HOUSING AUTHORITY OF THE COUNTY OF LACKAWANNA

In Re: Commissioners Regular Meeting

TRANSCRIPT OF PROCEEDINGS

BEFORE: Paul Walker, Chairman
Patrick Padula, Executive Director

DATE: August 13th, 2026

PLACE: Lackawanna County Housing Authority
Administration Building
2019 W. Pine St.
Dunmore, PA 18512

APPEARANCES:

Rocco Valvano, Esquire

MARIA McCOOL
OFFICIAL COURT REPORTER

(Pledge of Allegiance.)

MR. DORUNDA: Welcome to Thursday, August 13th, regular meeting of the Commissioners. Roll call.

MR. PADULA: Mr. Walker.

MR. WALKER: Present.

MR. PADULA: Mr. Dorunda.

MR. DORUNDA: Present.

MR. PADULA: Mr. Wallis.

MR. WALLIS: Present.

MR. PADULA: Mrs. Nealon is absent tonight. Mr. Padula is here. Attorney Valvano is absent tonight. He's available by phone if we have any legal questions. Mr. John Prislupski.

MR. PRISLUPSKI: Present.

MR. PADULA: Miss Felicity Schultz.

MS. SCHULTZ: Present.

MR. PADULA: Miss Denise Delvecchio.

MS. DELVECCHIO: Present.

MR. PADULA: Mr. Joe Incelli.

MR. INCELLI: Present.

MR. PADULA: And Mr. Michael Fendya from TEN's representative. Thanks for coming.

Approval of Minutes:

A motion to accept the minutes of the July 9th, 2026 meeting was made by Mr. Wallis and seconded by Mr. Walker.

All Board Members present voted in favor.

MR. DORUNDA: Approval of the vouchers, Patrick?

MR. PADULA: As you guys know in your packet, it states all the vouchers that we paid for a month. And when we use the word voucher, it's basically just what we had paid out for the month of July.

And if you see large expenditures on there, I'm sure it's probably for the TEN Group, which is true, approved contract through the board and some large -- will be also probably for some capital fund expenditures that we have. John, do you want to add anything out of the your ordinary for the month on that?

MR. PRISLUPSKI: No, just that it came through the loan.

MR. PADULA: That's a good point.

Go ahead, please.

MR. PRISLUPSKI: So the payments to TEN for the energy performance came through our loan from People's Security Bank.

MR. PADULA: The application process of the application process was borrowing the money, submitting payment apps through the bank, and then that's all that goes. There was some large ones that we just put out. I think everybody kind of should recall that. But that's what they were.

Approval of Vouchers:

A motion to approval the vouchers was made by Mr. Wallis and seconded by Mr. Dorunda.

All Board Members present voted in favor.

Public Comment Period:

None.

MR. DORUNDA: Report of the Treasurer.

Report of Treasurer:

A motion was made by Mr. Walker and seconded by Mr. Wallis to accept the Treasurer Report.

All Board Members present voted in favor.

RESOLUTION #4557

Authorizing the Executive Director to certify the yearly SEMAPS submittal.

MR. PADULA: So does everybody recall what our SEMAP is? I know everybody understands it, but just to put on the record. So at the end of the year our Section 8 Program, we submit there's 13 indicators that we fall under, and we submit through HUD.

And SEMAP is actually Section 8 Management Assessment Program. That's what the SEMAP stands for. We submit it to HUD that we're in compliance with those 13 indicators. Once we do that, HUD comes back with a self-scoring grade. We comply. They give us a grade.

They'll send Paul Walker a letter of the grading. They'll say your PHA, Housing

Choice Voucher Program scored this score. We expect to be a high performer. We were the last few years. So what happens with it is, we'll get a resolution from the board.

We'll have that resolution and any type of documentation that we submitted to them that they could come back in and do an audit. Now I think this year is a Section 8 concentration for our audit. And then we're subject to an audit or any type of review through HUD at any time.

We have no problem. We welcome that because we're comfortable on supporting documents that we do.

So if you guys just make the board resolution tonight, I will certify it. I think I actually may have already certified it. But it's just kind of routine. But I want to bring it up to you guys because I have to have it in at a certain time. We load it all up into the PIC System.

