

**PORT JERVIS COMMUNITY DEVELOPMENT AGENCY
(PJCD A)
MEETING MINUTES
WEDNESDAY, OCTOBER 23, 2013**

1. ROLL CALL

Chairman, Robert C. Ritchie, called the October meeting to order at 7:05 PM with the following members present:

Robert C. Ritchie, Chairman
Carl V. Hendrick, Vice-Chairman
Gerald Oney, Secretary/Treasurer
Dean A. Aumick, Member
Betsy Gardner, Member
Marie Reeves, Member
Robert Waligroski, Member

Absent

None

Also present were:

Victoria B. Campbell, PJCD A Counsel
Kathleen Hendrickson, Executive Director
Sally von Sauers, Program Administrator

From the Public

Kelly Decker, Councilman-At-Large
Frank Bell, Councilman – 4th Ward
Stanley Siegel, Councilman, 4th Ward
Peter Tomasi, Private Citizen

2. MINUTES

A motion was made to approve the minutes of the September 25, 2013 meeting:

Motion: Betsy Gardner 2nd: Marie Reeves All in Favor

3. FINANCIALS

a. Administrative Bills

PJCD A Director presented a list of the administrative bills to be paid and expected revenues between now and the date of the next meeting. We received our security deposit back from our previous office space. Section 8 administration funding levels will also be restored pre-sequestration levels to \$12,623.00. There are approximately \$36,000 in revenues and \$34,000 in expenses to be paid for this financial time period. PJCD A Director listed both August and September salaries since there is also funds in the bank account now to pay in the amount of \$19,576.42. Discussion followed.

A motion was made to pay all bills except for payroll and past due amounts owed the City:

Motion: Robert Waligroski 2nd: Carl V. Hendrick All in Favor.

b. Financial Statement

There was not sufficient time for the bookkeeper to reconstruct the entire financial statement (adding in payables) from January to the present. The bookkeeper did provide a current list of payables to the Board, as a separate sheet. PJCDA Director then explained the format of the Financial Statement with regards to contingency and projected expenses and revenues, as planned from the beginning of the year. Discussion followed. A motion was made to table the financial statement until after the discussion regarding city bills:

Motion: Betsy Gardner 2nd: Marie Reeves All in Favor.

4. DIRECTOR & SECTION 8 PROGRAM REPORTS

PJCDA Director presented her report covering Agency activities during October 2013. Copies of the written report were also distributed to the Board. PJCDA Director did clarify statements made regarding the commitment of water and sewer for a property redevelopment where the parcel boundaries are shared between Port Jervis and the Town of Deerpark. The statement was never made by anyone from Port Jervis and should not have appeared in the newspaper. PJCDA Director met with the Executive Director of Community Development for the City of Middletown and a report will be presented to the Board under Executive Session.

The Program Administrator then presented the Section 8 report for the month of October. As previously stated, administrative fees have been restored to \$12,623.00 for the months of November and December 2013. We have 201 families under lease with the Section 8 program. HAP Payments are made directly to landlords in accordance with the Section 8 contracts. Both administrative fees and HAP payments are received on the first of each month. The funds are wired electronically into the designated program bank account. The PJCDA Program Administrator then explained the differences between the Port Jervis Section 8 program, administered exclusively by PJCDA, and the Section 8 program administered by Pathstone, Inc., a Middletown-based not-for-profit that manages the Orange County Section 8 program. The Program Administrator also explained the procedure and protocol for granting rent increases requested by landlords and the requirement for a rent reasonableness test for each and every increase requested and granted by PJCDA. As such, PJCDA does have control over how much of an increase is approved. Discussion followed.

A motion was made to approve both the Director and Section 8 reports:

Motion: Betsy Gardner 2nd: Robert Waligroski All in Favor.

3. COMMUNICATIONS

PJCDA Director distributed a letter that was received from the U.S. Department of Housing & Urban Development (HUD) acknowledging receipt of our audit and its acceptance by HUD with no findings. The entire City audit is forwarded to the HUD Regional Office in NYC and the NYS Homes & Community Renewal agency in Albany.

4. OLD BUSINESS

Councilman Siegel asked about loans granted to Mr. Peter Berman. PJCDA Director advised he received a façade loan for 19-23 Front Street (3% for 10 years) and will also be granted a loan from the NY Restore program at the same rate and term. He then inquired about Grants awarded to the Agency and how much was received in

administrative fees. PJCDA Director prepared a Grant Matrix for past years and updated it in 2012 and 2013. The Grant Matrix includes all grants written and prepared by the Agency on behalf of the City. In the last ten (10) years, PJCDA prepared and was awarded a total of \$4,898,571 in grant funds. Of that amount, \$1,910,571 generated \$177,000 in administrative funds. For the remaining \$2,988,000, PJCDA did not receive any administrative funding or compensation for its grant work.

Councilman At-Large Kelly Decker inquired as to what was received in grants for 2013. During 2013, PJCDA prepared eight (8) grants amounting to \$2,163,696, including two (2) major grants for the city in the amount of \$745,178 for the NYS DOT sidewalks program and \$149,979 for the Port Jervis Fire Department, and the NY Main Street grant of \$200,000. To date, we were awarded \$51,845, with no administrative funding. We have yet to receive word on the NYS DOT, Fire Department and NY Main Street grants. However, the only grant from which PJCDA can expect to receive any administrative compensation for 2013 is the pending NY Main Street Grant of \$200,000 where there is \$15,000 allocated for program administration.

PJCDA Attorney then inquired as to where the city grant funds are reflected in the city budget. There was a lengthy discussion regarding PJCDA's share of audit costs and its role as a Sub-recipient organization. Now that the PJCDA is a sub-recipient, Small Cities funds will flow through the City where grant funds will pay the project expenses.

5. NEW BUSINESS

None

6. EXECUTIVE SESSION

A motion was made to go into Executive Session at 8:20 PM to discuss loan, contractual, and legal matters and a personnel matter with the PJCDA Director:

Motion: Carl V. Hendrick 2nd: Dean A. Aumick All in Favor.

The Board came out of Executive Session at 9:05 PM.

Motion: Carl V. Hendrick 2nd: Betsy Gardner All in Favor.

Chairman Ritchie requested that the payables list prepared by the City Clerk Treasurer be revised to exclude the outstanding audit costs which will be reviewed and discussed at a later date. The remaining balance will be paid out of earned but uncollected administrative and program delivery fees. The system currently used pays administrative fees over the long term at the end of the loan period. This system will be revamped where PJCDA will take its earned administrative fee upfront at the time the loan and/or grant activity commences. Any fees already taken will be deducted, as appropriate, from the amount due.

PJCDA Director announced her retirement effective March 5, 2014 which is her 30th anniversary date. She will work until January 31, 2014 and the Board agreed to let her use the remaining time against accrued vacation time. She will provide a letter to the Board for the next meeting in November. The Board thanked her for her service.

7. SCHEDULING OF NEXT MEETING

Due to the Thanksgiving Holiday, the next meeting of the PJCDA Board of Directors is scheduled for Wednesday, November 20, 2013 at 7:00 PM.

8. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:15 PM:

Motion: Betsy Gardner 2nd: Marie Reeves All in Favor.