# MINUTES
# BROWN COUNTY HOUSING AUTHORITY
# Monday, July 21, 2014, 3:00 p.m.
# City Hall, 100 N. Jefferson Street, Room 604
# Green Bay, WI 54301

**MEMBERS:** Tom Diedrick–Chair, Ann Hartman–Vice Chair, and Corday Goddard

**MEMBERS ABSENT:** Sup. Andy Nicholson and Adam DeKeyser

**OTHERS PRESENT:** Kim Flom, Stephanie Schmutzer, Mai Nou Yang, Matt Roberts, Patrick Leifker, Nicole Tiedt, Yvette Tice, and Lori DeGrave

**APPROVAL OF MINUTES:**

1. Approval of the minutes from the May 19, 2014, meeting of the Brown County Housing Authority.

A. Hartman made a motion to approve of the minutes from the May 19, 2014, meeting, of the Brown County Housing Authority. C. Goddard seconded the motion. Motion carried.

**COMMUNICATIONS:**

2. Letter from HAI Group from June 2014, regarding dividends received.

S. Schmutzer explained the HAI Group letter is received annually. The letter is stating that the HAI Group paid back dividends to the insurance holders. The Brown County Housing Authority received an HARRG B Dividend of $819.59.

The letter from HAI Group from June 2014 was placed on file.

**REPORTS:**

3. Report on Housing Choice Voucher Rental Assistance Program:

   A. Preliminary Applications
   P. Leifker reported that ICS collected 137 preliminary applications for the month of June 2014.

   B. Unit Count
   P. Leifker explained that the Unit Count for the month of June 2014 was 2,935.

   C. Housing Assistance Payments Expenses
   P. Leifker informed that HAP expenses for June 2014 were $1,136,985.00.

   D. Housing Quality Standard Inspection Compliance
   P. Leifker reported on the Housing Quality Standard Inspection Compliance report. In the month of June 2014, there were 370 inspections conducted, 225 of which passed on first inspection. Upon re-evaluation, 63 passed inspection and 65 failed. There were 17 no-shows during this time.

   A. Hartman inquired whether a no-show was the same as a fail. M. Roberts explained the no shows are different than a fail because the housing assistance does not necessarily stop because of a no-show. No-shows have the opportunity to re-schedule the inspection. That is why ICS schedules the Housing Inspections every eleven

months, just in case there is a no-show, there is still time to complete it before the required deadline of 365 days from the previous inspection.

E. Program Activity/52681B (administrative costs, portability activity, SEMAP)
Y. Tice reported that there were 315 port-out vouchers in the month of June 2014, with an associated HAP expense of $215,000. ICS administrative expenses were under-spent by $10,000; however, they are still waiting on audit bills. ICS has had a lot of furloughs taken in June 2014. The Family Self-Sufficiency administrative funding was under-budget by $2,574.

A. Hartman inquired about the port-out vouchers. She asked whether ICS still receives administrative funds for port-out vouchers even though it's in another state. P. Leifker clarified that the administrative funds are prorated. She then asked if the receiving PHA receives administrative funds as well, to which S. Schmutzer responded that the receiving PHA would billed the initial PHA. A Hartman questioned how long a receiving PHA has before taking on the cost. Y. Tice stated it is based on when and if the receiving PHA chooses to absorb the voucher. A. Hartman expressed her opinion that it's wrong to allow families to come in from other areas when the receiving PHA has a closed waiting list. She expressed it doesn't make sense that the initial PHA would receive money for a voucher that's being used in another state and that the receiving PHA doesn't have to pay for it.

F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, new contracts, homeownership)
N. Tiedt reported that in the month of June 2014, there were 62 Family Self Sufficiency clients, 28 clients with escrow accounts, one graduate, and two new contracts. There were 63 homeowners participating in the Homeownership program, with one recent purchase and another scheduled for the end of the month.