And then I will certify everything that we put into it. So that's with board approval tonight, we'll have the resolution in our binder. We won't submit the resolution to

HUD. But we need to just have it if somebody requests it.

A motion was made by Mr. Wallis and seconded by Mr. Walker to authorize the Executive Director to certify the yearly SEMAPS submittal.

All members present voted in favor.

RESOLUTION #4558

Authorizing the write-off collection loss balances for vacated residents.

MR. PADULA: In your packet you will find correspondence from Agency staff members requesting authorization to write off the balances left from former residents upon vacating. All of these have not have any activity for a period of two months.

With board approval, the appropriate staff will take the necessary measures to write off these account balances. We absolutely need to write them off of our books because it has an impact -- and I'm going to give this little section to John. That does have a negative impact on the Agency of not collecting.

I don't want you just to think it's just a normal resolution because that's what we could think. But, John, tell us the impact of our not collecting rent.

MR. PRISLUPSKI: It affects our financial scores. And they give us like a certain range. And if the receivables are up too high, we're not collecting them, We get a much lower score. We're not a high performer then in that specific area.

MR. PADULA: So I want them to be aware of this. It counts as a payable for us, right?

MR. PRISLUPSKI: It counts as a receivable.

MR. PADULA: A receivable. So what happens is, we're not getting credit for -- they're taking our dollars off us. And it's just part of us trying to be better managers to collect as much as we can. John, how are we doing on rent collections? Are we getting better with that?

MR. PRISLUPSKI: No, we're doing

much better.

MR. PADULA: You know, and Felicity could speak to this. Some of the families get behind with rent. So we raised the rent recently. We have to do that. That's a HUD mandate for us to do that. I think HUD passed something out where we can't move out on a family for 30 days. So speak to that a little bit.

MS. SCHULTZ: I don't know if you guys remember about a year ago we had a HUD rule that we had to change our lease that we had to give tenants a 30-day notice when they did not pay rent. And so that would bring us into the new month. It would just continue to roll over.

HUD then I believe they got sued by some state because it went against something in their laws. So HUD revoked it, and now is back to a 14-day notice. So we still have families that are still on that 30-day notice. We're starting November research this month. November of last year is when the new lease came out that turned it back to the 14 days.

So we should really start seeing the

the rents being collected and within the month now as opposed to having to wait the 30 days, take them to court, have 10 days to pay. You know, you're really going into two months at that point.

MR. PADULA: We could be more proactive, like, within the 14 days, we could start moving them. Hopefully, they come over and pay or pay something on it and get onto an agreement. We'll have to get a recert or do we do it immediately on that?

MS. SCHULTZ: So some managers did them all at once, the leases. So some managers, especially when you have multiple sites or a lot of units, it's easier to do it at the recert. So last November was when the new lease went out. So there might have been a handful that didn't get that lease and then they, like, at the next lease.

So every month, if they don't have the updated lease, they have to sign a new one at recert. There are a few families that do kind of fall because they were either in like court with them or maybe an emergency happened where their recert is like could be disrupted.

There might be some November recerts that didn't get them this -- like last year. That's why it might be continued on into December research.

MR. DORUNDA: How do you see collectibles in general with the way the --

MR. PADULA: Rent cautions?

MR. DORUNDA: Yeah, does it seem like it's pretty steady or stable? Are you seeing an uptick in people --

MR. PADULA: No, we'll see that we're owed more now. The managers are doing the best they can. But we notice that they're up. And the numbers are up as well too. Don't forget our rents are a little bit higher. I think John we have a month balance of what? It's probably about a 100K it's up.

MR. PRISLUPSKI: Yeah, it's about 110.

MR. PADULA: So we're probably owed now like $110,000 throughout development. That's not acceptable to us. We want zero, but we know --

MR. PRISLUPSKI: Less than 60.

MR. PADULA: If our goal could be 60

or below, we'd be okay with that.

MS. SCHULTZ: We also do additional steps, especially if there are elderly or children involved. We reach out to resources for them or give them resources. If they miss one month, we might give them an opportunity and give them resources to help and then if in the next month it doesn't go on. That's why these balances could also be higher.

