



BOARD OF COMMISSIONERS MEETING

Wednesday, November 20, 2019 @ 2:00 p.m.

Brainerd Housing & Redevelopment Authority (HRA) Administrative Office

324 East River Road | Brainerd, Minnesota

“Our mission is to provide affordable housing and redevelopment opportunities to strengthen our neighborhoods and community.”

AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Reading and Approval of Minutes** *(Attachment 1)*
- 4. Unfinished Business**
- 5. New Business**
 - a.** Approval of 2020 Budget *(Attachment 2)*
 - b.** Adoption of Resolution No. 2019-09, Approval of Cash Management Policy Revision *(Attachment 3)*
 - c.** Approve Resolution No. 2019-10, Adopting the Housing Choice Voucher Program Administrative Plan *(Attachment 4)*
- 6. Bills and Communications**
 - a.** Financial Report *(Attachment 5)*
 - b.** HCV/Section 8 Report *(Attachment 6)*
 - c.** Public Housing Report Executive Director *(Attachment 7)*
 - d.** Executive Director Report *(Attachment 8)*
 - e.** Rehab Update *(Attachment 9)*
- 7. Commissioner Comments**
- 8. Adjourn**

Next Meeting: Wednesday, December 18, 2019

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Brainerd Housing and Redevelopment Authority

BOARD MEETING MINUTES

Wednesday, October 23, 2019

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the City of Brainerd, Minnesota, was held at 1:00 p.m., Wednesday, October 23, 2019, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. CALL TO ORDER: Chair Marlee Larson called the meeting to order at 1:01 p.m.

2. ROLL CALL:

Board members present: Chair Marlee Larson and Commissioners Gabe Johnson, Eric Charpentier, Patrick Wussow, and Ashley Storm. **Others present:** Executive Director Jennifer Bergman, Finance Director Karen Young, Housing Manager Shannon Fortune, Rental Assistance Manager Tania Eller, and Executive Assistant LeAnn Goltz. **Absent:** Krista Brodal and Bekah Kent.

3. PUBLIC HEARING: ADOPTION OF RESOLUTION NO. 2019-07 AND APPROVAL OF THE FIVE-YEAR & ANNUAL PLAN:

Chair Larson opened the public hearing at 1:08 p.m.

The Notice of Public Hearing was posted in the Legal Notice section of the Brainerd Daily Dispatch. Fortune provided the Affidavit of Publication to the Board.

Fortune explained that PHAs are required to develop a Five-Year Plan once every fifth fiscal year and an annual plan every year. The PHA Plan is a comprehensive guide to policies, programs, operations, and strategies for meeting local housing needs and goals. A public hearing must be held prior to the approval of the Five-Year and Annual Plan, copies of which were provided.

After Chair Larson called for speakers in opposition three times, there was no one speaking in opposition of the Plan. Chair Larson then called for speakers in favor three times and there was no one speaking in favor of the Plan.

The public hearing was closed at 1:11 p.m.

Moved by Commissioner Johnson and seconded by Commissioner Charpentier to adopt Resolution No. 2019-07 and Approve the Five-Year and Annual Plan. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion passed.

4. READING AND APPROVAL OF MINUTES: Commissioner Gabe Johnson was absent from the meeting on September 25th though it was not recorded in the minutes. The Board asked staff to make that correction.

Commissioner Charpentier moved to approve the minutes as amended from September 25th. Commissioner Storm seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

5. **UNFINISHED BUSINESS:** Nothing to report.

6. **NEW BUSINESS:**

- a. **Authorization to Submit Small Cities Development Program (SCDP) Preliminary Proposal for the City of Pequot Lakes:** Nancy Malecha, City Administrator for Pequot Lakes, contacted the Brainerd HRA regarding their interest in the Small Cities Development Program (SCDP). Since they are ranked as second in the CWC HRA Housing Conditions Survey, Bergman and Schommer met with her and then presented information to their city council at their July meeting. The council approved submitting a preliminary proposal for SCDP funding from DEED for owner-occupied and commercial rehab.

Brainerd HRA staff has been working on a preliminary proposal for an owner-occupied and commercial rehab in Pequot Lakes. They have been collecting surveys, which are required as a part of the application. In addition to showing need, these surveys contain the data needed to complete the application. Bergman reported that they have not had a good response to the surveys and there's a possibility they may not be able to submit the preliminary proposal, which is due on November 15th. Because staff is still in the process of gathering data, a draft application was not provided for the Board's review.

Moved by Commissioner Johnson and seconded by Commissioner Wussow to authorize the submission of a preliminary proposal to Minnesota DEED for owner-occupied and commercial rehab in Pequot Lakes, all commissioners voted in favor of the motion and none were opposed. The motion passed.

- b. **Authorization to Submit Family Self-Sufficiency (FSS) Program Grant Application:** On September 29th, the Family Self-Sufficiency Program grant was released. The due date for the grant submission is Monday, October 28th, 2019. The application will be submitted on Tuesday, October 22nd as it is recommended to submit a few days before the due date. The grant is for one year and covers the salary and benefits of a full time position. The amount requested is \$71,353.00. The anticipated announcement of award will take place by December 3rd, 2019.

Commissioner Wussow moved to approve the submission of the Family Self-Sufficiency Program grant application, seconded by Commissioner Storm. All commissioners voted in favor of the motion and none were opposed. The motion passed.

7. **BILLS AND COMMUNICATIONS**

- a. **Financial Report:** Young reported that the banking transition with Wells Fargo is complete. She provided financial information for September 2019 and reminded the Board that the budget for 2020 will be presented for approval at the next meeting.

Commissioner Charpentier moved to approve the payments as presented. Commissioner Johnson seconded the motion. All commissioners were in favor of the motion and none were opposed. The motion was approved.

- b. **HCV/Section 8:** Eller reported that UML through September was 99% and HAP utilization was 78%. She is currently projecting to end the year at 98.9% UML with HAP reserves of \$3,792. The Voucher Management System (VMS) Validation Review has been completed. Raana Raza's report showed there were two areas of concern, both involving the same incident. The concerns were related to a very unique incident we interpreted as fraud and how we recorded it in VMS. Ms. Raza reached out to the Quality Assistance Division (QAD) for guidance and they provided a copy of the regulation that clearly defines what fraud is. Upon review of the regulation, it was discovered that staff had incorrectly called this fraud. Both areas of concern have been corrected and the review has been closed.

c. **Public Housing Report:**

Two-Bedroom Waiting List Update

After the waiting list update was completed, the two-bedroom waiting list is under the maximum threshold and does not need to be closed.

Crosby HRA: NAHRO Technical Assistance Grant for Repositioning Public Housing

Crosby HRA was not selected as a recipient for technical assistance funds to explore repositioning of Public Housing. The application had been written and submitted collaboratively with Aitkin HRA and Pequot Lakes HRA, who were also not selected. At the NAHRO annual conference in Duluth in September, HUD representatives spoke about a new tool they had developed to provide some basic analytic information for PHA's interested in repositioning. That data was requested for both the Crosby HRA and the Brainerd HRA.

North Star Apartments Caretaker Position

The North Star caretaker team submitted their resignation and staff has begun the process of selecting a new caretaker/caretaker team. In preparation for a new team/person, Maintenance, Finance, and Housing Management have worked together to review and fine-tune the job duties and employment contract. Interviews have been completed and pending a background check, a new caretaker will begin November 1st.

Emergency Safety & Security Grant Application – Carbon Monoxide Detectors

We submitted an application through HUD's Emergency Safety & Security Grant program to pay for 163 carbon monoxide detectors for the North Star Apartments. The total requested was \$7,325.00. The application was due October 25th and there is no information yet on when awards will be selected or announced.

ROSS Program Update

There were no newly-enrolled households in the ROSS Program in September and currently there are five actively participating households. On September 17th, five North Star residents participated in a cooking class facilitated by the SNAP Educator from the University of MN Extension Office. In September, Erik Warner attended the AARP Lakes Area "Scam Jam," a day-long seminar focused on preventing telephone and internet scams targeting seniors. Erik also spent time this past month connecting with several area financial institutions to locate resources for "unbanked" tenants that are trying to get reconnected with banking resources. Lastly, Warner is preparing to submit his six-month data report to HUD using the new Standards for Success program evaluation platform. That report is due in October and the data will be shared at the November board meeting.

d. Executive Director Report:**CWC HRA Levy and Housing Trust Fund**

The County Board adopted the resolution setting the preliminary levy, which includes the CWC HRA's levy of \$729,500. This includes \$450,000 for a Housing Trust Fund, \$112,000 for BLAEDC, and \$150,000 for the Brainerd HRA. Staff is working on an ordinance for the Housing Trust Fund, which will be presented at the November CWC HRA board meeting and then to the County Board in December. A draft for a Contract for Services between BLAEDC and the CWC HRA has also been requested.

New Position

The purpose for the increase in the Brainerd HRA's contribution from \$60,000 to \$150,000 was to add an additional staff person to assist with our rehab efforts and the administration and creation of the Housing Trust Fund. Staff is in the process of creating a job description, which will be brought to the Board. Logistically, Bergman anticipates hiring a Brainerd HRA rehab staff person who will start after the first of the year, however, we will not receive levy dollars until we get the first half in July. General Fund dollars will cover the management fee to the Brainerd HRA. In the meantime, staff is working on remodeling the downstairs closet into an extra office in preparation for the added employee. The Capital Fund Budget has been amended to include the cost of the project.

Workforce Housing Study

The Workforce Housing Task Force met on October 14th and discussed the survey and the interviews Kristen Fish-Peterson conducted with businesses and community partners. A decision was made to create an additional survey for employers to find out if they currently have housing options for their employees or if they are interested in creating programs. Because Redevelopment Resources has done more work than anticipated, their deadline to complete the study has been extended a month. The next Workforce Housing Task Force meeting will be on November 21st.

Rural Rental Housing Preservation Workshop

Bergman will be attending the Rural Rental Housing Preservation Workshop sponsored by Minnesota Housing Partnership (MHP) at the Initiative Foundation on Tuesday, October 22nd. The purpose of the Workshop is to explore the rural rental housing challenge and develop solutions together. The workshop will help to generate policy recommendations for preserving affordable housing, including USDA-financed affordable rental homes in Minnesota.

MHP Webinar on Local Housing Trust Funds and Community Engagement

Bergman is also participating in a webinar hosted by the Minnesota Housing Partnership to discuss community engagement and local housing trust funds. The webinar will be held on October 29th.

- e. Rehab Update:** Bergman informed the Board that the Crow Wing County HRA Board approved the transfer of the Master Purchase and Redevelopment Agreement from Paxmar to Level Contracting. She also shared two news articles that were recently published in the Brainerd Dispatch about the rehab work that has taken place in Downtown Brainerd utilizing the SCDP grant. Bergman commended the HRA staff for the great work.

8. **Commissioner Comments:** Commissioner Johnson shared that the judges of the Destination Downtown Competition have selected the top three finalists. Those finalists, all of which will receive prize packages, will be announced at the end of the month. Public voting to take place November 11–15th and the final winner will be announced at the Brainerd Lakes Chamber Annual Dinner. Commissioner Johnson also reported that Ascensus will be moving locations as the company wants to purchase a single building for all of its employees rather than leasing two separate spaces. The City of Brainerd is currently accepting bids for the renovation of City Hall. In addition, the City has received ten applications for the city administrator position. Commissioner Charpentier reported that the BLAEDC Unified Fund Board has recently approved two new loans. Commissioner Wussow shared that there are four new single-family units in Breezy Point.
9. **Adjournment:**
- Moved by Commissioner Johnson and seconded by Commissioner Storm, the meeting was adjourned at 1:56 p.m.**

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To: Brainerd HRA Board Members
From: Karen Young, Finance Director
Date: November 14, 2019
Re: Approve 2020 Budget

The 2020 budgets are attached for the General Fund, Housing Choice Voucher, Public Housing, and Bridges.

OVERVIEW

- » Federal program funding for Housing Choice Voucher and Public Housing are not known at this time and are based on estimates.
- » Health insurance rates increased by 12.2%.
- » A 3% annual adjustment to wages is included for all permanent, full-time positions.
- » Expenses are generally based on three-year averages.

GENERAL FUND

- » City Tax Levy – .0185% of estimated taxable market value.
- » Investment Interest – Anticipated Bremer interest.
- » Management Fees – Crosby HRA \$90,000; CWC HRA \$150,000; and Brainerd South \$49,000.
- » TIF Revenue – TIF increment for Downtown District.
- » Operating Transfer – Transfer from Bridges Program.
- » SCDP Admin Fee – Anticipated admin for SCDP reimbursements for Northeast Brainerd and Emily.
- » Other Income:
 - \$10,000 Distribution for College Drive and Trail Ridge.
 - \$120,000 Four MHFA Loans for Housing Rehab (2019 budget included two loans for \$60,000).
 - \$500 Revolving Loan Program origination fees for one loan (2019 budget included three loans).
 - \$5,000 Tax forfeit property sale of one lot (2019 budget included two lots.)
 - \$500 Miscellaneous income.
- » Loan Interest Revenue – Interest accrued for DT TIF Interfund Loan (offsets expense).

