

TO: HRA Board of Commissioners

FROM: Karen Rizer, CPA
Finance Director

DATE: October 17, 2023

SUBJECT: Study Session – October 25 – 5:00 – HRA Office - 2024 Property Budgets

The budgets for each property that will be discussed at the study session are at tab 7 of the regular meeting packet.

For Public Housing and Section 8 New Construction properties (Empire, Scattered Sites, Wilson, Grace McDowall (Northway A), Northway B townhomes, and Germain Towers – tenants pay 30% of their income as rent and a subsidy is received from HUD to provide the balance of rental income for the property. On all the other properties, tenants pay a fixed monthly rent.

For Public Housing – the 2024 operating subsidy calculation forms have not yet been released so we are budgeting based on the 2023 amounts granted.

For all properties – the budget for other administrative costs significantly increased for both the new intake fees and software conversion. The intake specialist position was added in August. This position performs applicant and client interviews for the properties; collecting, verifying and processing information related to the client or applicant to determine initial and ongoing eligibility for housing. This position is in the Central Office Cost Center (COCC) and then charged out to all of the property funds on a fee for service basis. This position should make filling units more efficient.

Other key items are noted on the bottom of each property's budget.

The budgets for the COCC and Housing Choice Voucher (HCV) funds will be reviewed in December.

After reviewing this information, if you have any questions, please email me at krizer@stcloudhra.com or call 320.247.2408 prior to the meeting. I can then perform the required research or analysis and have any answers for you at the meeting.

**REGULAR MEETING OF THE
ST. CLOUD HRA BOARD OF COMMISSIONERS**

**St. Cloud HRA, 1225 West St. Germain Street, Board Room
Wednesday, October 25, 2023
*Immediately following 5:00 p.m. Study Session***

STUDY SESSION -- 5:00 P.M., 1225 West ST. Germain Street, St. Cloud, MN 56301 AGENDA: Budgets Discussion

Mission Statement: To enhance the communities we serve by providing housing opportunities, fostering stability, and promoting neighborhood revitalization.

Regular Meeting Agenda:

1. Roll Call and Pledge of Allegiance.

Consent Agenda:

2. Approval of Agenda. REQUESTED ACTION: Approve.
3. Approval of Study Session Minutes, September 27, 2023. REQUESTED ACTION: Approve.
4. Approval of Regular Minutes, September 27, 2023. REQUESTED ACTION: Approve.
5. Review of 2023 Financial Reports. REQUESTED ACTION: None.
6. Approval of Contract for Furnace, Water Heater, and Air Conditioner Replacement at Flintwood Townhomes. REQUESTED ACTION: Approve.
7. Approval of Resolution 2023-14 – Adopting the 2024 Property Budgets. REQUESTED ACTION: Approve.

Open Forum: At this time members of the public may address the Board with questions, concerns, or comments (regarding an item NOT on the agenda). Citizens are asked to sign up to speak prior to the Open Forum portion of the meeting. Speakers will be limited to the first five citizens who sign up. The Board members will not ask questions of the speakers, but rather refer the matter to the Administration with a request for a follow-up report. A citizen may speak at the Open Forum only twice during the year. Open Forum is limited to a total of 10 minutes. TIME LIMIT IS 2 MINUTES PER PERSON.

Old Business:

8. Approval of Software and Consultant Contracts. REQUESTED ACTION: Approve.

New Business:

9. Approval of HRA Auditor Selection.
10. Approval of Resolution 2023-15 – Authorizing Participation in the Minnesota City Participation Program for 2024.
11. Report on Activities.

Open Discussion:

Adjourn.

**ST. CLOUD HOUSING & REDEVELOPMENT AUTHORITY
STUDY SESSION**

Wednesday, September 27, 2023

A Study Session for the St. Cloud HRA Board of Commissioners was held on Wednesday, September 27, 2023. Chair Nancy Gohman called the meeting to order at 5:00 p.m. Commissioners present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, Hani Jacobson, and Carol Lewis.

Karen Rizer, Finance Director, began the CDBG Discussion by sharing there is currently around \$600,000 available in the HRA's CDBG fund and \$525,000 is available for loans, which means an estimated 28 loans without further allocations could currently be completed. Ms. Rizer added that based on contractor availability, only around 17 loans can actually be completed per year. Ms. Rizer noted a new item of concern is that Brownstones Townhomes requires a new roof and currently the building has limited funds available, so the HRA would like to request funds to replace the roof from CDBG.

Commissioner Lewis asked if there was anything being changed in the roof design to avoid the issues in the future. Project Manager, Paul Soenneker, responded that yes, two of the roofs have been redone already and the problem is being resolved by adding additional pitching to the parapets on the roofs.

Commissioner Hontos asked to clarify if HRA staff is requesting to apply for CDBG funds for the Brownstones roof project. Ms. Rizer said yes, Brownstones only has about \$10,000 in funds, so the agency would seek additional CDBG funds to assist with the cost. Commissioner Hontos asked what happens if the agency does not receive the CDBG funds, and Ms. Rizer said then a loan would be provided by the agency and if the agency runs out of funds, bonding would be necessary.

Commissioner Lewis asked if money will be available from the State of Minnesota for the Brownstones roofing project. Executive Director Louise Reis responded the agency has not seen funds yet, but they are hopeful different programs will receive funds that could be accessed for the project, however there is not a timeline or terms for what funds or when the funds would be available.

Commissioner Hontos is concerned requesting less for the CDBG loan program sets a negative precedence moving forward. Ms. Rizer responded the agency can continue to ask for a higher amount for the loans, but there's a backlog of requests caused by the pandemic, limited contractor availability, and supply chain issues, so funds continue to be pushed out every year; whereas Brownstones would immediately benefit from the allocated CDBG funds.

Commissioner Conway pointed out that even if the CDBG loan fund had unlimited money in the account, the HRA can only accommodate so many requests per year, due to contractor supply and demand. He added there's no money in the account currently for the Brownstones roof. Mr. Conway said if the case is made that the funds are not being asked for the loans, but they are instead needed for the roof, it would not necessarily mean less money would be allocated in the following years for CDBG loans.

Commissioner Lewis added that the loan exists for upkeep of properties to look nice and maintain a safe place to live, and Brownstones fits the category. Chair Gohman asked about the maintenance costs at Brownstones, noting the amount seemed high. Ms. Reis pointed out the unexpected water damage from the roof was a huge expense. Chair Gohman asked about insurance reimbursements due to the water damage and Ms. Rizer responded that it wasn't a storm that caused damage, so insurance did not cover any costs. Ms. Reis said each of the units currently has decks that are not maintenance-free, so as the decks are being replaced, maintenance-free decking is being used which comes at an added cost.

Ms. Rizer suggested asking for CDBG funds for both the rehab program loans and the Brownstones roof project. Commissioner Hontos encouraged the staff to pick numbers for both programs they are comfortable moving

forward with. Commissioner Conway agreed this an appropriate time to request funds for both and provide the justifications for the dollar amounts to encourage support.

There being no further discussion, the Study Session adjourned at 5:45 p.m.

ATTEST:

Chair, Nancy Gohman

Secretary, Hani Jacobson

**ST. CLOUD HOUSING & REDEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES**

Wednesday, September 27, 2023

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, September 27, 2023 at 1225 West St. Germain Street. Chair Nancy Gohman called the meeting to order at 5:46 p.m. Commissioner Present: Mike Conway, John Dvorak, Seal Dwyer, Nancy Gohman, George Hontos, Hani Jacobson, and Carol Lewis.

Consent Agenda:

1. Roll call was taken and the pledge of allegiance spoken.
2. Approval of Agenda – Commissioner Hontos moved to pull items 5 and 6. Commissioner Conway moved for approval on items 2, 3, 7, and 8; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Regular Minutes, August 23, 2023 – approved as presented.
4. Review of 2023 Financial Reports – no approval needed.
5. Approval to Write-Off Resident Accounts Receivable – Commissioner Hontos asked for an explanation on Empire Apartments and why the numbers are so high. Finance Director, Karen Rizer, said it is showing the rental income and the accounts being written off. Executive Director Louise Reis added that in 2020 there was an eviction moratorium and there has been a backlog of cases to get in front of the court system, and the properties are still feeling the effects from that time. Ms. Reis noted there was a particular resident at Empire Apartments that cost the HRA more than \$10,000 in damages, and several other residents leave behind property when they move out that the HRA is responsible for disposing of. Commissioner Hontos moved for approval and Commissioner Lewis seconded the motion. All commissioners voted in favor; the motion carried.
6. Approval of Payment Standards for the Housing Choice Voucher and Emergency Housing Voucher Programs Effective December 1, 2023 – Commissioner Hontos observed the increase amounts are close to 20% and he was surprised by the amount. Staff responded that average rents have increased significantly over the past few years and this increase reflects that. Commissioner Hontos moved for approval and Commissioner Lewis seconded the motion. All commissioners voted in favor; the motion carried.
7. Approval of Change Order for Installation of Roof Access Hatches to Westwood Village Apartments One and Two – change order approved with Kue Contractors, Inc. in the amount of \$18,863.00.
8. Approval of Contract for Ventilation Fan Replacement at Swisshelm Village Apartments One and Two – contract approved with Climate Air in the amount of \$35,386.00.