MR. PADULA: It's going to be ongoing. We're just going to watch it in the office.

MR. DORUNDA: But we have a handle on it.

MR. PADULA: Don't want to beat this up, but if they do go into eviction then it just could go longer and longer and longer. So they are paying at the courts or they're not paying, so those balances rise.

A motion to accept Resolution #4558 was made by Mr. Wallis and seconded by Mr. Walker.

All members present voted in favor.

<u>RESOLUTION # 4559</u>

Authorize nominating Denise Delvecchio Assistant Secretary to the Board of Commissioner.

MR. PADULA: We may have done this with Johnny. That's what brought this up. So I think we had something we couldn't sign. We want to have a backup. Denise is going to take that role. If Mark isn't here or something, Denise could step up and sign for that. It's standard that we keep progress going.

A motion to accept Resolution #4559 was made by Mr. Wallis and seconded by Mr. Walker.

All members present voted in favor.

RESOLUTION #4560

Authorize nominating Executive Director as authorized signer to the Board of Commissioner.

MR. PADULA: So while we were at it today, Felicity had an another brainstorm thinking that I should make another resolution that I should be onto sign just for -- I may be already, but we figure just to get it on the record tonight. Same way if Mark is not here and Denise isn't here, I have to take that role just as a backup.

A motion to accept Resolution #4560 was made by Mr. Wallis and seconded by Mr. Walker.

All members present voted in favor.

Old Business:

MR. PADULA: Okay. Data centers, Mr. Walker.

MR. WALKER: Yeah, I had to testify in court as to our opposition -- at least our desire to intervene in the data center.

MR. PADULA: I thought we should mention something about it just to keep the conversation going on the record that we intervened and Paul went down and did a great job. He testified for the Agency.

If I'm saying this right, Paul, correct me if I'm not; but the Court ruled in our favor to be able to intervene on the lawsuit. I just want to record it tonight. I know Paul's on the phone. That is just what we need to keep those conversations going. It's our Jermyn site but they are talking about Archbald name.

We also are going to look at the Archbald site if they are being affected too because we're trying to get our boundaries, right, Paul, we mentioned that?

MR. WALKER: Yeah, we probably don't have to petition to intervene. It depends on how far along they are. We might be able to just appear at the hearing. But I don't know how far along they are yet.

MR. PADULA: Our tax credits, I just want to mention that real quick that we're still looking at our tax credits. I think it's time that we have a really good work session or meeting and we kind of hammer this down what we're going to do here.

There's a developer that we've been talking with. It's the Quandel Group. They are willing -- and I'm saying this very lightly. They're willing to build the construction of it including the design, enter into a memo of understanding or a land lease with the Housing Authority being able to manage it, receive a management fee from it.

But for over a period of time, they would stay into that, like, a period of -- I don't know the lease amounts. Where I have to look into more -- John and I are actually we're going to start working on this now, is like procurement. Let me say one more thing -- and they're interested in making it all project-based vouchers, which we don't have a problem with that.

We welcome that because we could do a twofer on that. We could help our regular program out for Section 8 as well. We'll keep those numbers up. Everybody knows what high numbers mean. High numbers mean higher admin fee and higher half payments.

There's a lot of things we have to look at in there. That's why I think we should talk about this because I have a list and John has a list we talked about today. Procurement is something we need to discuss, including we have to do --

MR. WALKER: Do we have to do an RFP on that though?

MR. PADULA: I'm gonna jump on that in a minute -- and also competitiveness on those project-based vouchers. John and I, starting next week, we started today, we're gonna reach out to the somebody down in HUD that we have.

And we're going bounce that up. But that's why I didn't answer you about the procurement end of it or the RFP end of it. So we're going to make some notes. I'm going to formulate an email if you guys have any questions.

John and I are going to get with our people in the HUD office. I don't know if it's going to be at the regional office. It might be headquarters. We're going to bring those kind of questions back. We're going to air it out through them first. I feel more comfortable talking to them on our own, of course, bringing you guys in or keeping you up -- whatever you want to do.

I think that's the answer. And then we could start with our legal. We could have Jerry's team jump in if we need to be a nonprofit or a 501c, whatever those words are.