Operating Expenses:

- » Salaries – Rehab specialist position added due to CWC funding. Added back \$900 in resident board stipend and removed from Other Programs.
- » Travel – Based on anticipated travel for General Fund and Housing Rehab programs.
- » Staff Training – Based on staff trainings per salary allocations and Board NAHRO trainings. Increased for Housing Rehab.
- » Legal – Budgeted less legal for one tax forfeit property lot sale (budgeted for two lot sales in 2019).
- » Other Administrative – Three-year average for Sundry, Publications, Membership, Advertising, Office Supplies, Telephone, and Postage.
- » Contract Costs – Primarily Google Mail charges for General Fund and Recorder's Office charges for Housing Rehab. Includes \$10,960 SSRP demolition costs to use in conjunction with tax forfeit

property. Includes four MHFA Loans of \$108,000 for Housing Rehab (2019 budget included two loans for \$54,000).

General Expenses:

- » TIF Expense – ASI and Downtown TIF District reporting to CWC.
- » Debt Service – Downtown TIF District debt service.
- » Other Programs - Other downtown initiatives as directed by the Board \$25,100. (Destination Downtown rent subsidy \$20,000). Includes \$5,100 in board stipend as directed by Board. One City Revolving Loan for \$25,000 versus three loans budgeted for 2019.
- » Interfund Loan Interest – Interest Expense for Downtown TIF Interfund Loan (Offsets Revenue).

Budget Stabilization:

- » In order to fund the SSRP demolition costs and the City RLP loans, the Board can assign fund balance for budget stabilization of \$36,500.

HOUSING CHOICE VOUCHER

Income:

- » Housing Assistance Payments (HAP) based on 2019 estimated expenditures.
- » Administrative Fees estimated at 80% of eligibility with estimated 2% rate increase.
- » HCV Unit Months Leased (UML) is estimated at 98%.
- » FSS Coordinator Grant – Requested \$71,353. Received \$60,645 for 2019 and don't anticipate increased funding.
- » Fraud Recovery based on a two-year average repayments from tenants.
- » Other Income includes miscellaneous revenue. 2019 budget included \$4,150 FSS forfeitures – none anticipated for 2020.

Operating Expenses:

- » Administrative Salaries – Decline due to HCV wage allocation adjustments.
- » Travel – Decreased due to less HQS inspections.
- » Training – Decreased due to no new staff training costs.
- » Other Administrative – Three-year average for Sundry, Publications, Membership, Advertising, Office Supplies, Telephone, and Postage.
- » Contract Costs – Includes \$2,000 for annual utility study.

Other Financial Items:

- » Housing Assistance Payments – Estimated HAP expense to lease at 98% UML. Leasing at this rate may require use of Admin Fee Reserves to fund HAP expense.

Net Cash Flow:

- » Net Cash Flow – Deficit of (\$17,070) due to: Use of Admin Fee Reserves to fund HAP expenses greater than HAP disbursements and fraud revenue for the year of (\$17,800) to achieve 98% Unit Months Leased (UML). Operating surplus of \$730 reduces HAP shortfall.

PUBLIC HOUSING

Income:

- » A 2% Dwelling Rent vacancy loss is projected.
- » Operating Subsidy funding is estimated at 95% eligibility.
- » Other Tenant Charges – Based on three-year average.
- » Other Income:
 - \$71,720 ROSS Grant
 - \$6,410 Interest Revenue
 - \$82,000 Antenna Revenue
 - \$21,400 Laundry Revenue
 - \$25,000 CIP Revenue
 - \$5,490 Misc. Revenue

Operating Expenses:

- » Training – Based on three-year average with additional \$2,000 ROSS training.
- » Legal – Based on three-year average.
- » Other Administrative – Three-year average for Sundry, Publications, Membership, Advertising, and Postage.
- » Maintenance Labor – Increased housekeeper to 40 hours per week.
- » Grounds – Based on three-year average and needed landscaping.
- » Plumbing – 2019 was increased due to jetting out waste lines at North Star.
- » Decorating – Decreased based on average.
- » Other Contract Costs – Three-year average for Cable, Contract Costs, Snow Removal and Janitor/Cleaning.
- » Water and Sewer – Average budgeted with 4% and 2% increase.
- » Electric – Based on three-year average with 2% increase.
- » Gas – Based on average.

Other Financial Items:

- » Capital Expenditures – Based on two-year average CFP funding.

BRIDGES

- » Bridges Grant Revenue – Bridges MHFA HAP \$60,820 and Admin Fee \$7,800. Based on 13 Unit Months Leased in 2020 contract renewal.
- » Operating Transfer Out to General Fund \$7,050.

Action Requested: **Adopt the 2020 General Fund, Housing Choice Voucher and Bridges budgets.
Adopt the 2020 Public Housing budget by approving Resolution No. 2019-08 PHA
Board Resolution Approving Operating Budget.**

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General Fund Comparative Budget

Brainerd Housing Authority
324 E River Rd
Brainerd, MN 56401

Fiscal Year 12/31/2020

Account Title	2019 YTD Actual	2019 Budget	2020 Budget	Difference	% Difference
Revenues:					
City Tax Levy	68,893	126,895	130,430	3,535	3%
Investment Interest	0	0	2,650	2,650	265000%
Management Fees	150,633	199,000	289,000	90,000	45%
TIF Revenue	25,916	40,970	43,660	2,690	7%
Operating Transfer	0	6,450	7,050	600	9%
SCDP Admin Fee	1,417	54,000	55,840	1,840	3%
Other Income	69,280	82,000	136,000	54,000	66%
Interfund Loan Interest	0	5,000	5,000	0	0%
Total Revenues	316,139	514,315	669,630	155,315	30%
Expenditures:					
Administrative					
Salaries	157,618	218,150	290,160	72,010	33%
Employee Benefits	73,586	100,045	140,820	40,775	41%
Travel	689	2,500	2,000	(500)	-20%
Staff Training	6,553	6,000	10,000	4,000	67%
Audit Cost	6,700	6,700	6,700	0	0%
Legal	0	10,500	6,500	(4,000)	-38%
Other Administrative Costs	9,767	8,030	9,090	1,060	13%
Contract Costs	49,962	64,860	120,810	55,950	86%
Total Administrative	304,875	416,785	586,080	169,295	41%
General Expenditures					
TIF Expense	274	200	230	30	15%
Insurance	3,392	4,140	4,995	855	21%
Debt Service	51,358	51,370	52,530	1,160	2%
Other Programs	2,000	102,900	51,500	(51,400)	-50%
Interfund Loan Interest	0	5,000	5,000	0	0%
Total General Expenditures	57,024	163,610	114,255	(49,355)	-30%
Total Expenditures	361,899	580,395	700,335	119,940	21%
Cash Flow	(45,760)	(66,080)	(30,705)	35,375	
Designated Fund Balance	0	66,080	36,500	(29,580)	
Cash Flow from Operations	(45,760)	0	5,795	5,795	

**Brainerd HRA
General Fund Consolidated Budget Detail
2020**

	General Fund	City RLP	TFP	Downtown TIF	SSRP	Housing Rehab	Total General Fund
Revenue	210	630	670	620	650	660	Accounts
Operating Transfer In/Out	7,050	0	0	0	0	0	7,050
Other Income	140,930	500	5,000	0	0	120,000	266,430
Investment Interest	2,650	0	0	0	0	0	2,650
Management Fees	169,000	0	0	0	0	120,000	289,000
Grant Revenue	16,750	0	0	0	0	39,090	55,840
Loan Interest Revenue	5,000	0	0	0	0	0	5,000
TIF Revenue	0	0	0	43,660	0	0	43,660
Total Revenue	341,380	500	5,000	43,660	0	279,090	669,630
Expenses							
Administrative							
Administration Salaries	195,700	0	0	0	0	94,460	290,160
Employee Benefits	89,545	0	0	0	0	51,275	140,820
Legal	2,000	0	4,500	0	0	0	6,500
Staff Training	4,000	0	0	0	0	6,000	10,000
Travel	600	0	0	0	0	1,400	2,000
Auditing Fees	6,700	0	0	0	0	0	6,700
Other Administrative Exp	6,100	0	0	0	140	2,850	9,090
Contracts Costs	1,250	0	0	0	10,960	108,600	120,810
Total Administration	305,895	0	4,500	0	11,100	264,585	586,080
General							
TIF Expense	130	0	0	100	0	0	230
Insurance	4,995	0	0	0	0	0	4,995
Principal / Int Expense	0	0	0	52,530	0	0	52,530
IF Loan Interest Exp	0	0	0	5,000	0	0	5,000
Other General Expense	25,100	25,000	500	0	900	0	51,500
Total General	30,225	25,000	500	57,630	900	0	114,255
Total Expenses	336,120	25,000	5,000	57,630	12,000	264,585	700,335
Cash Flow from Operations	5,260	(24,500)	0	(13,970)	(12,000)	14,505	(30,705)

Housing Choice Voucher Comparative Operating Budget

Brainerd Housing Authority
324 E River Rd
Brainerd, MN 56401

Fiscal Year 12/31/2020

Account Title	2019 Budget	2020 Budget	Difference	% Difference
Operating Income:				
Housing Assistance Payments	1,336,970	1,411,910	74,940	6%
Administrative Fees	237,890	239,960	2,070	1%
Less: Non-leased Vouchers	(2,380)	(4,800)	(2,420)	-102%
Less: Pro-ration	(47,100)	(47,030)	69	0%
Total Administrative Fees	188,410	188,130	(281)	0%
FSS Coordinator Grant	67,040	61,000	(6,040)	-9%
Fraud Recovery	4,000	10,500	6,500	163%
Investment Interest	0	150	150	15000%
Other Income	4,680	650	(4,030)	-86%
Total Operating Income	1,601,100	1,672,340	71,239	4%
Operating Expenditures:				
Administrative				
Salaries	148,080	140,310	(7,770)	-5%
Employee Benefits	83,040	82,650	(390)	0%
Travel	3,960	2,500	(1,460)	-37%
Staff Training	7,600	6,260	(1,340)	-18%
Audit Cost	3,500	3,500	0	0%
Legal	300	300	0	0%
Other Administrative Costs	5,350	5,150	(200)	-4%
Contract Costs	3,000	3,500	500	17%
Total Administrative	254,830	244,170	(10,660)	-4%
General Expenses				
Insurance				
Property	850	910	60	7%
General Liability	2,150	2,370	220	10%
Worker's Comp	900	870	(30)	-3%
Directors & Officials Liability	1,240	1,330	90	7%
Other General Expense	2,600	2,700	100	4%
Total General Expenses	7,740	8,180	440	6%
Total Operating Expenditures	262,570	252,350	(10,220)	-4%
Cash Flow from Operations	1,338,530	1,419,990	81,459	6%
Other Financial Items				
Housing Assistance Payments	1,364,400	1,437,060	72,660	5%
Total Other Financial Items	1,364,400	1,437,060	72,660	5%
Net Cash Flow	(25,870)	(17,070)	8,800	

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Public Housing Comparative Operating Budget

PHA Name	Brainerd Housing Authority	Project Name	North Star Apartments
Address	324 E River Rd Brainerd, MN 56401		Scattered Sites Townhomes Valley Trail Townhomes
Fiscal Year	12/31/2020		
ACC Units	203	Recently Renovated	2009
Built Date	North Star Apartments - 1969	Estimated Occupancy Rate:	98.00%
	Scattered Sites Townhomes - 1987	Average Bedroom Size	1
	Valley Trail Townhomes - 1995	Anticipated Number of Turnovers	45
Type of Site (eld., family, etc.)	Mixed	Estimated Unit Months Leased	2387

FDS Line #	Account Title	2019 Budget	2020 Budget	Difference	% Difference
Operating Income:					
703	Gross Potential Rent	738,745	755,160	16,415	2%
	Less: Vacancy Loss	(14,775)	(15,100)	(325)	-2%
	Net Dwelling Rent	723,970	740,060	16,090	2%
706	HUD Operating Grant Income	262,080	262,780	700	0%
	Less: Proration Amount	(18,350)	(13,140)	5,210	28%
	Net Operating Grant Income	243,730	249,640	5,910	2%
704	Other Tenant Charges	32,240	28,000	(4,240)	-13%
704	Excess Utilities	3,100	3,100	0	0%
715	Other Income	198,790	212,020	13,230	7%
Total Operating Income		1,201,830	1,232,820	30,990	3%

Operating Expenditures:

Administrative

911	Salaries	304,880	311,580	6,700	2%
915	Employee Benefits	124,875	142,025	17,150	14%
916	Travel	2,000	2,000	0	0%
916	Staff Training	11,000	14,000	3,000	27%
912	Audit Cost	10,550	10,550	0	0%
916	Legal	5,000	3,800	(1,200)	-24%
916	Telephone	4,760	4,950	190	4%
916	Office Supplies	7,725	7,725	0	0%
916	Other Administrative Costs	6,260	5,900	(360)	-6%
Total Administrative		477,050	502,530	25,480	5%