Open Forum: Chair Gohman asked Louise Reis, Executive Director, if any member of the public had requested to speak; Ms. Reis responded there were none.

Old Business: None.

New Business:

9. A. Public Hearing for Stability Voucher Program Policy – Ms. Reis said the St. Cloud HRA was awarded seven vouchers with a start date of October 1, 2023. The Stability Vouchers must be issued to individuals and/or families who are homeless, at risk of homelessness, fleeing domestic violence, dating violence, sexual assault, stalking or human trafficking, or veterans. Chair Gohman opened the Public Hearing and asked if anyone would like to speak.

There were not requests to speak or comment, so the Public Hearing was closed. Commissioner Hontos asked how these vouchers differ from current vouchers. Voucher Programs Manager, Lori Lygre, said these vouchers include at risk of homelessness, which has not been included for other voucher programs. Chair Gohman asked if the HRA asked for more vouchers than were allocated and Ms. Reis said yes, the HRA was willing to take more but only received seven vouchers.

B. Approval of Resolution 2023-13 – Approval Stability Voucher Program Policy; Commissioner Lewis moved for approval; Commissioner Dwyer seconded the motion. All commissioners voted in favor; the motion carried.

10. Approval of Cost-of-Living Market Adjustments – Ms. Reis shared the HRA has been trying to hire for several positions and the agency has struggled to fill the positions with quality candidates. The HRA worked with Baker Tilly on a market study for cost-of-living and market increases. Ms. Rizer added the HRA’s pay wages on average were 6.8% below market at the minimum, 3.7% below market at the midpoint, and 2.5% below market at the maximum. The proposed increases range from 2%-4%, depending on position. Commissioner Hontos asked to clarify the adjustments have nothing to do with evaluations. Ms. Rizer said yes, this is in addition to the annual evaluation process. Commissioner Lewis moved for approval; Commissioner Dvorak seconded the motion. All commissioners voted in favor; the motion carried.

11. Report on Activities – Ms. Reis shared the main office lobby is open to the public again Monday through Thursday, and on Friday by appointment only. Ms. Reis noted Brownstones Townhomes and Westwood Village Apartments Two had a tax credit compliance review by Minnesota Housing this summer and both properties received a satisfactory review. Ms. Reis also shared the 2023 County Profiles from Minnesota Housing Partnership providing data measurements at the county level in housing areas.

There being no further business, the meeting adjourned at 6:18 p.m.

ATTEST:

Chair, Nancy Gohman

Secretary, Hani Jacobson

TO: HRA Board of Commissioners
FROM: Karen Rizer, CPA Finance Director
DATE: October 17, 2023
SUBJECT: 2023 Financial Reports

Requested Action: None.

Background: The Board receives financial reports for certain funds on a rotating basis.

The planned reporting schedule is as follows:

June – Central Office Cost Center (COCC) Fund, Community Housing Fund, Community Development Block Grant (CDBG) Housing Rehab Fund, Housing Development & Rehab Fund, Housing Choice Vouchers Fund, Public Housing Fund – Empire Apartments, Scattered Sites, and Wilson Apartments, Germain Towers Fund, Northway Projects A&B Fund, Eastwood Apartments Fund, Al Loehr Apartments Fund, and the seven tax credit limited partnership funds.

July and October – Central Office Cost Center (COCC) Fund, Community Housing Fund, Community Development Block Grant (CDBG) Housing Rehab Fund, Housing Development & Rehab Fund, and Housing Choice Vouchers Fund.

August and November – Al Loehr Apartments Fund and the seven tax credit limited partnership funds.

September and December – Public Housing Fund – Empire Apartments, Scattered Sites, and Wilson Apartments, Germain Towers Fund, Northway Projects A&B Fund, and Eastwood Apartments Fund.

If you have any questions, call or email 320-202-3148 or krizer@stcloudhra.com Thank you.

**St. Cloud HRA
Central Office Cost Center - Fund 440
Income Statement - Budget to Actual
January 1, 2023 Through August 31, 2023**

The Central Office Cost Center fund is used to track and allocate the indirect expenses and asset management of the Central Office.

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Over (Under) YTD Budget</u>
Revenues				
Property Taxes	\$ 527,000	\$ 351,333	\$ 349,850	\$ (1,483)
Charges for Services	1,520,000	1,013,333	1,025,093	11,760
Interest	6,000	4,000	12,273	8,273
Miscellaneous Income	<u>2,000</u>	<u>1,333</u>	<u>138</u>	<u>(1,195)</u>
Total Revenues	<u>\$ 2,055,000</u>	<u>\$ 1,370,000</u>	<u>\$ 1,387,354</u>	<u>\$ 17,354</u>
Expenses				
Salaries and Benefits	\$ 1,660,000	\$ 1,106,667	\$ 1,110,268	\$ 3,601
Audit and Accounting Fees	7,000	6,000	5,860	(140)
Legal	10,000	6,667	7,939	1,272
Professional Services	38,000	25,333	31,645	6,312
Membership Dues, Fees, and Advertising	15,000	11,000	12,820	1,820
Travel and Training	32,000	21,333	21,627	294
Other Administrative Costs	42,000	28,000	19,235	(8,765)
Telephone and Utilities	22,000	14,667	12,905	(1,762)
Office Maintenance Supplies and Services	35,000	23,333	19,296	(4,037)
Property and Liability Insurance	19,000	19,000	23,925	4,925
Transfers Out	<u>175,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 2,055,000</u>	<u>\$ 1,262,000</u>	<u>\$ 1,265,520</u>	<u>\$ 3,520</u>
Change in Net Position	<u>\$ -</u>	<u>\$ 108,000</u>	<u>\$ 121,834</u>	<u>\$ 13,834</u>

**St. Cloud HRA
Fund 301 - Community Housing Fund
Operating Statement
January 1, 2023 Through August 31, 2023**

The purpose of the Community Housing Fund is to stimulate the growth of housing for people with low and moderate incomes. The principal balance is frozen at \$2 million.

Loans should be with interest when possible and the project must be economically feasible to ensure payback. The Board may approve grants from the fund earnings. The priority of the fund is first to HRA projects and second to sponsors of projects benefitting housing for people with low to moderate income.

Revenues

Interest on Investments	\$ 54,008
Interest on Loans	58,188
Total Revenues	<u>\$ 112,196</u>

Expenses

Audit Fees	\$ 740
Transfer Out to BRN, SW1, WW1, & WW2 for Maintenance	100,000
Total Expenses	<u>\$ 100,740</u>

Change in Net Position	<u>\$ 11,456</u>
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St. Cloud HRA
Fund 210 - CDBG Housing Rehab Program
Operating Statement
January 1, 2023 Through August 31, 2023

CDBG housing rehab program is used for funding 30-year, zero interest
deferred homeowner rehab loans.

Revenues

HUD Revenue	\$ 120,448
Loan Repayments	<u>170,538</u>
Total Revenue	<u>\$ 290,986</u>

Expenses

Salaries & Benefits	\$ 26,970
Professional Fees	3,054
Other Administrative Costs	1,771
Lead Assessment Fees	6,720
Homeowner Loan Outlay	<u>252,471</u>
Total Expenses	<u>\$ 290,986</u>

Change in Net Position	<u>\$ -</u>
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St. Cloud HRA
Fund 480 - Housing Development & Rehab
Operating Statement
January 1, 2023 Through August 31, 2023

The Housing Development Fund accounts for the creation and funding
of current and future housing developments and rehab programs.

