324 East River Road
Brainerd, MN 56401
PH (218) 828-3705
FAX (218) 828-8817
www.brainerdhra.org

Brainerd HRA Board of Commissioners Meeting
May 27th, 2026 @ 1:00pm

Brainerd City Hall Council Chambers
501 Laurel St, Brainerd, MN 56401

Members of the Board of Commissioners may be participating remotely

Join from browser:
https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=me4bce8f5f5bc8fc57868ffef9a3116c6
Join by phone: 415-655-0001
Meeting number (access code): 2550 850 8146
Meeting password: kNJAB5SwF32

"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. REVIEW AND APPROVE AGENDA

   a. Approval of Agenda for Board Mtg. dated May 27th, 2026

4. OATH OF OFFICE – Attachment 1 (pg. 3)

   a. Oath of Office for Jeff Czeczok

5. APPROVAL OF MINUTES – Attachment 2 (pg. 5)

   a. Approval of Minutes from Regular Board Mtg. on April 22nd, 2026

6. UNFINISHED BUSINESS

7. NEW BUSINESS
    a. ACOP Update – Over-Income Limits – Attachment 3 (pg. 11)
    b. HCV Leasing Update – Attachment 4 (pg. 17)

8. BILLS & COMMUNICATIONS
    a. Financial Report – Attachment 5 (pg. 19)
    b. HCV Report – Attachment 6 (pg. 41)
    c. Housing Management Report – Attachment 7 (pg. 47)
    d. Rehab Programs Report – Attachment 8 (pg. 51)
    e. Executive Director Report – Attachment 9 (pg. 67)

9. COMMISSIONER COMMENTS

10. NEXT MEETING: June 24th, 2026

11. ADJOURN

Katie Imgrund, term expiring 12/31/28
Janet Decker, term expiring 12/31/26
Michael Duval, term expiring 12/31/30
Wayne Erickson, term expiring 12/31/30
Jeff Czeczok, term expiring 12/31/26
Allie Verchota, term expiring 12/31/29
Justin Grecula, term expiring 12/31/27

To: Brainerd HRA Board Members
From: Eric Charpentier, Executive Director
Date: May 27th, 2026
Re: Oath of Office

Jeff Czeczok was appointed to the Brainerd HRA Board as the City Council liaison by the City Council at their May 18th, 2026 meeting. Mr. Czeczok will fill the remaining term that is being vacated by Councilman Kevin Yeager, which is set to expire on December 31st, 2026.

Following is the oath of office (*Attachment 1a*), please join me in welcoming Commissioner Czeczok to the board.

Action Item: Administer the Oath of Office to Commissioner Czeczok

Oath

STATE OF MINNESOTA

COUNTY OF CROW WING **ss.**

CITY OF BRAINERD

I, **Jeffrey Czeczok**, do solemnly affirm that I will support the Constitution of the United States, the Constitution of the State of Minnesota, and that I will faithfully and impartially discharge the duties as a commissioner of the **HOUSING AND REDEVELOPMENT AUTHORITY in and for the CITY of BRAINERD**, to which I have been appointed to the best of my knowledge and ability, so help me God.

Jeffrey Czeczok

Subscribed and sworn to before me this 27th day of May, 2026.

ERIC CHARPENTIER
Executive Director

Brainerd HRA Board of Commissioners Meeting Minutes
Wednesday, April 22nd, 2026 @ 1:00 p.m.
City Hall Council Chambers, 501 Laurel St, Brainerd, MN 56401
"Our mission is to provide affordable housing and redevelopment opportunities to strengthen our neighborhoods and community."

1. CALL TO ORDER
Chair Duval called the meeting to order at 1:00 p.m. and presided.

2. ROLL CALL
Present: Commissioners Janet Decker, Michael Duval, Wayne Erickson, Justin Grecula, Katie Imgrund, and Allie Verchota. Commissioner Janet Decker arrived at 1:12 p.m.
Absent: Kevin Yeager.
Staff Present: Eric Charpentier (Executive Director), Karen Young (Finance Director), Mallory Demel (Rental Assistance Manager), Hannah Gangl (Housing Manager), John Schommer (Rehab & Maintenance Director), and Brit Thompson (Rehab Administrative Specialist).
Guests Present: Mary Reedy (Auditor) and Nick Broyles (Brainerd City Administrator).

3. REVIEW AND APPROVE AGENDA
Presented by Eric Charpentier, Executive Director. Agenda for April 22, 2026, reviewed.
Motion: Commissioner Justin Grecula moved to approve the agenda; Commissioner Wayne Erickson seconded. Motion carried by voice vote.

4. APPROVAL OF MINUTES
Approval of Minutes from the Regular Board Meeting on March 25, 2026, presented by the Board Chair.
Motion: Commissioner Justin Grecula moved to approve the minutes; Commissioner Katie Imgrund, Secretary/Treasurer, seconded. Motion carried by voice vote.

5. PRESENTATION
a. 2025 Brainerd HRA Audit
Presented by Mary Reedy, CliftonLarsonAllen. Ms. Reedy reviewed the required communications, audit results, financial results, and key summary items from the 2025 Brainerd HRA audit. She reported an unmodified, or clean, opinion on the financial statements; no material weaknesses; and no significant deficiencies. She stated that no corrected or uncorrected misstatements were identified, no disagreements with management were encountered, and the audit was completed on a timely basis. She also advised that the monthly financial information being provided to the Board was accurate and reliable for decision-making purposes.

The Board received a high-level overview of major program areas. In the General Fund, Ms. Reedy noted increased revenue due in part to the sale of Trail Ridge and stated that assigned and committed fund balance included amounts related to Trail Ridge sale proceeds, Level Contracting work, and housing rehabilitation. For housing rehabilitation, she reported that grant revenue had decreased compared with the prior year, but that activity remained fairly comparable year over year. For the TIF fund, she noted that tax increment was still being collected following bond payoff in order to continue addressing the remaining deficit and maintain compliance.

Ms. Reedy also reviewed Public Housing, Housing Choice Vouchers, and Trail Ridge II activity. She stated that Public Housing revenues had decreased while expenditures had increased slightly, requiring continued monitoring of unrestricted net position. Housing Choice Voucher activity remained similar to the prior year, with revenues nearly matching expenditures and a slight decrease in unrestricted net position. Trail Ridge II activity was described as generally similar to the prior year, with the remaining outstanding debt of $450,000 scheduled for a one-time payment in 2028. Additional financial highlights included the collection of management fees from Valley View, continued monitoring of the TIF district, positive General Fund results, and available housing rehabilitation cash. Board members asked follow-up questions regarding Housing Choice Voucher net position and other financial highlights. No action was requested.

6. UNFINISHED BUSINESS
None.

7. NEW BUSINESS
None.

8. BILLS & COMMUNICATIONS

a. Financial Report
Presented by Karen Young, Finance Director. Ms. Young reviewed the March 2026 financial report, including balances, operating statements, payment register information, and audit status. She explained the audit finding related to rent reasonableness in the Housing Choice Voucher Program, noting that staff discovered during audit preparation that a previous manual process had been used rather than real-time software documentation. As a result, staff could not generate the work papers expected by the auditors and, during file review, identified deficiencies in methodology. Ms. Young stated that staff brought the issue forward to the auditors, conducted additional research, and has since implemented a compliant process in the agency's software to address future rent reasonableness documentation requirements.

Ms. Young further reported that the agency's ratios were generally looking good through March. She noted that tenant accounts receivable had exceeded the threshold for maximum points in one category, but explained that balances over 90 days are written off at year-end. She stated that the public housing ratios included in the packet provide the Board with a monthly snapshot of performance measures used by HUD. Other than the rent reasonableness issue already discussed, she reported no significant additional financial highlights for the month.

Motion: Commissioner Allie Verchota, Vice Chair, moved to ACCEPT the Financial Report and approve payments as presented; Commissioner Justin Grecula seconded. Motion carried by voice vote.

b. HCV / Rental Assistance Programs Report
Presented by Mallory Demel, Rental Assistance Manager. Ms. Demel reported that the report layout had been reorganized to separate federal rental assistance programs from state rental assistance programs now that the agency is administering two state programs. For the Family Self-Sufficiency Program, she reported that two families exited the program in March. She stated that one family escrowed more than $17,000 and planned to use the funds for medical expenses, while a second family escrowed more than $6,000 and planned to place the funds into savings. For the Bring It Home Program, she reported that vouchers had begun moving forward and that, as of the meeting date, approximately eight to ten vouchers were in process. She stated that inspections had recently been completed and that staff was hopeful participants would be leased up and housing assistance payments could begin as of May 1, 2026. No action was requested.

c. Housing Management Report
Presented by Hannah Gangl, Housing Manager. Ms. Gangl reported that Valley View Townhomes had one vacancy during March and was at 95% occupancy. She further reported that the ROSS Program currently served 32 residents through the food box program, that no events were held during the month, and that Housing Administrative Specialist Lizzie was assisting residents with resources and information as needs arose. Ms. Gangl stated that she hoped to provide an update at the next meeting regarding hiring for the open ROSS position now that she had returned to work. She also reported that there had been one eviction matter, which had been resolved during the week of the meeting. No action was requested.

d. Rehab Programs & Maintenance Report
Presented by John Schommer, Rehab & Maintenance Director. Mr. Schommer reported that DEED staff conducted onsite monitoring of the Southeast Brainerd Small Cities grant on April 13 and 14, 2026. The monitoring review included review of the application, broad-tier environmental review, selected tier-two environmental review files, and related procurement and documentation processes. He stated that the agency had not yet received the official report, but that, upon departure, the reviewer commented that it was a “nice clean audit.” He also reported that NSPIRE inspection results from the March 4 inspection had still not been made available to staff.

Mr. Schommer then reviewed current rehabilitation projects and work order activity. He reported that four Small Cities projects were currently in progress, consisting of three rental rehabilitation projects and one owner-occupied rehabilitation project, and noted that a pre-bid meeting had been held the previous day for the owner-occupied project. He stated that 81 non-emergency work orders had been received during the month, 77 had been closed, and 252 work orders had been completed year-to-date. Eleven emergency work orders had been requested during the month, all of which were completed within 24 hours, for a 100% completion rate. He explained that the emergency items were tied to deficiencies identified during federal inspections and that all required corrections had been made within the required timeframe.

Mr. Schommer also reported on pricing obtained for window cleaning at North Star Apartments. He stated that one estimate had been received after board packets were issued and that the estimate was slightly more than $48,000 to remove, clean, and reinstall the windows for all units on floors three through twelve as well as the two common areas. The Board discussed the scope of the quote, the age and condition of the windows, possible weather-stripping considerations, and whether the expense would be worthwhile. Additional discussion included an update on Brainerd Oaks, Serene Pines, and Dal Mar Estates, including anticipated closing on the final lot sale and current construction status of homes underway in those developments. No action was requested.

e. Executive Director Report
Presented by Eric Charpentier, Executive Director. Mr. Charpentier first provided an update on Brainerd Oaks and related development activity, noting that the final lot sale under the original development agreement was expected to occur in May and describing the overall subdivision work as a significant milestone. He stated that, across Brainerd Oaks, Serene Pines, and Dal Mar Estates, the development effort had produced a substantial number of completed homes over a period of years and had generated long-term tax base benefits for the City of Brainerd. He also referenced the Outlot E and F development activity and the addition of ten twin homes as a direct result of prior board action to assist with infrastructure support.

Mr. Charpentier then provided a detailed Wright Street update. He reported that staff had begun receiving draft agreement materials from the city consultant and were working with the City of Brainerd, the Economic Development Authority, Central Minnesota Housing Partnership, architects, builders, and consultants in preparation for a proposed 50-unit housing development. He stated that several items needed to move forward quickly in order to meet the July Minnesota Housing application deadline, including survey work, appraisal work, zoning and planning approvals, and a purchase and development agreement. He explained that the appraisal was necessary both to establish value for transaction purposes and to document the city’s potential contribution to project scoring if the land were acquired below appraised value. He further stated that the city required a retainer of approximately $10,000 to proceed with zoning, appraisal, survey, and legal work, and that staff had discussed a 50/50 cost split with Central Minnesota Housing Partnership, leaving the Brainerd HRA share at approximately $5,000. He noted that the proposed source of funds would be Trail Ridge proceeds rather than levy dollars and stated that the regular May and June board meeting schedule should be sufficient to keep the project on timeline without a special meeting.

The Board discussed the project timeline, whether grant application support items such as reduced land cost would remain available in future funding rounds if necessary, and the nature of the HRA's intended participation in the development. Staff clarified that the Wright Street concept contemplated a continuing partnership interest rather than a one-time subsidy. The Board also discussed whether conceptual approval was appropriate in advance of full project approval, and staff stated that the immediate request was limited to allowing the necessary up-front expenditures to produce materials needed for later formal review.

Motion: Commissioner Wayne Erickson moved approval of project and funds for Wright Street; Commissioner Katie Imgrund, Secretary/Treasurer, seconded. Motion carried by voice vote.

9. COMMISSIONER COMMENTS

Commissioner Wayne Erickson thanked staff for the clean audits and commented that the short audit presentation reflected the quality of the agency's internal work and preparation. Commissioners commented favorably on the revised report layout used in the rental assistance materials, noting that the tabular presentation was easier to follow. Commissioner Janet Decker reported that residents had complimented recent cleanup work in the backyard area and observed maintenance staff actively managing parking issues during community events. She asked about markings placed behind the office building, and staff explained that an engineering firm had been engaged to assess slope movement behind the building and that utility locates had been requested in advance of exploratory drilling. Commissioner Katie Imgrund expressed enthusiasm about movement on the Wright Street project and commented positively on the potential for more housing development. Chair Duval echoed appreciation for staff's continued work and project momentum.

10. NEXT MEETING

Wednesday, May 27th, 2026 at 1:00 p.m., City Hall Council Chambers.

11. ADJOURNMENT

Motion: Commissioner Allie Verchota, Vice Chair, moved to adjourn; Commissioner Justin Grecula seconded. Motion carried by voice vote.

The meeting adjourned at 1:48 p.m.

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To: Brainerd HRA Board Members
From: Hannah Gangl, Housing Manager
Date: May 19, 2026
Re: Admissions & Continued Occupancy Policy Update – Resolution No. 2026-03

The Admissions and Continued Occupancy Policy (ACOP) is the document that tells the public, applicants and tenants, and public housing staff, the policy decisions of the Brainerd HRA for the Public Housing Program. To help ensure compliance with Section 103 of the Housing Opportunities through Modernization Act of 2016 (HOTMA) that placed an income limitation on public housing tenancies, I have attached proposed changes to our ACOP. This rule established a maximum income limit equal to 120% of the Area Median Income (AMI) and is calculated by multiplying the Very-Low income limits for Crow Wing County by a factor of 2.4. HUD establishes these amounts annually and must be reflected in our ACOP no later than 60 days after publication.