Maintenance

941	Labor	193,410	202,560	9,150	5%
945	Employee Benefits	87,405	94,695	7,290	8%
942	Maintenance Materials	28,000	28,000	0	0%
943	Maintenance Contract:				
943	Garbage	24,250	24,250	0	0%
943	Grounds	4,000	5,000	1,000	25%
943	Plumbing	16,000	12,000	(4,000)	-25%
943	Elevator	10,400	10,400	0	0%
943	Decorating	33,500	28,000	(5,500)	-16%
943	Exterminating	3,000	3,000	0	0%
943	Other Contract Costs	81,600	85,500	3,900	5%
Total Maintenance		481,565	493,405	11,840	2%

FDS Line #	Account Title	2019 Budget	2020 Budget	Difference	% Difference
Utilities					
931	Water	26,510	27,570	1,060	4%
932	Electricity	72,390	75,470	3,080	4%
933	Gas	37,350	39,350	2,000	5%
936	Sewer	35,490	36,790	1,300	4%
	Total Utilities	171,740	179,180	7,440	4%
Tenant Services					
924	Tenant Services-Other	4,950	4,950	0	0%
	Total Protective Services	4,950	4,950	0	0%
General Expenses					
961	Insurance				
961.1	Property	51,190	54,410	3,220	6%
961.2	General Liability	12,040	11,050	(990)	-8%
961.3	Boiler	2,960	3,100	140	5%
961.4	Fidelity Bond	600	600	0	0%
961.5	Worker's Comp	10,000	12,420	2,420	24%
961.6	Directors & Officials Liability	2,490	2,660	170	7%
963	Payments in Lieu of Taxes	26,000	26,330	330	1%
962	Other General Expense	0	0	0	0%
966	Collection Losses	8,400	8,000	(400)	-5%
	Total General Expenses	113,680	118,570	4,890	4%
	Total Operating Expenditures	1,248,985	1,298,635	49,650	4%
	Cash Flow from Operations	(47,155)	(65,815)	(18,660)	
Other Financial Items					
	Transfer of Operations (BLI Acct. 1406)	66,000	66,000	0	0%
706.1	HUD Grants-Capital Contributions	200,000	280,000	80,000	40%
	Capital Expenditures	(200,000)	(280,000)	(80,000)	40%
	Total Other Financial Items	66,000	66,000	0	0%
	Net Cash Flow	18,845	185	(18,660)	

Bridges Comparative Operating Budget

Brainerd Housing Authority
324 E River Rd
Brainerd, MN 56401

Fiscal Year 12/31/2020

Account Title	2019 Budget	2020 Budget	Difference	% Difference
Operating Income:				
HAP Revenue	65,420	60,820	(4,600)	-7%
Admin Fee Revenue	7,200	7,800	600	8%
Other Income	0	0	0	0%
Operating Transfer In/Out	(6,450)	(7,050)	(600)	9%
Total Operating Income	66,170	61,570	(4,600)	-7%
Operating Expenditures:				
Administrative				
Travel	450	450	0	0%
Office Supplies	300	300	0	0%
Contract Costs	0	0	0	0%
Total Administrative	750	750	0	0%
General Expenses				
HAP Payments to Landlords	61,920	54,740	(7,180)	-12%
Security Deposit Payments	3,500	6,080	2,580	74%
Other General Expense	0	0	0	0%
Total General Expenses	65,420	60,820	(4,600)	-7%
Total Expenditures	66,170	61,570	(4,600)	-7%
Net Cash Flow	0	0	0	

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PHA Board Resolution
 Approving Operating Budget

**U.S. Department of Housing
and Urban Development**
 Office of Public and Indian Housing -
 Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
 (exp. 06/30/2022)

Public reporting burden for this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Brainerd Housing and Redevelopment Authority PHA Code: MN032

PHA Fiscal Year Beginning: January 1, 2020 Board Resolution Number: 2019-08

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- ☒ Operating Budget approved by Board resolution on: 11/20/2019
- ☐ Operating Budget submitted to HUD, if applicable, on:
- ☐ Operating Budget revision approved by Board resolution on:
- ☐ Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Marlee Larson	Signature:	Date: 11/20/2019
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Previous editions are obsolete

form HUD-52574 (06/2019)



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To: Brainerd HRA Board Members
From: Karen Young, Finance Director and
Shannon Fortune, Housing Manager
Date: November 14, 2019
Re: Adoption of Resolution No. 2019-09, Approval of Cash Management Policy Revision

The purpose of the Cash Management Policy is to adopt and implement financial management policies and procedures to maintain the financial health of the Brainerd Housing and Redevelopment Authority.

Included in this Cash Management Policy are the Cash Receipts Policy and Procedures. Based on the recommendation of the HUD field office (see Attachment 3a Lucia Clausen, Director of MN Public Housing Field Office), we propose to transition to a no cash policy effective January 1st. The recommendation is based on multiple factors, including physical safety, audit concerns, insurance liabilities, and is in line with industry standards related to rent payment. To help facilitate this transition, we would hold a meeting to help residents understand their options for rent payment, including automatic payment, and invite representatives from local banks for residents that may not yet be connected with a bank. The handbook would be updated with this information as well, which will require a 30-day comment period for residents.

Action Requested: Approve Resolution No. 2019-09 revising the Cash Management Policy.

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Shannon Fortune

From: Clausen, Lucia M
Sent: Friday, September 13, 2019 8:55 AM
To: Shannon Fortune
Subject: RE: Cash Payments/No Cash Policy

Hi Shannon- I am here but been in room K doing the HUD one on one meetings with PHA's for repositioning. They industry standard is not accepting cash payments, and has been for some time. In the years that PHAs were doing asset management conversions, there were things mentioned on this topic. Back in 2007 basically. If you call our local OIG staff, they too would support the no taking of cash. You will not find any HUD regulation if that is what you are looking for. HUD does not get that much in the weeds of local property management items, but we do suggest recommendations that are industry standards, or items of concerns in terms as audit issues, security, etc.

If you get push back, the responses you can give to your residents or board members doing push back on the topic include- residents can certainly get to a local store or bank for money orders or cashiers checks for their rental payments- with little fees, they can arrange with a social service agency to set up a payee options, the PHA can work with a local bank to have all of your rent payments paid directly at your PHA bank (I personally set this up at several PHA's I have worked), PHAs could engage with a local bank for discounted fee for tenants for rent payment money orders, or other local solutions.

When I spoke to the OIG on this topic this past month, it is a very big concern for them with the possibility of loss of cash by either a break in to the PHA office, or staff stealing money and altering records/receipts. (And I say that respectfully and not addressing any staff in your HRA) So I hope you understand that comment. Also your insurance provider should also know you accept cash payments, as that is another liability for a loss claim by either a physical break in or your personal liability rider for your employees.

Does that help you at all. If you prefer we can chat over the phone on the topic. Thanks and glad you are looking into changing this policy,

Lucia M. Clausen
US Dept of Housing and Urban Development
Director- Public Housing
612-370-3011
Lucia.M.Clausen@hud.gov

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BRAINERD HOUSING AND REDEVELOPMENT AUTHORITY
BRAINERD, MN 56401

CASH MANAGEMENT POLICY

Accounting Procedures

Accounting System Policy and Procedures
Internal Control Policy
Petty Cash
E-LOCCS Policy (Electronic Line of Credit Control System)
Cash Management
Credit Card Usage and Protection

Adopted July 25, 2018
Revised November 20, 2019

BRAINERD HOUSING AND REDEVELOPMENT AUTHORITY

CASH MANAGEMENT POLICY

Accounting Procedures

Revised: 11/20/2019 Resolution No.: 2019-09

POLICY STATEMENT

The Brainerd Housing and Redevelopment Authority (Agency) recognizes that it is necessary to adopt and implement financial management policies and procedures in order to maintain the financial health of the Agency. It is essential to impose sound internal controls and procedures in the area of cash management to minimize the risk of loss, waste, unauthorized use, or misappropriation. Sound internal controls and procedures will be followed in all of the areas listed below in order to prevent or minimize the likelihood of accounting related errors, irregularities, and illegal acts.

ACCOUNTING SYSTEM POLICY AND PROCEDURES:

SCOPE OF POLICY – FINANCIAL REPORTING

This policy ensures that general ledger records shall be kept current and periodically reviewed for accuracy. Financial statements shall be presented to the board and staff on a monthly basis for review.

Procedure

1. General Ledger
 - a. General ledger entries shall be prepared by the finance director, accounting specialist and finance assistant. The finance director shall review the entries monthly when reconciling the bank statement. The Accounting Specialist shall review the entries periodically throughout the year.
 - b. Monthly general ledger detail is printed along with financial statements and journal vouchers. This information is kept in three ring binders by program and reviewed by the finance director and the accounting specialist. The binders are presented to auditors during field work as supporting documentation for the audit.
2. Financial Statement Presentation
 - a. Operating statements shall be presented to the board monthly in the board packet. Detailed operating statements are e-mailed to the board chair and treasurer monthly.
 - b. Significant budget variances or transactions are detailed in the board packet and discussed with the board as necessary.
 - c. Detailed operating statements are e-mailed to department managers for review on a monthly basis. Statements are presented with an annual budget to actual comparison and a YTD budget comparison.
3. Budget Presentation
 - a. The Agency shall adopt a formal budget each year that will be presented and approved by the Board of Commissioners.
4. Computer Back Up
 - a. All accounting records are backed up nightly to local storage and backed up offsite to a SOCKS/HIPPA compliant encrypted cloud storage location.

SCOPE OF POLICY – CASH RECEIPTS

This policy applies to Cash receipts. Accurate internal control of cash receipts and deposits will be maintained at all times.

Procedure:

1. Receiving tenant collections
 - a. Checks, money orders, and cashier's checks are collected in the form of rent paid by the tenants each month. It is the policy of the Agency to not accept cash for payment of rent, bills, repayment agreements, deposits or other charges. Any attempt to make a cash transaction will be denied and the tenant will be given a list of local institutions that offer money order services. In the extreme cases where it is deemed necessary to accept cash, a manager will authorize the acceptance of cash payment and initial the receipt and document the reason for acceptance. Rent is due on or before the first of each month. Tenants come into the office or use drop boxes to pay their rent primarily within the first five days of the month. The Agency also accepts rent receipts and repayment agreements by ACH direct debit to tenant bank accounts. Generally the only cash that the Agency receives is from laundry money collected from the North Star and Brainerd South Apartments. Two employees collect the money together and then return to the office to turn it in to the administrative assistant to count and receipt into the computer software.
 - b. The administrative assistant prepares all check payments through a desktop deposit software and forwards the file to the finance assistant for final approval. The finance assistant reconciles the deposit to the receipts that have been totaled by the administrative assistant. Daily deposits are made for approximately the first four or five business days of the month. During the middle and latter parts of the month deposits are made weekly as needed. If a deposit is not made for the day, all cash and checks are put in the deposit bag and kept in a locked drawer at the office which has a security alarm.
 - c. The finance assistant enters the deposit information monthly into the general ledger in the Housing Management Systems software (HMS). The administrative assistant posts the collections in the Housing Data Systems software (HDS) to offset tenant accounts receivable or record as revenue.
 - d. The finance director reconciles the monthly cash deposits to the bank statements and general ledger to verify correctness.
2. Deposit
 - a. The finance assistant submits final approval for the deposit prepared through desktop deposit. The administrative assistant then ensures that bank deposit and receipts match the amounts posted into the computer software.

SCOPE OF POLICY – BANK ACCOUNT RECONCILIATIONS

This policy applies to bank account reconciliations. Bank reconciliations shall be performed on all bank accounts on a monthly basis and balanced to the general ledger. Any discrepancies will be resolved on a monthly basis.

Procedure:

1. Reconciliation of Bank Accounts
 - a. The finance director shall perform the bank account reconciliations.
2. Preparation and Reconciling Items

- a. Upon receipt of the monthly bank statements, deposit slips and other transaction notification, the monthly bank reconciliation will be prepared. The bank reconciliation process will include visual inspection that each check is matched to the cash disbursement records to ensure that payee and amount matches and that every check number is accounted for. Periodic review of on-line banking account information can also be utilized to verify deposits, cleared checks and other notifications.
- b. Any discrepancies noted during the reconciliation will require research by the finance director to determine the cause of such recording errors, omissions, incorrect postings, etc. This can also include recalculation of the bank statement for any possible errors made by the bank.
- 3. Adjustments and Journal Entries
 - a. Any reconciling items such as recording errors will be summarized and drafted in journal entry form for recording in the general ledger.
 - b. Any outstanding checks will follow guidelines set forth from Minnesota Department of Commerce schedule of unclaimed property and surrendered to the state once due diligence has been made to find the rightful owner.

