

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

**Wednesday, May 24, 2023**

A Study Session for the St. Cloud HRA Board of Commissioners was held on Wednesday, May 24, 2023. Vice Chair Seal Dwyer called the meeting to order at 5:00 p.m. Commissioners present: Mike Conway, George Hontos, Hani Jacobson, Carol Lewis, John Dvorak and Seal Dwyer. Nancy Gohman attended the meeting remotely

Guest: Rebecca Petersen, CPA, Redpath and Company.

Karen Rizer, Finance Director, introduced Rebecca Petersen, CPA from Redpath and Company to review the 2022 Annual Financial Report and Management Letter with the Board and answer any questions or concerns they may have.

Ms. Petersen moved to page 7, *Independent Auditor's Report*. Ms. Petersen stated it is the responsibility of management to prepare the financial statements and maintain internal controls in doing so. She said it is Redpath's role to express an opinion on the statements. Ms. Petersen stated an unmodified opinion or clean opinion was issued; it's the highest level of assurance auditors can provide.

Ms. Petersen continued with *Minnesota Legal Compliance Report* on page 45. She explained this report is a requirement from the Office of the State Auditor. Ms. Petersen pointed out that in connection with their audit, they found the HRA failed to comply with the provision of the contracting and bidding section of the Minnesota Legal Compliance Audit Guide for Other Political Subdivisions relating to group insurance. She pointed out it's more of a technicality than noncompliance and will be explained in further detail later.

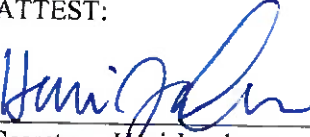
Ms. Petersen moved on to the reports on pages 49 to 59. She stated Redpath doesn't audit internal controls and financial reporting, but they are required to understand said controls to perform their audit. During the audit, they did identify one deficiency in internal control that they considered to be a significant deficiency.


Moving on to pages 63 to 67, Ms. Petersen noted the deficiency in internal control finding on page 64. The HRA did not follow their internal policy by advertising the opening of the Housing Choice Voucher waiting list in the St. Cloud Times. This was a staff error. The opening of the waiting list was advertised broadly throughout the HRA's jurisdiction. She then moved to page 66 and noted the Legal Compliance Finding, indicating that the HRA did not conduct a formal request for proposals prior to contracting with their current group insurance provider. Ms. Rizer noted that with the passage of the ACA, the HRA is now able to obtain the rates from the major insurers without issuing a formal request for proposal and there would be no consequences to the finding.

Ms. Petersen then provided information about the final attachment: *Communication With Those Charged With Governance*. It is information the firm is required to communicate with management and the governing board. She noted most of the report is template language and similar to the prior year. She reported there were no difficulties completing the audit, and there were no corrected misstatements during the audit. Ms. Petersen thanked Ms. Rizer and her staff for the great work they do and the attention they put into the audit.

The Commissioners seconded Ms. Petersen by thanking Ms. Rizer and the other HRA staff for the hard work they put into ensuring a successful audit. There being no further discussion, the study session ended at 5:17pm.

ATTEST:

  
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Secretary, Hani Jacobson

  
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Vice Chair, Sean Dwyer

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

**Wednesday, May 24, 2023**

A Regular Meeting for the St. Cloud HRA Board of Commissioners was held on Wednesday, May 24, 2023 at 1225 West St. Germain Street. Vice Chair Seal Dwyer called the meeting to order at 5:18 p.m.

Commissioners present: Mike Conway, George Hontos, Hani Jacobson, Carol Lewis, John Dvorak and Seal Dwyer. Nancy Gohman attended the meeting remotely.

Consent Agenda:

1. Roll call was taken and the pledge of allegiance spoken.
2. Approval of Agenda – Chair Gohman moved to pull item 6. Vice Chair Dwyer moved for approval of items 2, 3, 4, and 5; Commissioner Jacobson seconded the motion. All commissioners voted in favor; the agenda and consent agenda moved as presented.
3. Approval of Study Session Minutes, April 26, 2023 – approved as presented.
4. Approval of Regular Minutes, April 26, 2023 – approved as presented.
5. Approval of the Auditor's Reports for the year ended December 31, 2022 – approved as presented.
6. Approval of Contracts for Lighting Replacements at Empire Apartments – contract approved with Electrical Solutions Inc. (ESI) in the amount of \$24,125.00 to provide labor. Contract approved with Border States Electric in the amount of \$20,165.74 to provide light fixtures for common area interior lighting.

Open Forum: Vice Chair Dwyer 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:

7. A. Public Hearing for Over-Income Policy for Public Housing –The new Over Income Policy has been reviewed by legal and received no comments. Ms. Reis stated that the new policy was for Public Housing units only. Ms. Reis also stated that the Public Hearing was advertised in the St. Cloud Times. Vice Chair Dwyer opened the Public Hearing and asked if anyone would like to speak. She did so three consecutive times and there were no requests to speak or comment.

B. Approval of Over-income Policy for Public Housing; Commissioner Conway moved for approval; Commissioner Hontos seconded the motion. All commissioners voted in favor; the motion carried.

8. Approval of Resolution 2023-06 – Approval of Renewal of Bridges, and Bridges Region 7E Rental Assistance Grants – Ms. Reis stated we applied for these funds and were approved back in January and we were awarded \$550,338 for Renewal of Bridges and \$227,304 for Bridges Region 7E. This approval will allow us to sign the Contract with Minnesota Housing. Ms. Lygre reviewed the Bridges 7E Program which was taken on in 2021 and stated we are still inquiring for an agency closer to the program area to take over the program.


Commissioner Hontos moved for approval; Commissioner Conway seconded the motion. All commissioners voted in favor; the motion carried.

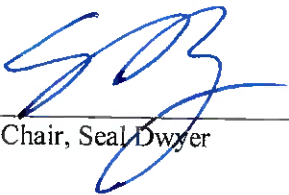
9. Approval of Resolution 2023-07 – Approval of Memorandum of Understanding with Central Minnesota Continuum of Care for Stability Vouchers – Ms. Reis stated Stability Vouchers are something new that HUD has put out for homeless, at risk of homeless, victims of domestic violence or trafficking or veterans. Central MN Continuum of Care will be referring these applicants. The HRA was awarded 7 of these vouchers. Commissioner Dvorak asked how the number of vouchers were chosen. Ms. Reis explained it was based on the point in time count of homeless individuals taken in 2019. Commissioner Dvorak moved for approval; Commissioner Conway seconded the motion. All commissioners voted in favor; the motion carried.

10. Report on Activities – Ms. Reis stated that HUD will be implementing a new inspection program called NSPIRE. Any property including private landlords that currently get REAC inspections will now have NSPIRE inspections. Mr. Soenneker has been to training recently and said it is much more stringent than the current protocols particularly concerning life threatening fail items, which require 24 hours to repair. Staff has begun completing training and we are considering bringing in a company to do a pre-nspire inspection in preparation for the new protocols.

There being no further business, the meeting adjourned at 5:53 p.m.

ATTEST:

  
Secretary, Hani Jacobson

  
Vice Chair, Seal Dwyer