For illustrative purposes, the following is a breakdown of the updated limits by family size, which will be reflected in Chapter 13-Lease Terminations of our ACOP. Attached you will find a copy of our current policy regarding Over-Income Families.

Household Size	1	2	3	4	5	6	7	8
Very-Low Income Limit (50% AMI)	$34,300	$39,200	$44,100	$49,000	$52,950	$56,850	$60,800	$64,700
Over-Income Limit (120% AMI)	$82,320	$94,080	$105,840	$117,600	$127,080	$136,440	$145,920	$155,280

Action Requested: Adopt Resolution No. 2026-03, Approval of the updated Admissions & Continued Occupancy Policy.

Over-Income Families [24 CFR 960.261; FR Notice 7/26/18; Notice PIH 2019-11]

The Housing Opportunity Through Modernization Act (HOTMA) of 2016 placed an income limitation on public housing tenancies. The over-income requirement states that after a family's adjusted income has exceeded 120 percent of area median income (AMI) (or a different limitation established by the secretary) for two consecutive years, the PHA must either terminate the family's tenancy within six months of the determination, or charge the family a monthly rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit, including amounts from the operating and capital funds, as determined by regulations.

Notice PIH 2019-11 also requires that PHAs publish over-income limits in their ACOP and update them no later than 60 days after HUD publishes new income limits each year. The over-income limit is calculated by multiplying the very low-income limit (VLI) by 2.4, as adjusted for family size.

PHAs also have discretion, under 24 CFR 960.261, to adopt policies allowing termination of tenancy for families whose income exceeds the limit for program eligibility. Such policies would exempt families participating in the Family Self-Sufficiency (FSS) program or currently receiving the earned income disallowance.

> <u>BHRA Policy</u>
>
> At annual or interim reexamination, if a family's adjusted income exceeds the applicable over-income limit, the PHA will document the family file and begin tracking the family's over-income status.
>
> If one year after the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit for one year, and that if the family continues to be over-income for 12 consecutive months, the family will be subject to the PHA's over-income policies.
>
> Until such time as the final rule related to alternative rent amounts becomes legally effective, the PHA will not terminate the assistance of over-income families or charge such families an alternative rent. The PHA will continue to offer such families the choice between income-based or flat rent at each annual reexamination.
>
> Once alternative rent requirements for over-income families become legally effective, the PHA will charge any family whose income has exceeded the over-income limit for at least two years the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit. The PHA will notify the family in writing of their new rent amount. The new rent amount will be effective 30 days after the PHA's written notice to the family.
>
> If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of the recertification. The PHA will notify the family in writing that over-income policies no longer apply to them. If the family's income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.

The PHA will begin tracking over-income families once these policies have been adopted, but no later than March 24, 2019.

The PHA will not evict or terminate the tenancies of families whose income exceeds the income limit for program eligibility as described at 24 CFR 960.261.

The PHA will rely on the following over-income limits. These numbers will be updated within 60 days of HUD publishing new income limits each year and will be effective for all annual and interim reexaminations once these policies have been adopted.

Family Size	1	2	3	4	5	6	7	8
Over-Income Limit	69,950	79,950	89,950	99,950	107,950	115,950	123,950	131,950

For families larger than 8 persons, the over-income limit will be calculated by multiplying the applicable very-low income limit by 2.4.

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD

RESOLUTION NO. 2026-03

ADMISSION AND CONTINUED OCCUPANCY POLICY

WHEREAS, federal regulations require the Housing and Redevelopment Authority in and for the City of Brainerd to review and update the Admission and Continued Occupancy Policy for the Public Housing programs as needed;

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd has reviewed and updated its previously adopted Admission and Continued Occupancy Policy;

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

1. The Admission and Continued Occupancy Policy 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: 5/27/26 ____________________ ____________________
Michael Duval, Board Chair

Dated: 5/27/26 ____________________ ____________________
Eric Charpentier, Executive Director

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To: Brainerd HRA Board Members
From: Eric Charpentier, Executive Director
Date: May 27th, 2026
Re: Housing Choice Voucher Leasing Update

As previously reported, the HCV program ended 2025 in shortfall after HAP expenses exceeded the amount appropriated by HUD. The agency qualified for HUD shortfall assistance and received approximately $14,000. As a result, we are currently in shortfall prevention status and have been directed to limit costs and not issue new vouchers until HUD releases us from that status. We were advised this decision would likely follow receipt of our 2026 funding allocation, which had been expected in late April. To date, we have not received updated information on our allocation or proration.

Staff have continued to contact HUD for updates and to emphasize the local impact of this delay. Each month without approval reduces voucher utilization in Crow Wing County and may also affect future funding, as 2027 allocations will be influenced by 2026 housing assistance spending levels.

Staff continue to follow HUD guidance, monitor expenses monthly, and use HUD's tracking tools to keep program costs aligned with the anticipated allocation. Based on current projections, we believe the program can resume leasing without creating shortfall risk in 2026 once HUD authorizes new leasing. The timing of that authorization remains uncertain.

I wanted to make the Board aware of this issue and of staff's efforts to address it while remaining in compliance with HUD direction. If the situation does not improve, I may return to the Board with a request to consider resuming voucher issuance, with the understanding that doing so could affect the agency's eligibility for shortfall funding in 2026 if program expenses exceed the allocated amount.

No Action Requested; Discussion items

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To: Brainerd HRA Board Members
From: Karen Young, Finance Director
Date: May 20, 2026
Re: May Financial Report

Please find attached the financial information for April 2026.

Capital Fund Program (CFP) Award

HUD recently announced our 2026 Public Housing CFP funding award of $538,126 which is an increase of just over 1.2% or $6,632. This is at an all-time high and is primarily intended for capital improvements on our Public Housing properties.

Minnesota Housing Bring It Home Funds

In April, we requested and received a 50% advance on our eligible Start Up Cost funding from Minnesota Housing (MH), totaling $51,320. This funding may be used during the first 12 months of the grant to cover approved expenses while full administrative fee revenue is not yet being received. We also requested and received an advance of $47,825 for two months of HAP expenses to provide a cushion in case monthly HAP reimbursements from MH are delayed.

Hy-Tec Construction Payment

In April we processed two payments for the North Star office remodel project to Hy-Tec Construction in the amount of $33,898.59 and funds were drawn out of the 2025 Capital Fund Program (CFP) grant. The total contract amount for this project is $139,164.44.

Action Requested: Motion for approval of payments as presented.

Brainerd Housing & Redevelopment Authority

2026 Ratios (and December, 2025)

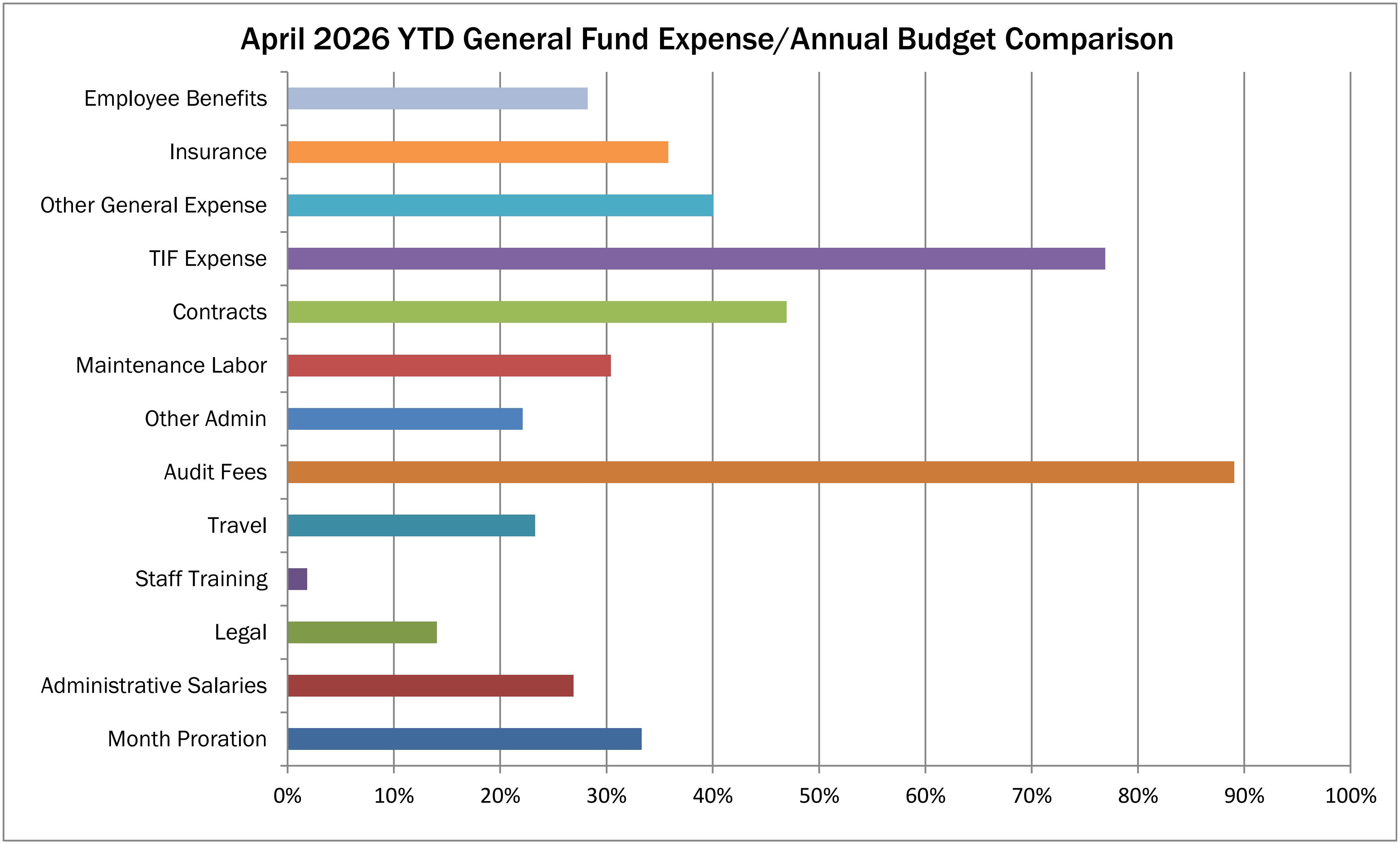
FASS Ratios	Max Pts	Scoring	Dec 2025 After YE JE, B4 audit	Jan	Feb	Mar	Apr
Quick Ratio	12	QR <1 =-0-, QR >2 =12	12.00	12.00	12.00	12.00	12.00
Months Expended Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00	2.00	0.00
Total Points	25		25.00	25.00	25.00	25.00	23.00

MASS Ratios	Max Pts	Scoring					
Occupancy	16	O <90% =0, O >98% =16	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
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00	4.00
Total Points	25		25.00	20.00	20.00	20.00	20.00
Total of Above Ratios	50		50.00	45	45	45	43

Capital Fund 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
Occupancy Rate	5	OR <93% = 0, OR >96% =5	5.00	5.00	5.00	5.00	5.00
Total Points	10	Must have 5 points or Capital Fund Troubled	10.0	10.0	10.0	10.0	10.0

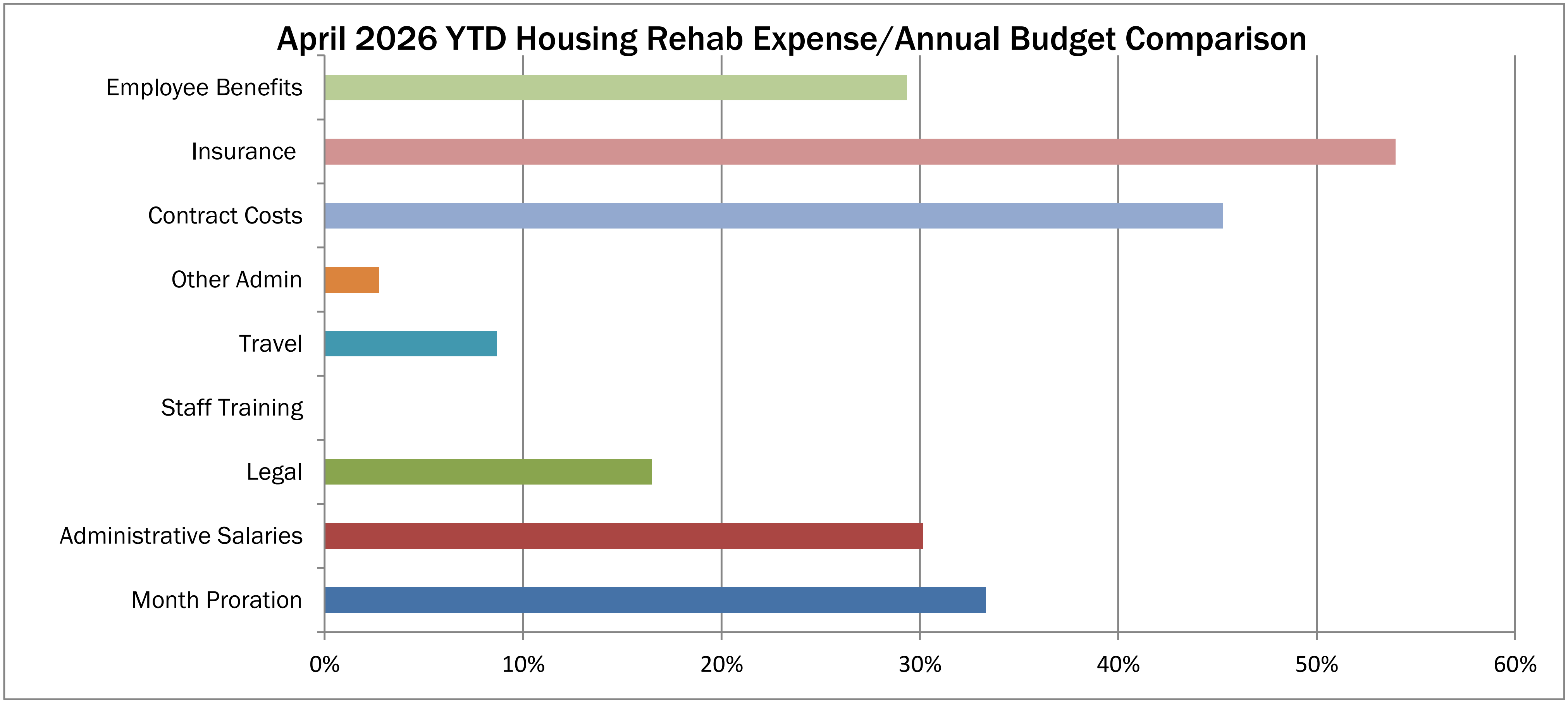
April 2026 Operating Account Balances

Property/Program	April 2025	March 2026	April 2026
General Fund	$585,769.15	$846,984.96	$901,782.44
Housing Rehab Program	$296,181.23	$204,025.77	$188,345.53
Housing Choice Voucher	$953.28	$28,043.11	-$5,102.11
Bridges	-$13,312.57	-$7,205.13	$3,556.97
Bring It Home	$0.00	-$5,492.12	$85,093.84
Public Housing	$932,253.44	$815,808.27	$749,403.42
Valley View	$399,902.71	$497,445.98	$499,346.06
Brainerd South Housing Group	$44,784.49	$86,803.17	$75,831.55
Crow Wing County HRA	$2,102,063.16	$2,471,329.21	$2,425,233.43
Total	**$4,348,594.89**	**$4,937,743.22**	**$4,923,491.13**