Revenues

Intergovernmental	\$	94,840
Charges for Services		27,700
Interest On Investments		11,514
Miscellaneous		4
Total Revenues	\$	<u>134,058</u>

Expenses

Salaries & Benefits	\$	25,559
Professional Fees		3,372
Other Administrative Costs		3,408
Utilities		2,901
Maintenance		8,024
Grant Rehab Outlay		75,000
Total Expenses	\$	<u>118,264</u>

Change in Net Position	\$	<u>15,794</u>
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**St. Cloud HRA
Housing Choice Voucher Program
Income Statement
January 1, 2023 Through August 31, 2023**

The Housing Choice Voucher Program accounts for the operations of the program. The Housing Choice Voucher program is a Federal rental assistance program that helps low and moderate income families rent housing in the private market by paying a share of the participant's rent each month directly to property owners. Current program voucher counts are 851 regular, 37 tenant protection, 75 VASH (veterans), and 1 foster youth, for a grand total of 964 HCV vouchers. It also includes port-in vouchers, which has a YTD average of 96.

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Over (Under) YTD Budget</u>
Revenues				
Admin Fees from HUD and Other Housing Authorities	\$ 1,275,000	\$ 850,000	\$ 890,971	\$ 40,971
Interest	1,000	667	4,980	4,313
Miscellaneous	35,000	23,333	21,734	(1,599)
Operating Transfers In	5,000	-	-	-
Total Revenues	\$ 1,316,000	\$ 874,000	\$ 917,685	\$ 43,685
Expenses				
Salaries & Benefits	\$ 780,000	\$ 520,000	\$ 503,035	\$ (16,965)
Management Fees	270,000	180,000	185,127	5,127
Accounting & Auditing Fees	11,000	9,000	9,623	623
Legal	12,000	8,000	2,480	(5,520)
Professional Services	50,000	33,333	26,898	(6,435)
Training & Travel	18,000	12,000	9,206	(2,794)
Unit Inspection Fees	120,000	80,000	83,856	3,856
Other Administrative Costs	70,000	46,667	47,072	405
Utilities & Telephone	13,000	8,667	7,801	(866)
Maintenance Repair Supplies & Services	32,000	21,333	22,482	1,149
Property & Liability Insurance	9,000	9,000	9,020	20
Collection Losses	8,000	5,333	3,501	(1,832)
Total Expenses	\$ 1,393,000	\$ 933,333	\$ 910,101	\$ (23,232)
Net Change from Operations	\$ (77,000)	\$ (59,333)	\$ 7,584	\$ 66,917
Housing Assistance Payments (HAP)				
HUD and Other HAP Revenue	\$ 6,800,000	\$ 4,533,333	\$ 4,687,489	\$ 154,156
HAP to Landlords	(6,800,000)	(4,533,333)	(4,683,322)	(149,989)
HAP Revenue from Other Housing Authorities - Port-Ins	1,100,000	733,333	776,771	43,438
HAP to Landlords - Port-Ins	(1,100,000)	(733,333)	(777,049)	(43,716)
Net Change from Housing Assistance	\$ -	\$ -	\$ 3,889	\$ 3,889
Change in Net Position	\$ (77,000)	\$ (59,333)	\$ 11,473	\$ 70,806

TO: St. Cloud HRA Board of Commissioners

FROM: Paul Soenneker, Project Manager

DATE: October 16, 2023

SUBJECT: Approval of Contract for Furnace, Water Heater, and Air Conditioner Replacement at Flintwood Townhomes

Requested Action: Approval of the contract with H & S Heating & AC in the amount of \$97,938.00 to replace furnaces, water heaters and central air conditioners in 11 units at Flintwood Townhomes.

Background: Staff at the HRA have identified the furnaces, water heaters and air conditioners at Flintwood Townhomes as being older, inefficient models that need to be replaced. We solicited proposals from 10 companies. We received proposals from 4 companies as outlined below.

The proposals are:

	<u>Proposal</u>
Air Max LLC P.O. Box 364 Rockville, MN 56369	\$131,010.00
Augusta Plumbing & Heating 2489121 st Ave. St. Cloud, MN 56301	\$98,000.00
H & S Heating & AC 3995 County Rd. 74 St. Cloud, MN 56301	\$97,938.00
Lyon Sheet Metal & Heating 235 Stearns Dr. Sauk Rapids, MN 56379	\$127,600.00

I believe the low proposal we received is reasonable for the scope of work requested and therefore recommend awarding a contract to H & S Heating & AC for the sum of \$97,938.00.

Frequency of Requests: Once.

Related Action: None.

Future Action: None.

Relationship to Goals: Goal #2 - St. Cloud HRA will promote fair housing and strive for high performance in HRA properties and housing subsidy programs.

Budget Impact: This project will be funded through operations or the capital fund program.

TO: HRA Board of Commissioners

FROM: Karen Rizer, CPA
Finance Director

DATE: October 17, 2023

SUBJECT: Adopting the 2024 Property Budgets

Requested Action: Approve.

Background: Each year the HRA adopts budgets for certain operating funds which are approved by the Board of Commissioners.

Options: Approve or Table.

Frequency of Request: Annually.

Related Actions: These budgets will be discussed in detail at the study session.

Future Action: Potential amendments, if necessary.

Relationship to Goals: N/A.

Budget Impact: See each individual budget.

RESOLUTION 2023-14

HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MN

ADOPTING THE PROPERTY OPERATING BUDGETS FOR CALENDAR YEAR 2024 FOR THE FOLLOWING FUNDS: AMP 1 – EMPIRE APARTMENTS, AMP 2 – SCATTERED SITES, AMP 3 – WILSON APARTMENTS, GERMAIN TOWERS, NORTHWAY PROJECTS A & B, EASTWOOD APARTMENTS, AL LOEHR VETERANS AND COMMUNITY STUDIO APARTMENTS BROWNSTONES FAMILY HOUSING, LP, PLUM CREEK FAMILY HOUSING, LP, SWISSHELM VILLAGE APARTMENTS ONE, LP, SWISSHELM VILLAGE APARTMENTS TWO, LP, WESTWOOD VILLAGE APARTMENTS ONE, LP, WESTWOOD VILLAGE APARTMENTS TWO, LP, AND RIVERSIDE APARTMENTS OF ST. CLOUD, LP

WHEREAS, the calendar year 2024 budgets need to be approved by the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MN:

That the Property Operating Budgets of the Housing and Redevelopment Authority of St. Cloud, MN for calendar year 2024 are hereby adopted, which includes the following:

	<u>Sources</u>	<u>Uses</u>	<u>Contribution To (Use Of) Equity</u>
AMP 1 - Empire Apartments Fund	\$ 1,098,200	\$ 1,098,200	\$ -
AMP 2 - Scattered Sites and Townhomes Fund	1,114,900	1,114,900	-
AMP 3 - Wilson Apartments Fund	1,119,300	1,119,300	-
Germain Towers Fund	513,300	513,300	-
Northway Projects A & B Fund	1,101,800	1,101,800	-
Eastwood Apartments Fund	173,300	173,300	-
Al Loehr Veterans and Community Studio Apartments	363,700	363,700	-
Brownstones Family Housing, LP	777,900	777,900	-
Plum Creek Family Housing, LP	225,100	225,100	-
Swisshelm Village Apartments One, LP	312,200	278,200	34,000
Swisshelm Village Apartments Two, LP	349,200	349,200	-
Westwood Village Apartments One, LP	368,000	368,000	-
Westwood Village Apartments Two, LP	391,400	391,400	-
Riverside Apartments of St. Cloud, LP	702,400	702,400	-

Adopted this 25th day of October, 2023.