But I think our big commitment right now is procurement, project-based vouchers, how we handle them, and exactly what Paul said, RFPs and going out competitively.

We may have to go out competitively and say, here's our RFP. We don't want to have any construction costs to this thing.

MR. WALKER: There's lot of discussions that have to happen as to ownership and everything else.

MR. PADULA: Absolutely. Paul, do you think that we should go out to HUD first and have a conversation with those couple things first?

MR. WALKER: Yeah, but they might tell us to talk to your legal counsel. But that's fine. I think we should go out to HUD. Maybe we could schedule a meeting and go down and talk to them.

MR. PADULA: That's even better. And they may say go to your legal counsel. But at least we pulled them in early. I want to be transparent and pull them in as soon as we can. We need to get our hands around this. John and I will start talking. If we have to go down, we'll go down, whatever we have to do. Everybody good with that?

MR. WALKER: Yeah.

MR. PADULA: Okay. So Mike is here. We'll just put that under Old Business, our EPC. Mike, you're on.

MR. FENDYA: I don't have any updates for you. That's Albright's job now.

MR. PADULA: On the EPC, I could run this down for you guys. Mike, do you want to add anything at all, like, how you feel the program is going on your end?

MR. FENDYA: Everything seems to be going very well constructionwise. I check in with Tony periodically and, you know, the regular hiccups here and there. Everything's on schedule.

MR. PADULA: I could run down real quick on the construction end of it. Our water and lighting, Amp 32 is complete. We started in Grant Street which is downtown Olyphant. Our water submeters and transmitters are complete into Blakely and Moosic.

We had to use some contingency money to fix a water leak in Blakely. The combine boilers in Throop are almost complete. They moved out to Walsh Plaza, which will be the next site. I think they started there this week or last week. That's on the combine -- that's the water heater and furnace in one.

That's where we're going for the high efficiency. Old Forge furnaces have been started and remaining contingency money is $318,000. On these furnaces in Old Forge, I have nothing in front of me, but we're getting -- okay, so we install the furnaces and they're kind of in the way a little bit of the older hot water tanks.

There seems to me a little bit of a hiccup with the design. If they have to take them out, are we going to put the old water heater back in? Out in the field we talked about additional work being done installing tankless water heaters in these 17 units. It makes sense. But we're getting some pricing and we're laying out that utility room a bit differently.

MR. WALLIS: Are the rebates still there though? There was a rebate on from the gas company at one point.

MR. PADULA: We'll get all the rebates back on the heaters and then the gas company. It's something that we should definitely entertain. Paul, do you agree on that?

MR. WALKER: I think tankless is a great idea. So you're not going to do the combines. You're going to do tankless. I think that's a great idea. But I think you have to have the analysis as to with the rebate and the savings and the cost, you know, how much energy we're going to save with the tankless. Do you know what I mean?

MR. PADULA: Yeah, we're in the middle of doing a study now. I'm going to answer this question but I'm not going to go into detail. I don't quite know why we did this. We put boilers down there though. We didn't use the tankless furnaces. We used regular boilers down there for Old Forge.

MR. FENDYA: Oh, I don't remember off the top of my head.

MR. PADULA: There's some kind of thing. That's why they're not a combine. But now we're going back to that.

MR. FENDYA: Do they have boilers there or furnaces there?

MR. PADULA: I'm not sure.

MR. FENDYA: It may be the case that we're talking locations that have furnaces, not boilers. So maybe you have a separate furnace and a hot water heater. That would be one reason why --

MR. PADULA: That's probably exactly why the heaters are different. We'll dig into that. And all of that would be -- Michael, you could probably answer this. No matter what we did would have to be energy savings.

MR. FENDYA: Yeah, if you do the tankless water heaters there are certainly energy savings. Tony Albright has all the information on this, I'm sure.

MR. PADULA: He's doing a couple different options for us --

MR. FENDYA: -- making sure that HUD would approve of installing those. It needs to make sure that it aligns with some of the scope for one of the ECMs that we're already doing in the project. And then it would be okay. It will certainly achieve energy savings.

MR. PADULA: We'll do our due diligence on before we do this.