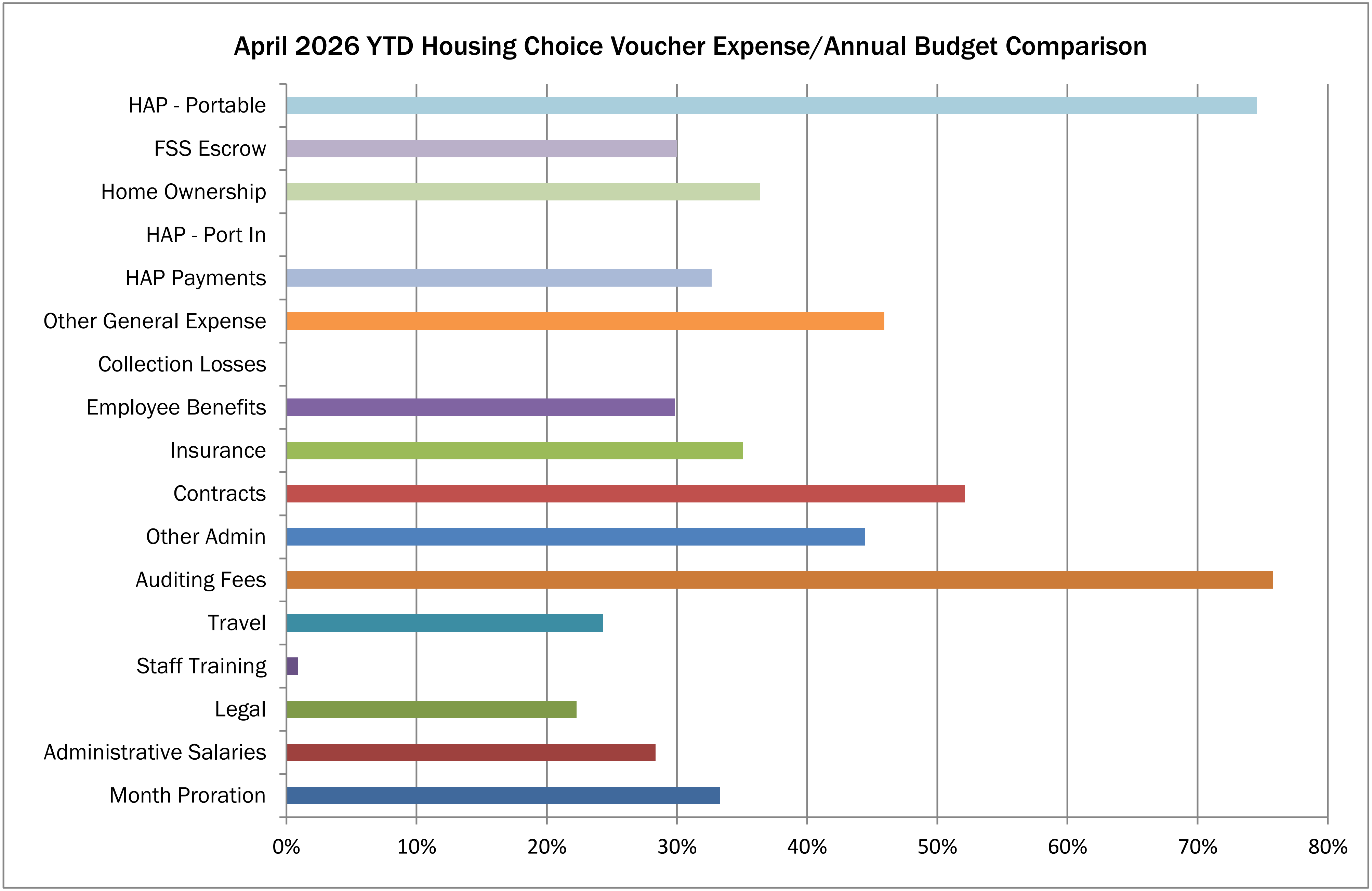


Contract Costs: Paid yearly PHA Web subscription.

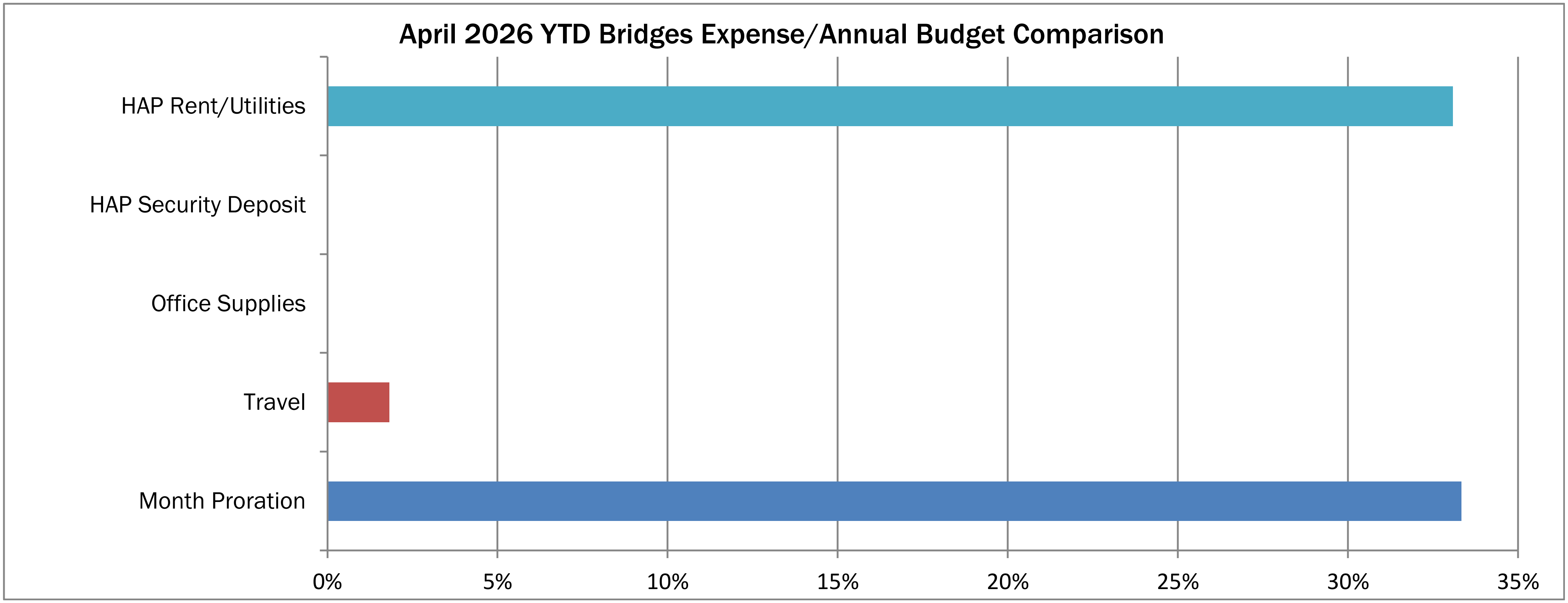
Audit Fees: Audit has been finalized. Final billing is pending.

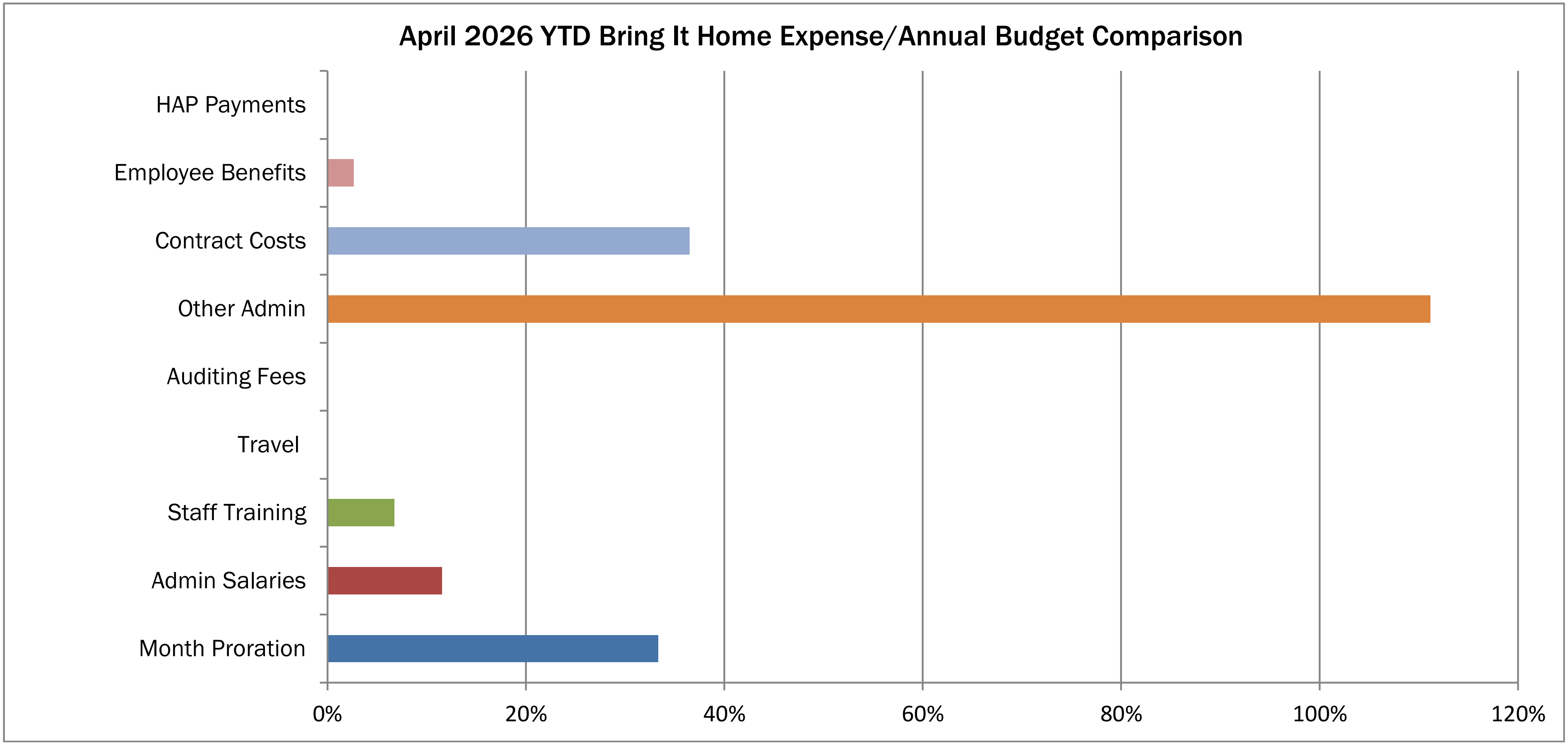


Insurance: Paid for the full year.

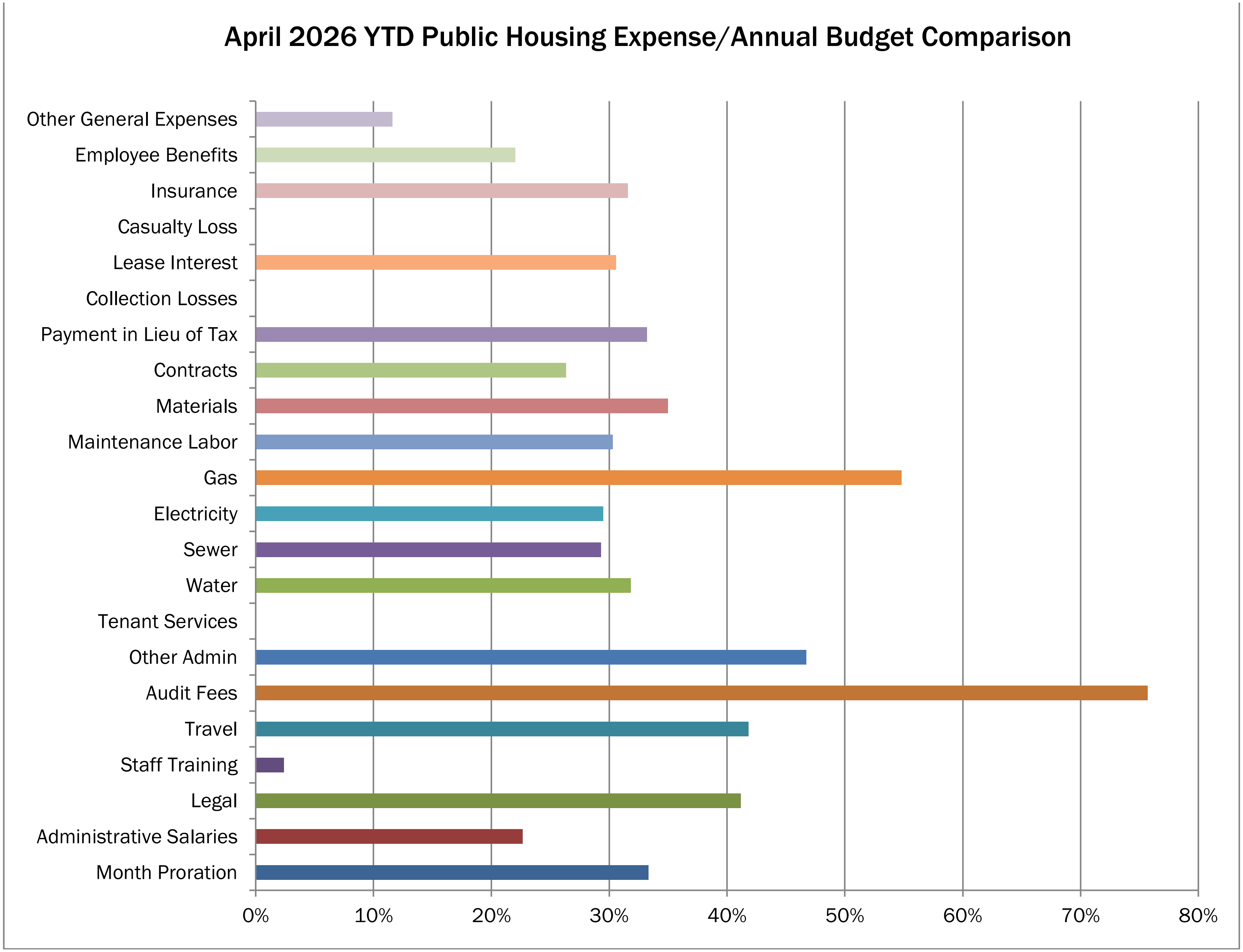


Other Admin: Paid for yearly amount of stamps.
Contract Costs: Paid yearly PHA Web subscription.
Audit Fees: Audit has been finalized. Final billing is pending.

