



**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING: January 25, 2007**

PHA Conference Room

100 Broad Street

Providence, RI 02903

CALL TO ORDER

Chairman Waldman called the meeting to order at 5:10 p.m.

ROLL CALL

The Executive Director called the roll:

Present

Paul Waldman
Barbara Fields
Dolores Cascella
Jaime Castillo
Nicholas Narducci
Hillary Silver

Absent

Raymond Murphy (Excused)
Dorothy Waters (Excused)
John Iglizzi (Excused)

Six members were present, constituting a quorum.

RESIDENTS' COMMENTS

There were no resident comments.

APPROVAL OF MINUTES (November 9, 2006)

Chairman Waldman called for approval of the November 9th meeting minutes. Commissioner Silver motioned for approval of the minutes. Commissioner Cascella seconded the motion. A vote was taken. There being no opposition, Chairman Waldman declared the minutes approved.

CHAIRMAN'S REPORT

General Remarks – Welcome New Board Members

The Chairman welcomed Councilman Nicholas Narducci to the board. He stated the Councilman Narducci serves the City in Ward 4 which includes Chad Brown, Admiral Terrace and Sunset Village developments. The Councilman has been and continues to be active in North End Wanskuck Little League as well as the Knights of Columbus. On behalf of the entire board, the Chairman welcomed Councilman Narducci to the board. Although Councilman John Iglizzi was unable to attend the meeting, Chairman Waldman welcomed him to the board. He stated that the Councilman serves the City in Ward 7 which includes the PHA's Hartford Park development. The Councilman, who is an attorney by profession, has served on the City Council for more than 10 years and is a welcome addition to the board.

Board Sub-Committees

As mentioned at the Annual Meeting last November, Chairman Waldman asked board members to contact him indicating their preference as to which sub-committee they would prefer to serve on.

Executive Director Performance Evaluation

Chairman Waldman is attempting to retrieve the Executive Director's performance evaluation forms from the previous Chairman. These may have to be re-done if Chairman Low no longer has the completed forms.

COMMITTEE REPORTS▪ Budget, Finance & Audit Committee

Commissioner Castillo reported the Finance Office of the Housing Authority is in the process of transitioning to project-based budgeting and accounting. The FY2007 Independent Public Audit is complete with the exception of Management Discussion and Analysis Report. Finance is also conducting a review of income and expenses in light of HUD's announcement that the operating subsidy pro-ration will be 76%. This change will require us to redo the budget for the current fiscal year, which is 50% complete. [See attached committee meeting notes for more detailed information.]

▪ Asset Management/Capital Improvements Committee

Marvin Carmody, Director of Facilities Management, reported that the financial energy audit phase of the Ameresco energy savings project has been completed. Director Carmody also reported on the status of projects that have recently been completed and those that are currently underway. [See attached committee meeting notes for more detailed information.]

▪ Resident Services Committee

Chairman Waldman reported for the Resident Services committee stating a \$1,000 Legislative Grant was recently submitted for Sr. Dominica Manor. The Resident Advisory Board recently approved the Annual Plan. Training on budgetary and parliamentary procedures has been scheduled in the next few months. [See attached committee meeting notes for more detailed information.]

The Executive Director reminded everyone that more detailed information is available in each Commissioner's Monthly Management Report (MMR).

RESIDENT ASSOCIATION REPORT

Maria Gianfrancesco, Special Assistant to the Executive Director, presented the Resident Association Report for the Tenant Associations. She updated board members on current activities being accomplished by each Tenant Association. [See attached meeting notes for more detailed information.]

EXECUTIVE DIRECTOR'S REPORTAnnual Report on Operations FY 2006

The FY 2006 Annual Report on Operating was distributed to board members during the meeting. This report provides a wealth of detailed information on this past year's operations, as well as trend analysis for the past 10 years. Board members are invited to review this report and contact the Executive Director with any questions. This report is available on the PHA's website.

Monthly Management Report Highlights

Monthly Management Reports were distributed and Commissioners were invited to review it in detail, forwarding any questions to the Executive Director's office. The Executive Director stated that, at the half year mark, the Housing Authority has a half million dollar surplus. We are under budget in five major categories and over in two. There are currently 3,864 applicants on the public housing pre-application wait list, and 969 on the regular wait list. Occupancy is at 98.1%. The collection rate for December was 89.6% - under goal by 3.4%, not totally unexpected during the holiday season. Unit turnaround is at 29 days. REAC inspections are underway - 50%

complete. There were 3,709 new work orders generated during the month. The Resident Services Department received three new grants. Board members are invited to review this report and contact the Executive Director with any questions.