MR. WALKER: The tankless is probably two to three times the cost of the regular water heater. Just do the analysis as to this is what you're going to save over a 10-year period of time. That's all.

MR. PADULA: Exactly. Thank you. John, do you have anything about the payments or the payoffs coming in? Everything's going well on that end.

MR. PRISLUPSKI: Everything's going well.

MR. PADULA: And they are submitting their bills on -- properly?

MR. PRISLUPSKI: Yes.

MR. PADULA: The bank is receptive with you?

MR. PRISLUPSKI: Yes.

MS. SCHULTZ: We had to use some of the contingency money for the faucets.

MR. PADULA: When we're going into this apartments, we're finding things that need to be done, leaky faucets, bathroom faucets are leaking. A lot of plywood might be decayed or rotted around the toilets. We're repairing it when they're in the unit.

So here's how we're paying for that. If it's part of the energy problem, a faucet, whatever it may be dripping or whatever it is, we're fixing that. We're using the contingency money for that. If it's plywood or anything like that, we're taking that from our capital fund. It's contractor faucets. It's the one we use. And there's savings, but everything matches.

MR. WALLIS: When we are doing the capital side, are we paying prevailing rate?

MR. PADULA: You shouldn't have to. That's a great question.

MR. WALLIS: Just watch that because that's just our money. That's general maintenance, I'll call it --

MR. PADULA: Even for the contractor's sake.

MR. WALLIS: We end up paying the most. Contractor pays more, yeah --

MR. PADULA: Somebody else mentioned that. They didn't mention that direct to me.

But I heard something about that. We're going to find out about that. Very good. Thank you.

MR. DORUNDA: One question, if you just give a quick recap of the stair project how that ended up going, please?

MR. PADULA: The stair project went great. It was quiet. This is Throop.

MS. SCHULTZ: That was completed.

MR. PADULA: We paid that out already. That went really well. It actually went -- Mark, they brought all the stuff built. They put them right in. Something we didn't expect, but we -- they had a soft sponge to them, those steps.

We did get sued. Somebody fell through them at one point. So that went really good though. So that is complete. Our tenants have a safer place to live with those steps.

MR. DORUNDA: Great. Thanks.

MR. PADULA: You're welcome.

New Business:

(None)

Report of the Executive Director:

MR. PADULA: So in your packet, I don't know if you reviewed our occupancy for public housing. We're just routine business as usual. Some of the apartments -- I want to remind everyone we're kind of doing -- I don't want to say differently, but if apartments need a lot of attention, we're running them under the capital improvements.

So I think we have like two out there now that they're doing. But when they're doing them, we allocated certain dollars for them where we think -- John fit it into our capital budget.

We're drawing it down. We're reconciling it as we're going with it. And we think we have enough in there till calendar year. We're working it through, but all good stuff. They're getting a complete repair when we go in there from cabinets to floors.

And we're treating it as a capital improvement project that we're doing over a period of time because we're doing one or two at a time. We don't have to move any families that way. We really have a handle on it because when we first came out of the gate, I wasn't happy with it. That's why I stopped it.

So now we really got a handle on it where we say, okay, here's our contractors. This is budgeted for it. This is how much we're spending. We got our team up here and we said, use this money wisely. Do what you could in-house, but if you have to do it, do it.

It's not only just for an apartment that has a lot of need. It could be for staff on vacation, short staff, snow. Maybe we get a lot of snow and our maintenance staff is tied up all week on it. So what happens then when they're doing that, our turnovers suffer.

The occupancy does never suffer. And so we don't have to really slow down at all this way. We're using it as a tool all the way around. Denise, anything you want to add on the occupancy?

MS. DELVECCHIO: No, I mean, we're getting apartments. They're upgraded. There's no apartments. I think we have 19 apartments that we are getting. That's it. Nineteen move-outs out of 1,000, 1,100.

MR. PADULA: The lists are huge, but they're ready to rock. Denise, would you say you're just waiting for the turnover process to be done?

MS. DELVECCHIO: Correct. I have people ready to go into them. We have them approved, fingerprinted, ready to go in, just waiting for the unit.

MR. PADULA: We're just trying to turn them. And at one point, again, I know nobody likes this, but where are we with these lists? Are we going to keep them open? Are we going to close them?