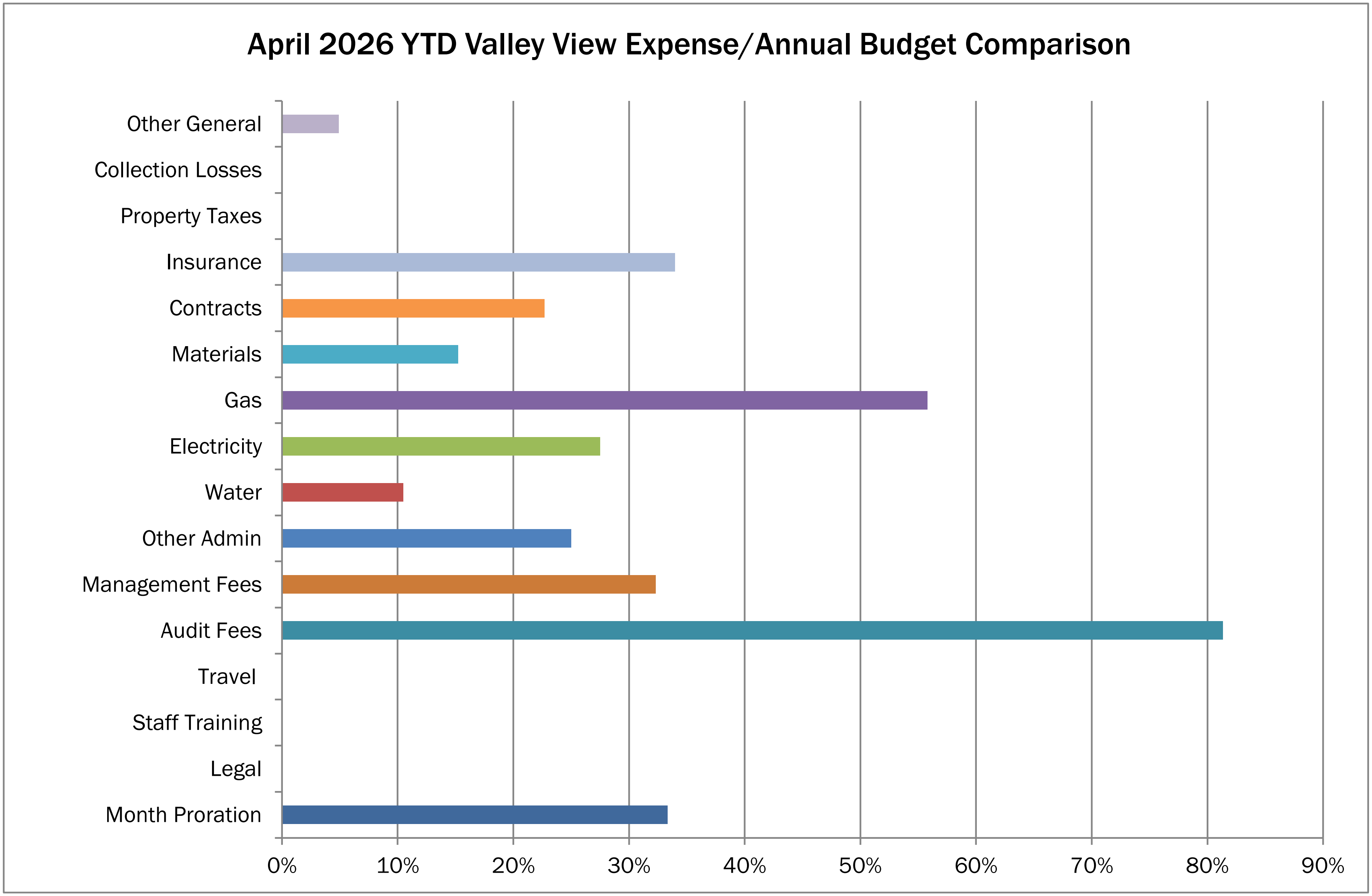

April 2026 YTD Bridges Expense/Annual Budget Comparison
HAP Rent/Utilities
HAP Security Deposit
Office Supplies
Travel
Month Proration
0%
5%
10%
15%
20%
25%
30%
35%



Other Admin: Sent out a mass mailing of applications. Purchased new computer.



Other Admin: Paid for yearly amount of stamps. Purchased new desks for the updated Housing Office at NS.
Audit Fees: Audit has been finalized. Final billing is pending.



Audit Fees: Audit is complete.

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 210 - General Fund   Project: General Fund

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
Investment Interest	2,420.70	1,250.00	1,170.70	11,328.55	5,000.00	6,328.55	15,000.00	(3,671.45)
Operating Transfer In	0.00	924.58	(924.58)	0.00	3,698.33	(3,698.33)	11,095.00	(11,095.00)
Other Income	685.86	1,104.17	(418.31)	1,389.56	4,416.67	(3,027.11)	13,250.00	(11,860.44)
City Tax Settlements	0.00	18,988.83	(18,988.83)	0.00	75,955.33	(75,955.33)	227,866.00	(227,866.00)
Developer Revenue	0.00	0.00	0.00	2,833.95	0.00	2,833.95	0.00	2,833.95
Management Fees	24,913.63	24,059.67	853.96	97,377.96	96,238.67	1,139.29	288,716.00	(191,338.04)
Loan Interest Revenue	0.00	589.17	(589.17)	0.00	2,356.67	(2,356.67)	7,070.00	(7,070.00)
TOTAL INCOME	**28,020.19**	**46,916.42**	**(18,896.23)**	**112,930.02**	**187,665.67**	**(74,735.65)**	**562,997.00**	**(450,066.98)**
EXPENSES								
ADMINISTRATIVE								
Admin Salaries	30,368.09	25,453.00	(4,915.09)	82,117.28	101,812.00	19,694.72	305,436.00	223,318.72
Legal	0.00	416.67	416.67	702.00	1,666.67	964.67	5,000.00	4,298.00
Staff Training	43.75	833.33	789.58	183.75	3,333.33	3,149.58	10,000.00	9,816.25
Travel	34.85	41.67	6.82	116.46	166.67	50.21	500.00	383.54
Auditing Fees	4,800.00	866.67	(3,933.33)	9,262.50	3,466.67	(5,795.83)	10,400.00	1,137.50
Other Admin	488.45	1,000.01	511.56	2,652.57	4,000.01	1,347.44	12,000.00	9,347.43
TOTAL ADMINISTRATIVE	**35,735.14**	**28,611.35**	**(7,123.79)**	**95,034.56**	**114,445.35**	**19,410.79**	**343,336.00**	**248,301.44**
MAINTENANCE								
Labor	4,700.88	3,497.00	(1,203.88)	12,761.69	13,988.00	1,226.31	41,964.00	29,202.31
Contracts	3,048.89	1,636.25	(1,412.64)	9,218.02	6,545.00	(2,673.02)	19,635.00	10,416.98
TOTAL MAINTENANCE	**7,749.77**	**5,133.25**	**(2,616.52)**	**21,979.71**	**20,533.00**	**(1,446.71)**	**61,599.00**	**39,619.29**
OTHER								
TIF Expense	100.00	10.83	(89.17)	100.00	43.33	(56.67)	130.00	30.00
Other General Exp	5,000.00	1,040.50	(3,959.50)	5,000.00	4,162.00	(838.00)	12,486.00	7,486.00
Insurance	702.87	653.83	(49.04)	2,811.48	2,615.33	(196.15)	7,846.00	5,034.52
Employee Benefits	10,742.58	11,312.56	569.98	38,328.22	45,250.31	6,922.09	135,751.00	97,422.78
TOTAL OTHER	**16,545.45**	**13,017.72**	**(3,527.73)**	**46,239.70**	**52,070.97**	**5,831.27**	**156,213.00**	**109,973.30**
TOTAL EXPENSES	**60,030.36**	**46,762.32**	**(13,268.04)**	**163,253.97**	**187,049.32**	**23,795.35**	**561,148.00**	**397,894.03**
SURPLUS	**(32,010.17)**	**154.10**	**(32,164.27)**	**(50,323.95)**	**616.35**	**(50,940.30)**	**1,849.00**	**(52,172.95)**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 660 - Rehab   Project: Consolidated

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
Other Income - Misc	0.00	41.67	(41.67)	225.00	166.67	58.33	500.00	(275.00)
Other Inc - Mgnt Fees	10,000.00	10,000.00	0.00	40,000.00	40,000.00	0.00	120,000.00	(80,000.00)
Other Inc - MHFA	0.00	20,675.00	(20,675.00)	9,682.20	82,700.00	(73,017.80)	248,100.00	(238,417.80)
SC Grant Admin	2,479.64	1,895.83	583.81	2,479.64	7,583.33	(5,103.69)	22,750.00	(20,270.36)
TOTAL INCOME	**12,479.64**	**32,612.50**	**(20,132.86)**	**52,386.84**	**130,450.00**	**(78,063.16)**	**391,350.00**	**(338,963.16)**
EXPENSES								
ADMINISTRATIVE								
Admin Salaries	13,339.93	9,815.00	(3,524.93)	35,533.67	39,260.00	3,726.33	117,780.00	82,246.33
Legal	175.00	416.67	241.67	825.00	1,666.67	841.67	5,000.00	4,175.00
Staff Training	0.00	416.67	416.67	0.00	1,666.67	1,666.67	5,000.00	5,000.00
Travel	7.63	125.00	117.37	130.33	500.00	369.67	1,500.00	1,369.67
Other Admin	108.76	491.67	382.91	161.26	1,966.67	1,805.41	5,900.00	5,738.74
TOTAL ADMINISTRATIVE	**13,631.32**	**11,265.01**	**(2,366.31)**	**36,650.26**	**45,060.01**	**8,409.75**	**135,180.00**	**98,529.74**
MAINTENANCE								
Contracts Costs	9,505.64	18,750.00	9,244.36	101,827.64	75,000.00	(26,827.64)	225,000.00	123,172.36
TOTAL MAINTENANCE	**9,505.64**	**18,750.00**	**9,244.36**	**101,827.64**	**75,000.00**	**(26,827.64)**	**225,000.00**	**123,172.36**
OTHER								
Insurance	0.00	78.75	78.75	510.00	315.00	(195.00)	945.00	435.00
Employee Benefits	3,810.27	3,795.34	(14.93)	13,362.35	15,181.34	1,818.99	45,544.00	32,181.65
TOTAL OTHER	**3,810.27**	**3,874.09**	**63.82**	**13,872.35**	**15,496.34**	**1,623.99**	**46,489.00**	**32,616.65**
TOTAL EXPENSES	**26,947.23**	**33,889.10**	**6,941.87**	**152,350.25**	**135,556.35**	**(16,793.90)**	**406,669.00**	**254,318.75**
SURPLUS	**(14,467.59)**	**(1,276.60)**	**(13,190.99)**	**(99,963.41)**	**(5,106.35)**	**(94,857.06)**	**(15,319.00)**	**(84,644.41)**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 310 - Housing Choice Vouchers   Project: General

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
REVENUE								
HUD HAP Received	169,742.00	173,395.83	(3,653.83)	674,027.00	693,583.33	(19,556.33)	2,080,750.00	(1,406,723.00)
Admin Fees Earned	29,875.00	32,479.33	(2,604.33)	117,306.00	129,917.33	(12,611.33)	389,752.00	(272,446.00)
Admin Fees - Portable	0.00	0.00	0.00	(7.63)	0.00	(7.63)	0.00	(7.63)
Investment Interest	70.28	166.67	(96.39)	256.85	666.67	(409.82)	2,000.00	(1,743.15)
Other Income	6,952.00	3,836.67	3,115.33	20,183.83	15,346.67	4,837.16	46,040.00	(25,856.17)
TOTAL REVENUE	**206,639.28**	**209,878.50**	**(3,239.22)**	**811,766.05**	**839,514.00**	**(27,747.95)**	**2,518,542.00**	**(1,706,775.95)**
EXPENSES								
ADMINISTRATIVE								
Admin Salaries	28,148.29	21,971.67	(6,176.62)	74,791.41	87,886.67	13,095.26	263,660.00	188,868.59
Legal	190.00	333.33	143.33	892.00	1,333.33	441.33	4,000.00	3,108.00
Staff Training	43.75	416.67	372.92	43.75	1,666.67	1,622.92	5,000.00	4,956.25
Travel	103.74	125.00	21.26	364.94	500.00	135.06	1,500.00	1,135.06
Auditing Fees	3,675.00	895.00	(2,780.00)	8,137.50	3,580.00	(4,557.50)	10,740.00	2,602.50
Other Admin	974.95	683.32	(291.63)	3,644.61	2,733.32	(911.29)	8,200.00	4,555.39
TOTAL ADMINISTRATIVE	**33,135.73**	**24,424.99**	**(8,710.74)**	**87,874.21**	**97,699.99**	**9,825.78**	**293,100.00**	**205,225.79**
MAINTENANCE								
Contracts	6,004.75	2,808.33	(3,196.42)	17,558.94	11,233.33	(6,325.61)	33,700.00	16,141.06
TOTAL MAINTENANCE	**6,004.75**	**2,808.33**	**(3,196.42)**	**17,558.94**	**11,233.33**	**(6,325.61)**	**33,700.00**	**16,141.06**
OTHER EXPENSE								
Insurance	701.60	667.07	(34.53)	2,806.40	2,668.32	(138.08)	8,005.00	5,198.60
Employee Benefits	9,525.02	9,607.08	82.06	34,407.27	38,428.33	4,021.06	115,285.00	80,877.73
Collection Losses	0.00	208.33	208.33	0.00	833.33	833.33	2,500.00	2,500.00
Other General Exp	206.73	150.00	(56.73)	826.92	600.00	(226.92)	1,800.00	973.08
TOTAL OTHER EXPENSE	**10,433.35**	**10,632.48**	**199.13**	**38,040.59**	**42,529.98**	**4,489.39**	**127,590.00**	**89,549.41**
HAP PAYMENTS								
HAP Payments	155,681.00	154,322.50	(1,358.50)	604,743.00	617,290.00	12,547.00	1,851,870.00	1,247,127.00
HAP - Port In	0.00	1,734.17	1,734.17	0.00	6,936.67	6,936.67	20,810.00	20,810.00
Home Ownership	3,297.00	2,947.50	(349.50)	12,872.00	11,790.00	(1,082.00)	35,370.00	22,498.00
FSS Escrow	10,647.00	12,831.25	2,184.25	46,152.00	51,325.00	5,173.00	153,975.00	107,823.00
HAP - Portable	3,489.00	1,560.42	(1,928.58)	13,956.00	6,241.67	(7,714.33)	18,725.00	4,769.00
TOTAL HAP PAYMENTS	**173,114.00**	**173,395.84**	**281.84**	**677,723.00**	**693,583.34**	**15,860.34**	**2,080,750.00**	**1,403,027.00**
TOTAL EXPENSES	**222,687.83**	**211,261.64**	**(11,426.19)**	**821,196.74**	**845,046.64**	**23,849.90**	**2,535,140.00**	**1,713,943.26**
SURPLUS	**(16,048.55)**	**(1,383.14)**	**(14,665.41)**	**(9,430.69)**	**(5,532.64)**	**(3,898.05)**	**(16,598.00)**	**7,167.31**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 312 - Bridges Project: General

