chair Carlamere: What actually took place, I wasn’t at that meeting, but I do have first hand knowledge as to what took place at the meeting. You were approached by the Business Administrator, because shared services are what is coming down from the state. Everyone is looking for a way to share costs effectively. What was presented to me as a Chairperson is, would we be interested in looking into cutting costs and sharing the service of the CFO. The CFO who is the Chief Financial Officer for Gloucester Township, her name is Christy Ehret, would take over the fee accounting position.

Vice-Chair Piccolo: Her job title there is?

Board Chair Carlamere: CFO. Chief Financial Officer. And for a period of at least twelve-months, if we decided to further that or extend that twelve-months, that would be an automatic extension. But the Township offered as an area for us to try to cut back on some of our costs.

Vice-Chair Piccolo: Well I can tell you that nobody has ever had any critical words of our Fee Accountant since I’ve been serving on this Board.

Executive Director Rogers: One more point I'd like to add, another thing that concerns me about a shared service agreement is, at our March 16, 2011 meeting the President of the Township Council, Glen Bianchini stated that we would be reimbursed for our maintenance inspection program that we invested approximately twenty-thousand dollars in. At the December 14, 2011 meeting Councilman Dan Hutchinson stated that if it were up to him, that he would not vote in favor of reimbursing us. And that was a shared services agreement that we put money out for. That money, just that money alone equates to like a four-percent increase in rents for the residents. If we don't recover, we're going to either increase rents or somehow we'll have to get it recovered. So I'm just, I'm not going to beg, but I'm just informing the Board of Commissioners, I think everything about this at this point in time is somewhat negative. I think we've got a good relationship with our investor. A good relationship with our Auditor, we haven't had any major findings and I think Chair Carlamere can recall maybe about five or six years ago we got a real bad audit report. We made corrections and we haven't ever gone back there again. I've done everything I can. My staff has done everything they can to get glowing reports. There's a lot of work there. Quite frankly, if I had to I can give you input for budgets, but I can't do a budget report. I mean they come, they're very complicated. Even the ones for the Housing Authority with forty-three-thousand dollars worth of income is very, very complicated. I'm not sure that people that have never, I would just about challenge, I think that we would be the only Housing Authority in the State of New Jersey that has a non-Housing Authority trained accounting function, if we switch. I mean there's maybe four or five, they call them Fee Accountants in the whole State of New Jersey that do this work. They keep abreast of all the regulations and that's just the Housing Authority. A lot of Housing Authorities don't have tax-credit property. And this tax credit property again has been well managed and part of it is because of the advice I get from my Accountant.

Vice-Chair Piccolo: Certainly no reflection on the work of the Fee Accountant. I can't ever remember a negative comment made by any Commissioner.

Theresa Colaizzo: But to take any amount of money that is paid in a calendar year, you really would be doing accounting services. It's not like a lawsuit that when it's over it's over. There's a lot of over lap in periods of time, so to throw out a fee, the fee was

mentioned at the meeting. It's erroneous. And to say that this can be done for under ten-thousand the way it's done by me is ridiculous. I am one person, I practice myself. If you add all the benefits and the payroll taxes it's going to cost the Township to pay that individual, it's not going to end up being a ten-thousand dollar shared service agreement. It may the first year, but the second, third and fourth, if the property continues to be as well managed it'll be higher.

Vice-Chair Piccolo: I think the larger issue that we need to address, and it's alluded us for the better parts of entire years, we have operating income less than fifty-thousand dollars for the Housing Authority. And nine-thousand dollars doesn't sound like a lot, it sounds like we're trying to nickel and dime, but it represents essentially twenty-percent of our operating income for the Housing Authority. I looked at a budget at the last meeting, a projected budget that shows us running out of our reserves by the end of twenty-fourteen.

Theresa Colaizzo: But the Housing Authority is different than the L.P.

Vice-Chair Piccolo: That's right. But the Housing Authority will cease to exist if it runs out of money.

