MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, October 20, 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, Sup. Andy Nicholson, Corday Goddard, and Adam DeKeyser

MEMBERS ABSENT: None

OTHERS PRESENT: Robyn Hallet, Kim Flom, Matt Roberts, Patrick Leifker, Nicole Tiedt, Yvette Tice, Stephanie Schmutzer, and Lori DeGrave

APPROVAL OF MINUTES:

1. Approval of the minutes from the September 22, 2014, meeting of the Brown County Housing Authority.

A. Hartman made a motion to approve the minutes from the September 22, 2014 meeting of the Brown County Housing Authority. A. DeKeyser seconded. Motion carried.

COMMUNICATIONS:

2. Letter from HUD dated September 29, 2014, regarding award of FSS renewal funding.

R. Hallet stated that the BCHA applied for FSS renewal funding in May and now notification from HUD has been received. The BCHA was awarded funding for the two existing positions which were applied for, unfortunately with a lesser dollar amount than what was initially asked. However, the dollar amount did increase from last year.

REPORTS: (1:45-2)

3. Report on Housing Choice Voucher Rental Assistance Program:
   A. Preliminary Applicants
      P. Leifker reported that ICS collected 137 preliminary applications for the month of September 2014.

   B. Unit Count
      P. Leifker stated that the unit count was 2,989 for the month of September.

   C. Housing Assistance Payments Expenses
      P. Leifker indicated the HAP expenses were $1,141,782 for the month of September.

   D. Housing Quality Standard Inspection Compliance
      P. Leifker reported that 117 units passed the first evaluation, 65 passed re-evaluation, 63 failed, and there were 23 no-shows.

      A. Hartman wanted confirmation that a no-show did not automatically lead to a fail. P. Leifker affirmed that a no-show technically does not fail the tenant. T. Diedrick commented that the number of passed inspections dropped quite a bit. M. Roberts stated that this is attributed to the fact that the number of actual inspections overall has decreased. Both inspectors had taken some vacation time in September and as a result moved some of their annual inspections up, decreasing inspections overall at this time.

   E. Program Activity/52681B (administrative costs, portability activity, SEMAP)
      Y. Tice reported that there were 259 port-out vouchers in the month of September, with an associated HAP expense of $184,587.

T. Diedrick inquired why there were more vouchers but significantly less costs. Y. Tice stated that there is typically a small delay in catching up with all of the payments once the paperwork is processed. However, the cost is expected to decrease even more due to other PHAs recently absorbing some of the BCHA's port outs.

A. Hartman asked how long it generally takes other PHAs to absorb. Leifker replied that each PHA can act on their own time frame and discretion according to what is most beneficial to that PHA. A. Hartman asked how long it takes for BCHA to absorb other PHAs, to which P. Leifker responded that we currently bill, but if we wanted to absorb, we simply need to give the initial PHA notice of such; it is up to each individual PHA if they want to absorb. M. Roberts commented that typically many PHAs will absorb at the end of the year, depending where they want their unit count to be for the next year. A. Hartman asked how many port ins we have, to which Y. Tice responded that we currently have 35. A. Hartman stated her concern is that the BCHA has so many port outs that we are paying for. She opined that the regulations should allow people to port, but be restricted based on when the receiving PHA can absorb. R. Hallet stressed that it then becomes imperative to educate legislatures as it all comes down to congressional action because HUD does not have power over this policy.

A. DeKeyser asked if we get revenue for port outs. P. Leifker responded that there is a prorated administrative fee for billed vouchers. R. Hallet also added that we apply for set aside funding, of which the amount is variable – it may or may not make up for our administrative costs for billed vouchers.

A Conversation ensued regarding congressional involvement to change these regulations. M. Roberts offered to email A. Hartman the contact information for the representative from Congressman Reid Ribble's office, who previously attended a BCHA meeting to discuss this matter. A. Hartman stated she would contact Congressman Ribble as well as other congressional representatives.

Y. Tice continued the reports, stating that ICS administrative expenses were under-budget by $25,000, which is primarily because of the over-expense in July. FSS Administrative expenses were under-budget by $2,340.