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
MHFA HAP Revenue	8,989.00	9,786.67	(797.67)	36,168.00	39,146.67	(2,978.67)	117,440.00	(81,272.00)
MHFA Admin Rev	888.00	962.08	(74.08)	3,552.00	3,848.33	(296.33)	11,545.00	(7,993.00)
Operating Trans Out	0.00	(924.58)	924.58	0.00	(3,698.33)	3,698.33	(11,095.00)	11,095.00
Other Income	300.00	0.00	300.00	1,200.00	0.00	1,200.00	0.00	1,200.00
TOTAL INCOME	**10,177.00**	**9,824.17**	**352.83**	**40,920.00**	**39,296.67**	**1,623.33**	**117,890.00**	**(76,970.00)**
EXPENSES								
Travel	2.90	33.33	30.43	7.26	133.33	126.07	400.00	392.74
Office Supplies	0.00	4.17	4.17	0.00	16.67	16.67	50.00	50.00
HAP - Sec Dep	0.00	374.83	374.83	0.00	1,499.33	1,499.33	4,498.00	4,498.00
HAP Payments	9,289.00	9,411.83	122.83	37,368.00	37,647.33	279.33	112,942.00	75,574.00
TOTAL EXPENSES	**9,291.90**	**9,824.16**	**532.26**	**37,375.26**	**39,296.66**	**1,921.40**	**117,890.00**	**80,514.74**
SURPLUS	**885.10**	**0.01**	**885.09**	**3,544.74**	**0.01**	**3,544.73**	**0.00**	**3,544.74**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 314 - Bring it Home Project: General

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
MN HAP Received	0.00	23,912.50	(23,912.50)	0.00	95,650.00	(95,650.00)	286,950.00	(286,950.00)
Admin Fees Earned	0.00	5,806.00	(5,806.00)	0.00	23,224.00	(23,224.00)	69,672.00	(69,672.00)
Other Income	0.00	8,553.33	(8,553.33)	0.00	34,213.33	(34,213.33)	102,640.00	(102,640.00)
TOTAL INCOME	**0.00**	**38,271.83**	**(38,271.83)**	**0.00**	**153,087.33**	**(153,087.33)**	**459,262.00**	**(459,262.00)**
EXPENSES								
Admin Salaries	6,960.00	5,026.67	(1,933.33)	6,960.00	20,106.67	13,146.67	60,320.00	53,360.00
Staff Training	424.00	1,753.33	1,329.33	1,424.00	7,013.33	5,589.33	21,040.00	19,616.00
Travel	0.00	37.50	37.50	0.00	150.00	150.00	450.00	450.00
Auditing Fees	0.00	125.00	125.00	0.00	500.00	500.00	1,500.00	1,500.00
Other Admin	157.82	266.67	108.85	3,556.52	1,066.67	(2,489.85)	3,200.00	(356.52)
Contracts Costs	38.00	258.33	220.33	1,131.42	1,033.33	(98.09)	3,100.00	1,968.58
Employee Benefits	979.22	3,085.41	2,106.19	979.22	12,341.66	11,362.44	37,025.00	36,045.78
HAP Payments	0.00	23,912.50	23,912.50	0.00	95,650.00	95,650.00	286,950.00	286,950.00
TOTAL EXPENSES	**8,559.04**	**34,465.41**	**25,906.37**	**14,051.16**	**137,861.66**	**123,810.50**	**413,585.00**	**399,533.84**
SURPLUS	**(8,559.04)**	**3,806.42**	**(12,365.46)**	**(14,051.16)**	**15,225.67**	**(29,276.83)**	**45,677.00**	**(59,728.16)**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 400 - Public Housing Project: General

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
Dwelling Rental	76,085.00	76,414.17	(329.17)	301,352.00	305,656.67	(4,304.67)	916,970.00	(615,618.00)
Excess Utilities	0.00	325.00	(325.00)	451.42	1,300.00	(848.58)	3,900.00	(3,448.58)
Operating Subsidy	0.00	27,044.17	(27,044.17)	0.00	108,176.67	(108,176.67)	324,530.00	(324,530.00)
Other Income	864.04	1,072.50	(208.46)	3,964.32	4,290.00	(325.68)	12,870.00	(8,905.68)
Other Inc - Ross Grant	0.00	7,668.33	(7,668.33)	4,969.50	30,673.33	(25,703.83)	92,020.00	(87,050.50)
Other Income Tenant	3,676.76	2,185.83	1,490.93	13,978.30	8,743.33	5,234.97	26,230.00	(12,251.70)
Lease Revenue	8,937.50	8,937.50	0.00	35,750.00	35,750.00	0.00	107,250.00	(71,500.00)
Laundry Income	1,648.00	1,935.00	(287.00)	6,656.00	7,740.00	(1,084.00)	23,220.00	(16,564.00)
Investment Interest	7,423.42	4,658.33	2,765.09	21,904.24	18,633.33	3,270.91	55,900.00	(33,995.76)
Capital Fund Revenue	33,806.26	5,500.00	28,306.26	53,650.35	22,000.00	31,650.35	66,000.00	(12,349.65)
TOTAL INCOME	**132,440.98**	**135,740.83**	**(3,299.85)**	**442,676.13**	**542,963.33**	**(100,287.20)**	**1,628,890.00**	**(1,186,213.87)**
EXPENSES								
ADMINISTRATIVE								
Admin Salaries	31,610.31	32,577.08	966.77	88,598.04	130,308.33	41,710.29	390,925.00	302,326.96
Legal	1,136.50	541.67	(594.83)	2,675.00	2,166.67	(508.33)	6,500.00	3,825.00
Staff Training	482.50	1,666.67	1,184.17	482.50	6,666.67	6,184.17	20,000.00	19,517.50
Travel	69.71	41.67	(28.04)	209.14	166.67	(42.47)	500.00	290.86
Auditing Fees	3,675.00	895.83	(2,779.17)	8,137.50	3,583.33	(4,554.17)	10,750.00	2,612.50
Other Admin	1,138.99	2,016.67	877.68	11,310.30	8,066.67	(3,243.63)	24,200.00	12,889.70
TOTAL ADMINISTRATIVE	**38,113.01**	**37,739.59**	**(373.42)**	**111,412.48**	**150,958.34**	**39,545.86**	**452,875.00**	**341,462.52**
TENANT SERVICES								
Rec Publication Other	0.00	412.50	412.50	0.00	1,650.00	1,650.00	4,950.00	4,950.00
TOTAL TENANT SERVICES	**0.00**	**412.50**	**412.50**	**0.00**	**1,650.00**	**1,650.00**	**4,950.00**	**4,950.00**
UTILITIES								
Water	7,269.32	4,253.75	(3,015.57)	16,245.89	17,015.00	769.11	51,045.00	34,799.11
Sewer	8,512.65	5,753.33	(2,759.32)	20,218.98	23,013.33	2,794.35	69,040.00	48,821.02
Electricity	11,406.00	6,963.33	(4,442.67)	24,651.60	27,853.33	3,201.73	83,560.00	58,908.40
Gas	10,974.36	4,416.67	(6,557.69)	29,050.51	17,666.67	(11,383.84)	53,000.00	23,949.49
TOTAL UTILITIES	**38,162.33**	**21,387.08**	**(16,775.25)**	**90,166.98**	**85,548.33**	**(4,618.65)**	**256,645.00**	**166,478.02**
MAINTENANCE								
Labor	27,158.61	20,212.58	(6,946.03)	73,500.08	80,850.33	7,350.25	242,551.00	169,050.92
Materials	2,738.74	2,833.33	94.59	11,897.64	11,333.33	(564.31)	34,000.00	22,102.36
Contracts	30,025.29	23,420.00	(6,605.29)	73,996.59	93,680.00	19,683.41	281,040.00	207,043.41
TOTAL MAINTENANCE	**59,922.64**	**46,465.91**	**(13,456.73)**	**159,394.31**	**185,863.66**	**26,469.35**	**557,591.00**	**398,196.69**
OTHER								
PILOT	2,601.63	2,833.33	231.70	11,281.83	11,333.33	51.50	34,000.00	22,718.17
Collection Losses	0.00	416.67	416.67	0.00	1,666.67	1,666.67	5,000.00	5,000.00
Lease Int Exp - Cintas	12.68	10.83	(1.85)	39.77	43.33	3.56	130.00	90.23
Casualty Loss-Non Capitalized	0.00	541.67	541.67	0.00	2,166.67	2,166.67	6,500.00	6,500.00
Insurance	10,870.63	11,468.34	597.71	43,482.52	45,873.34	2,390.82	137,620.00	94,137.48
Employee Benefits	15,262.47	20,820.83	5,558.36	54,997.35	83,283.33	28,285.98	249,850.00	194,852.65
Other General Expense	133.95	384.17	250.22	535.80	1,536.67	1,000.87	4,610.00	4,074.20
TOTAL OTHER	**28,881.36**	**36,475.84**	**7,594.48**	**110,337.27**	**145,903.34**	**35,566.07**	**437,710.00**	**327,372.73**
TOTAL EXPENSES	**165,079.34**	**142,480.92**	**(22,598.42)**	**471,311.04**	**569,923.67**	**98,612.63**	**1,709,771.00**	**1,238,459.96**
SURPLUS	**(32,638.36)**	**(6,740.09)**	**(25,898.27)**	**(28,634.91)**	**(26,960.34)**	**(1,674.57)**	**(80,881.00)**	**52,246.09**

Brainerd HRA

Operating Statement

Four Months Ending 04/30/2026

Program: 513 - Tax Credit Project: Valley View

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
INCOME								
Dwelling Rental	17,265.00	18,708.33	(1,443.33)	70,765.00	74,833.33	(4,068.33)	224,500.00	(153,735.00)
Excess Utilities	0.00	29.17	(29.17)	21.87	116.67	(94.80)	350.00	(328.13)
Investment Interest	1,257.01	833.33	423.68	4,661.28	3,333.33	1,327.95	10,000.00	(5,338.72)
Other Income	0.00	33.33	(33.33)	25.00	133.33	(108.33)	400.00	(375.00)
Other Income Tenant	590.39	583.33	7.06	5,427.88	2,333.33	3,094.55	7,000.00	(1,572.12)
Laundry Income	24.75	50.00	(25.25)	51.50	200.00	(148.50)	600.00	(548.50)
TOTAL INCOME	**19,137.15**	**20,237.49**	**(1,100.34)**	**80,952.53**	**80,949.99**	**2.54**	**242,850.00**	**(161,897.47)**
EXPENSES								
ADMINISTRATIVE								
Legal	0.00	125.00	125.00	0.00	500.00	500.00	1,500.00	1,500.00
Staff Training	0.00	375.00	375.00	0.00	1,500.00	1,500.00	4,500.00	4,500.00
Travel	0.00	4.17	4.17	0.00	16.67	16.67	50.00	50.00
Auditing Fees	3,500.00	870.83	(2,629.17)	8,500.00	3,483.33	(5,016.67)	10,450.00	1,950.00
Management Fees	2,052.00	2,116.67	64.67	8,208.00	8,466.67	258.67	25,400.00	17,192.00
Other Admin	400.00	183.33	(216.67)	550.00	733.33	183.33	2,200.00	1,650.00
TOTAL ADMINISTRATIVE	**5,952.00**	**3,675.00**	**(2,277.00)**	**17,258.00**	**14,700.00**	**(2,558.00)**	**44,100.00**	**26,842.00**
UTILITIES								
Water	153.66	375.00	221.34	471.69	1,500.00	1,028.31	4,500.00	4,028.31
Electricity	252.77	250.00	(2.77)	825.26	1,000.00	174.74	3,000.00	2,174.74
Gas	2,056.70	816.67	(1,240.03)	5,467.96	3,266.67	(2,201.29)	9,800.00	4,332.04
TOTAL UTILITIES	**2,463.13**	**1,441.67**	**(1,021.46)**	**6,764.91**	**5,766.67**	**(998.24)**	**17,300.00**	**10,535.09**
MAINTENANCE								
Materials	821.32	833.33	12.01	1,524.98	3,333.33	1,808.35	10,000.00	8,475.02
Contracts	3,232.94	3,495.82	262.88	9,516.37	13,983.32	4,466.95	41,950.00	32,433.63
TOTAL MAINTENANCE	**4,054.26**	**4,329.15**	**274.89**	**11,041.35**	**17,316.65**	**6,275.30**	**51,950.00**	**40,908.65**
OTHER								
Insurance	1,035.80	1,016.66	(19.14)	4,143.20	4,066.66	(76.54)	12,200.00	8,056.80
Property Taxes	0.00	550.00	550.00	0.00	2,200.00	2,200.00	6,600.00	6,600.00
Collection Losses	0.00	500.00	500.00	0.00	2,000.00	2,000.00	6,000.00	6,000.00
Other General Expense	260.00	441.67	181.67	260.00	1,766.67	1,506.67	5,300.00	5,040.00
TOTAL OTHER	**1,295.80**	**2,508.33**	**1,212.53**	**4,403.20**	**10,033.33**	**5,630.13**	**30,100.00**	**25,696.80**
TOTAL EXPENSES	**13,765.19**	**11,954.15**	**(1,811.04)**	**39,467.46**	**47,816.65**	**8,349.19**	**143,450.00**	**103,982.54**
SURPLUS	**5,371.96**	**8,283.34**	**(2,911.38)**	**41,485.07**	**33,133.34**	**8,351.73**	**99,400.00**	**(57,914.93)**