Theresa Colaizzo: Well the Housing Authority already pays that percentage, forty-five-hundred. The auditor cannot come in to this location unless an accountant takes care of things.

Vice-Chair Piccolo: I understand.

Executive Director Rogers: And also understand, and correct me if I'm wrong Theresa, but at the end of two-thousand-fourteen, there's still a sizable amount of developers fees coming into the Housing Authority.

Vice-Chair Piccolo: I can't imagine any developer working with a Housing Authority that's...

Executive Director Rogers: No I'm talking about developer fee we already earned.

Theresa Colaizzo: There's six-hundred-and-sixty-two-thousand dollars owed by the L.P. that has not been paid. The property is operating in a positive cash flow. The reason there's negatives is because of depreciation and amortization. It's because this place, as Suzanne Hausdorff wrote in her report is run like a tight ship. It doesn't happen by, because you know...we work hard here. I work hard here.

Vice-Chair Piccolo: I appreciate that.

Theresa Colaizzo: Thank you.

Commissioner Matthews: The only thing I have to say is I was also at that Council Meeting and I also live in Gloucester Township and I have been able to take advantage as a resident on many shared services programs. I can appreciate all the things that go on as a new member. It's the first time that I ever met you, so I do apologize coming on new. But it is something that I believe in and I think just like Steve had said it sounds like something very small, but it becomes very big over time.

Vice-Chair Piccolo: Yes, we're unsustainable now, I mean it's just...

Theresa Colaizzo: Right, Gloucester Township Housing Authority is unsustainable, but what I mostly do is work with the L.P. On a monthly basis those reports are needed. And let me tell you, Suzanne Hausdorff is demanding and she wants answers, but that takes money.

Vice-Chair Piccolo: I don't have any serious questions about the ability of the Township's CFO to be able to handle what is essentially a one building property. It's a seventy-four-unit property. Frankly there's other Housing Authority in the state that have shared services agreements for their Executive Director that don't amount to the fees that we pay for just a Fee Accountant for one building. I mean we're not talking about Housing Authorities that have multiple properties. It's a big line item cost for us on an annual basis and I saw this as an incredible opportunity to reduce our costs in a major way. I can't honestly sit here and not advocate exploring it.

Theresa Colaizzo: Well I would have appreciated it if someone brought that to my attention before finding it in the agenda of the Council Meeting. I mean I have worked here two-and-a-half-years. It's not personal and I'm not going to get emotional, but it would have been nice. Maybe next time if you're in this situation...

Amy Shotmeyer: We have been asked to prepare a resolution authorizing the Housing Authority Solicitor to work together with the Township Solicitor to prepare and draft a shared services agreement for CPA services. There are two resolutions. One would be on behalf of the Housing Authority and the other resolution on behalf of the L.P. Here is the resolution from the Housing Authority where it said it's authorizing the preparation and authorization of the shared services agreement and for the Chairwoman to execute

the shared services agreement once it has been prepared and the Housing Authority is comfortable.

Vice-Chair Piccolo: This is a resolution to prepare an agreement.

Amy Shotmeyer: That's correct.

Vice-Chair Piccolo: Alright.

MOTION TO APPROVE RESOLUTION TO PREPARE AGREEMENT

Vice-Chair Piccolo made a motion to authorize the Housing Authority Solicitor to work with the Township Solicitor to prepare the shared services agreement for CPA Services and also authorize the Chairwoman to execute the shared services agreement once its been approved by the Housing Authority. Commissioner Matthews seconded the motion.

A roll call was taken:

COMMISSIONER MATTHEWS	YES
VICE-CHAIR PICCOLO	YES
COMMISSIONER WASHINGTON	YES
BOARD CHAIR CARLAMERE	YES

Board Chair Carlamere: Any Committee reports? I don't have anything. What I do want to bring up is at the reorganization will be setting our new committees because we have different Commissioners. So when we get a chance we can have a conversation as to who would like to be on what committee.