MS. DELVECCHIO: I just gave you the list of how long our wait lists are. In Dunmore, our studio list are almost up to 400. Before you could never house a studio, now we're up to 400 applicants.

MR. PADULA: It's 100 percent leased over there. So if you get one apartment --

MR. DORUNDA: That's 399.

MR. PADULA: We'll talk about that. I think if we do close it, I think we use the language that we still have the ability to put somebody under these circumstances. You could leave that up to me, the Executive Director. If you have fire victims, if you have somebody in need because I hate making real hard, you know, procedures and policy when life happens here. We all know that. We could make sure we build that in if we do something like that.

MS. DELVECCHIO: If anything, we could leave the four bedrooms. The four bedrooms aren't at max amount of applicants yet.

MR. PADULA: And a lot of them don't move out. That's where you spend most of the money about the wear and tear that you see those bills eight, nine, $10,000 when we put a contractor and turn them over, that's what they are. They're the four bedrooms.

Section 8, 712 voucher leased. That should be right on target where our funding's falling, right?

MR. PRISLUPSKI: Right.

MR. PADULA: Really nothing out of the ordinary there. They are processing -- how are they doing with that number? They're holding that number?

MR. PRISLUPSKI: Yeah, that's the magic number.

MR. PADULA: Admin, fees are up. I

see we had a little error for this month. What they did is, they gave us like $38,000. Did you notice how short it was?

MR. PRISLUPSKI: We usually get 10 more than that.

MR. PADULA: They said they made a technical error, but we're going to receive that back. We're good. I could report something. I could go on and on. We're doing better protocol inspections these last eight months.

We have really good conscientious inspector in here for Section 8. A lot of deficiencies are getting written up. Staffs could be getting a little frustrated, but Frank's taking them through the process.

So if we keep her going like we're going, we have her very well trained. And if she keeps that going -- the way you look at inspection protocols, you educate the landlords, on the protocols. And as you continue with consistent protocols and inspection protocols, your inventory gets better.

We're doing a lot of good work

there. I know she came back today. She was a little frustrated. Get back with the landlords do what you have to do. The repairs are getting done. It's a good thing for the program and the family.

Capital funds, so Lukasik Drive building one is almost complete. We're waiting receptacles and electric baseboard being put in. We're cleaning the floors and moving onto building two.

MS. SCHULTZ: After we get the receptacles in, electric baseboards, then we'll do the cleaning.

MR. PADULA: So that whole building will be complete. Steve will bring the families back in. We'll empty building two. And we'll do the same process. I think there is four buildings.

MS. DELVECCHIO: Actually building two is going into building one. And then they'll start that and then building three will go into the building two.

MR. PADULA: Thank you. Nobody will be without anywhere to live. Everybody will have everything they need. But they all have an option to come back and stay in these new units. We even offered Section 8 vouchers. And they said, no, we want to come back to the new --

MS. DELVECCHIO: The kids are in the same school district. The address will change but they're still in the same.

MR. PADULA: Very good. Archbald sidewalks, that could be where they're working. 70 percent are done. They look beautiful. Here's what we did on that. What we did is, Archbald Borough was doing a sidewalk restoration. So we jumped on them.

We piggybacked on their procurement. That's how we did that. We didn't have Archbald sidewalks in there. But when we looked at them, we know they were definitely in need. By going this route we saved quite a bit of money on the design alone. We said it's a good cost. Let's do it. We built that into our plan and that's what we're doing. I think it's a hundred thousand.

Blakely high rise parking lot is complete. We have a parking lot we outgrew. We're outgrowing everything because years ago, what do we know, nobody drove as much. And now everybody has a couple cars. We had an area that we owned. But now it became a parking lot and became a hazard where we already had somebody fall. We got sprung on that. We did it. We made all parking and it's safe now for the residents.

Jermyn electric, five buildings are complete, three buildings to go. They're all the family units. After the electric is complete, the restoration phase will start.

Cole Village refrigerators, Dunmore Appliance was here for a kickoff meeting to measure. PP & L will keep rebates open for us. We didn't do Cole Village in the EPC if you recall that. We're giving them refrigerators now through our budget.