Brainerd Housing and Redevelopment Authority

Payment Summary Report

April 2026

Doc. Date		Number	Payments
04/02/2026	Payroll for 04/02/2026	ACH	$ 32,666.55
04/02/2026	Health Savings Accounts	ACH	$ 2,442.45
04/02/2026	Security Benefit	ACH	$ 5,037.01
04/02/2026	Minnesota State Retirement System	ACH	$ 1,494.76
04/02/2026	Harpers Payroll Service	ACH	$ 99.82
04/02/2026	Harpers Payroll Service	ACH	$ 13,100.91
04/05/2026	Payroc LLC	ACH	$ 173.64
04/05/2026	Payroc LLC	ACH	$ 223.51
04/16/2026	Payroll for 04/16/2026	ACH	$ 32,384.57
04/16/2026	Health Savings Accounts	ACH	$ 775.78
04/16/2026	Security Benefit	ACH	$ 5,037.01
04/16/2026	Minnesota State Retirement System	ACH	$ 1,494.76
04/16/2026	Harpers Payroll Service	ACH	$ 87.40
04/16/2026	Harpers Payroll Service	ACH	$ 13,037.60
04/30/2026	Payroll for 04/30/2026	ACH	$ 34,004.58
04/30/2026	Minnesota State Retirement System	ACH	$ 1,490.76
04/30/2026	Security Benefit	ACH	$ 5,173.67
04/30/2026	Health Savings Accounts	ACH	$ 775.78
04/30/2026	Harpers Payroll Service	ACH	$ 102.31
04/30/2026	Harpers Payroll Service	ACH	$ 13,419.30
04/01/2026	Angel Zierden	370	$ 965.00
04/01/2026	Colonywood Apartments	371	$ 192.00
04/01/2026	Grand Oaks Court Townhomes	372	$ 290.00
04/01/2026	Grand Oaks Townhomes	373	$ 882.00
04/01/2026	Lake Investments, LLC	374	$ 1,788.00
04/01/2026	Lorimor Investments Two	375	$ 606.00
04/01/2026	Degen, Michael	376	$ 2,143.00
04/01/2026	Real Property Management Deluxe	377	$ 1,250.00
04/01/2026	Sprucewood Townhomes	378	$ 913.00
04/03/2026	Reynolds, Brock	379	$ 2.90
04/03/2026	Burrell, Carrie	380	$ 12.33
04/03/2026	Block, Creo	381	$ 152.25
04/03/2026	Charpentier, Eric	382	$ 139.42
04/03/2026	Olson, Jamie	383	$ 238.60
04/03/2026	Schommer, John	384	$ 11.98
04/03/2026	Barnett, Ryan	385	$ 59.45
04/02/2026	Absolute Electric of Central MN LLC	28039	$ 2,121.00
04/02/2026	Amazon Capital Services Inc.	28040	$ 146.54
04/02/2026	Brainerd Hardware	28041	$ 117.04
04/02/2026	Brainerd Public Utilities	28042	$ 13,260.96
04/02/2026	Capital One Commercial (Menards Card)	28043	$ 1,313.87
04/02/2026	CenterPoint Energy	28044	$ 10,965.41

Brainerd Housing and Redevelopment Authority
Payment Summary Report
April 2026

Doc. Date		Number	Payments
04/02/2026	City of Brainerd	28045	$ 738.00
04/02/2026	CliftonLarsonAllen LLP	28046	$ 21,892.50
04/02/2026	College Drive Townhouses	28047	$ 291.18
04/02/2026	Crow Wing County Landfill	28048	$ 320.75
04/02/2026	Crow Wing County Treasurer	28049	$ 3,272.00
04/02/2026	Culligan	28050	$ 92.70
04/02/2026	Granite Pest Control LLC	28051	$ 557.50
04/02/2026	Handyman's, Inc.	28052	$ 175.77
04/02/2026	Hirshfield's Inc.	28053	$ 199.44
04/02/2026	Home Depot Credit Services	28054	$ 573.52
04/02/2026	Home Depot Supply	28055	$ 675.94
04/02/2026	IP Networks	28056	$ 139.00
04/02/2026	Kutak Rock LLP	28057	$ 3,376.50
04/02/2026	Master Trade Service Inc.	28058	$ 20,010.00
04/02/2026	Midwest Machinery Co	28059	$ 200.45
04/02/2026	Minnesota Department Of Revenue	28060	$ 260.00
04/02/2026	MN Elevator, Inc. Lockbox 446080	28061	$ 1,004.68
04/02/2026	ODP Business Solutions	28062	$ 58.32
04/02/2026	Office Shop	28063	$ 310.21
04/02/2026	Old National Bank Credit Card	28064	$ 1,030.56
04/02/2026	Staples, Inc.	28065	$ 29.69
04/02/2026	Rasinski Total Door Service LLC	28066	$ 206.85
04/02/2026	Rise and Shine Cleaners LLC	28067	$ 945.00
04/02/2026	SCR Northern	28068	$ 399.05
04/02/2026	State Chemical Products Corporation	28069	$ 104.50
04/02/2026	Thelen Heating And Roofing	28070	$ 306.00
04/02/2026	T-Mobile	28071	$ 326.77
04/02/2026	Voided Check	28072	$ -
04/02/2026	Alpenglow Technologies	28073	$ 2,111.05
04/02/2026	Kenneth James Yde	28074	$ 785.70
04/16/2026	Amazon Capital Services Inc.	28075	$ 138.76
04/16/2026	Atlas Abstract & Title, Inc.	28076	$ 15,500.00
04/16/2026	Borden Steinbauer Krueger & Knudson, PA	28077	$ 661.50
04/16/2026	Brainerd Lakes Area Economic Development Corporation	28078	$ 25.00
04/16/2026	Brainerd Public Utilities	28079	$ 3,878.15
04/16/2026	Cintas	28080	$ 305.04
04/16/2026	City of Brainerd	28081	$ 8,535.75
04/16/2026	Ctc-446126	28082	$ 1,100.06
04/16/2026	Faster Solutions Inc.	28083	$ 175.00
04/16/2026	Fireline Sprinkler Corp	28084	$ 1,120.00
04/16/2026	Granite Pest Control LLC	28085	$ 1,025.00
04/16/2026	Handyman's, Inc.	28086	$ 175.77

Brainerd Housing and Redevelopment Authority
Payment Summary Report
April 2026

Doc. Date		Number	Payments
04/16/2026	Labor Logic LLC	28087	$ 58.50
04/16/2026	Holden Electric Co. Inc.	28088	$ 11,415.50
04/16/2026	Hytec Construction	28089	$ 18,421.35
04/16/2026	Integrity Services Inc	28090	$ 975.60
04/16/2026	Scheving, John	28091	$ 1,500.00
04/16/2026	LandWerx LLC	28092	$ 9,095.80
04/16/2026	Lawyers Title Service	28093	$ 381.75
04/16/2026	Jones, Mike	28094	$ 72.50
04/16/2026	Minnesota Department of Labor & Industry	28095	$ 290.00
04/16/2026	Minnesota Housing Finance Agency	28096	$ 400.00
04/16/2026	MRI Software LLC	28097	$ 175.00
04/16/2026	Nahro	28098	$ 1,057.80
04/16/2026	Siemens Industry, Inc.	28099	$ 600.00
04/16/2026	SS Lawn & Landscaping	28100	$ 1,160.00
04/16/2026	Strike Painting & Finishing	28101	$ 1,000.00
04/16/2026	The Nelrod Company	28102	$ 2,613.00
04/16/2026	Vsp	28103	$ 63.56
04/16/2026	Waste Partners Inc	28104	$ 3,370.89
04/16/2026	West Central Flooring	28105	$ 1,695.75
04/16/2026	Wex Health	28106	$ 574.75
04/16/2026	Wicks Advanced Drain Cleaning LLC	28107	$ 140.00
04/16/2026	Brainerd Public Utilities	28108	$ 260.00
04/16/2026	Brainerd Public Utilities	28109	$ 359.00
04/22/2026	City of Brainerd	28110	$ 5,000.00
04/30/2026	Amazon Capital Services Inc.	28111	$ 567.83
04/30/2026	Brainerd Public Utilities	28112	$ 15,853.89
04/30/2026	Brighton Development Corporation	28113	$ 1,125.00
04/30/2026	Builders FirstSource	28114	$ 382.89
04/30/2026	CenterPoint Energy	28115	$ 7,336.14
04/30/2026	City of Brainerd	28116	$ 2,400.00
04/30/2026	CliftonLarsonAllen LLP	28117	$ 1,575.00
04/30/2026	Column Software PBC	28118	$ 58.69
04/30/2026	Crow Wing County Land Services Dept	28119	$ 100.00
04/30/2026	Crow Wing County Land Services Dept	28120	$ 46.00
04/30/2026	Crow Wing County Land Services Dept	28121	$ 46.00
04/30/2026	Crow Wing County Treasurer	28122	$ 22,631.91
04/30/2026	Granite Pest Control LLC	28123	$ 2,021.00
04/30/2026	Home Depot Credit Services	28124	$ 405.05
04/30/2026	Hytec Construction	28125	$ 15,477.24
04/30/2026	Kutak Rock LLP	28126	$ 5,909.50
04/30/2026	Lakes Printing	28127	$ 135.20
04/30/2026	Mahoney CPAS and Advisors	28128	$ 3,500.00

Brainerd Housing and Redevelopment Authority

Payment Summary Report

April 2026

Doc. Date		Number	Payments
04/30/2026	Master Trade Service Inc.	28129	$ 8,680.00
04/30/2026	Metropolitan Life Insurance Company	28130	$ 763.50
04/30/2026	Midwest Machinery Co	28131	$ 6.71
04/30/2026	Nan Mckay & Associates Inc.	28132	$ 478.00
04/30/2026	Old National Bank Credit Card	28133	$ 801.19
04/30/2026	Gorvin Inc	28134	$ 63.60
04/30/2026	SCR Northern	28135	$ 1,140.71
04/30/2026	The Hartford	28136	$ 374.89
04/30/2026	T-Mobile	28137	$ 326.72
04/30/2026	US Inspection Group	28138	$ 819.00
Total			**$447,332.99**

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324 East River Road
Brainerd, MN 56401
PH (218) 828-3705
FAX (218) 828-8817
www.brainerdhra.org

To: Brainerd HRA Board Members
From: Mallory Demel, Rental Assistance Manager
Date: May 19, 2026
Re: Rental Assistance Programs Report

FEDERAL RENTAL ASSISTANCE PROGRAMS

Housing Choice Voucher (HCV) Program

Through 4/30/2026, our Unit Months Leased (UML) was 30.59% and HAP utilization was 31.76%.

- Activity Recap:
  - □ Vouchers Issued: 1
  - □ New Move-Ins: 2
  - □ Annual Recertifications: 15
  - □ Interim Recertifications: 19
  - □ Inspections: 15
  - □ Terminations: 1

Additional Info: On April 27th, we received our SEMAP assessment from HUD and received a score of 81%, giving us an overall performance rating of Standard due to the findings discussed at previous meetings *(see attached letter).*

As stated in April's board report, we have stopped issuing vouchers and processing new admissions since the March 19th conference call with our HUD Shortfall Team. We are still waiting for HUD's budget to be approved so that we can be released from 2025 shortfall, as predicted by our HUD Shortfall Representative, and can resume issuing vouchers and new admissions again.

Family Self-Sufficiency (FSS) Program

- Activity Recap:
  - □ Active FSS participants *(as of 5/1/2026)*: 45
  - □ Tenants going OFF for month: 1
  - □ Tenants going ON for month: 1
  - □ Total number of FSS participants escrowing monthly: 28
  - □ Total amount of escrow: $10,647.00
  - □ Total combined amount of monthly escrow: $232,805.84

Additional Info: We had one FSS household give up her voucher so she could move into a different unit. She escrowed $2,105.86.

STATE RENTAL ASSISTANCE PROGRAMS

Bring It Home (BIH) Program

- Activity Recap:

  - □ Vouchers Issued: 4
  - □ New Move-Ins: 0
  - □ Annual Recertifications: 0
  - □ Interim Recertifications: 0
  - □ Inspections: 0
  - □ Terminations: 0
  - □ Housing Assistance Payments (HAP): $0

  - □ Total Program Vouchers (*Year to Date*): 4

Additional Info: Program staff continued to issue vouchers, inspect rental units and process new admissions to the program for 5/1/26 move-ins throughout the month of April. The current Bring It Home waitlist includes 85 active applicants, 50 notified applicants and 10 denied applicants recorded.

As of the date of this report, 16 Bring It Home vouchers have been issued to its first participants, and 11 participants began receiving rental assistance on 5/1/26.

Bridges Program

- Activity Recap:

  - □ Tenants leased up in units: 12
  - □ Participants Issued Bridges Voucher/Searching for Unit: 1
  - □ Notified: 0
  - □ Participants Receiving HCV Voucher: 0
  - □ Participants Giving Up Bridges Voucher: 0
  - □ Tenants Residing Counties:
    - □ Cass County: 0
    - □ Morrison: 0
    - □ Aitkin: 1
    - □ Crow Wing: 11
    - □ Todd: 0
    - □ Wadena: 0

  - □ Total Bridges HAP Request: $9,289.00 (Rent & URP)

Additional Info: No additional information to report at this time.

No Action Requested; Discussion Items

Federal Rental Assistance Programs - HCV & FSS

April 2026

Voucher Allocation	324 Vouchers
Move-Ins	2
Move-Outs	3
Vouchers – Looking for Housing	1
Vouchers – First Day of the Month	296
Average Vouchers to Date	298
HAP Payments	$155,070

Reasons for Leaving the Program	Monthly Total
Participation Ended Voluntarily	2
Participation Terminated	1

Program Revenue	Monthly Total
Housing Assistance Payments (HAP)	$169,742
HUD Administrative Fee	$21,377

Ported Out Vouchers	4 Vouchers
Douglas County HRA	$677
St. Cloud HRA	$2,300
Todd County HRA	$512

Homeownership	5 Vouchers
Homeownership HAP	$3,297

Participant Demographics	Monthly Total
Elderly Households	40.48%
Disabled Households	30.10%
Families with Children	89
Average Annual Income	$18,378 *(Gross)*
Average HAP	$585

Waiting List	420 Total Applicants
Crow Wing County Preference	302
Non-Preference	118

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Minneapolis Field Office
Paul D. Wellstone Federal Building
212 Third Avenue South, Suite 150
Minneapolis, MN 55401

April 27, 2026

Mr. Eric Charpentier, Executive Director
Brainerd HRA
324 E. River Rd
Brainerd, MN 56401

Dear Ms. Charpentier:

Thank you for completing your Section 8 Management Assessment Program (SEMAP) certification for the **BRAINERD HRA**. We appreciate your time and attention to the SEMAP assessment process. SEMAP enables HUD to better manage the Section 8 tenant-based program by identifying PHA capabilities and deficiencies related to the administration of the Section 8 program. As a result, HUD will be able to provide more effective program assistance to PHAs.