G. VASH Reports (active VASH, new VASH)
N. Tiedt explained that there were 2 new VASH clients and a total of 18 VASH participants in the month of June 2014.

H. Langan Investigations Criminal Background Screening and Fraud Investigations
P. Leifker reported that there were four new Langan Investigations assigned for the month of June 2014. Four previous investigations were closed and four are still active. There were 216 new applications sent for background checks, of which 212 were approved; four were denied.

P. Leifker reported a breakdown of fraud investigations by municipality for the month of June 2014, as well as a report of initial applications by municipality. The next report cited reasons why Langan denied initial applications. Most often, the explanation for the reason is that it was not caught by ICS was because it was not on a site that ICS has access to. The other reason was because the applicant had an arrest warrant in California.

A. Hartman asked whether ICS has noticed less fraud in the past years. P. Leifker stated he believes clients are becoming more and more aware of the fraud investigation measures. The number of referrals still remains constant because of clientele. Most often, referrals are from neighbors or others who may be upset with the client. ICS reviews every referral that it receives.

I. Quarterly Active Cases Breakdown Report

P. Leifker explained this report is broken down according to the type of family composition: During the month of June, 53% of all households have an elderly or disabled head of household, which he explained is slightly higher due to calling in people from the waiting list with the preference of elderly, disabled, veteran or homeless with children. The categories break down into head of household that is not elderly or disabled but has earned income, head of household that is unemployed but has children in the household which is about 6%, and head of household who is not elderly, disabled, or has children which is 2% of the residency.

J. Quarterly End of Participation Report
P. Leifker explained the End of Participation report breaks down the 124 total terminations in the second quarter of 2014. The largest category is clients who choose not to receive the assistance any longer. The second largest is for family obligation violations which is when clients fail to adhere to program rules and regulations, such as completing paperwork on time or returning required documentation.

S. Schmutzer inquired how long the waiting period is before families who terminate on their own have to wait before they are allowed to enter the program again. P. Leifker stated such families may reapply at any time; clients who terminate due to violation of family obligations have to wait one year. If the violation is determined to be fraudulent, the waiting period is five years. A. Hartman inquired if this is a federal or local policy. P. Leifker responded that he believes it is a local policy.

K. Quarterly HQS Fail Items Report
P. Leifker explained this report discusses the HQS Fail Items and breaks them down according to what the fail item was. The most common items are windows and electrical.

L. Customer Satisfaction Assessment Results
L. DeGrave explained the customer service survey that ICS developed before quarter four of 2013. The survey is a rating system from excellent to poor and rates ICS on nine different areas: friendliness and courtesy, timeliness of service, knowledge of staff, overall condition of lobby, lobby as a self-service resource center, the results the individual received that day, the response time of the housing specialist, overall experience, and translation services, if needed. ICS received ratings as excellent or very good 90% or higher in all categories. She explained the surveys are available in the lobby, provided to clients by housing specialists and are on the website

C. Goddard inquired if there were any areas that ICS was concerned about. L. DeGrave stated there were some poor ratings, which ICS is addressing right away. She stated she has seen that when an individual is mad about something, they mark poor in all areas, even if what they are upset about is something ICS cannot control, such as the length of the waiting list or particular regulations.

**OLD BUSINESS:**
None

**NEW BUSINESS:**
None

**INFORMATIONAL:**
4. Status on Request for Proposals to Project Base Vouchers for rural housing.

K. Flom stated the RFP is out. Responses are due Friday and staff anticipates that it will be ready to award at the August meeting. K. Flom stated after responses are received the selection committee will review and complete the selection process.

5. HUD invitation to apply for VASH Vouchers

T. Diedrick stated R. Hallet had contacted him regarding a letter BCHA received from HUD as an invitation to apply for 15 HUD Veterans Affairs Supportive Housing (VASH) vouchers. T. Diedrick stated he had discussed this with R. Hallet and he suggested the Authority accept the VASH vouchers. This would allow BCHA to serve the veterans in Brown County who would have the ability to live in anywhere in the county. The vouchers would be exclusive to veterans.