SCOPE OF POLICY – ACCOUNTS PAYABLE AND CASH DISBURSEMENTS

This policy applies to accounts payable and cash disbursements from the main operating bank account. Cash disbursements shall go through an approval, review and dual signature process. Proper internal control shall be followed to ensure that only valid and authorized accounts payable are recorded and paid. Accounting procedures have been implemented to ensure accuracy of amounts, coding of general ledger accounts and appropriate timing of payments.

Procedure:

- 1. Receipt and Coding of Invoices, Statements and Payment Requests
 - a. Payment requests will be forwarded to the finance assistant for processing. Once the finance assistant has the above documents, the following steps will be performed to ensure proper authorization, validity of purchases, receipt of purchased items or services and accuracy of amounts.
 - b. The finance assistant shall receive all payment requests and verify that all documents have received authorization from appropriate staff. The Maintenance Supervisor shall approve all maintenance payment requests. Other managers shall approve the payments related to their department. The finance assistant shall enter all accounts payable transactions into HMS and prepare an Accounts Payable Invoice Detail Report.
- 2. Payment of Accounts Payable
 - a. The finance assistant shall provide to the finance director the Accounts Payable Invoice Detail Report along with all payment documents for review. Upon approval by the finance director the finance assistant shall prepare checks. The checks and backup documentation shall be provided to the executive director and a board member for review and dual signature. In the absence of the executive director or a board member the finance director can sign checks as well.
 - b. The finance assistant shall then prepare the checks for mailing and post the transactions to the general ledger.
 - c. The finance director shall provide a monthly summary of all checks issued in the monthly report to the board for their approval.

SCOPE OF POLICY - PAYROLL

This policy ensures proper internal control will be followed for the processing of payroll.

Procedure

1. Initiation and Authorization of Payroll
 - a. Payroll is processed by the finance assistant. Timesheets are required for all employees (excluding care takers) and will be signed by the employee, supervisor and executive director.
 - b. Timesheets will be submitted to the finance assistant for review.
2. Processing of Payroll
 - a. The finance assistant will enter the timesheet information for each employee into a spreadsheet summarizing wages paid and authorized deductions to be approved by the executive director.
 - b. The finance assistant will input the hours and any necessary deductions into the computer software and then generate a NACHA file to upload the payroll information into the bank website for processing.
 - c. All employees are paid by direct deposit and receive a statement of direct deposit.
3. Employee Advances
 - a. Cash loans or payroll advances to employees are prohibited. Loans against employee retirement plans are allowed by the plan policy.

SCOPE OF POLICY – PETTY CASH

This policy ensures proper internal control will be followed for the valid and authorized use of petty cash dollars.

Procedure

1. Use of Petty Cash
 - a. Petty cash may be used by any employee for small purchases where the issuance of a check is not practical.
 - b. Any use of petty cash shall be recorded on the Petty Cash Log Sheet including description of use, amount, fund and initials of employee. Receipts or invoices must be provided as documentation for the purchase.
2. Security
 - a. The administrative assistant will maintain physical control of the petty cash fund. The petty cash fund will be kept in a locked desk drawer of the administrative assistant.
3. Reconciliation
 - a. The administrative assistant shall reconcile the petty cash funds to the disbursements and submit the Petty Cash Log Sheet to the finance assistant for processing through accounts payable for reimbursement.

SCOPE OF POLICY - LOCCS

This policy ensures proper internal control will be followed for the Line Of Credit Control System (LOCCS).

Procedure

1. LOCCS Access
 - a. LOCCS access will be granted to the executive director and finance director. The login information shall be kept secure and not made available for other staff use.
2. LOCCS Draw Requests
 - a. LOCCS Payment Vouchers shall be processed by the finance director and approved by the executive director. Both shall sign and date the voucher when processed and approved.
 - b. Sufficient detail shall be kept with the payment voucher validating the disbursement of funds through LOCCS.
3. LOCCS Disbursements (Capital Fund Program)
 - a. Disbursements shall be processed when the payment is earned and due to the vendor. Payment to vendor shall occur within three days of receipt of funds through LOCCS.

SCOPE OF POLICY – CASH MANAGEMENT

This policy ensures that proper internal control will be followed over the safeguarding and cash management of financial resources.

Procedure

1. Integrity of Cash Management Principles and Standards
 - a. Cash related transactions shall be fully documented so that an undisputable audit trail exists.
 - b. Procedures shall be in place for the regular review and comparison of transaction documentation to detect errors and duplicate payments.
 - c. The finance director shall continually monitor and review all cash related transactions.
 - d. The accessibility to funds and fund records shall be restricted and administratively controlled.
 - e. Cash related duties shall be segregated where possible to maximize separation of duties.
 - f. Accounting software (HMS) access shall only be available to the executive director, finance director, accounting specialist and finance assistant. All access is password protected.
 - g. Fraud filters and protections are used as recommended and available through the Agency's financial institution.

SCOPE OF POLICY – CREDIT CARD USAGE AND PROTECTION

This policy ensures proper internal control will be followed for the usage and safeguards of credit card purchases.

Procedure:

1. Issuance and Usage of Credit Card Purchases
 - a. The executive director shall be responsible for the issuance and general oversight of compliance with this credit card policy. A limit is set on each credit card and this limit may not be exceeded.
 - b. Credit Cards will only be issued to the following employees: executive director, finance director, housing manager, maintenance supervisor, maintenance specialist, and finance assistant. It is at the executive director's discretion to modify this list of allowed credit card holders.
 - c. Credit card purchases may only be for goods and services that are the official business of the Agency. Personal use of the credit card is prohibited and will become a personal liability of the employee. Cash advances from the credit card are strictly prohibited.
 - d. Employees to whom credit cards are issued shall be responsible for the protection and custody of the credit card. The employee to whom the credit cards are issued shall immediately notify the financial institution/organization issuing the card if it is lost or stolen, and notify the executive director as soon as possible.
2. Invoice Submission and Payment of Credit Card Purchases
 - a. Documentation detailing the goods and services purchased with the Agency credit card shall be required for all transactions. The credit card statement in and of itself does not meet this requirement for adequate detailed documentation.
 - b. The documentation will be submitted to the finance assistant as support to accompany the credit card statement for payment. The documentation shall be approved by management.
 - c. Credit card purchases cannot be used to carry debt. Therefore, the entire credit card balance must be paid in full each month.

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HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD

RESOLUTION NO. 2019-09

CASH MANAGEMENT POLICY

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd recognizes that it is necessary to adopt and implement financial management policies and procedures in order to maintain the financial health of the Agency; and

WHEREAS, it is essential to impose sound internal controls and procedures in the area of cash management to minimize the risk of loss, waste, unauthorized use, or misappropriation; and

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd has revised the Cash Management Policy; and

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Brainerd as follows:

1. Cash Management Policy is hereby revised.

I CERTIFY THAT the above resolution was adopted by the Housing and Redevelopment Authority in and for the City of Brainerd.

Dated: _____
Marlee Larson, Chair

Dated: _____
Jennifer Bergman, Executive Director

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To: Brainerd HRA Board Members
From: Tania Eller, Rental Assistance Manager
Date: November 14, 2019
Re: Approve Resolution No. 2019-10, Adopting the Housing Choice Voucher Program Administrative Plan

The Housing Choice Voucher (HCV) Program Administrative Plan is the document that tells the public, elected officials, applicants and tenants, housing choice voucher staff, the policy decisions of the PHA for the Housing Choice Voucher program. The purpose of the plan is to provide daily guidance to PHA staff; ensure fair and equitable treatment; and to justify actions to auditors and in legal challenges. The PHA must have written policies that are adopted and approved by the Board and are submitted to HUD (approval is not required).

Our agency purchased the Nan McKay Model Plan and has subscribed to Nan McKay's model policies. We receive annual revisions to bring current all recent HUD requirements and guidance. While there were some changes relating to regulation language and punctuation, there were no policy changes made. Due to the size of the HCV Administrative Plan, I will not be providing a copy in your packet (you may view it on the Brainerd HRA website: <http://brainerdhra.org/wp-lib/wp-content/uploads/2019/11/Admin-Plan2019.pdf>).

Action Requested: **Approve Resolution No. 2019-10 adopting the Housing Choice Voucher Program Administrative Plan.**

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HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD

RESOLUTION NO. 2019-10

HOUSING CHOICE VOUCHER (HCV) PROGRAM ADMINISTRATIVE PLAN

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd is required to have in place a Housing Choice Voucher (HCV) Program Administrative Plan that tells the public, elected officials, applicants and tenants, housing choice voucher staff, the policy decisions of the PHA for the Housing Choice Voucher program; and

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd has updated its plan with new HUD regulation language and punctuation requirements; and

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the HRA as follows:

1. Housing Choice Voucher (HCV) Program Administrative Plan is hereby approved.

I CERTIFY THAT the above resolution was adopted by the Housing and Redevelopment Authority in and for the City of Brainerd.

Dated: _____
Marlee Larson, Chair

Dated: _____
Jennifer Bergman, Executive Director

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To: Brainerd HRA Board Members
From: Karen Young, Finance Director
Date: November 14, 2019
Re: November Financial Report

Please find attached the financial information for October 2019.

Bremer Bank

I met with Bremer this month to discuss the investment options per their RFP package. We are opening a savings account to complement the operating checking account. We will keep a minimum balance in the checking account to reduce fees and maintain the balance in the savings account to maximize interest earnings. We anticipate incurring some fees at year-end, but the goal is to maximize our earnings at a greater rate in the savings account.

Action Requested: Motion for approval of payments as presented.

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October 2019 Operating Account Balances

Property/Program	October 2018	September 2019	October 2019
General Fund	\$227,255.76	\$271,005.86	\$261,406.76
Brainerd Revolving Loan Program	\$99,077.00	\$99,077.00	\$99,077.00
SSRP	\$12,010.80	\$12,010.80	\$12,010.80
Housing Rehab Program	\$35,200.95	\$12,334.82	\$68,036.78
Bridges	\$15,846.18	\$6,711.47	\$7,457.53
Crow Wing County HRA	\$603,654.34	\$492,641.92	\$517,536.87
Public Housing	\$796,706.54	\$714,117.69	\$721,308.26
Brainerd South	\$21,606.86	\$59,260.24	\$55,857.80
Housing Choice Voucher	\$32,766.87	\$14,471.18	\$38,922.52
Total	\$1,844,125.30	\$1,681,630.98	\$1,781,614.32

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Brainerd Housing & Redevelopment Authority

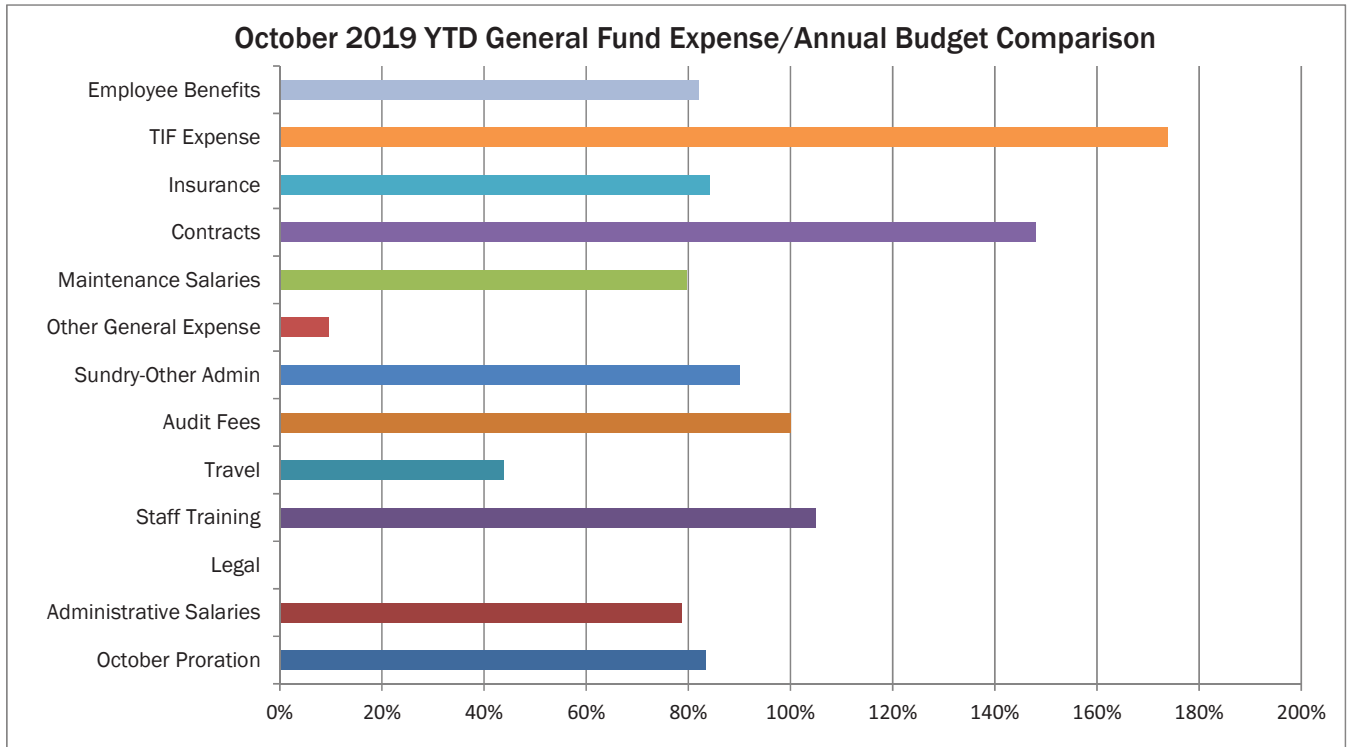
2019 Ratios (and December, 2018)