The **BRAINERD HRA** final SEMAP score for the fiscal year ended **12/31/2025** is **81**%. The following are your scores on each indicator:

Indicator1	Selection from Waiting List (24 CFR 982.54(d)(1) and 982.204(a))	**15**
Indicator2	Reasonable Rent (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)	**0**
Indicator3	Determination of Adjusted Income (24 CFR part 5, subpart F and 24 CFR 982.516)	**20**
Indicator4	Utility Allowance Schedule (24 CFR 982.517)	**5**
Indicator5	HQS Quality Control (24 CFR 982.405(b))	**0**
Indicator6	HQS Enforcement (24 CFR 982.404)	**10**
Indicator7	Expanding Housing Opportunities	**NA**
Indicator8	Payment Standards (24 CFR 982.503)	**5**
Indicator9	Timely Annual Reexaminations (24 CFR 5.617)	**10**
Indicator10	Correct Tenant Rent Calculations (24 CFR 982, Subpart K)	**5**
Indicator11	Pre-Contract HQS Inspections (24 CFR 982.305)	**5**
Indicator12	Annual HQS Inspections (24 CFR 982.405(a))	**10**
Indicator13	Lease-Up	**20**
Indicator14	Family Self-Sufficiency (24 CFR 984.105 and 984.305)	**NA**
Indicator15	Deconcentration Bonus	**0**

Your overall performance rating is **Standard**

We have recorded that your PHA has been rated zero on at least one of the performance indicators. Please take the necessary corrective action to ensure compliance with program rules. For each zero rating, you must send HUD a written report describing the corrective action taken within 45 calendar days of the date of this letter or HUD may require a written corrective action plan.

Thank you for your cooperation with the SEMAP process.

Sincerely,

4/27/2026

X Morgan Pontiff

Morgan D. Pontiff
Divison Director, Office of Public Housing
Signed by: MORGAN PONTIFF

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324 East River Road
Brainerd, MN 56401
PH (218) 828-3705
FAX (218) 828-8817
www.brainerdhra.org

To: Brainerd HRA Board Members
From: Hannah Gangl, Housing Manager
Date: May 19, 2026
Re: Housing Management Report

Vacancy Report for April 2026
Please see attachment.

Valley View Townhomes:

Occupancy:	95%
Move Ins:	0
Move Outs:	0
Notified:	0
Screening:	1
Denied:	0
Waiting List:	23

ROSS Program Updates

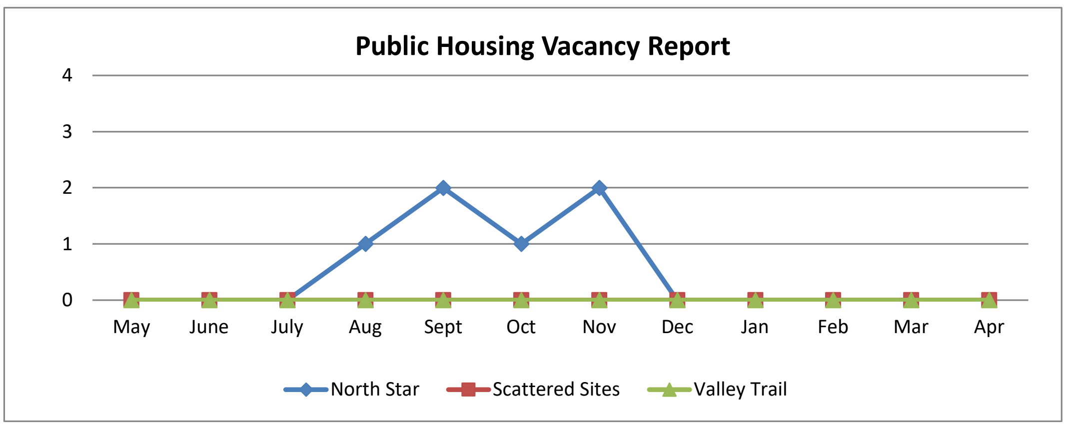
- CSFP Food Boxes: 32 residents; shelf-stable box; elderly tenants only.
- No events were planned for this month due to the exit of our Ross Coordinator. Events will resume as usual when the position is filled.
- At this time, our Housing Administrative Specialist will be assisting residents is finding applicable information for their needs as she is able to.

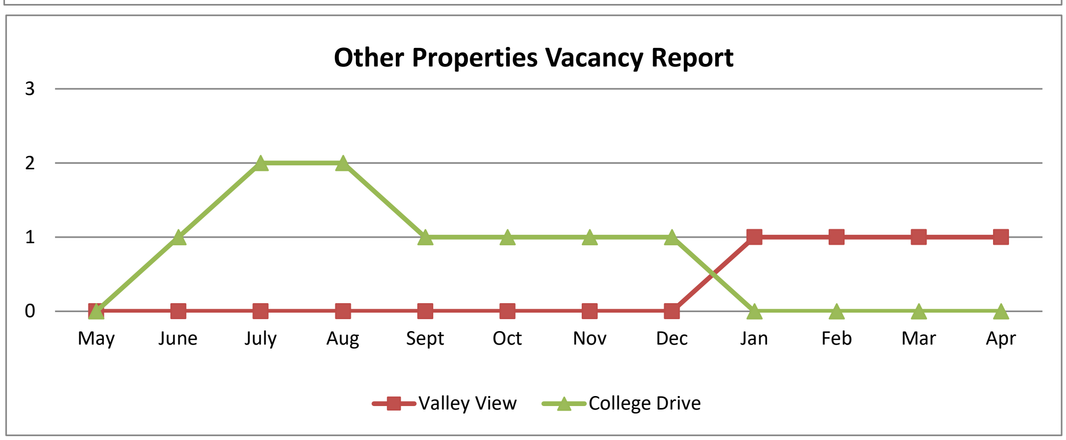
Personnel Update
We have completed one interview for the ROSS Service Coordinator position. The applicant evaluation process is ongoing with additional interviews being scheduled for the coming weeks.

No Action Requested; Discussion Items

Brainerd HRA 2026 Vacancy Report

	Public Housing				Tax Credit	Tax Credit - DW Jones
	North Star	Scattered Sites	Valley Trail	Total PH Vac/%	Valley View	College Drive
# units	162	16	25	203	20	24
Jan 31	0	0	0	0	1	0
Jan %	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%
Feb 28	0	0	0	0	1	0
Feb %	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%
March 31	0	0	0	0	1	0
March %	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%
April 30	0	0	0	0	1	0
April %	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%
May 31						
May %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
June 30						
June %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
July 31						
July %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Aug 31						
Aug %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Sept 30						
Sept %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oct 31						
Oct %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nov 30						
Nov %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Dec 31						
Dec %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0	0	0	0	4	0
%	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%





Brainerd Housing and Redevelopment Authority

Monthly Property Performance Report
March 2026

1. Physical Occupancy

Properties	Total Units	Occupied Units	Vacant Units	Percent Occupied
North Star	162	162	0	100%
Valley Trail	25	25	0	100%
Scattered Sites	16	16	0	100%
TOTAL	203	203	0	100%

2. Customer Traffic

Applications Placed on PH Wait List	32
Applications Denied on PH Wait List	11

3. Waiting List

Unit Size	# of Units	Total # on Wait List	Notified	Screening	Denied
NS: 1 BR	160	208	2	0	0
NS: 2 BR	2	24	0	0	0
VT/SS: 2 BR	12	84	0	0	0
VT/SS: 3 BR	24	69	0	0	0
VT/SS: 4 BR	5	13	0	0	0
TOTAL	203	398	2	0	0

4. Move-Ins and Move Outs

	This Month	Year-to-Date
Move-Ins	1	3
Move-Outs	0	3

5. Lists of Vacant Units and Unit Status

Unit	Unit Size	Anticipated Lease Date	Applicant Approved?
N/A			

6. Recertifications

Interim Recertifications	25
Annual Recertifications	12
Completed for this month	37

7. Annual Unit Inspections

Total units to be inspected this year	203
Number inspected for the month	0
Number completed year-to-date	0
Total left to be inspected this year	203
Have all building system inspections been completed?	Ongoing

8. Lease Enforcements

Lease warnings/violations issued	6
30-day lease terminations	14 *(13-Non-Payment of Rent)*

9. Evictions

Property	Reason	Summons Date	Judgment Action
North Star Apartments	Criminal Activity	5/20/26	TBD

10. Rent Collection

	This Month
Rent Charges	76,499
Other Charges	3,528
Total New Charges	80,027
Arrears, tenants in possession	3,836

11. Accounts Receivable

Current Tenant Accounts Receivable (Rent)	2,472
Current Rent Charges	76,499
Current Rent Collections	74,027
Accounts Receivable Rate	3%
Collection Rate	97%

12. Collections - Prior 12 Month Period

Prior Tenants Accounts Receivable (Rent)	3,104
Prior Rent Charges	832,255
Collection Rate	100%

To:	Brainerd HRA Board Members
From:	John Schommer, Rehab & Maintenance Director
Date:	May 19, 2026
Re:	Rehab Programs and Maintenance Report

SCDP

DEED staff was onsite Monday and Tuesday, April 13th & 14th to monitor the SE Brainerd grant. The audit was clean with no findings, attached are the letter to the mayor and full report.

NSPIRE

We were able to access the report from the March 4, 2026 inspection and have included it for your review. Director Charpentier also received a follow-up letter regarding the inspection where HUD wanted to ensure our properties are being maintained in a decent, safe and sanitary manner and know that the deficiencies are not only being addressed but that the source of the deficiencies are also identified and corrected. All of the deficiencies from the inspection have been addressed and the mitigation measures have been submitted and approved. Attached is the response letter.

Several staff attended in-person training on NSPIRE standards May 20, 2026 which will help to utilize our annual inspections as opportunities to eliminate deficiencies in our properties, further improving future NSPIRE inspections.

Current Projects in Process:

	HTF	MHFA-RLP/ELP	SCDP	Total
City of Brainerd	0	0/0	3	3
Crow Wing County	5	1/0	N/A	6
Cass County	N/A	0/0	N/A	0
Morrison County	N/A	0/0	N/A	0

Work Orders

Non-Emergency

Received	75
Closed	72
Total Completed Work Orders for Year	421

Emergency

	This Month	Year-to-Date
Requested	1	17
Completed within 24 hours	1	17
Percent completed within 24 hours	100%	100%

Action Requested: None, discussion items.

May 6, 2026

The Honorable Dave Badeaux
Mayor, City of Brainerd
501 Laurel Street
Brainerd, MN 56401

Sent via email: dbadeaux@ci.brainerd.mn.us

RE: Monitoring of Grantee Performance for Grant No. CDAP-23-0018-O-FY24
Brainerd Housing

Dear Mayor Badeaux:

On April 13, 2026, Department of Employment and Economic Development (DEED) staff member, Amy Wyatt met with Brit Thompson of Brainerd HRA and Connie Hillman with City of Brainerd to conduct a monitoring review of the above-referenced grant. DEED's primary objective is to support the City of Brainerd in achieving the objectives of the Small Cities Development Program while ensuring full compliance with all applicable laws and requirements so the community fully benefits from the grant funding.

Based on our review, no findings were identified during the monitoring. Overall, we believe the grant is well positioned to make a meaningful impact on the city and has been administered effectively to date.

The City and Brainerd HRA are commended for their diligent efforts in implementing this grant responsibly and effectively.

If you have any questions, please feel free to contact me at Natasha.Kukowskit@state.mn.us or at (651) 259-7425.

Sincerely,

Natasha D. Kukowski

Natasha D. Kukowski, Small Cities Manager
Business and Community Finance – Small Cities Unit

Enclosure

cc: Brit Thompson, Brainerd HRA
Connie Hillman, City of Brainerd
Amy Wyatt, SCDP Grant Specialist

MINNESOTA SMALL CITIES DEVELOPMENT PROGRAM

MONITORING REPORT

City of Brainerd

CDAP-23-0018-O-FY24

Prepared by Amy Wyatt

May 1, 2026

Minnesota Department of Employment and Economic Development
Division of Business and Community Development
Office of Community Finance
Great Northern Building
180 East Fifth Street, Suite 1200
Saint Paul, MN 55101

INTRODUCTION

On April 13, 2026, Amy Wyatt from the Department of Employment and Economic Development (DEED), Business and Community Development Division (BCD) completed a review of monitoring documents associated with the Brainerd Small Cities Development Program (SCDP) grant. Grant documents were provided by Brit Thompson of the Brainerd HRA and Connie Hillman with the City of Brainerd. The purpose of the monitoring was to review documents associated with SCDP funding awarded to the City of Brainerd for owner-occupied housing and single-family rental housing rehabilitation projects. The monitoring was conducted in person at the Brainerd HRA office. Documents associated with Grant and Financial Management, Fair Housing and Equal Opportunity Employment, Environmental Review, Owner-occupied Rehabilitation, Single Family Rental Rehabilitation, and Lead-Based Paint Hazards were reviewed. An Exit Conference was held in person on April 14, 2026.

GRANT MANAGEMENT

Relevant grant documents were found in the files maintained by Brainerd HRA. These included the approved Preliminary Proposal and Full Application, executed SCDP Grant Contract Agreement, contractual documents between the city and Brainerd HRA, Annual and Quarterly Reports, and disbursement requests that were submitted to DEED BCD.

Required policies and plans were in order prior to the start of project construction. These included the Residential Anti-Displacement and Relocation Plan, Certification for a Drug-Free Workplace, Prohibition of Excessive Force Policy, Section 3 Plan, Program Income Reuse Plan, and Fair Housing Plan. Grant files will be retained by Brainerd HRA during the grant file retention period.

Annual Reports indicated that yearly fair housing activities were conducted.

There were no findings or concerns in this area.

FINANCIAL MANAGEMENT

Copies of disbursements requests to DEED BCD were reviewed. Disbursement requests were signed by authorized personnel.

There was adequate supporting documentation of the expenditures and no evidence of ineligible costs. All expenditures were incurred during the grant period.

Draw request packets and Annual Reports indicated that there were non-SCDP expenditures from owner funds.

A Single Audit report for the fiscal year ending 2025 will be required.

Brainerd HRA is a nonprofit organization, therefore, procurement for their administrative services was not required. The Request for Noncompetitive Procurement document was retained in the grant file. The contract between the city and Brainerd HRA referenced federal requirements. There was discussion on the importance of checking for federal debarment of all contractors, including the administrative entity.

All grant administrator's staff costs charged to the grant were supported by invoices and on a reimbursement basis. There were no indirect costs charged to the grant.

There were no findings or concerns in this area.

EQUAL OPPORTUNITY

Affirmative steps to solicit contracts with small, minority-owned business and women-owned businesses for the projects consisted of updating Brainerd HRA's contractor list with contractors known to the city and new contractors brought to Brainerd HRA's attention by property owners.

There were no findings or concerns in this area.

ENVIRONMENTAL

A centralized Environmental Review file was maintained by Brainerd HRA. The Authority to Use Grant Funds and other review documents were located in the Environmental Review Record. No comments were received during the Notice of Intent to Request Release of Funds public comment period.

There were no findings or concerns in this area.