ATTEST:

Nancy Gohman, Chair

Hani Jacobson, Secretary

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. 07/31/2019)

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:PHA Code:

PHA Fiscal Year Beginning:Board Resolution Number:

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:
- 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:	Signature:	Date:
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Vacancy Loss		12.1%	9.1%	2.0%	2.0%
Account Title		ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 274,886	\$ 279,972	\$ 282,000	\$ 282,000
2	Less: Vacancy Loss	(33,211)	(25,518)	(5,600)	(5,600)
3	Net Tenant Rental Revenue	241,675	254,454	276,400	276,400
4	Gross Potential Subsidy	205,892	192,995	198,100	288,300
5	Less: Subsidy Loss - Proration	(6,698)	9,506	(8,300)	(13,800)
6	Net Operating Subsidy	199,194	202,501	189,800	274,500
7	HUD PHA Operating Grant - CFP	741,910	24,000	78,200	29,000
8	Other Income	26,831	29,960	31,760	68,300
Total Operating Income		1,209,610	510,915	576,160	648,200
Operating Expenses:					
Administrative					
9	Administrative Salaries & Benefits	90,470	89,925	102,000	96,000
10	Management & Bkpg Fees - Operations	80,145	82,722	87,400	89,600
11	Management Fees - CFP	41,910	24,000	29,000	29,000
12	Auditing Fees	3,127	3,481	5,000	4,100
13	Legal Expense	9,585	8,717	7,000	7,000
14	Other Administrative Costs	18,344	26,839	24,000	46,000
15	Total Administrative	243,581	235,684	254,400	271,700
16	Asset Management Fees	10,560	10,560	10,560	10,560
17	Tenant Services	3,970	4,572	6,000	5,000
Utilities					
18	Water & Sewer	14,317	28,086	23,000	25,000
19	Electricity	50,583	55,401	56,000	60,000
20	Gas	23,075	40,926	34,000	45,000
21	Total Utilities	87,975	124,413	113,000	115,000
22	Maintenance	239,269	332,948	150,000	191,240
23	Protective Services	21,249	27,412	17,000	17,000
24	Insurance	18,281	17,375	9,200	18,700
25	Payments in Lieu of Taxes	6,422	5,229	9,000	9,000
26	Bad Debt-Tenants	17,895	9,349	7,000	10,000
27	Total Operating Expenses	649,202	767,542	576,160	648,200
28	Cash Flow from Operations	560,408	(256,627)	-	-
Other Sources & (Uses)					
29	HUD Grants - CFP	-	-	20,000	450,000
30	Capital Expenditures	(424,331)	(6,168)	(20,000)	(450,000)
31	Other Financial Items-Sources & (Uses)	5,000	-	-	-
32	Total Other Financial Items	(419,331)	(6,168)	-	-
33	Net Cash Flow	\$ 141,077	\$ (262,795)	\$ -	\$ -

Line item notes:

29 and 30 - Boiler replacement

Scattered Sites (Public Housing)

76 Units

Quarry Townhomes, Flintwood Townhomes, Cedar Ridge Townhomes, & 40 Single Homes

Vacancy Loss		0.7%	2.6%	1.5%	1.5%
Account Title		ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 327,070	\$ 319,806	\$ 310,100	\$ 310,100
2	Less: Vacancy Loss	(2,327)	(8,210)	(4,700)	(4,700)
3	Net Tenant Rental Revenue	324,743	311,596	305,400	305,400
4	Gross Potential Subsidy	228,527	176,963	181,800	192,800
5	Less: Subsidy Loss - Proration	(7,436)	8,726	(9,200)	(15,300)
6	Net Operating Subsidy	221,091	185,689	172,600	177,500
7	HUD PHA Operating Grant - CFP	104,160	169,400	141,600	155,000
8	Other Income	66,377	67,881	62,952	68,000
Total Operating Income		716,371	734,566	682,552	705,900
Operating Expenses:					
Administrative					
9	Administrative Salaries & Benefits	92,273	94,244	102,000	106,000
10	Management & Bkpg Fees - Operations	70,515	72,260	75,000	76,900
11	Management Fees - CFP	35,786	24,000	29,000	29,000
12	Auditing Fees	2,586	2,699	3,800	3,600
13	Legal Expense	2,580	6,553	6,000	6,000
14	Other Administrative Costs	23,575	23,920	28,000	40,500
15	Total Administrative	227,315	223,676	243,800	262,000
16	Asset Management Fees	9,120	9,120	9,120	9,120
17	Tenant Services	327	5	1,900	1,900
Utilities					
18	Water & Sewer	60,079	66,679	62,000	70,000
19	Electricity	8,284	8,884	10,000	11,500
20	Gas	1,858	2,668	3,500	5,000
21	Total Utilities	70,221	78,231	75,500	86,500
22	Maintenance	388,020	431,478	382,000	275,080
23	Protective Services	7,605	8,693	10,000	10,000
24	Insurance	52,083	34,202	37,800	36,700
25	Payments in Lieu of Taxes	11,071	9,574	10,800	9,600
26	Bad Debt-Tenants	8,992	12,769	10,000	15,000
27	Total Operating Expenses	774,754	807,748	780,920	705,900
28	Cash Flow from Operations	(58,383)	(73,182)	(98,368)	-
Other Sources & (Uses)					
29	HUD Grants - CFP	-	-	-	409,000
30	Capital Expenditures	(1,075)	-	-	(409,000)
31	Other Financial Items-Sources & (Uses)	-	-	98,368	-
32	Total Other Financial Items	(1,075)	-	98,368	-
33	Net Cash Flow	\$ (59,458)	\$ (73,182)	\$ -	\$ -

Line item notes:

22 - Major projects include siding and roof replacement and two single family homes

29 and 30 - Electronic lock installations at 36 townhomes; furnaces, water heater and AC replacement at 12 townhomes, deck replacements at 12 townhomes, concrete repairs at various properties; AC installation at 13 single family homes

Vacancy Loss		1.4%	2.8%	2.0%	2.0%
Account Title		ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 404,944	\$ 411,384	\$ 405,200	\$ 405,200
2	Less: Vacancy Loss	(5,624)	(11,396)	(8,100)	(8,100)
3	Net Tenant Rental Revenue	399,320	399,988	397,100	397,100
4	Gross Potential Subsidy	310,725	262,093	268,900	367,100
5	Less: Subsidy Loss - Proration	(10,107)	12,896	(11,900)	(19,900)
6	Net Operating Subsidy	300,618	274,989	257,000	347,200
7	HUD PHA Operating Grant - CFP	59,331	46,180	94,670	92,000
8	Other Income	22,169	32,745	33,100	33,000
	Total Operating Income	781,438	753,902	781,870	869,300
Operating Expenses:					
Administrative					
9	Administrative Salaries & Benefits	119,221	112,171	125,000	118,000
10	Management & Bkpg Fees - Operations	117,034	120,596	123,800	126,800
11	Management Fees - CFP	59,331	26,180	31,870	32,000
12	Auditing Fees	4,210	4,197	6,000	5,600
13	Legal Expense	4,865	25,873	10,000	10,000
14	Other Administrative Costs	19,904	22,303	24,000	52,500
15	Total Administrative	324,565	311,320	320,670	344,900
16	Asset Management Fees	15,000	15,000	15,000	15,000
17	Tenant Services	3,246	7,342	11,000	10,000
Utilities					
18	Water & Sewer	25,826	25,727	27,000	27,000
19	Electricity	69,027	76,355	76,000	82,000
20	Gas	40,077	68,812	60,000	65,000
21	Total Utilities	134,930	170,894	163,000	174,000
22	Maintenance	229,503	303,949	205,000	261,000
23	Protective Services	17,641	20,527	23,000	20,000
24	Insurance	23,381	22,188	24,300	23,900
25	Payments in Lieu of Taxes	12,789	10,499	12,900	10,500
26	Bad Debt-Tenants	2,148	7,781	7,000	10,000
27	Total Operating Expenses	763,203	869,500	781,870	869,300
28	Cash Flow from Operations	18,235	(115,598)	-	-
Other Sources & (Uses)					
29	HUD Grants - CFP	23,822	489,541	954,000	250,000
30	Capital Expenditures	(24,897)	(489,541)	(954,000)	(250,000)
31	Other Financial Items-Sources & (Uses)	(10,000)	-	-	-
32	Total Other Financial Items	(11,075)	-	-	-
33	Net Cash Flow	\$ 7,160	\$ (115,598)	\$ -	\$ -

Line item notes:

29 and 30 - plumbing line replacement, security camera replacement, and back patio arch/eng

Germain Towers (Section 8 New Construction) 905 W St. Germain 60 Units Built 1919; HRA purch. 1993

Vacancy Loss		0.8%	2.7%	2.0%	2.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 197,921	\$ 199,048	\$ 195,100	\$ 226,300
2	Less: Vacancy Loss	(1,565)	(5,425)	(3,900)	(4,500)
3	Net Tenant Rental Revenue	196,356	193,623	191,200	221,800
4	HUD HAP Subsidy	242,326	244,249	244,000	248,500
5	Other Income	42,011	42,411	42,000	43,000
	Total Operating Income	480,693	480,283	477,200	513,300