PUBLIC PORTION

Board Chair Carlamere: Anyone wishing to speak from the public?

Dottie, Apt.-310: I really enjoyed watching this. You solved problems big and major today. Ours is a little problem and you know it. My questions are: Are we asking the wrong people? Maybe you don't make this decision as to whether or not we have a range. Was it the Fire Marshal? Is it his decision? Should we have him come and tell us why?

Board Chair Carlamere: I actually have a report. In the next meeting, it's under the L.P. issue if that's okay? Because we have another meeting after this and it's actually an L.P. issue, or doesn't it matter?

Amy Shotmeyer: You can answer.

Board Chair Carlamere: It doesn't matter? I'll answer your question now. I've had conversations with...we're dealing with the code inspector, the code official rather and the code official for the Fire Marshal. What we're being told is, the engineer is telling us that we would normally have to have what's called commercial cooking appliance, for the range. Or ask to do is, to go before and ask for a variance to allow for a different type of range. So now we're stuck in a position where we have to have the...everyone wants to sit down at the table, have a conversation, have the plans drawn up because we already have the hood and we have the ansul system which is the fire protection, correct Roy?

Executive Director Rogers: Yes.

Board Chair Carlamere: It's fire protection, so we're at a point right now where we need to wait for the engineer, or sit with the code official and with Mr. Rogers, myself and anyone else that wants to sit down so we can figure out exactly what we have to do.

Because we don't want to ask our engineer to draw up plans when they might be rejected.

Dottie, Apt.-310: That is what I thought. I know that when you build something, aren't steps followed? Somebody comes in and inspects this and says that's okay, now you can go further. So when they put the range in and they installed everything, didn't the Fire Marshal realize then, or say well why are you doing it this way, this isn't right.

Board Chair Carlamere: From my understanding, and Roy correct me if I'm wrong, it possibly....

Dottie, Apt.-310: And I don't know anything, I'm, you know...

Board Chair Carlamere: From my understanding the reason we didn't go forward at the beginning is because the stove had to be vented up, with a railing around. And a ladder on the side of the building, which is extremely expensive. So my understanding is we elected not to do that because of the cost involved. We wanted to try to go a different avenue because it's only a thirty-inch stove.

Dottie, Apt.-310: That is my next question. We have gas ranges in our apartments. To me they're more hazardous than an electric range.

Board Chair Carlamere: Well what the Fire Marshal is saying is because there's such a big area here, they need to make sure that we're not opening up, well not we, you folks are not going to have a catering service. That you're not going to have outside people coming in preparing food. What this is going to be is what's called a warming kitchen. It's not a food preparation kitchen. Which means you're not going to bring down the roast and the celery and the potatoes and start scrubbing and cooking. That's what they want to make sure...

Dottie, Apt.-310: Well that's what we thought we were going to do.

Vice-Chair Piccolo: Don't say that.

Dottie, Apt.-310: No I didn't really mean it.

Vice-Chair Piccolo: Let's install a warming oven.

Board Chair Carlamere: So that's where we are right now and unfortunately between the holidays coming up and trying to nail people down, we leave messages and they call you back and it's just, you're trying to nail this down because it's been going on for quite some time and I know you want your kitchen.

Vice-Chair Piccolo: I think we already voted that the Executive Director can spend up to a thousand dollars for a permit application by the engineer, if we could get that...if you could sit at the table with the code official and prepare those permits and charge us a thousand dollars, he doesn't even have to come back and ask permission. You could just go ahead and do that.

Board Chair Carlamere: Mr. Shepard wants to see plans.

Vice-Chair Piccolo: Okay. The engineer can draft the plans.

Board Chair Carlamere: What he wanted to do is rather than draft and redraft, have a conversation.

