

**HOUSING AUTHORITY OF
ST. MARY'S COUNTY, MARYLAND
BOARD OF COMMISSIONERS MEETING**
Meeting held October 12, 2011

MINUTES

Present: Robert Gant, Jr., Chair, Commissioner
Jan Barnes, Co-Vice Chair, Commissioner
Joan Gelrud, Co-Vice Chair, Commissioner
Darlene Johnson, Commissioner
Stephanie Proctor, Commissioner
Sue Sabo, Director, Human Resources
Dennis L. Nicholson, Secretary
Crystal Wojciechowski, Recorder

Call To Order:

The meeting was called to order by Dennis Nicholson at 5:35 p.m.

Resolution 2011-04

Resolution 2011-04 PHA Certifications of Compliance with the PHA Plans and Related Regulations is a required document in the Annual PHA Plan submission and must be signed by the Chair of the Housing Board. R. Gant requested in September's meeting that the Board have additional time to review and make comments on the PHA Plan. A motion of carried to allow R. Gant to sign Resolution 2011-04 after review. After further review of the PHA Plan, R. Gant signed Resolution 2011-04. The FY 2012 Annual Plan will be submitted electronically on October 18, 2011.

Resolution 2011-06

Resolution 2011-06 authorizes the writing off of un-cashed checks in accounts payable. R. Gant made a motion authorizing the writing off of certain un-cashed accounts payable checks in the amount of \$296.00, seconded by J. Barnes. All in favor. Motion carried. Resolution approved.

Consideration of Minutes

Minutes from previous Housing Authority Board meeting on September 14, 2011 were reviewed and discussed. Motion to approve minutes by J. Barnes, and seconded by D. Johnson. All in favor. Motion carried. Minutes approved.

Forecasted Cash Analysis

HASMC has asked Murray, Wamsley & Schrader, LLC to create a forecasted schedule of cash receipts and disbursements for fiscal year 2012. This document is in working form and is currently a draft. A formal report and cost analysis will be created after review and discussion and will be forwarded to John Savich.

The cost analysis was requested by the Housing Authority Board as a step to prepare for privatization. The purpose of the cash flow analysis is to determine what burdens will be placed on the Housing Authority with privatization due to the challenge of upfront, immediate expenses. As HASMC's finances, since its creation in 1971, has been a reimbursable model, the privatization transition in the next twelve months will be a challenge. This cash flow analysis will help HASMC prepare for upcoming challenges. For example, as the cash analysis shows, at year end HASMC is left with an estimated \$33K to take HASMC into 2013. D. Nicholson stated that this is a very thin budget and is done with very fixed receipts with no consideration given to unforeseen circumstances, trending, inflation, etc.

Also under consideration are additional expenses that HASMC will incur with privatization that is currently incurred by the County (i.e. IT). D. Nicholson has had conversation with Manpower to address the loss of HASMC's reimbursable system with the County. Manpower has been providing leased employee arrangements for many years. They could provide HASMC with services, including payroll, workers compensation, unemployment costs, unemployment insurance and bonding, human resources, etc. HASMC would then reimburse Manpower for those costs, with a mark up of 40%. Commissioners agreed that it could be a good arrangement, but is HASMC able to afford these costs to contract out this work? D. Nicholson stated that he believed this price could be negotiable. By utilizing these services offered by an experienced organization like Manpower, HASMC would not need to bring in an entirely new level of human resources expertise for such a small organization. Important and noted in the discussion is that HASMC employees using this model could not be Manpower employees and still have access to County benefits. Access to County benefits remains a vital priority.

Cost Analysis Details: Under Cash Disbursements, contract labor includes all current County employees, four Housing Authority employees, four DSS employees and three essential Manpower personnel, as all employees will fall under one federal tax I.D. number after privatization. There is currently an interagency agreement between HASMC and DSS to pay for the four DSS positions. The State will continue to reimburse HASMC for those positions after privatization.

Motion to Close Meeting

Motion to close the meeting for informal discussion with Sue Sabo regarding personnel and housing privatization by R. Gant, seconded by J. Barnes. All in favor. Motion carried.

Motion to adjourn

Motion to adjourn by R. Gant, seconded by J. Barnes. All in favor. Motion carried.
Quorum Broken - Meeting adjourned at approximately 9:15 p.m.

SUBMITTED:

ACCEPTED BY:

Dennis L. Nicholson, Secretary

Robert Gant Jr., Chair