Operating Expenses:					
	Administrative				
6	Administrative Salaries & Benefits	54,566	50,984	60,000	40,000
7	Management & Bkpg Fees	55,527	56,770	58,900	60,400
8	Auditing Fees	1,140	1,175	1,500	1,200
9	Legal Expense	642	1,853	1,600	1,500
10	Other Administrative Costs	13,614	14,247	15,300	27,900
11	Total Administrative	125,489	125,029	137,300	131,000
12	Tenant Services	1,581	12,221	1,500	2,000
	Utilities				
13	Water & Sewer	12,044	11,469	13,000	16,000
14	Electricity	16,405	18,340	19,500	21,000
15	Gas	18,309	32,574	30,000	34,000
16	Total Utilities	46,758	62,383	62,500	71,000
17	Maintenance	101,746	164,544	133,500	170,000
18	Protective Services	15,163	12,976	13,700	14,000
19	Insurance	31,210	29,710	32,400	32,900
20	Payments in Lieu of Taxes	8,440	7,210	8,300	8,400
21	Bad Debt-Tenants	975	4,257	3,000	4,000
22	Total Operating Expenses	331,362	418,330	392,200	433,300

23	Cash Flow from Operations	149,331	61,953	85,000	80,000
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	Other Sources & (Uses)				
24	Debt Service (HRA)	(80,000)	(105,000)	(10,000)	(80,000)
25	Capital Expenditures	-	-	(75,000)	-
26	Other Financial Items-Sources & (Uses)	4,783	-		
27	Total Other Financial Items	(75,217)	(105,000)	(85,000)	(80,000)

28	Net Cash Flow	\$ 74,114	\$ (43,047)	\$ -	\$ -
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Line item notes:

17 - Common area interior and exterior painting; common area AC replacement

Northway A & B (Section 8 New Construction)

102 Units

Built 1980

Northway A (Grace McDowall Apts) 1525 Northway Dr & Nway B Townhomes 2401 15 St N

Vacancy Loss		0.9%	2.3%	2.0%	2.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 331,159	\$ 335,472	\$ 337,800	\$ 427,700
2	Less: Vacancy Loss	(2,980)	(7,757)	(6,800)	(8,600)
3	Net Tenant Rental Revenue	328,179	327,715	331,000	419,100
4	HUD HAP Subsidy	359,322	367,743	368,400	452,700
5	Other Income	29,829	22,084	20,400	25,000
	Total Operating Income	717,330	717,542	719,800	896,800

Operating Expenses:					
Administrative					
6	Administrative Salaries & Benefits	75,648	83,158	89,000	96,000
7	Management & Bkpg Fees	94,435	97,320	100,200	102,700
8	Auditing Fees	1,411	1,454	2,000	1,600
9	Legal Expense	895	4,679	3,000	3,000
10	Other Administrative Costs	16,252	17,621	20,000	39,000
11	Total Administrative	188,641	204,232	214,200	242,300
12	Asset Management Fees	12,120	12,120	12,100	-
13	Tenant Services	13,497	576	500	500
Utilities					
14	Water & Sewer	40,489	66,034	45,000	44,000
15	Electricity	18,833	22,336	24,000	23,000
16	Gas	26,771	43,583	42,000	35,000
17	Total Utilities	86,093	131,953	111,000	102,000
18	Maintenance	213,574	455,240	215,000	232,600
19	Protective Services	33,914	131,572	25,000	30,000
20	Insurance	28,468	25,466	28,100	26,700
21	Payments in Lieu of Taxes	11,385	9,212	11,900	11,700
22	Bad Debt-Tenants	811	4,826	3,000	6,000

23	Total Operating Expenses	588,503	975,197	620,800	651,800
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24	Cash Flow from Operations	128,827	(257,655)	99,000	245,000
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Other Sources & (Uses)					
25	Capital Expenditures	(914)	(39,925)	(375,000)	(450,000)
26	Other Financial Items-Sources & (Uses)	-	-	-	205,000
27	Total Other Financial Items	(914)	(39,925)	(375,000)	(245,000)

28	Net Cash Flow	\$ 127,913	\$ (297,580)	\$ (276,000)	\$ -
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Line item notes:

25 - Electronic locks at Grace and windows, siding, doors at the townhomes

26 - Either a loan or transfer from the Community Housing Fund

Vacancy Loss		9.4%	4.0%	5.0%	5.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 129,633	\$ 132,562	\$ 136,300	\$ 146,500
2	Less: Vacancy Loss	(12,212)	(5,338)	(6,800)	(7,300)
3	Net Tenant Rental Revenue	117,421	127,224	129,500	139,200
4	Other Income	12,569	9,468	9,100	9,100
	Total Operating Income	129,990	136,692	138,600	148,300

Operating Expenses:					
Administrative					
5	Administrative Salaries & Benefits	18,895	15,504	16,000	17,000
6	Management & Bkkg Fees	15,454	20,900	21,100	21,100
7	Auditing Fees	294	303	300	400
8	Legal Expense	1,758	1,132	2,000	1,200
9	Other Administrative Costs	3,796	3,629	3,700	8,000
10	Total Administrative	40,197	41,468	43,100	47,700
11	Tenant Services	7,915	104	200	-
Utilities					
12	Water & Sewer	5,671	6,022	6,300	7,500
13	Electricity	3,569	3,830	4,500	4,000
14	Gas	5,015	8,021	9,000	9,000
15	Total Utilities	14,255	17,873	19,800	20,500
16	Maintenance	59,191	62,845	65,000	65,000
17	Protective Services	3,205	5,865	7,000	3,200
18	Insurance	4,538	4,396	4,900	4,300
19	Payments in Lieu of Taxes	4,392	5,393	4,600	5,600
20	Bad Debt-Tenants	15,016	3,233	3,000	2,000

21	Total Operating Expenses	148,709	141,177	147,600	148,300
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22	Cash Flow from Operations	(18,719)	(4,485)	(9,000)	-
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	Other Sources & (Uses)				
23	Debt Principal (HRA)	(25,000)	(25,000)	(25,000)	(25,000)
24	Capital Expenditures	-	-	-	-
25	Other Financial Items-Sources & (Uses)	-	20,000	34,000	25,000
26	Total Other Financial Items	(25,000)	(5,000)	9,000	-

27	Net Cash Flow	\$ (43,719)	\$ (9,485)	\$ -	\$ -
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Line item notes:

25 - Either a loan or transfer from the Community Housing Fund or may bring back at a future meeting to consider forgi current loan made from the Community Housing Fund

Vacancy Loss		2.0%	3.1%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 301,557	\$ 312,509	\$ 322,300	\$ 348,100
2	Less: Vacancy Loss	(6,068)	(9,644)	(9,700)	(10,400)
3	Net Tenant Rental Revenue	295,489	302,865	312,600	337,700
4	Other Income	16,333	27,464	12,230	16,000
	Total Operating Income	311,822	330,329	324,830	353,700

Operating Expenses:					
Administrative					
5	Management & Bkkpg Fees	69,937	71,700	73,100	73,800
6	Auditing Fees	2,014	1,750	1,800	2,400
7	Legal Expense	-	2,519	2,000	2,500
8	Other Administrative Costs	13,928	16,925	18,000	18,000
9	Total Administrative	85,879	92,894	94,900	96,700
10	Tenant Services	2,640	2,273	3,000	2,500
Utilities					
11	Water & Sewer	16,853	14,452	17,000	16,000
12	Electricity	37,538	44,423	45,000	46,000
13	Gas	2,872	4,123	4,500	4,000
14	Total Utilities	57,263	62,998	66,500	66,000
15	Maintenance	79,657	120,468	164,200	160,800
16	Protective Services	18,973	21,675	14,000	8,000
17	Insurance	13,766	13,150	13,700	14,200
18	Payments in Lieu of Taxes	11,098	12,029	11,500	12,500
19	Bad Debt-Tenants	963	5,813	3,000	3,000

20	Total Operating Expenses	270,239	331,300	370,800	363,700
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21	Cash Flow from Operations	41,583	(971)	(45,970)	(10,000)
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Other Sources & (Uses)					
22	Capital Expenditures	-	-	-	-
23	Other Financial Items-Sources & (Uses)	(47,420)	11,925	45,970	10,000
24	Total Other Financial Items	(47,420)	11,925	45,970	10,000