Attention to Articles in Board Packet

Each month one or more articles related to public housing will be included in each commissioner's packet in order to provide Commissioners with information on housing issues. This month's packet includes the following:

- ◆ an article on "*Paying the Price: The cost of cutting public housing funding*" produced by NAHRO
- ◆ an article headlined "*Low-income Housing Faces Steep Cuts in Funding*" by Mike Bucsko of the Pittsburg Post-Gazzett
- ◆ an editorial from the Philadelphia Enquirer concerning the impact of budget cuts on the Philadelphia Housing Authority
- ◆ the Testimony of Saul Ramirez, Executive Director of NAHRO concerning FY2007 appropriations
- ◆ the Testimony of Sunia Zaterman, Executive Director of CLPHA commenting on the proposed FY 2007 public housing budget.

Annual Plan

The PHA's Annual Plan, required by HUD, has been completed and will be presented to the board at next month's meeting. The Resident Advisory Board has met five-six times to discuss items in the Plan and recently passed a resolution approving the Plan.

Annual Operating Budget Update

The Executive Director stated the operating subsidy pro-ration the Housing Authority will receive from HUD is at 76%, which is a budget shortfall of \$900,000. This pro-ration is retroactive to the beginning of the fiscal year. The Executive Director will be meeting with the Chief Financial Officer, working on projections and looking into more cost-saving measures. We will likely have to dip into our reserve again this year to carry us through July. He expressed serious concern about the ability to provide services to our residents at this reduced level.

NAHRO's 2007 "Awareness Campaign"

The Executive Director briefed the board on a conference call he had on Tuesday with NAHRO. They have asked him to be the State Coordinator for RI to oversee the "Awareness Campaign." In conjunction with the Public Housing Association of RI, we will conduct press conferences and a rally in a joint effort with Housing Authorities around the country to highlight the issues confronting the public housing industry nationwide. The taxpayers have invested over \$100 million dollars in capital improvements at our public housing developments over the last 15 years. If funding continues to be reduced, these developments will deteriorate and those earlier investments will be lost. Although supportive of us in the past, we need to encourage our Congressmen and Senators to get more involved.

Mutual of America (457 Deferred Compensation Plan)

Employees of the Providence Housing Authority are offered the opportunity to voluntarily participate in a 457 Deferred Compensation Retirement Plan. The Housing Authority contracts with Mutual of America to provide this benefit. Occasionally, Mutual of America requires the Housing Authority to restate their intent to continue offering this plan. A resolution is before the board asking the board to authorize the Executive Director to execute an agreement with Mutual of America to continue offering PHA employees this benefit.

Update: Project-Based Budgeting/Accounting & Management and its Impact on the PHA

Representative Barney Frank, Chairman of the House Financial Services Committee and Senator Christopher Dodd, Chairman of the Senate Committee on Banking, Housing and Urban Affairs, have sent a letter to HUD Secretary Alphonso Jackson requesting that the Secretary suspend implementation of asset-based management until their committees have an opportunity to review the impact this is going to have on public housing authorities. This program is set to go into effect on July 1st, although that may be delayed a year. The Executive Director stated he was originally in favor of asset based management but HUD is micro-managing the process excessively. If things go forward as currently planned, the Housing Authority will suffer dramatically. There will be major staff reductions with the biggest hits in Housing Management and Facilities Management. Staff losses in these two departments will strongly affect the appearance of PHA developments.

Board Training & Development

The Executive Director stated that he would like to arrange a day or a weekend in the spring to hold the Annual Board Training & Development Retreat. Kimberly Dawley will be contacting board members within the next week to ascertain availability.

Development Status:

- Williams-Woods Place – Williams Woods Place is currently all leased up. 80% of the units are currently occupied. Commissioner Silver requested statistics on where the tenants came from (i.e.: public housing developments, shelters,...). The Executive Director will provide this information.

RESOLUTION(S)

Resolution #4145:

Resolution #4145 asked the Board of Commissioners to authorize the Executive Director to execute an agreement with Mutual of America to continue providing an optional 457 Deferred Compensation Plan for the Authority's employees. Commissioner Cascella motioned for approval with Commissioner Castillo seconding the motion. After some discussion, a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

OLD BUSINESS

There was no new business to discuss.

NEW BUSINESS

There was no new business to discuss.

ADJOURNMENT

There being no further business, Chairman Waldman accepted a motion to adjourn from Commissioner Fields which was seconded by Commissioner Castillo to adjourn the meeting at 6:00 p.m.

Submitted by:

Approved by:

Kimberly Dawley
Recording Secretary

Stephen J. O'Rourke
Executive Director