Vice-Chair Piccolo: Have a conversation first, draw up the plans and assuming that the engineer's fee doesn't exceed one-thousand dollars, the Executive Director can move on that as soon as that meeting happens.

Dottie, Apt.-310: Okay. Thank you very much.

Board Chair Carlamere: You're welcome.

Yvonne Schultes: I have just a question. I don't want to rehash anything, but as far as the shared services agreement, I just kind of have a question on how they work. So if the

Township wants to propose to have a shared service agreement with the Housing Authority and they bring it up at their Council Meeting or Workshop Meeting or whatever it was called, and it's already decided, at what point do we, is it proposed to you guys? At what point do you guys vote on it for it to be actually approved?

Board Chair Carlamere: Right now this is up for...it's in discussion. The Council can discuss whatever they want at a workshop and that was proposed to us. Tonight we discussed what our thoughts were and then we had our Solicitor prepare a resolution so we can go forward.

Yvonne Schultes: I guess I'm just confused because everything seemed to already be ready. So like at what point was it proposed to the Housing Authority about the contract? Like were you guys informed at that meeting, at the Township Meeting?

Board Chair Carlamere: It's a public meeting, yes.

Yvonne Schultes: Well I mean was it formally...

Board Chair Carlamere: It was discussed at a public meeting.

Yvonne Schultes: At the public meeting? Okay. So you guys vote on that?

Board Chair Carlamere: We just did.

Yvonne Schultes: So you just did, okay. I just didn't know how it was...

Amy Shotmeyer: The resolution that was just adopted...

Yvonne Schultes: No, I mean it was already prepared is what I'm saying. I was just confused about how it could already be ready...

Vice-Chair Piccolo: That's the resolution to prepare.

Yvonne Schultes: Right. But that resolution was prepared already.

Vice-Chair Piccolo: Didn't you direct the Solicitor to prepare that resolution.

Yvonne Schultes: Okay. I just was confused. I just thought something like that would have needed to be voted on at a meeting.

Board Chair Carlamere: Right. Because if we didn't vote to go through with the resolution then it would have been torn up. This was in anticipation of.

Theresa Colaizzo: When the Township comes in, I mean are they coming in cold January first or are they going to have the opportunity to speak with me. How is that...

Vice-Chair Piccolo: I don't think they can come in cold. We have to draft...

Theresa Colaizzo: What's the timetable? I need to know for tax season and my planning. I mean is it up in the air at this point or...

Board Chair Carlamere: My understanding is the Business Administrator will be in contact with either myself or with Debbie or Roy to have the CFO come in and everyone have a meeting ...

Theresa Colaizzo: It's great that you're all meeting. Am I invited to that meeting?

Board Chair Carlamere: I would actually expect you, not expect you, but I would appreciate you to be there.

Theresa Colaizzo: I was hoping you would invite me because it will be a smoother transition and make her life a lot easier.

CHAIRPERSON'S REPORT

Board Chair Carlamere: I'm sorry that it's so late folks. I don't really have anything to report other than I would like to thank you all for inviting us to come to your Christmas party. The entire building looks beautiful so you are all doing a very nice job. From me to you very, Merry Christmas, Happy New Year, Happy Chanukah and hopefully I'll see you all next week.

Executive Director Rogers: We still have one more meeting.

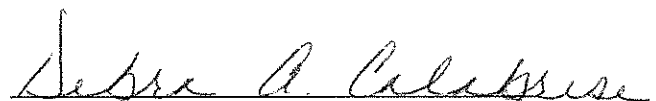
Board Chair Carlamere: Did anyone else have anything to add? I'll entertain a motion to adjourn.

ADJOURNMENT

Commissioner Washington made a Motion to Adjourn. Commissioner Matthews seconded the motion. All in favor.

The Regular Meeting of the Gloucester Township Housing Authority was adjourned at 8:55pm.

RESPECTFULLY SUBMITTED,



Debra A. Calabrese, Operations Manager
Gloucester Township Housing Authority