25	Net Cash Flow	\$ (5,837)	\$ 10,954	\$ -	\$ -
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Line item notes:

- 15 - Furnace replacement in two units; upgrade camera system; replace stairway carpeting
- 24 - Transfer from replacement reserves

Plum Creek Family Housing LP 721, 733, 745, 757 33rd St S 24 Units Built 1999

Vacancy Loss		2.0%	4.3%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 183,156	\$ 187,552	\$ 195,800	\$ 211,400
2	Less: Vacancy Loss	(3,602)	(8,034)	(5,900)	(6,300)
3	Net Tenant Rental Revenue	179,554	179,518	189,900	205,100
4	Other Income	18,383	25,297	19,000	20,000
	Total Operating Income	197,937	204,815	208,900	225,100

Operating Expenses:					
Administrative					
5	Management & Bkpg Fees	22,417	27,800	28,800	28,800
6	Auditing Fees	812	558	600	800
7	Legal Expense	-	1,111	1,000	1,000
8	Other Administrative Costs	13,135	12,420	14,000	16,200
9	Total Administrative	36,364	41,889	44,400	46,800
10	Tenant Services	12	-	100	100
Utilities					
11	Water & Sewer	14,119	10,542	16,000	14,000
12	Electricity	1,582	2,029	3,000	2,200
13	Gas	892	1,761	1,600	2,200
14	Total Utilities	16,593	14,332	20,600	18,400
15	Maintenance	55,956	172,989	125,000	135,200
16	Protective Services	1,317	687	1,500	1,500
17	Insurance	13,500	16,214	17,300	11,200
18	Payments in Lieu of Taxes	7,718	7,608	8,000	7,900
19	Bad Debt-Tenants	7,964	13,329	4,000	4,000

20	Total Operating Expenses	139,424	267,048	220,900	225,100
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21	Cash Flow from Operations	58,513	(62,233)	(12,000)	-
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Other Sources & (Uses)					
22	Capital Expenditures	-	-	-	-
23	Other Financial Items-Sources & (Uses)	-	-	-	-
24	Total Other Financial Items	-	-	-	-

25	Net Cash Flow	\$ 58,513	\$ (62,233)	\$ (12,000)	\$ -
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Line item notes:

Brownstones Family Housing LP 402 9th Ave N & 403 8th Ave N 12 Units Built 2000

Vacancy Loss		1.4%	1.3%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 91,595	\$ 93,944	\$ 97,300	\$ 102,500
2	Less: Vacancy Loss	(1,326)	(1,200)	(2,900)	(3,100)
3	Net Tenant Rental Revenue	90,269	92,744	94,400	99,400
4	Other Income	9,898	7,612	8,000	8,500
	Total Operating Income	100,167	100,356	102,400	107,900

Operating Expenses:					
Administrative					
5	Management & Bkpg Fees	14,052	14,200	14,400	14,400
6	Auditing Fees	542	558	600	400
7	Legal Expense	-	-	1,000	1,000
8	Other Administrative Costs	1,428	1,303	1,700	2,600
9	Total Administrative	16,022	16,061	17,700	18,400
10	Tenant Services	6	-	100	100
Utilities					
11	Water & Sewer	9,192	9,404	10,500	10,500
12	Electricity	358	421	600	600
13	Gas	9	185	300	300
14	Total Utilities	9,559	10,010	11,400	11,400
15	Maintenance	46,432	110,950	170,000	133,500
16	Protective Services	499	252	500	500
17	Insurance	10,207	11,543	12,500	8,900
18	Payments in Lieu of Taxes	4,059	3,990	4,200	4,100
19	Bad Debt-Tenants	-	-	1,000	1,000

20	Total Operating Expenses	86,784	152,806	217,400	177,900
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21	Cash Flow from Operations	13,383	(52,450)	(115,000)	(70,000)
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Other Sources & (Uses)					
22	Capital Expenditures	-	-	-	(600,000)
23	Other Financial Items-Sources & (Uses)	-	-	130,000	670,000
24	Total Other Financial Items	-	-	130,000	70,000

25	Net Cash Flow	\$ 13,383	\$ (52,450)	\$ 15,000	\$ -
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Line item notes:

15 - includes \$55,000 for re-caulking windows

22 - Roof project

23 - Unknown at this time how all improvements will be funded - possibly a combination of CDBG funding, state funding, and a transfer from the Community Housing Fund

Westwood Village Apartments One LP 770 Savanna Ave N 32 Units Built 2002

Vacancy Loss		3.3%	3.6%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 268,760	\$ 275,468	\$ 288,000	\$ 304,100
2	Less: Vacancy Loss	(8,919)	(9,869)	(8,600)	(9,100)
3	Net Tenant Rental Revenue	259,841	265,599	279,400	295,000
4	Other Income	23,220	29,877	23,000	25,000
	Total Operating Income	283,061	295,476	302,400	320,000

Operating Expenses:					
Administrative					
5	Management & Bkpg Fees	30,177	37,400	38,400	38,400
6	Auditing Fees	812	697	700	1,000
7	Legal Expense	85	6,335	2,200	2,000
8	Other Administrative Costs	18,599	12,297	15,000	20,000
9	Total Administrative	49,673	56,729	56,300	61,400
10	Tenant Services	49	103	9,000	200
Utilities					
11	Water & Sewer	20,429	19,859	21,000	21,000
12	Electricity	8,239	9,119	10,000	10,500
13	Gas	12,024	20,522	22,000	22,500
14	Total Utilities	40,692	49,500	53,000	54,000
15	Maintenance	91,917	144,234	390,000	152,800
16	Protective Services	14,688	25,858	7,000	10,000
17	Insurance	12,573	13,601	14,500	10,700
18	Payments in Lieu of Taxes	9,630	10,468	10,000	10,900
19	Bad Debt-Tenants	12,318	10,793	7,000	8,000
20	Debt Interest (excl deferred)	-	29,143	27,700	26,100

21	Total Operating Expenses	231,540	340,429	574,500	334,100
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22	Cash Flow from Operations	51,521	(44,953)	(272,100)	(14,100)
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Other Sources & (Uses)					
23	Debt Principal	(28,008)	(30,857)	(33,900)	(33,900)
24	Capital Expenditures	-	-	-	-
25	Other Financial Items-Sources & (Uses)	11,516	43,555	306,000	48,000
26	Total Other Financial Items	(16,492)	12,698	272,100	14,100

27	Net Cash Flow	\$ 35,029	\$ (32,255)	\$ -	\$ -
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Line item notes:

- 15 - Concrete replacement and washers and dryers
- 25 - Transfer or loan from Community Housing Fund

Westwood Village Apartments Two LP 822 Savanna Ave N 32 Units Built 2004

Vacancy Loss		1.1%	2.9%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 268,782	\$ 276,062	\$ 289,400	\$ 306,600
2	Less: Vacancy Loss	(2,933)	(8,018)	(8,700)	(9,200)
3	Net Tenant Rental Revenue	265,849	268,044	280,700	297,400
4	Other Income	16,985	28,797	20,000	24,000
	Total Operating Income	282,834	296,841	300,700	321,400

Operating Expenses:					
Administrative					
5	Management & Bkpg Fees	31,337	37,600	38,400	38,400
6	Auditing Fees	812	697	700	1,000
7	Legal Expense	2,366	3,388	3,500	4,500
8	Other Administrative Costs	15,286	18,997	16,600	20,600
9	Total Administrative	49,801	60,682	59,200	64,500
10	Tenant Services	69	20	200	200
Utilities					
11	Water & Sewer	15,375	21,771	22,000	18,000
12	Electricity	11,585	12,449	14,000	15,000
13	Gas	10,021	18,288	22,000	21,000
14	Total Utilities	36,981	52,508	58,000	54,000
15	Maintenance	57,910	125,851	390,000	157,100
16	Protective Services	6,191	16,433	7,000	10,000
17	Insurance	11,424	12,294	13,100	11,300
18	Payments in Lieu of Taxes	10,888	10,396	11,300	10,800
19	Bad Debt-Tenants	2,611	7,384	4,000	5,500
20	Debt Interest (excl deferred)	49,203	48,040	46,800	45,600

21	Total Operating Expenses	225,078	333,608	589,600	359,000
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22	Cash Flow from Operations	57,756	(36,767)	(288,900)	(37,600)
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Other Sources & (Uses)					
23	Debt Principal	(28,797)	(29,960)	(31,100)	(32,400)
24	Capital Expenditures	-	-	-	-
25	Other Financial Items-Sources & (Uses)	-	-	320,000	70,000
26	Total Other Financial Items	(28,797)	(29,960)	288,900	37,600