FASS Ratios	Max Pts	Scoring	Dec 2018 After YE JE, B4 audit	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct
Quick Ratio	12	QR <1 =0-, QR >2 =12	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Months Expended Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Points	25		25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00

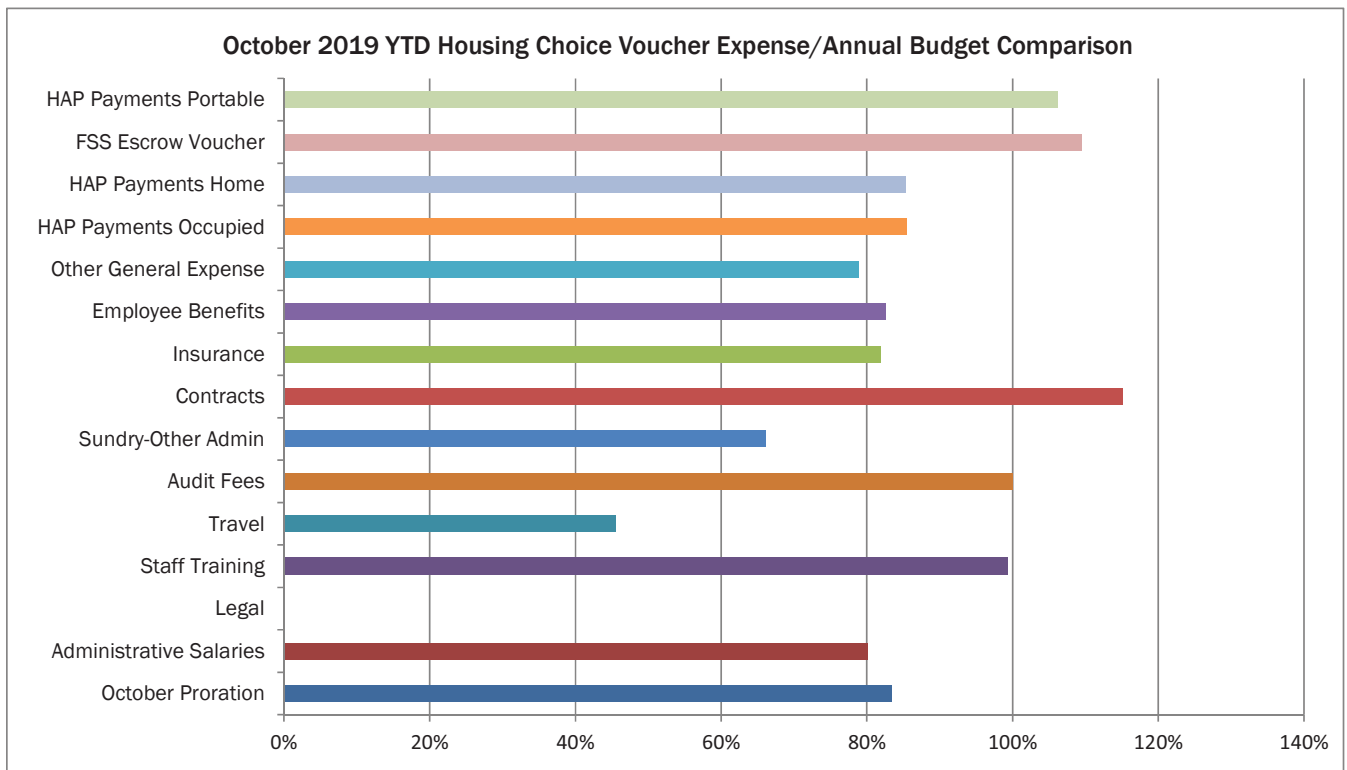
MASS Ratios	Max Pts	Scoring											
Occupancy	16	O <90% =0, O >98% =16	16.00	12.00	12.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Tenant Accounts Receivable	5	TAR <1.5%=5, TAR >2.5%=0	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total Points	25		25.00	16.00	16.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	22.00
Total of Above Ratios	50		50	41	41	45	45	45	45	45	45	45	47

MASS Ratios	Max Pts	Scoring											
Timeliness of Obligation	5	>90% at OED = 5 <90% at OED = 0	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Occupancy Rate	5	OR <93% = 0, OR >96% =5 Must have 5 points or Capital Fund Troubled	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total Points	10		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

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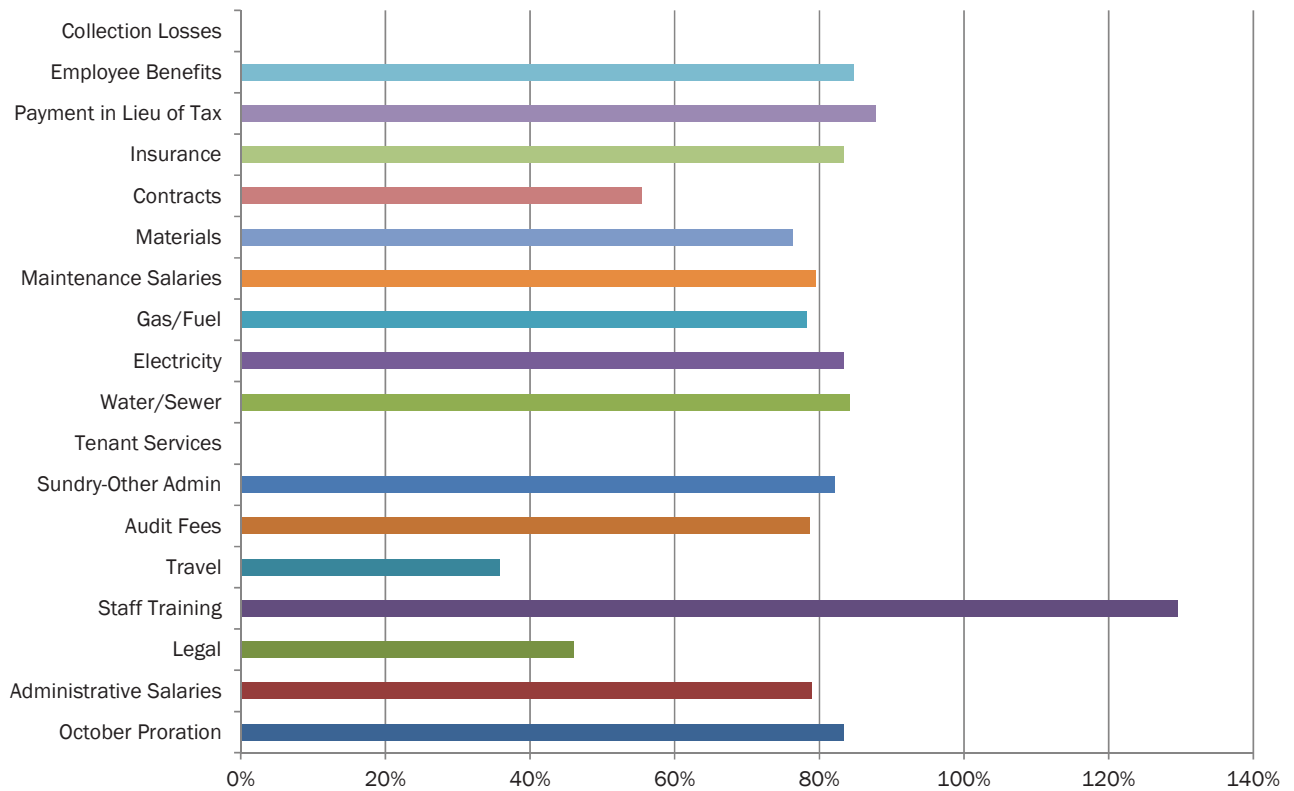


TIF Expense - CWC Reporting
 Contracts: Purchased cloud backup system hardware and anti-virus.
 Training: Spring NAHRO Conference and Government Finance Training



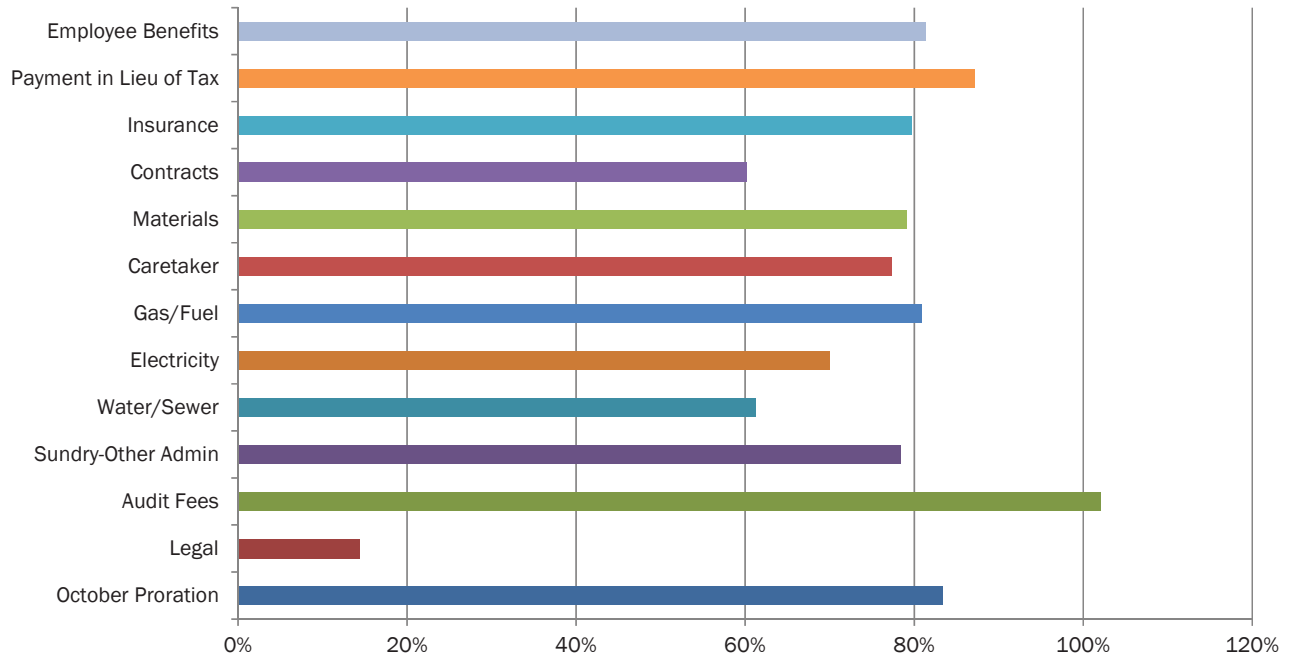
Training: HCV Specialist Training for New Staff. Spring NAHRO Conference.
 Contracts: Utility Allowance Rate Study.

October 2019 YTD Public Housing Expense/Annual Budget Comparison



Training: Procurement Training, Spring NAHRO, National NAHRO and ROSS Training-New Orleans.

