

**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
SPECIAL MEETING: July 08, 2010**

PHA Conference Room 100 Broad Street Providence, RI 02903

CALL TO ORDER

Chairman Waldman called the meeting to order at 5:07 p.m.

ROLL CALL

The Executive Director called the roll:

Present Absent

Paul F. Waldman

Dolores Cascella

Dorothy Waters

JT. Taylor

Robert Clarkin

Roger Giraud

Venez Madrid

Barbara Fields Hilary Silver (Excused)

Nicholas Narducci

John Igliazzi

Eight members were present, constituting a quorum.

RESIDENTS' COMMENTS

There were no resident comments.

CHAIRMAN'S REPORT

Board Retreat

Chairman Waldman stated that the Commissioners had received a form at the last meeting to evaluate the Executive Director. He requested that they fill out and return the form as soon as possible.

EXECUTIVE DIRECTOR'S REPORT

Presentation of FY2011 Annual Operating & Section 8 Budgets

The Executive Director presented a report detailing the 2011 Annual Operating and Section 8 Budgets. He stated that these budgets are based on HUD guidelines and are largely formulaic. Beginning four to five months ago the Finance Department compiled the information needed to determine the cost of operating an average unit per month (PUM or Per Unit Month). Multiplying this amount by the number of units the PHA manages (2606) gives us the operating subsidy that we should receive from HUD. During the sixth or seventh month of the fiscal year HUD will determine how much of the operating subsidy we will actually receive. We are basing the 2011 budget on 90% of the operating subsidy, but we may receive as much as 98% this year. At

90% a surplus of \$947,000 is projected, which will be added to the cumulative operating reserve.

The largest increase in the budget for 2011 was insurance. The liability insurance cost went up due to a fire in one of the developments this past year, and the Worker's Comp insurance also saw an increase which may be due to an error in the insurance company audit. A review of the audit is in progress. Chairman Waldman asked how the insurance costs are allocated between the AMPs. The Executive Director stated that the cost is distributed according to the number of units at each AMP.

The Section 8 Budget is also done by formula. This year the PHA expects a surplus from Housing Assistance Payments (HAP) of \$91,000, which will bring the Section 8 reserves up to \$322,000. Commissioner Fields asked if a portion of the Executive Director's salary is charged to Section 8. The Executive Director stated that a portion of his salary, along with portions of other salaries such as the Human Resource Manager, are charged to the Section 8 account. [See the attached report.]

RESOLUTION(S)

Resolution #4190

Approval of FY 2011 Annual Operating and Section 8 Budgets. Commissioner Giraud moved approval with Commissioner Cascella seconding the motion. A vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution

passed.

ADJOURNMENT

There being no further business, Chairman Waldman accepted a motion from Commissioner Casella which was seconded by Commissioner Madrid, to adjourn the meeting at 5:46 p.m.

Submitted by: Approved by:

Beth Herosy Stephen J. O'Rourke

Recording Secretary Executive Director