OWNER-OCCUPIED HOUSING REHABILITATION

Owner-occupied housing rehabilitation must meet the national objective of benefit to low-to-moderate income (LMI) persons on an individual household basis as per Federal Regulations at 24 CFR 570.483(b)(3).

The owner-occupied housing rehabilitation program proposed goal was eight (8) homes within the city limits. Three randomly selected owner-occupied rehabilitation files were inspected for compliance with the national objective.

Conflict of Interest was checked for each reviewed project. All three files contained applicants' sources of income, household size, and third-party income verification. Inspection of those files showed that all households met the criteria of a LMI household based on applicable HUD income limits for the county. All three projects were located within the city limits.

A Tier 2 Environmental Review was completed for each reviewed project. However, a determination narrative was missing for the Historic Preservation section of each review by the applicable Tribal Historic Preservation Office (THPO). Project bids for each project were released after the completion of the Tier 2 Environmental Review.

Inspection reports and corresponding work specifications that met with the program written criteria for eligible property improvements were located in the project files. There was documentation to show at least two bid packets were released.

Federal debarment checks were performed on contractors. Section 3 and Women- or Minority-Owned Business Certification forms were collected from contractors. Contracts between owners and contractors included language addressing Equal Employment Opportunities, Affirmative Action and Section 3 requirements.

Repayment Agreements were signed by all parties prior to the issuance of the Notices to Proceed. There was discussion on ensuring the repayment timeframe listed in the Repayment Agreement matched the program's policies, interest survey, and SCDP application.

Payments were made to contractors after inspections were completed, completion certificates were signed by all parties and lien waivers were collected. Invoices associated with the reviewed project files were successfully traced back to DEED BCD disbursements. The amount of SCDP funding per unit was within the project limit set in the Full Application.

No site visits were conducted during the monitoring.

There were no findings and two concerns in this area.

Concern #1: THPO was not consulted during the Tier 2 Environmental Review process. The applicable THPO representatives of federally recognized tribes should be consulted alongside the State Historic Preservation Office (SHPO).

Concern #2: The repayment terms listed in the Repayment Agreement did not match the repayment terms listed in the interest survey, program policies, and SCDP application. The repayment terms and financing percentages should be consistent in all documentation associated with the program. If an update to the repayment terms is needed, the update(s) will need to be applied for all program participants and the SCDP representative should be informed.

LEAD MONITORING - OWNER OCCUPIED

Federal regulatory compliance with the Lead Safe Housing Rule (LSHR) at 24 CFR Part 35 Subpart J must be met to address lead-based paint hazards for all assisted housing units built prior to 1978.

All three reviewed projects were for homes built prior to 1978. Lead risk assessments were conducted and found one of the reviewed homes had lead-based paint hazards. The licensed risk assessor that conducted the lead risk assessment had been procured according to federal, state and local requirements.

The Lead Safe House Applicability form was completed for the reviewed projects. The Relocation Screening Sheet was completed for the project with lead-based paint hazards. The full lead risk assessment reports and Summary Notices of Lead-based Paint Risk Assessment and Reduction were found in the project files. The lead risk assessment report was provided to the homeowner within fifteen (15) calendar days of the report release date.

The work write-up for the home with lead-based paint hazard was conducted according to guidelines. Lead remediation work performed on the home used a lead certified firm.

There were no findings or concerns in this area.

SINGLE FAMILY RENTAL REHABILITATION

Rental rehabilitation must meet the national objective of benefit to LMI persons on an individual household basis and rental unit must meet HUD's fair market rents.

The goal for single family rental rehabilitation was twelve (12) single family rental homes.

Three (3) randomly selected single family rental rehabilitation files were inspected for compliance with the federal requirements. Conflict of Interest forms were available for review. All rental units were located in the target area. Tenants were provided the “General Information Notice” and the project file contained the tenant’s sources of income, household size, and third-party income verification. Inspection of those documents indicated that the household met the income limits. The rent met the fair market rent for the county.

A Tier 2 Environmental Review was completed for each reviewed project. However, a determination narrative was missing for the Historic Preservation section for each review by the applicable Tribal Historic Preservation Office (THPO). Project bids for each project were released after the completion of the Tier 2 Environmental Review.

Inspection reports, and corresponding work specifications, matched the program written criteria for eligible property improvements located in the individual project files. Competitive bids were received. Repayment Agreement were signed by all parties prior to the issuance of the Notices to Proceed. There was discussion on ensuring the repayment timeframe listed in the Agreement matched the program’s policies, interest survey, and the SCDP application.

Payments were made to contractors after inspections were completed, completion certificates were signed by all parties and lien waivers were collected. Sworn construction statements were located in file. Invoices were successfully traced back to DEED BCD disbursement.

The amount of SCDP per unit was within limits stated in the Full Application. Each project’s financial package was also within the limits stated in the Full Application.

Federal debarment checks were performed on contractors. Section 3 certification forms and Women or Minority-Owned Business Certification forms were collected from contractors.

No site visits were conducted during the monitoring.

There were no findings and 2 concerns in this area.

Refer to Concern #1 (Tier 2 THPO Consultation)

Refer to Concern #2 (Consistent Repayment Terms)

LEAD MONITORING – SINGLE FAMILY RENTAL

Federal regulatory compliance with the Lead Safe Housing Rule (LSHR) 24 CFR Part 35 must be met, addressing lead hazards for all assisted housing units built prior to 1978, including single or multi-family rental units.

The three (3) reviewed project files were for housing units that were built prior to 1978. Lead risk assessments were completed and one home was found to have had lead-based paint hazards. The licensed risk assessor that conducted the lead risk assessment had been procured according to federal, state and local requirements.

The Lead Safe House Applicability form was completed for the reviewed projects. The full lead risk assessment reports, Summary Notices, and other necessary lead-based paint documentation were found in the project file for the home with identified lead-based paint hazards.

The work write-up for the home with lead-based paint hazards was conducted according to guidelines. Lead remediation work performed on the home used a lead certified firm. There was discussion regarding keeping track of the lead certified firm's certification expiration date, ensuring all work is completed prior to certificate expiration.

There were no findings or concerns in this area.

SUMMARY

DEED BCD staff wish to thank Brit Thompson and Connie Hillman for their assistance and cooperation during the monitoring. The project overall has been administered successfully to date and the completed projects have had a clear impact on Brainerd residents.

Amy Wyatt

Amy Wyatt
Small Cities Grant Specialist

Natasha D. Kukowski

Natasha D. Kukowski
Small Cities Unit Manager

Report Created: 5/21/2026 11:53 AM

Inspection No: INSP-68184
Inspection Type: General NSPIRE Inspection

Property: (MN032000001) -
Inspector: ,

Inspection Date: 3/4/2026

Escort Name: Lizzie Stall
Property Type:
Inspection Start Date/Time: 3/4/2026 9:31 AM

Escort Email: elizabeth@brainerdhra.org
Scattered Site:
Inspection End Date/Time: 3/4/2026 1:35 PM

Present During Inspection: Yes

Preliminary Scores
Preliminary Inspection Score: 87
Preliminary Calculated Score: 87
Preliminary Units Threshold: 12.54
Preliminary Property Threshold: 13
Preliminary Projected Inspection Score: 85
Preliminary Non-Scored Symbols: ^

Final Scores
Final Inspection Score: 87
Final Calculated Score: 87
Final Units Threshold: 12.54
Final Property Threshold: 13
Final Projected Inspection Score: 85
Final Non-Scored Symbols: ^
Final Review: Accept

Building/Unit Inspection Data

Type			Inspection
	Property Total	Sample Size	Total Units Inspected
Buildings	25	6	6
Units	203	28	28

Occupancy Information

Occupancy Rate(%)
100

Deficiency Summary

Inspectable Area	Life-Threatening	Severe	Moderate	Low
Inside	0	0	1	0
Outside	0	0	0	0
Units	5	6	9	3

Scoring Summary

Inspectable Area	Life-Threatening	Severe	Moderate	Low
Inside				
Outside				
Units				
Total				
			Overall	

Inspection Summary Report - INSP-68184

Buildings/Units:

Building/Unit Name	Address	Comments

Inspectable Areas Deficiencies:

Outside							
Deficiency Details	Deficiency Name	Location	Comments	Deficiency Picture	Deduction Pts.	Repeat Indicator	Severity

1. Asterisk (*) - Smoke Detector
2. Plus (+) - Carbon Monoxide
3. Caret (^) - Not Scored for 12 Months

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Minneapolis Field Office
Paul D. Wellstone Federal Building
212 Third Avenue South, Suite 150
Minneapolis, MN 55401

May 20, 2026

Mr. Eric Charpentier, Executive Director
HRA OF THE CITY OF BRAINERD
324 East River Road
Brainerd, MN 56401
eric@brainerdhra.org

Dear Executive Director:

HUD is responsible for ensuring that its assisted properties are decent, safe, sanitary, and in good repair and that its Public Housing Authorities (PHAs) follow relevant regulations. HUD relies on local housing authorities to maintain the properties, address health and safety hazards in a timely manner, and efficiently execute programs that improve housing quality.

The Brainerd Housing and Redevelopment Authority (BHRA) had a National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection on March 4, 2026 which resulted in 24 Total Deficiencies deficiencies:

Deficiency Type	Number of Deficiencies
Life-Threatening	5 LTS
Severe	6 of Severe
Moderate	10 of Moderate
Low	3 of Low

The BHRA was provided with advance notice of the NSPIRE inspection from HUD’s Real Estate Assessment Center (REAC). The Minneapolis Field Office provided additional technical assistance with respect to NSPIRE access and various resources for the PHA to use in preparation for the inspection. Despite the resources provided, there were a significant number of deficiencies cited during the inspection.

Physical deficiencies typically result from PHAs who have failed to prioritize capital funding, failed to correct deficiencies identified in previous REAC inspection reports, failed to abide by the PHA’s lease agreement with tenants and/or failed to effectively manage a proper maintenance program. Therefore, the Board of Commissioners of the BHRA should take immediate action to identify the source(s) of the physical deficiencies and to develop and implement productive strategies to ensure that the PHA is providing decent, safe, and sanitary housing to its residents.

The following list of actions is offered as common suggestions to the Board to use in self-diagnosing the source(s) of its physical deficiencies and identifying solutions to recover its performance for long-term sustainability:

- Capital Funding
    - Evaluate current contracts for priority and necessity in relationship to needed capital funding.

    - Account for the amount of capital funds received and purchases made to date.
    - Evaluate the amount of capital funds that are being used to offset costs of PHA operations
    - Verify that capital funds are not being used for non-capital purposes.
    - Evaluate the most recent physical needs assessment (PNA) or conduct a new one.
    - Evaluate the use of resources for maintenance and modernization needs rather than for development.
- Physical Inspection Deficiencies
    - Verify that required annual inspections by the PHA are being conducted and that generated work orders are being completed timely and accurately.
    - Evaluate maintenance staffing levels, skill levels, and performance as well as how maintenance staff are deployed.
    - Evaluate the PHA's operations to include routine, preventative and routine maintenance as well as the planning efforts for REAC inspections.
    - Evaluate the use of previous REAC inspection reports and the PHA's maintenance requests for capital fund and maintenance planning.
        - Verify whether in-unit life-threatening deficiencies, which are cause for heavily weighted point deductions, are being targeted for immediate repairs. These include missing smoke and/or carbon monoxide detectors, exposed/damaged/non-working electrical, sprinkler head obstructions, and fire/safety hazards.
        - Verify whether in-unit severe deficiencies, which are cause for a magnitude of point deductions, are being targeted for repairs. These include non-working smoke and/or carbon monoxide detectors, unprotected/improper electrical, deteriorating paint, water leaks, and non-functional fire safety systems.
        - Verify whether the most common and frequent deficiencies are being repaired sufficiently. Based on the April 10, 2026 inspection, these are the following:
            - Sprinkler head assembly is encased or obstructed;
            - Fire Door damage;
            - Toilet not secured at base;
            - An unprotected outlet is present within six feed of water source
    - Consider contracting maintenance to another entity or PHA.
    - Review tenant education materials and revise/modify as necessary to ensure tenants understand their lease obligations and how to report maintenance issues.

Please provide our office with a response within 30 days of the receipt of this letter.

If you have any questions, please contact Ryan Raleigh, Portfolio Management Specialist, Office of Public Housing at ryan.raleigh@hud.gov or 612-370-3020.

Sincerely,

X

Lucia M. Clausen
Director, Office of Public Housing

Enclosure: NSPIRE Inspection Report

5KPH: Reader File

5KPH:RER:J:\PHA Portfolio Files\PHA Portfolio Files (MN001-MN049)\MN032

324 East River Road
Brainerd, MN 56401
PH (218) 828-3705
FAX (218) 828-8817
www.brainerdhra.org

May 21, 2026

Ms. Lucia M. Clausen, Director
U.S. Department of Housing and Urban Development
Minneapolis Field Office
Paul D. Wellstone Federal Building
212 Third Avenue South, Suite 150
Minneapolis, MN 55401

Dear Director:

The BHRA Board of Commissioners acknowledges receipt of HUD's letter dated May 20, 2026 and is committed to ensuring that its properties are kept decent, safe, sanitary, and in good repair. The deficiencies identified from the March 4, 2026 NSPIRE inspection were addressed within the required timeframes and measures have been taken to ensure these deficiencies do not happen again.

Staff corrected the deficiencies to mitigate potential unsafe conditions but most importantly, have provided specific solutions to each of the sources of the deficiencies. Staff also attended training on May 20, 2026, so they are more knowledgeable regarding NSPIRE standards and what is required to have deficient free properties. These solutions also involve the Housing Management and Maintenance Departments working together for a comprehensive resolution of all deficiencies.

The sources of the Life-Threatening Deficiencies identified included obstructed sprinkler heads and a gas fired appliance (a gas forced air furnace), holes in fire rated doors in addition to faulty/missing GFCI protection. The BHRA will be painting lines around the sprinkler heads and our gas fired appliances to clearly identify the area in which items cannot encroach to ensure safety if/when these systems operate. We will be assessing all of our fire rated doors and GFCI protection during our annual inspections and ensuring any deficiencies found are corrected.

Sincerely,

Eric Charpentier
Executive Director on behalf of the Board of Commissioners of Brainerd HRA

324 East River Road
Brainerd, MN 56401
PH (218) 828-3705
FAX (218) 828-8817
www.brainerdhra.org

To: Brainerd HRA Board Members
From: Eric Charpentier, Executive Director
Date: May 27th, 2026
Re: Executive Director Report

Wright Street Update

The Planning Commission reviewed the rezoning and conditional use permit requests for the proposed Wright Street development on May 20th and denied both requests following the public hearing. Although the City Council has final authority, staff does not expect the requests to advance, which would end this project at the site. I have a follow-up meeting scheduled with CMHP to discuss other available development sites in and around Brainerd. As a result, the pending 2027 MN Housing funding application, due July 9th, is now uncertain.

No Action Requested; Discussion items