October 2019 YTD Brainerd South Expense/Annual Budget Comparison



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**Brainerd HRA
General Fund Operating Statement
October, 2019**

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	Current Period	Current Year	Year To Date Budget	Variance
General Fund Operating INCOME				
Management Fees	-13,927.30	-142,059.85	-140,833.30	-1,226.55
Other Income	0.00	-72,613.26	-79,354.20	6,740.94
Loan Interest Revenue	0.00	0.00	-4,166.70	4,166.70
TOTAL INCOME	-13,927.30	-214,673.11	-224,354.20	9,681.09
EXPENSE				
Administrative				
Administrative Salaries	12,180.11	125,349.55	132,900.00	-7,550.45
Legal	0.00	0.00	1,666.70	-1,666.70
Staff Training	48.00	4,196.54	3,333.30	863.24
Travel	0.00	307.15	583.30	-276.15
Auditing Fees	0.00	6,700.00	6,700.00	0.00
Sundry-Other Admin	205.47	5,102.73	4,716.70	386.03
Total Administration	12,433.58	141,655.97	149,900.00	-8,244.03
Maintenance				
Maintenance Salaries	876.96	9,062.70	9,483.30	-420.60
Contracts	30.00	1,184.52	666.70	517.82
Total Maintenance	906.96	10,247.22	10,150.00	97.22
General				
TIF Expense	0.00	173.80	83.30	90.50
Insurance	348.27	3,482.70	3,450.00	32.70
Employee Benefits	7,015.79	63,830.98	64,883.60	-1,052.62
Other General Expense	500.00	2,500.00	21,666.70	-19,166.70
Total General	7,864.06	69,987.48	90,083.60	-20,096.12
TOTAL EXPENSE	21,204.60	221,890.67	250,133.60	-28,242.93
Net Income/Loss	7,277.30	7,217.56	25,779.40	-18,561.84

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**Brainerd HRA
HCV Operating Statement
October, 2019**

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	Current Period	Current Year	Year To Date Budget	Variance
Housing Choice Voucher Operating INCOME				
HUD HAP Received	-131,780.00	-1,195,061.00	-1,114,141.70	-80,919.30
Admin Fees Earned	-20,359.00	-219,625.00	-212,875.00	-6,750.00
Interest Income	0.04	-168.02	0.00	-168.02
Other Income	-514.00	-10,000.75	-7,233.30	-2,767.45
TOTAL INCOME	-152,652.96	-1,424,854.77	-1,334,250.00	-90,604.77
EXPENSE				
Administrative				
Administrative Salaries	11,551.12	118,622.18	123,400.00	-4,777.82
Legal	0.00	0.00	250.00	-250.00
Staff Training	605.31	7,543.99	6,333.30	1,210.69
Travel	323.06	1,804.57	3,300.00	-1,495.43
Accounting & Audit Fees	0.00	3,500.00	3,500.00	0.00
Sundry-Other Admin	116.37	3,535.40	4,458.30	-922.90
Total Administration	12,595.86	135,006.14	141,241.60	-6,235.46
Maintenance				
Contracts	30.00	3,453.26	2,500.00	953.26
Total Maintenance	30.00	3,453.26	2,500.00	953.26
General				
Insurance	420.48	4,204.84	4,283.30	-78.46
Employee Benefits	7,976.80	68,582.44	78,458.30	-9,875.86
Other General Expense	144.52	2,049.61	2,166.70	-117.09
Total General	8,541.80	74,836.89	84,908.30	-10,071.41
HAP Payments				
HAP Payments Occupied	100,576.00	1,084,609.00	1,058,233.30	26,375.70
HAP Payments Home	3,168.00	36,652.00	35,808.30	843.70
FSS Escrow Voucher	1,597.00	19,212.00	14,616.70	4,595.30
HAP Payments Portable	2,623.00	36,109.00	28,341.70	7,767.30
Total HAP	107,964.00	1,176,582.00	1,137,000.00	39,582.00
TOTAL EXPENSE	129,131.66	1,389,878.29	1,365,649.90	24,228.39
Net Income/Loss	-23,521.30	-34,976.48	31,399.90	-66,376.38

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**Brainerd HRA
Public Housing Operating Statement
October, 2019**

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	Current Period	Current Year	Year To Date Budget	Variance
Public Housing Operating INCOME				
Dwelling Rental	-63,127.00	-608,883.00	-603,308.30	-5,574.70
Excess Utilities	0.00	-3,365.58	-2,583.30	-782.28
Operating Subsidy	-22,234.00	-217,709.00	-203,108.30	-14,600.70
Investment Interest	-44.38	264.88	433.30	-168.42
Other Income	-13,958.03	-142,720.30	-146,775.00	4,054.70
Other Income Tenants	-1,350.43	-22,044.44	-26,866.70	4,822.26
Capital Fund Income	0.00	-122,348.00	-55,000.00	-67,348.00
Laundry Income	-1,764.00	-16,640.25	-19,316.70	2,676.45
TOTAL INCOME	-102,477.84	-1,133,445.69	-1,056,525.00	-76,920.69
EXPENSE				
Administrative				
Administrative Salaries	23,036.79	240,859.92	254,066.70	-13,206.78
Legal	855.00	2,300.00	4,166.70	-1,866.70
Staff Training	1,040.37	14,244.91	9,166.70	5,078.21
Travel	77.14	716.10	1,666.70	-950.60
Accounting & Audit Fees	0.00	8,300.00	10,550.00	-2,250.00
Sundry-Other Admin	626.34	15,385.42	15,620.90	-235.48
Total Administration	25,635.64	281,806.35	295,237.70	-13,431.35
 Rec Public and Other	 0.00	 0.00	 4,125.00	 -4,125.00
Total Tenant Services	0.00	0.00	4,125.00	-4,125.00
Utilities				
Water/Sewer	5,691.40	52,211.45	51,666.80	544.65
Electricity	6,802.93	60,326.33	60,325.00	1.33
Gas/Fuel	536.48	29,238.42	31,125.00	-1,886.58
Total Utilities	13,030.81	141,776.20	143,116.80	-1,340.60
Maintenance				
Labor	14,635.65	153,762.74	161,175.00	-7,412.26
Materials	501.59	21,360.66	23,333.30	-1,972.64
Contracts	8,987.16	95,694.89	143,958.30	-48,263.41
Total Maintenance	24,124.40	270,818.29	328,466.60	-57,648.31
General				
Insurance	6,624.36	66,090.39	66,066.60	23.79
Payment in Lieu of Tax	2,413.78	22,821.10	21,666.70	1,154.40
Employee Benefits	20,395.91	179,846.90	176,900.00	2,946.90
Collection Losses	0.00	0.00	7,000.00	-7,000.00
Total General	29,434.05	268,758.39	271,633.30	-2,874.91
TOTAL EXPENSE	92,224.90	963,159.23	1,042,579.40	-79,420.17
 Net Income/Loss	 -10,252.94	 -170,286.46	 -13,945.60	 -156,340.86

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Brainerd South Operating Statement
October, 2019

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	Current Period	Current Year	Year To Date Budget	Variance
Brainerd South Operating				
INCOME				
Dwelling Rental	-20,464.00	-199,933.00	-191,733.30	-8,199.70
Rental Supplement	-2,812.00	-33,986.00	-36,208.30	2,222.30
Investment Interest	-647.80	-1,052.71	0.00	-1,052.71
Other Income	-2,477.90	-26,414.28	-26,625.00	210.72
Laundry Income	-657.25	-6,673.55	-7,133.30	459.75
TOTAL INCOME	-27,058.95	-268,059.54	-261,699.90	-6,359.64
EXPENSE				
Administrative				
Legal	0.00	43.00	250.00	-207.00
Accounting & Audit Fees	0.00	4,950.00	4,850.00	100.00
Sundry-Other Admin	3,289.27	38,645.88	41,058.50	-2,412.62
Total Administration	3,289.27	43,638.88	46,158.50	-2,519.62
Utilities				
Water	0.00	8,691.10	11,833.30	-3,142.20
Electricity	0.00	3,850.02	4,583.30	-733.28
Gas/Fuel	393.11	12,121.37	12,500.00	-378.63
Total Utilities	393.11	24,662.49	28,916.60	-4,254.11
Maintenance				
Labor	887.68	8,811.22	9,500.00	-688.78
Materials	2,779.33	15,897.56	16,749.90	-852.34
Contracts	8,269.81	45,113.25	62,458.30	-17,345.05
Total Maintenance	11,936.82	69,822.03	88,708.20	-18,886.17
General				
Insurance	2,692.21	26,725.71	27,933.30	-1,207.59
Payment in Lieu of Tax	982.24	8,450.98	8,083.30	367.68
Employee Benefits	101.66	1,016.70	1,041.70	-25.00
Total General	3,776.11	36,193.39	37,058.30	-864.91
TOTAL EXPENSE	19,395.31	174,316.79	200,841.60	-26,524.81
Net Income/Loss	-7,663.64	-93,742.75	-60,858.30	-32,884.45

**October 2019
Prior Year Comparative Statements**

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Brainerd HRA
General Fund Operating Statement
October, 2019

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
General Fund Operating				
INCOME				
Management Fees	-142,059.85	-140,833.30	-141,537.63	-141,939.58
Other Income	-72,613.26	-79,354.20	-89,379.00	-84,265.37
Loan Interest Revenue	0.00	-4,166.70	0.00	0.00
TOTAL INCOME	-214,673.11	-224,354.20	-230,916.63	-226,204.95
EXPENSE				
Administrative				
Administrative Salaries	125,349.55	132,900.00	121,778.35	120,694.57
Legal	0.00	1,666.70	2,303.50	209.79
Staff Training	4,196.54	3,333.30	2,135.34	1,700.87
Travel	307.15	583.30	529.99	260.21
Auditing Fees	6,700.00	6,700.00	6,700.00	6,700.00
Sundry-Other Admin	5,102.73	4,716.70	4,058.37	4,472.84
Total Administration	141,655.97	149,900.00	137,505.55	134,038.28
Maintenance				
Maintenance Salaries	9,062.70	9,483.30	10,170.53	8,710.90
Contracts	1,184.52	666.70	1,045.16	599.66
Total Maintenance	10,247.22	10,150.00	11,215.69	9,310.56
General				
TIF Expense	173.80	83.30	3,011.32	2,746.98
Insurance	3,482.70	3,450.00	3,246.12	2,493.40
Employee Benefits	63,830.98	64,883.60	63,423.65	60,877.85
Other General Expense	2,500.00	21,666.70	4,274.82	867.53
Total General	69,987.48	90,083.60	74,378.69	70,604.52
TOTAL EXPENSE	221,890.67	250,133.60	223,099.93	213,953.36
Net Income/Loss	7,217.56	25,779.40	-7,816.70	-12,251.59

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**Brainerd HRA
HCV Operating Statement
October, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Housing Choice Voucher Operating				
INCOME				
HUD HAP Received	-1,195,061.00	-1,114,141.70	-1,138,807.00	-1,025,786.00
Admin Fees Earned	-219,625.00	-212,875.00	-192,645.00	-178,929.00
Interest Income	-168.02	0.00	-50.31	-12.08
Other Income	-10,000.75	-7,233.30	-11,130.28	-12,674.76
TOTAL INCOME	-1,424,854.77	-1,334,250.00	-1,342,632.59	-1,217,401.84
EXPENSE				
Administrative				
Administrative Salaries	118,622.18	123,400.00	111,076.87	114,383.95
Legal	0.00	250.00	434.30	314.81
Staff Training	7,543.99	6,333.30	2,698.48	3,226.61
Travel	1,804.57	3,300.00	1,508.62	3,119.82
Accounting & Audit Fees	3,500.00	3,500.00	3,500.00	3,500.00
Sundry-Other Admin	3,535.40	4,458.30	3,783.38	4,364.80
Total Administration	135,006.14	141,241.60	123,001.65	128,909.99
Maintenance				
Contracts	3,453.26	2,500.00	3,131.27	2,741.64
Total Maintenance	3,453.26	2,500.00	3,131.27	2,741.64
General				
Insurance	4,204.84	4,283.30	4,031.04	3,534.25
Employee Benefits	68,582.44	78,458.30	63,957.67	63,815.32
Other General Expense	2,049.61	2,166.70	2,070.90	2,498.48
Total General	74,836.89	84,908.30	70,059.61	69,848.05
HAP Payments				
HAP Payments Occupied	1,084,609.00	1,058,233.30	1,039,614.00	1,017,653.00
HAP Payments Home	36,652.00	35,808.30	34,998.00	22,940.00
FSS Escrow Voucher	19,212.00	14,616.70	13,577.00	15,708.00
HAP Payments Portable	36,109.00	28,341.70	27,937.00	38,288.22
Total HAP	1,176,582.00	1,137,000.00	1,116,126.00	1,094,589.22
TOTAL EXPENSE	1,389,878.29	1,365,649.90	1,312,318.53	1,296,088.90
Net Income/Loss	-34,976.48	31,399.90	-30,314.06	78,687.06

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**Brainerd HRA
Public Housing Operating Statement
October, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Public Housing Operating INCOME				
Dwelling Rental	-608,883.00	-603,308.30	-585,415.50	-582,914.00
Excess Utilities	-3,365.58	-2,583.30	-2,998.00	-2,972.00
Operating Subsidy	-217,709.00	-203,108.30	-203,328.00	-202,408.00
Investment Interest	264.88	433.30	417.97	490.65
Other Income	-142,720.30	-146,775.00	-141,070.58	-145,265.62
Other Income Tenants	-22,044.44	-26,866.70	-59,097.38	-55,775.77
Capital Fund Income	-122,348.00	-55,000.00	-368,130.00	-184,261.00
Laundry Income	-16,640.25	-19,316.70	-17,397.50	-19,927.25
TOTAL INCOME	-1,133,445.69	-1,056,525.00	-1,377,018.99	-1,483,531.29
EXPENSE				
Administrative				
Administrative Salaries	240,859.92	254,066.70	235,229.19	221,052.24
Legal	2,300.00	4,166.70	2,566.39	1,943.10
Staff Training	14,244.91	9,166.70	9,646.50	6,317.22
Travel	716.10	1,666.70	662.96	1,677.19
Accounting & Audit Fees	8,300.00	10,550.00	10,400.00	10,200.00
Sundry-Other Admin	15,385.42	15,620.90	16,854.54	10,469.46
Total Administration	281,806.35	295,237.70	275,359.58	251,659.21
Rec Public and Other	0.00	4,125.00	295.14	17.98
Total Tenant Services	0.00	4,125.00	295.14	17.98
Utilities				
Water/Sewer	52,211.45	51,666.80	47,892.81	46,878.26
Electricity	60,326.33	60,325.00	61,706.89	53,942.99
Gas/Fuel	29,238.42	31,125.00	31,797.45	20,582.00
Total Utilities	141,776.20	143,116.80	141,397.15	121,403.25
Maintenance				
Labor	153,762.74	161,175.00	156,686.29	145,362.38
Materials	21,360.66	23,333.30	21,875.51	16,112.39
Contracts	95,694.89	143,958.30	-2,926.15	161,996.46
Total Maintenance	270,818.29	328,466.60	175,635.65	323,471.23
General				
Insurance	66,090.39	66,066.60	57,825.29	50,963.29
Payment in Lieu of Tax	22,821.10	21,666.70	21,700.55	22,280.64
Employee Benefits	179,846.90	176,900.00	178,380.45	168,508.25
Collection Losses	0.00	7,000.00	0.00	0.00
Total General	268,758.39	271,633.30	257,906.29	243,002.84
TOTAL EXPENSE	963,159.23	1,042,579.40	850,593.81	939,554.51
Net Income/Loss	-170,286.46	-13,945.60	-526,425.18	-543,976.78