And faucet replacement, EPC is replacing faucets needed in the units which we already mentioned. We donated three refrigerators St. Rocco's picnic and the priest thanks all you guys for that. We had some really good refrigerators that came out of the units and the church was in need. So we went ahead and donated the three refrigerators to the church. That was a donation from the Housing Authority to St. John Paul II.

MR. DORUNDA: I have one question that I haven't seen in a while. It was a line item, see if we got it under control, a bed bug line item in Kennedy.

MR. PADULA: We have two bed bugs going on right now. It's just part of the protocol. I could speak a little bit on it if you want. We have a pest control service that we go around and we do each unit four times a year just for regular routine maintenance.

While they are in there we have them check for bed bugs. A lot of the residents don't want to let us know that there's bed bugs because they get embarrassed or they think they are going to get charged. We find out there is bugs in there that way. And they do report it. But we like to do our own preventative maintenance as well. We found two.

We'll go in and do the treatment. And that treatment is $500. And it's spray or however they do it. We have that in our contract that that's a fixed rate of $500.

MR. DORUNDA: It's a spot case.

MR. PADULA: No deep infestation. Now, cockroaches we have some -- a lot going on there all of a sudden. I have some pretty good faith in this new company. I think we'll be okay with that. It's almost calming down.

MS. SCHULTZ: I spoke to them. Brian is the owner of the company. And if anything goes wrong, he does reach out immediately. We're in good contact with the owner.

MR. PADULA: He missed an appointment. I called him and I said, you know, -- so the 911 went up. He was very cautious of it. All good. Life happens. I don't have anything else. Financial, anything at all?

MR. PRISLUPSKI: We're doing our year end. And we have our auditor. They usually come like November, December.

MR. PADULA: When you say year end, you're balancing out everything we did for the year, but we try to stay on track of that budget that we put in. We do the best we could. And if there is four amps, one is doing better than the other.

MR. PRISLUPSKI: If an amp is doing well and one isn't, we're able to transfer funds. There's five amps. Jessup is considered it's own amp.

MR. PADULA: At the end of the year we're going to put our books in live dollars now and we're going to know that. But usually they are all pretty good -- do you really ever have to fung a lot -- fungability. That's a HUD name. That's what they call it.

MR. PRISLUPSKI: Sometimes we do. But it's normal. It's not anything excess.

MR. PADULA: Our health care, we met with our health care people. We're six months into the year. We're having an increase in claims. We have quite a bit going on here this year with staff members and family members. Now, they're telling us that increases could be coming, but don't panic on that yet.

MR. PRISLUPSKI: We're in consortium with a number of other government agencies. They gave us a five year history. And every year we were doing well. When they say that, they say that when we collected our premiums we were like 60 to 70 percent of the premiums, which is good.

This year because of everything that's happened we're having a bad year. So we're up around 120 percent. But over the consortium, it's spread out. So in past years when we're helping other authorities, this year they may be helping us.

MR. PADULA: We also have stop loss on each employee. So what happens with that is, each employee has a dollar amount that they hit. And we have loss insurance too on that. So it's just what it is. That's why we have it. We want to keep our coverage good for our families.

We've had this before and we came out okay. And there's something in our contract that says if it goes up more than 10 percent, we could start taxing the employees on that. So, like, more contributions. But we try to hold off the best we could on that.

We know it's tough for everybody. We'll look at that too. We'll also look to see if we need to go directly to a carrier and maybe not be in a consortium. We're really going to air this out to see where we are.

They had me sign something that they're able to get pricing from other carriers direct to Geisinger, direct to Blue Cross, whatever it may be. But it's expensive. We have good coverage and we want to keep it for our people and we just do what we have to do.

A motion to accept the Executive Director Report was made by Mr. Wallis and seconded by Mr. Walker.

All Board Members present voted in favor.

Motion to Adjourn:

A motion to adjourn was made by Mr. Wallis and seconded by Mr. Walker.

C E R T I F I C A T E

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me of the above-cause and that this copy is a correct transcript of the same to the best of my ability.

Maria McCool, RPR
Official Court Reporter

Mark Wallis, Secretary

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