6. Explanation of forecasting tool

S. Schmutzer explained she recently received this tool at a conference she attended. It takes into consideration the Budget Authority provided by HUD compared to how much we're spending, as well as the average HAP per unit. It also considers how many unit months are available and how many unit months the Authority is currently leasing. The Authority is currently under-leased about 112 units a month. The Authority is averaging about 688 units for the year that are under-leased. The less an Authority leases up, the less funding it receives the following year for both HAP payments and administrative fees. This is why BCHA and ICS are being very diligent about getting the number of vouchers as high as possible, which is also what HUD is encouraging. With proration of funding, the Authority will probably never reach the full number of 3,380 vouchers being utilized. If a PHA spends over the budget authority, HUD does not cover the excess.

Discussion continued regarding the efforts BCHA have already taken which HUD is now encouraging other PHAs to consider. BCHA is ahead in this regard, which means few of HUD's recommendations for improvement apply to us.

C. Goddard inquired if there was an optimal number we'd like to get to. S. Schmutzer responded that the Authority was trying to lease up an additional 300 vouchers. She further explained that the Authority may also receive set aside funding but that is highly prorated. HUD had forecasted that the Authority may qualify for close to $1.1 million but HUD prorates that at about 50 percent. Therefore, the Authority could get about $500,000 more, however, the challenge is that the set aside funding hasn't been announced yet and we really need it now in order to get additional vouchers leased up before the end of the year. If we don't spend it fast enough, HUD may take it back.

7. Review of changes to HCV Program due to Appropriations Act

K. Flom referenced the attachment provided which explains some minor changes to the HCV Program. She explained that HUD has not enacted the changes yet. She further stated there weren't any changes that the staff had strong feeling for or against.

M. Roberts noted the change that he was most concerned about was regarding biennial inspections. He stated ICS's inspection department currently consists of only one and a half inspectors completing 4,800 to 4,900 inspections a year. In theory, this regulation would allow a PHA to reduce the number of inspectors but with such a small department already, there is no ability to do so. He stressed that the changes are merely recommendations; HUD is not explicitly saying the changes will fit all agencies. A PHA needs to consider their agency, their mission and the accountability levels they have. For example, the BCHA is looking at filing a waiver to allow for re-inspection fees; doing inspections once every 700 days is not consistent ideology. Additionally, all the software available is client based, not unit based. The biennial inspections would allow a PHA to focus more on the troublesome landlords and less on responsible landlords, but that would require manual tracking since software is not designed to track that. That manual tracking of units would be more time consuming rather than less. HUD's only recommendation regarding that is that the changes are not applicable to all agencies and PHAs should look at their areas and their agency to determine which changes are

appropriate. BCHA and ICS have already done so much work on accountability within the program that incorporating some of these changes could be a step backwards.

**BILLS:**
S. Schmutzer explained some bills had to be issued the previous month due to deadlines.

C. Goddard made a motion to approve of the bills for the month of June 2014. A. Hartman seconded the motion. Motion carried.

**FINANCIAL REPORT:**
S. Schmutzer explained she provided the trial balance which was asked to be included quarterly. She also explained there are two different systems that report information to HUD, the FASS system and the VMS system, but they were not in sync and HUD never caught it from the end of 2012. Therefore, staff is going back through 2012 information to ensure it is correct going forward. This includes breaking things out into more line items which makes it easier to track. An example is tracking the fraud recovery money by HAP and Administrative since we get to keep half to cover the costs incurred to collect it.

**STAFF REPORT:**
8. Date of next meeting: August 18, 2014

The new Housing Intern, Mai Nou Yang was introduced.

A. Hartman made a motion to adjourn. C. Goddard seconded. Motion carried.

Meeting adjourned at 3:29 p.m.

mny:rah:jld