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**Brainerd South Operating Statement
October, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Brainerd South Operating				
INCOME				
Dwelling Rental	-199,933.00	-191,733.30	-193,404.00	-190,962.00
Rental Supplement	-33,986.00	-36,208.30	-33,006.00	-39,440.00
Investment Interest	-1,052.71	0.00	117.50	107.25
Other Income	-26,414.28	-26,625.00	-26,210.07	-28,346.98
Laundry Income	-6,673.55	-7,133.30	-6,920.00	-7,048.00
TOTAL INCOME	-268,059.54	-261,699.90	-259,520.14	-265,689.73
EXPENSE				
Administrative				
Legal	43.00	250.00	150.00	468.35
Accounting & Audit Fees	4,950.00	4,850.00	4,850.00	4,850.00
Sundry-Other Admin	38,645.88	41,058.50	37,780.68	38,595.69
Total Administration	43,638.88	46,158.50	42,780.68	43,914.04
Utilities				
Water	8,691.10	11,833.30	10,337.63	12,762.19
Electricity	3,850.02	4,583.30	4,766.64	4,432.77
Gas/Fuel	12,121.37	12,500.00	13,297.25	9,843.82
Total Utilities	24,662.49	28,916.60	28,401.52	27,038.78
Maintenance				
Labor	8,811.22	9,500.00	9,168.72	7,910.26
Materials	15,897.56	16,749.90	14,353.49	15,185.92
Contracts	45,113.25	62,458.30	48,353.63	45,977.46
Total Maintenance	69,822.03	88,708.20	71,875.84	69,073.64
General				
Insurance	26,725.71	27,933.30	25,939.59	24,379.27
Payment in Lieu of Tax	8,450.98	8,083.30	8,056.08	7,838.65
Employee Benefits	1,016.70	1,041.70	1,016.70	901.26
Total General	36,193.39	37,058.30	35,012.37	33,119.18
TOTAL EXPENSE	174,316.79	200,841.60	178,070.41	173,145.64
Net Income/Loss	-93,742.75	-60,858.30	-81,449.73	-92,544.09

Brainerd Housing Authority Payment Summary Report October 2019

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
10/10/2019	662	Carrie Burrell	\$145.00
10/10/2019	663	Dudley Gangestad	\$66.70
10/10/2019	664	Erik Warner	\$95.70
10/10/2019	665	Jennifer Bergman	\$209.96
10/10/2019	666	John Schommer	\$158.92
10/10/2019	667	Keri Woitalla	\$52.71
10/10/2019	668	Ryan Barnett	\$154.86
10/1/2019	1538	Health Savings Accounts	\$8,250.00
10/2/2019	1539	EBSO	\$22,623.78
10/3/2019	1540	Ash Properties	\$500.00
10/10/2019	1541	Minnesota State Retirement System	\$800.00
10/10/2019	1542	Electronic Federal Tax Payment System	\$7,307.59
10/10/2019	1543	MN Dept of Revenue	\$1,279.28
10/10/2019	1544	Health Savings Accounts	\$1,155.75
10/10/2019	1545	Security Benefit	\$4,025.40
10/24/2019	1546	Minnesota State Retirement System	\$800.00
10/24/2019	1547	Electronic Federal Tax Payment System	\$7,406.26
10/24/2019	1548	MN Dept of Revenue	\$1,293.66
10/24/2019	1549	Health Savings Accounts	\$1,083.32
10/24/2019	1550	Security Benefit	\$4,077.40
10/10/2019	22882	Ace Hardware	\$56.90
10/10/2019	22883	AmeriPride Linen & Apparel Svcs	\$292.70
10/10/2019	22884	Batteries Plus	\$166.15
10/10/2019	22885	Brainerd Public Utilities	\$11,927.54
10/10/2019	22886	CTCIT	\$500.00
10/10/2019	22887	Capital One Commercial	\$249.83
10/10/2019	22888	CenterPoint Energy	\$929.59
10/10/2019	22889	Crow Wing County Treasurer	\$17,443.58
10/10/2019	22890	Culligan	\$114.30
10/10/2019	22891	Dacotah Paper Co	\$295.50
10/10/2019	22892	Home Depot Credit Services	\$32.18
10/10/2019	22893	League of Minnesota Cities	\$17.02
10/10/2019	22894	Marco, Inc.	\$1,348.95
10/10/2019	22895	Mike Jones	\$53.65
10/10/2019	22896	Miller Testing & Consulting LLC	\$900.00
10/10/2019	22897	Nisswa Sanitation	\$2,246.78
10/10/2019	22898	Nu-Way Construction, Inc.	\$1,875.00
10/10/2019	22899	Office Shop	\$191.04
10/10/2019	22900	PDQ Supply Inc.	\$166.68
10/10/2019	22901	Patnode's Custom Cabinets	\$900.00
10/10/2019	22902	Secretary of State (MN)	\$120.00
10/10/2019	22903	State of Minnesota	\$160.00
10/10/2019	22904	Terry Quick	\$184.44
10/10/2019	22905	Trail Ridge Townhomes	\$29.87
10/10/2019	22906	Valley View Townhomes	\$795.00
10/10/2019	22907	Verizon Wireless	\$315.54
10/16/2019	22908	Crow Wing Cty Recorder's Office	\$46.00
10/17/2019	22909	Tenant Refund	\$312.65
10/17/2019	22910	Tenant Refund	\$458.42
10/17/2019	22911	Tenant Refund	\$204.50
10/24/2019	22912	Adam's Pest Control, Inc.	\$94.50
10/24/2019	22913	Avesis Third Party Admininistrators	\$35.13

Brainerd Housing Authority Payment Summary Report October 2019

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
10/24/2019	22914	Birchdale Fire & Security LLP	\$85.00
10/24/2019	22915	Brainerd Public Utilities	\$681.79
10/24/2019	22916*	Bremer Bank Credit Card	\$2,834.02
10/24/2019	22919	CTC	\$2,496.05
10/24/2019	22920	City of Brainerd	\$1,478.64
10/24/2019	22921	Dearborn National	\$216.12
10/24/2019	22922	Frank Olson Drywall Repair	\$626.77
10/24/2019	22923	HealthPartners	\$864.53
10/24/2019	22924	Kennedy & Graven, Chartered	\$531.75
10/24/2019	22925	Life Insurance Company of North America	\$86.69
10/24/2019	22926	MN Elevator, Inc.	\$728.00
10/24/2019	22927	Northland Fire Protection	\$1,496.00
10/24/2019	22928	Precision Electrical LLC	\$4,080.00
10/24/2019	22929	Strike Painting & Finishing	\$1,290.00
10/24/2019	22930	Sun Life Financial	\$285.68
10/24/2019	22931	Terry Quick	\$22.32
10/24/2019	22932	Todd Herron	\$794.24
10/31/2019	22933	Tenant Refund	\$131.91
	*22917-22918	Used in September-staff error	
		Report Total	\$122,679.24



To: Brainerd HRA Board Members
From: Tania Eller, Rental Assistance Manager
Date: November 14, 2019
Re: HCV Programs Report

HCV Report

Please see Attachment 6a.

Our Unit Months Leased (UML) through October was 98% and HAP utilization through October was 86%.

Bridges Report

Please see Attachment 6b.

Family Self-Sufficiency (FSS) Report

Please see Attachment 6c.

No Action Requested; Discussion Items

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October Housing Choice Voucher Programs (HCV)

<u>Voucher Allocation</u>	320
October Move-ins	6
October Move-outs	2
October Vouchers - looking for housing	60
October Vouchers - first day of month	304
Average Vouchers to date	315
Unit Months Leased	98%
HAP Utilization through 10/31/19	86%

Reasons For Leaving Program

Shop Mode (looking for housing)	2
---------------------------------	---

Payments

Housing Assistance Payment (HAP)	\$131,780
October HUD Administrative Fee	\$15,305

Port Out Vouchers

	4
St. Cloud (1), Clay (1) Flager (1) Dakota (1)	\$2,623

Homeownership

	9
Homeownership HAP	\$3,168

Annual Average Income

\$13,813

Length of Time on Program

< 1 year	25%
< 2 years	12%
< 3 years	14%
< 4 years	6%
< 5 years	3%
> 5 years	40%

Demographics

Elderly Households	77
Disabled/Handicapped Households	157
Families with Children	133

Waiting List Total

	252
Crow Wing County Preference	75
Non Preference	177

Average HAP Payment

\$351

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Bridges Report from October 2019

Currently

- » Waiting list: 0
- » Tenants leased up in units: 16
- » Tenants in Shop Mode: 0
- » Participants issued a voucher & searching for a unit: 0
- » Notified: 0
- » Participants receiving HCV voucher: 1
- » Participants giving up Bridges voucher: 0

Tenants' Residing Counties

- » Cass County: 0
- » Morrison: 3
- » Aitkin: 1
- » Crow Wing: 13
- » Todd: 0
- » Wadena: 0

Total HAP payment: \$6,083.00

Family Self-Sufficiency Report from October 2019

Currently:

- » Active FSS participants: 29
- » Tenants going OFF for month: 0
- » Tenants going ON for month: 1
- » Tenants start ESCROWING: 1
- » Total number of FSS participants escrowing monthly: 10
- » Total amount of escrow: \$1,597.00
- » Total escrow: \$25,398.45

Summary:

We had one new enrollment for October.



To: Brainerd HRA Board Members
From: Shannon Fortune, Housing Manager
Date: November 14, 2019
Re: Public Housing Report

Vacancy Report for October 2019

Please see Attachment 7a.

Monthly Property Performance Report for October 2019

Please see Attachment 7b.

North Star Apartments Caretaker Position

Jim Kozinski was hired to fill the North Star caretaker position effective November 1st. Jim has been a tenant of North Star Apartments for several years now. In addition to his familiarity with the building and the residents, he has a wealth of previous experience ranging from merchandising, mercantile exchange, running his own business, and his service in the United States Marine Corp.

ROSS Program Updates

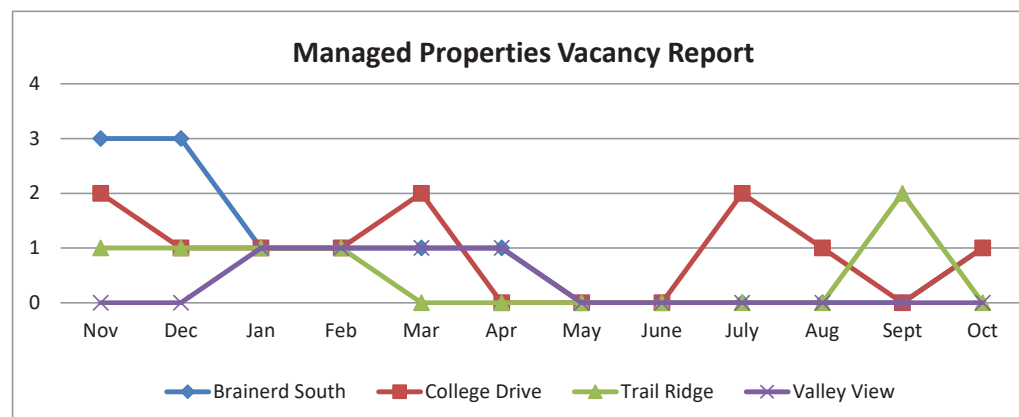
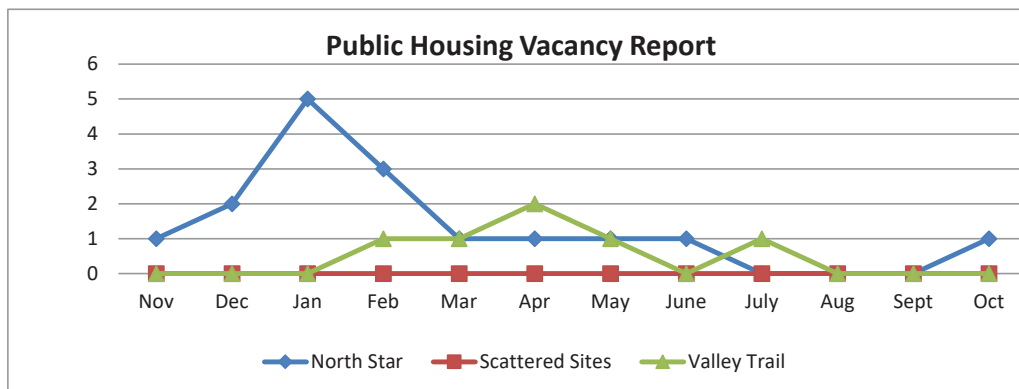
- » This month Erik spent time with the maintenance staff as they were doing follow-up inspections in scattered site units. Erik's goal was to introduce himself, talk about the ROSS program, and be available for families that had questions or were struggling with the annual inspection process. As a result, Erik enrolled two new households in the ROSS program, both scattered site families, which have been our hardest population to engage since the beginning of the program.
- » In October, the second in a series of nutrition-related seminars was held in conjunction with the Senior Nutrition Assistance Program food box distribution and eight tenants participated.
- » Monthly participation in the Senior Nutrition Assistance Program ranges between 25–30 tenants. The program can continue so long as at least 20 tenants participate on a monthly basis.
- » We had hoped to present a statistical review of the recent six-month program report submitted to HUD at the end of October for the period of 3/18/2019–9/17-2019; however, we have run into a problem with getting the cumulative data from the HUD inForm system. We are waiting for guidance on how we can retrieve our summary data and hope to have the information ready for the December Board meeting.