27	Net Cash Flow	\$ 28,959	\$ (66,727)	\$ -	\$ -
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Line item notes:

15 - Concrete replacement and washers and dryers

25 - Transfer or loan from Community Housing Fund

Swisshelm Village Apartments One LP 316 Laudenbach Ct 32 Units Built 2002

Vacancy Loss		2.7%	4.7%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 267,999	\$ 275,948	\$ 287,500	\$ 306,400
2	Less: Vacancy Loss	(7,285)	(13,024)	(8,600)	(9,200)
3	Net Tenant Rental Revenue	260,714	262,924	278,900	297,200
4	Other Income	9,445	20,398	12,100	15,000
	Total Operating Income	270,159	283,322	291,000	312,200

Operating Expenses:					
Administrative					
5	Management & Bkkpg Fees	30,099	36,900	38,400	38,400
6	Auditing Fees	812	697	700	1,000
7	Legal Expense	-	-	1,500	2,500
8	Other Administrative Costs	9,038	16,900	14,000	21,000
9	Total Administrative	39,949	54,497	54,600	62,900
10	Tenant Services	59	45	9,000	200
Utilities					
11	Water & Sewer	20,252	22,931	25,000	24,000
12	Electricity	11,203	12,912	14,000	14,000
13	Gas	11,136	20,353	22,000	20,000
14	Total Utilities	42,591	56,196	61,000	58,000
15	Maintenance	64,348	121,101	100,000	128,500
16	Protective Services	3,380	8,501	6,000	4,500
17	Insurance	11,773	13,938	14,800	11,300
18	Payments in Lieu of Taxes	10,240	9,401	10,600	9,800
19	Bad Debt-Tenants	6,225	20,551	5,000	3,000

20	Total Operating Expenses	178,565	284,230	261,000	278,200
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21	Cash Flow from Operations	91,594	(908)	30,000	34,000
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Other Sources & (Uses)					
22	Capital Expenditures	-	-	-	-
23	Other Financial Items-Sources & (Uses)	435,457	(2,150)	-	-
24	Total Other Financial Items	435,457	(2,150)	-	-

25	Net Cash Flow	\$ 527,051	\$ (3,058)	\$ 30,000	\$ 34,000
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Line item notes:

Swisshelm Village Apartments Two LP 304 Laudenbach Ct 32 Units Built 2003

Vacancy Loss		2.7%	3.6%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 267,943	\$ 275,822	\$ 288,000	\$ 308,500
2	Less: Vacancy Loss	(7,290)	(9,931)	(8,600)	(9,300)
3	Net Tenant Rental Revenue	260,653	265,891	279,400	299,200
4	Other Income	16,869	19,861	18,000	20,000
	Total Operating Income	277,522	285,752	297,400	319,200

Operating Expenses:					
Administrative					
5	Management & Bkpg Fees	30,994	37,200	38,400	38,400
6	Auditing Fees	812	697	700	1,000
7	Legal Expense	-	-	1,200	1,000
8	Other Administrative Costs	11,340	15,079	13,500	16,700
9	Total Administrative	43,146	52,976	53,800	57,100
10	Tenant Services	91	55	9,000	200
Utilities					
11	Water & Sewer	25,008	21,544	28,000	26,500
12	Electricity	13,400	14,234	15,000	16,000
13	Gas	11,718	20,484	22,000	21,500
14	Total Utilities	50,126	56,262	65,000	64,000
15	Maintenance	75,500	125,880	95,000	123,800
16	Protective Services	5,219	15,660	6,000	4,000
17	Insurance	12,403	14,055	15,000	11,100
18	Payments in Lieu of Taxes	10,210	9,639	10,600	10,000
19	Bad Debt-Tenants	5,134	5,473	4,000	5,000
20	Debt Interest (excl deferred)	43,911	42,388	40,800	39,100

21	Total Operating Expenses	245,740	322,388	299,200	314,300
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22	Cash Flow from Operations	31,782	(36,636)	(1,800)	4,900
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Other Sources & (Uses)					
23	Debt Principal (HRA)	(30,089)	(31,612)	(33,200)	(34,900)
24	Capital Expenditures	-	-	-	-
25	Other Financial Items-Sources & (Uses)	-	50,000	-	30,000
26	Total Other Financial Items	(30,089)	18,388	(33,200)	(4,900)

27	Net Cash Flow	\$ 1,693	\$ (18,248)	\$ (35,000)	\$ -
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Line item notes:

25 - Transfer or loan from Community Housing Fund

Riverside Apartments of St. Cloud LP 101 Riverside Dr SE 85 Units Built 1975; HRA Purch 2005

Vacancy Loss		4.3%	3.3%	3.0%	3.0%
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	Account Title	ACTUAL 2021	ACTUAL 2022	ADOPTED BUDGET 2023	PROPOSED BUDGET 2024
Operating Income:					
1	Gross Potential Rent	\$ 628,327	\$ 644,337	\$ 664,000	\$ 693,200
2	Less: Vacancy Loss	(27,199)	(20,987)	(19,900)	(20,800)
3	Net Tenant Rental Revenue	601,128	623,350	644,100	672,400
4	Other Income	25,415	32,248	30,100	30,000
	Total Operating Income	626,543	655,598	674,200	702,400

Operating Expenses:					
Administrative					
5	Management & Bkkpg Fees	78,637	99,800	101,900	101,900
6	Auditing Fees	8,480	1,673	1,700	2,300
7	Legal Expense	6,647	4,369	4,000	5,000
8	Other Administrative Costs	26,581	25,408	29,000	39,500
9	Total Administrative	120,345	131,250	136,600	148,700
10	Tenant Services	5,171	3,262	4,000	4,000
Utilities					
11	Water & Sewer	17,604	18,485	20,000	20,000
12	Electricity	47,248	49,460	55,000	52,000
13	Gas	15,852	25,227	27,000	26,000
14	Total Utilities	80,704	93,172	102,000	98,000
15	Maintenance	141,959	297,334	270,000	214,700
16	Protective Services	12,959	7,137	21,000	13,000
17	Insurance	18,947	20,413	21,800	18,600
18	Payments in Lieu of Taxes	25,353	25,819	26,400	26,900
19	Bad Debt-Tenants	7,701	10,175	7,000	7,000
20	Debt Interest (excl deferred)	70,295	54,087	50,400	46,500

21	Total Operating Expenses	483,434	642,649	639,200	577,400
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22	Cash Flow from Operations	143,109	12,949	35,000	125,000
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Other Sources & (Uses)					
23	Debt Principal	-	(100,000)	(125,000)	(125,000)
24	Capital Expenditures	-	(29,649)	-	-
25	Other Financial Items-Sources & (Uses)	-	-	-	-
26	Total Other Financial Items	-	(129,649)	(125,000)	(125,000)

27	Net Cash Flow	\$ 143,109	\$ (116,700)	\$ (90,000)	\$ -
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Line item notes:

15 - tuckpointing, fence, add more exterior lighting

TO: HRA Board of Commissioners

FROM: Karen Rizer, CPA
Finance Director

DATE: October 17, 2023

SUBJECT: Software and Consultant Contracts

Requested Action: Approval for Executive Director to execute contracts with Yardi Systems, Inc. and Dashboard Solutions, LLC. The contract with Yardi will start December 1, 2023 and the contract with Dashboard Solutions will start November 1, 2023. The anticipated go-live date is June 1, 2024.

Background: In late April, HRA staff began the process of selecting a new software vendor, since the HRA's current software was purchased by another company in 2018 and there is no longer adequate support for the HRA's current software and it is lacking in many areas. The two products under consideration were Yardi and PHA-Web. After demos with both, PHA-Web was not deemed to have enough of the technological advances that the HRA was looking for. Pricing was obtained from Yardi under their Federal General Services Administration (GSA) Contract. Additional concessions were also obtained for the first and second years of the contract.

Dashboard Solutions, LLC is a consulting company for Yardi software. Having a project manager/consultant throughout the project will ensure that the set-up is completed as accurately as possible allow for a smoother transition and hopefully better efficiencies once Yardi is in-service. It will also reduce some staff overtime that would otherwise be necessary during conversion and the initial go-live period.

Yardi pricing: Year 1 \$104,192 (includes training and conversion costs); Year 2 \$55,322; Year 3 \$72,822 (Note: prices are based on unit counts, so they will likely vary slightly in total as programs grow.)