No Action Requested; Discussion Items

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Brainerd HRA 2019 Vacancy Report

	Public Housing				Section 236 Brainerd South	Tax Credit - DW Jones		
	North Star	Scattered Sites	Valley Trail	Total PH Vac/%		College Drive	Trail Ridge	Valley View
# units	162	16	25	203	60	24	18	20
Jan 31	5	0	0	5	1	1	1	1
Jan %	3.09%	0.00%	0.00%	2.46%	1.67%	4.17%	5.56%	5.00%
Feb 28	3	0	1	4	1	1	1	1
Feb %	1.85%	0.00%	4.00%	1.97%	1.67%	4.17%	5.56%	5.00%
March 31	1	0	1	2	1	2	0	1
March %	0.62%	0.00%	4.00%	0.99%	1.67%	8.33%	0.00%	5.00%
April 30	1	0	2	3	1	0	0	1
April %	0.62%	0.00%	8.00%	1.48%	1.67%	0.00%	0.00%	5.00%
May 31	1	0	1	2	0	0	0	0
May %	0.62%	0.00%	4.00%	0.99%	0.00%	0.00%	0.00%	0.00%
June 30	1	0	0	1	0	0	0	0
June %	0.62%	0.00%	0.00%	0.49%	0.00%	0.00%	0.00%	0.00%
July 31	0	0	1	1	0	2	0	0
July %	0.00%	0.00%	4.00%	0.49%	0.00%	8.33%	0.00%	0.00%
Aug 31	0	0	0	0	0	1	0	0
Aug %	0.00%	0.00%	0.00%	0.00%	0.00%	4.17%	0.00%	0.00%
Sept 30	0	0	0	0	0	0	2	0
Sept %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	11.11%	0.00%
Oct 31	1	0	0	1	1	1	0	0
Oct %	0.62%	0.00%	0.00%	0.49%	1.67%	4.17%	0.00%	0.00%
Nov 30				0				
Nov %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Dec 31				0				
Dec %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	13	0	6	19	5	8	4	4
%	0.80%	0.00%	2.40%	0.94%	0.83%	3.33%	2.22%	2.00%



Brainerd Housing and Redevelopment Authority

Monthly Property Performance Report October 2019

1. Property Narrative

2. Physical Occupancy

Unit Size	Total Units	Occupied Units	Mod Rehab	Make Ready	Vacant Units	Percent Occupied
North Star	162	161	n/a	n/a	1	99%
Valley Trail	25	25	n/a	n/a	0	100%
Scattered Sites	16	16	n/a	n/a	0	100%
TOTAL	203	202	0	0	1	100%

3. Customer Traffic

Applications Requested	54
Applications Placed on PH Wait List	18
Applications Denied on PH Wait List	34

4. Waiting List

Unit Size	# of Units	Total # on Wait List	Notified	Screening	Denied
1 bdrm	160	100	5	2	0
2 bdrm	14	26	5	1	0
3 bdrm	24	41	5	3	2
4 bdrm	5	2	0	0	0
TOTAL	203	169	15	6	2

5. Move-Ins and Move Outs

	This Month	Year-to-Date
Move-Ins	2	32
Move-Outs	2	23

6. Lists of Vacant Units and Unit Status

Unit	Unit Size	Anticipated Lease Date	Applicant Approved?
NS #212 (Caretaker Unit)	2	11/01/19	Yes

7. Recertifications

Interim Recertifications	7
Annual Recertifications	6
Completed for this month	13

8. Annual Unit Inspections

Total units to be inspected this year	203
Number completed start of month	203
Number inspected for the month	0
Number completed year-to-date	203
Total left to be inspected this year	0
Have all building system inspections been completed?	In Process
If yes, please enter date	n/a

9. Lease Enforcements

Lease warnings/violations issued	2
30-day lease terminations	0

10. Evictions

Resident	Reason	Summons Date	Judgment Action
None			

11. Non-Emergency Work Orders

Beginning Balance	2
Received	139
Closed	140
Ending Balance	1
Total Completed Work Orders for Year	956

12. Emergency Work Orders

	This Month	Year-to-Date
Requested	1	11
Completed within 24 hours	1	11
Percent completed within 24 hours	100%	100%

13. Rent Collection

	This Month
Rent Charges	63,230
Other Charges	1,110
Total New Charges	63,340
Arrears, tenants in possession	861

Accounts Receivable

Current Tenant Accounts Receivable (Rent)	428
Current Rent Charges	63,230
Current Rent Collections	62,802
Accounts Receivable Rate	1%
Collection Rate	99%

Collections - Prior 12 Month Period

Prior Tenants Accounts Receivable (Rent)	4,579
Prior Rent Charges	736,604
Collection Rate	99%



To: Brainerd HRA Board Members
From: Jennifer Bergman, Executive Director
Date: November 14, 2019
Re: Executive Director Report

Homeless Shelter Discussion

A group of partners and parishioners throughout the county have convened several meetings and focus groups to discuss the concerns of the homeless population in Crow Wing County. With the exit of New Pathways, there has been a gap in services. I attended a meeting on November 4th in which the group discussed the need for a short-term solution and a long-term solution. Several community partners have agreed to work together to begin discussions and to form a plan to address the issues.

NDC Enterprise Academy

The Initiative Foundation received a \$273,000 grant from the Department of Employment and Economic Development (DEED) to implement the Enterprise Academy Program, which will provide tools and support to prepare low-income and minority business owners to succeed. Jeff Wig is convening a stakeholders meeting on Friday, November 22nd, to help the Initiative Foundation plan the expansion of the Enterprise Academy program in downtown Brainerd (see Attachment 8a).

Housing Trust Fund

We are working on an ordinance for the Housing Trust Fund. The intention is to have a draft to the Crow Wing County HRA Board in December, present the ordinance to the County Board at a Committee of the Whole meeting in January, and have the ordinance adopted in January.

Destination Downtown

The three finalists for the Destination Downtown Business Challenge were announced: Crow Wing Food Co-op, Loide' Oils & Vinegars, and Minnesota Makerspace. You can view finalist and voting info on the website, www.downtownbrainerd.org. Also, the Chamber is using the new Destination Downtown Brainerd Facebook page to share contest info, previews, voting updates, etc. WSN's outstanding finalist videos have been posted and the Brainerd Dispatch ran a story. The voting is taking place from midnight to midnight, November 11–15.

No Action Requested; Discussion Item

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Subject: Enterprise Academy Info/Feedback meeting
Location: CTC Room - Brainerd Lakes Chamber

Start: Fri 11/22/2019 10:00 AM
End: Fri 11/22/2019 11:30 AM

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Jeff Wig

Original email invitation:

Supporters of Downtown Brainerd,

As a friend of Downtown Brainerd you are invited to a "Stakeholder" meeting on Friday, November 22nd from 10:00-11:30 AM in the CTC Room at the Brainerd Lakes Chamber. The purpose of the meeting is to help the Initiative Foundation and our partners plan the expansion of our Enterprise Academy program for lower income entrepreneurs to Brainerd's central business district.

The Enterprise Academy program is a comprehensive system of support for entrepreneurs that includes 3 primary elements:

1. A 12-week Entrepreneur Training Class and associated one-on-one sessions designed to help entrepreneurs complete a well-researched business plan.
2. Dedicated business microloans of up to \$50,000. (Larger loans are possible in collaboration with local banks and credit unions.)
3. Management consulting services in a variety of areas, including bookkeeping, marketing and financial projections.

The Enterprise Academy program began in early 2018 with a focus on St. Cloud's Somali-American and African American business communities. And now, thanks to a DEED grant and the partnership of key players like the Brainerd Lakes Chamber, the SBDC, and the Brainerd HRA, we will be expanding the program to lower-income entrepreneurs from all backgrounds in Brainerd.

The Initiative Foundation's Enterprise Academy program is an adaptation of the nationally recognized Neighborhood Development Center<<http://www.ndc-mn.org/>> (NDC) model in the Twin Cities. NDC has helped over 600 existing businesses get their start, and the model has been adopted in cities across the U.S.

As Brainerd native who remembers the vibrancy of Brainerd's central business district from my youth, I am excited to help bring this program to my hometown. I hope we can link with many of the same partners who have made the Destination Downtown program a great success and support the momentum of Brainerd's business core by harnessing the energy of lower income entrepreneurs.

Please join us to hear more about this exciting new program, get your questions answered, and provide your insights on how to capitalize on this unique opportunity. Please RSVP by replying to this email, and thank you for your work in helping make Brainerd a great place to live and work!

(NOTE: Although I have had the opportunity to have individual conversations with many about this opportunity, I have not had the chance to connect with all. Please let me know if you have any questions prior to this session.)

Best,

Jeff

[<https://ucarecdn.com/24d1656a-09c8-40f9-bbf4-1c9ba46db6ec/-/resize/171x165/img.png>]<<https://www.givemn.org/organization/Initiative-Foundation>>

Jeff Wig

Vice President for Entrepreneurship

Initiative Foundation

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405 First St. S.E., Little Falls, MN 56345<<https://www.google.com/maps/place/Initiative+Foundation/@45.9726618,-94.3629979,15z/data=!4m5!3m4!1s0x0:0xe393a4270716322b!8m2!3d45.9726618!4d-94.3629979>>

Give Today: Support Local Child Care Solutions

A child care shortage is hurting the earning power of Central Minnesota families and limiting growth for regional businesses and manufacturers. Would you consider a gift today<<https://www.givemn.org/organization/Initiative-Foundation>>? Using our shared resources, and with support from the state of Minnesota, we can craft local solutions that help families reach their full earning potential while providing the workforce that businesses need to help the region grow and prosper. Donate now<<https://www.givemn.org/organization/Initiative-Foundation>>!

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To: Brainerd HRA Board Members
From: John Schommer, Rehab Coordinator
Date: November 14, 2019
Re: Rehab Programs Report

NE BRAINERD SCDP

Address	Type of Rehab	Units	Status
707 Laurel St.	Commercial	1	In Construction
707 Laurel St.	Mixed-use	9	DEED is reviewing
212 1st Ave. NE	Owner-occupied	1	In Construction
612 2nd Ave. NE	Owner-occupied	1	In Construction
201 & 203 B St.	Rental	2	Work Write-up

Emily SCDP

- » 4 Owner-occupied projects are in construction.
- » 1 application is being processed.

Brainerd Revolving Loan Program

We have not had any inquiries.

FHLB AHP Application

Application for six units of rehab was submitted on May 31st. We will find out in December if we were funded.

Brainerd Revolving Loan Program

We received one application from a homeowner that has been cited for his roof from the City. We are waiting on additional documentation before we begin processing it.

Pequot Lakes SCDP Preliminary Proposal

We did not receive enough interest letters back from owner-occupied properties, so we will not be able to submit the preliminary proposal. We did have three people who may qualify for a MHFA loan that we will follow-up on.

MHFA

- » 5 projects are in construction
- » 1 project is bidding
- » 1 project in underwriting
- » 1 project is in work write-up

(Continues on back.)

BRAINERD OAKS/SERENE PINES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	35	25	6	6
Serene Pines	23	11	8	3	3
Dalmar Estates	7	1	1	0	1

*Originally 83 lots, two have been merged/combined into a single parcel.