Dashboard Solutions pricing: \$150 per hour; not to exceed \$72,000

Options: Approve, deny, or table.

Frequency of Request: One time.

Related Actions: None.

Future Action: None.

Budget Impact: Year 1 will be funded through the operating budgets, capital fund program, and reserves. Years 2 and 3 will be funded through the operating budgets.

TO: St. Cloud HRA Board of Commissioners

FROM: Karen Rizer, CPA
Finance Director

DATE: October 17, 2023

SUBJECT: HRA Auditor Selection

Requested Action: Approve Redpath and Company as the HRA's auditor for 2023, with the option to renew for 2024-2027 subject to the annual review and the satisfactory negotiation of terms, the concurrence of the Board of Commissioners and the annual availability of an appropriation.

Background: Request for proposals (RFP) for audit services was placed on the HRA's website and emailed to six firms who have strong backgrounds in governmental accounting on September 6. Two firms submitted proposals for consideration.

As indicated in the RFP, the proposals were ranked according to the following criteria:

#	Evaluation Factor	Maximum Points
1	<p>Firm's Knowledge and Expertise with Housing Authorities and HUD Programs</p> <p>The proposal demonstrates the firm's experience with generally accepted accounting principles and audit standards as they apply to housing authorities.</p>	30
2	<p>Management and Staffing.</p> <ul style="list-style-type: none"> • The audit approach adequately describes the work to be performed and provides information on the sampling techniques and analytical procedures that will be used. • The offeror's proposed management plan for assigning and overseeing the work and the proposing staffing and proposed hours provides assurance that: • The firm has assigned staff to the project with the necessary expertise for performing and reviewing the work. • The firm's approach will meet the Agency's provided timeline. 	25
3	<p>Quality of Firm's References and Peer Review</p> <ul style="list-style-type: none"> • The offeror has provided evidence of successful performance of similar audits for other housing authorities. • The prior audit experience with other housing authorities have been deemed acceptable as evidenced by references and the housing authorities' response to the reference check. • Latest peer review and the results of any federal or state desk reviews (if applicable) has been determined to have been acceptable. • The firm has not had any disciplinary action taken or pending against the firm during the past five (5) years with state regulatory bodies or professional organization that would be deemed concerning. 	20
4	<p>Section 3 Requirements.</p> <p>The offeror is a Section 3 firm or has proposed that a portion of the work is performed by Section 3 firms, i.e., small and minority-owned businesses,</p>	5

#	Evaluation Factor	Maximum Points
	women's business enterprises, labor surplus area businesses, or firms that are substantially owned by a PHA resident.	
5	Price. The offeror's cost seems reasonable based on the services requested and the offeror's management and staffing plan for each of the requested year(s).	20
	Total Points	100

The proposals were ranked in the following order:

1. Redpath and Company
2. Bergan KDV, Ltd.

Details of the proposals and rankings were provided to the Audit Committee (Commissioners Dvorak, Dwyer, and Gohman) on October 9. The Audit Committee unanimously supports the selection of Redpath and Company as the HRA's auditors.

Redpath and Company's proposed fees for the first three years are:

2023 - \$46,000

2024 - \$47,850

2025 - \$49,400

(Per the RFP: Should the chosen firm be retained into year four, prices for years four and five will be negotiated prior to year four.)

The total fees for the HRA's 2022 audit were \$46,000.

Related Actions: None.

Future Action: The selection of the auditor is confirmed at the annual meeting each January.

Relationship to Goals: Will enable us to continue striving towards achieving our goals.

Budget Impact: The total fees are allocated amongst all funds.

TO: St. Cloud HRA Board of Commissioners

FROM: Louise Reis, Executive Director

DATE: October 17, 2023

SUBJECT: Approval of Resolution 2023-15 Authorizing Participation in the Minnesota City Participation Program for 2024

Requested Action: Approval of Resolution 2023-15 authorizing the St. Cloud HRA to participate in the Minnesota City Participation Program for 2024

Background: The Minnesota City Participation Program is an annual application process that provides cities throughout the state with a unique opportunity to easily access housing resources to meet the needs of their citizens. Cities apply to participate in the program and once approved, Minnesota Housing sells mortgage revenue bonds to meet the housing needs. The proceeds of these bonds provide affordable interest rate home mortgage loans to their identified service area for low-and moderate-income first-time homebuyers through the Minnesota Housing first-time homebuyer loan program known statewide as the Minnesota Mortgage Program (MMP).

Funds are reserved in the pool for participating cities. Minnesota Housing uses a population-based formula to determine each city's maximum allocation. The maximum allocation a city receives is determined by its population compared to the total population of all applicants.

At this time, there are no administrative fees charged to participate. There is a minimum usage requirement of 50% of the allocation to participate the following year.

Frequency of Request: Annually

Related Actions: None

Future Action: None

Relationship to Goals: Goal #1 – The St. Cloud HRA will be an active partner in neighborhood/community concerns regarding housing and neighborhoods. Goal #3 - The St. Cloud HRA will encourage collaboration with other community organizations and continue to seek funding sources for all programs.

Budget Impact: None

RESOLUTION 2023-15

HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MINNESOTA

RESOLUTION OF AUTHORIZING PARTICIPATION IN THE MINNESOTA CITY PARTICIPATION PROGRAM FOR 2024

WHEREAS, HOUSING AND REDEVELOPMENT AUTHORITY OF ST. CLOUD, MINNESOTA (hereinafter called the “Authority”) is authorized to participate in the Minnesota City Participation Program as set up by Minnesota Housing. This participation will allow low- and moderate-income first-time homebuyers through the Minnesota Housing first-time homebuyer loan program to purchase homes in the city of St. Cloud.

WHEREAS, Minnesota Housing requires that the Board of Commissioners formally authorize participation in the program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners to authorize participation in the Minnesota City Participation Program.

Adopted this 25th day of October 2023.

Chair, Nancy Gohman

ATTEST:

Secretary, Hani Jacobson

TO: HRA Board of Commissioners
FROM: Louise Reis, Executive Director
DATE: October 18, 2023
SUBJECT: Report on Activities

Project Connect: On October 24, 2023, HRA staff will have a table at Project Connect. This event is free and will be held at the River's Edge Convention Center. The event offers people within our community the opportunity to access services offered by governmental, non-profit, and other agencies. The event starts at 10 AM and goes to 3 PM.

Homeless Task Force: The City of St. Cloud has invited the Homeless Task Force members to meet on Thursday, October 19th. I will give an update at the board meeting.

Lead Hazard Reduction Capacity Building Grant: We have been meeting with Benton County and Benton Economic Partnership to discuss the opportunity of applying for a capacity building grant from HUD for Benton County with regard to lead paint hazards. If the HRA applies, we will be bringing the item to the board for approval of the application.

Housing Choice Voucher Program: During the month of September 2023, there were eight housing choice vouchers released. Three of the voucher holders was at Zero HAP, two were voluntary releases, one for program violation, one death and one voucher expired. Two were over the age of 62.

As of September 30, 2023 – 50 Port In vouchers and 42 Port Out vouchers.

CDBG Update:

For the homeowner rehab program:

- 9 in construction
- 3 in bidding
- 14 on wait list

Housing Department Vacancy Report – For the Month Ending September 30, 2023

Fund: Public Housing – 291 Units			
		Yearly	Vacant
Complex	# of units	Vacancy Rate	9/30/23
Empire	89	1.83%	4
Wilson	126	3.17%	8
Scattered Sites	76	4.51%	0

Fund: Section 8 New Construction – 162 Units			
		Yearly	Vacant
Complex	# of units	Vacancy Rate	9/30/23
Germain	60	1.70%	0
Grace/NWB	102	1.56%	1

Fund: Tax Credit – 249 Units			
		Yearly	Vacant
Complex	# of units	Vacancy Rate	9/30/23
Creeks	24	2.51%	0
Brownstones	12	0.00%	0
Swisshelm One	32	2.08%	0
Westwood One	32	3.83%	1
Swisshelm Two	32	3.69%	1
Westwood Two	32	6.44%	1
Riverside	85	7.94%	2

Fund: Affordable Housing – 79 Units			
		Yearly	Vacant
Complex	# of units	Vacancy Rate	9/30/23
Eastwood	18	6.14%	1
Loehr	61	3.54%	3
418 House	1	0.00%	0