F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, new contracts, homeownership)
N. Tiedt reported that there are 69 participating in the FSS program as of September. Level One has 43 participants, Level Two has 19 individuals, Level Three has six participants, and Level Four has one participant ready to graduate. C. Goddard asked if these numbers presented were good, relatively speaking. N. Tiedt stated that the reason there is a majority of individuals still at Level One is that as of January 1st, 2014, the program was changed making participants more accountable for what was expected of them. These levels were only recently implemented. N. Tiedt stated that she will add an explanation of the point system to the power point along with the number of points for each level as requested by members of the Authority.

A. DeKeyser asked if there was a maximum amount of allotted time for participants to finish the program. N. Tiedt stated that when participants sign an FSS contract they have five years to make it from Level One to Level Four in order to graduate. Nevertheless, it is a goal of the program to get participants to finish in less than five years. R. Hallet stated that at the end of the five years, if it is necessary, ICS could extend a participant's contract to allow them to finish the program successfully, if more time is required for them.

N. Tiedt continued with the next report, indicating that eight new FSS Contracts were signed. The number is higher than usual as there was an influx in Housing Choice Vouchers completed. N. Tiedt reported that there were no graduates for the month of September. She

shared a story from a past graduate who began the program in December of 2010 and graduated in July of 2014. She is a single mother of two and guardian of her niece and nephew and had zero income when she first enrolled in the program. During her time on the program she received a Bachelor's Degree from the University of Oshkosh and went on to complete her Master's Degree for her license in special education. She worked as a substitute teacher which later became a full time position as a special education teacher. She completed the FSS program in July, taking $2,968.52 of escrow account money with her. She has since moved to Arizona to pursue her career in teaching.

N. Tiedt reported there are currently 30 escrow accounts open, with a total of $3,586 deposited into these accounts for the month of September which includes one new account that was opened in September. The highest single deposit at this time is $344 and the highest amount of escrow held in a single account is currently $9,330.93.

N. Tiedt reported 64 homeowners for the month of September.

G. VASH Reports (active VASH, new VASH)
N. Tiedt reported one new VASH client in September and 18 current VASH clients.

H. Langan Investigations Criminal Background Screening and Fraud Investigations
P. Leifker reported that there were 10 new investigations assigned; five previous investigations were closed; and seven still remain active; 211 applications were sent in September of which 207 were approved and four were denied. The four denials identified on the Langan Report consisted of one child abuse charge, one for disorderly conduct, one fugitive for battery, and one for substance abuse. The reports on initial application by municipality as well as fraud investigations by municipality were displayed.

I. Quarterly Active Cases Breakdown Report
P. Leifker reported that 52 percent of all active cases contained a head of household who was either elderly or disabled, 39 percent contained a head of household who was neither elderly nor disabled but they earned an income, 7 percent of all cases have no earned income but have children in the household, and 2 percent contain cases in which the head of the household is not elderly or disabled and does not make any income or have children.

J. Quarterly End of Participation Report
P. Leifker reported that 124 total participants were terminated this quarter, including 53 due to port out vouchers being absorbed. The next highest percentage was 22 percent who left voluntarily.

A. Hartman asked where the participants who were ported out go, in which P. Leifker stated they go all over, some within the State and others around the country. R. Hallet suggested ICS could bring data providing locations and time periods of port outs to the next meeting. A. Hartman expressed she has concerns about funds not remaining local. M. Roberts reiterated that the initial PHA continues to be billed for as long as needed until the receiving PHA can absorb the voucher; there is no time limit. R. Hallet explained that a PHA cannot absorb if they don't have vouchers available, which is often the case. S. Schmutzer confirmed one of the issues with port outs is that the initial PHA pays a higher HAP cost if the participant moves to an area where housing costs are higher, thus resulting in the initial PHA being able to serve fewer participants. The other main concern is the reduced admin fee received. R. Hallet suggested that Congress should consider capping the HAP and initial PHA pays equal to that PHA's payment standard. T. Diedrick agreed this would be a fair regulatory change. T. Diedrick offered to draft a letter from the BCHA Commissioners to the Wisconsin congressional representatives indicating our concern about this issue.

K. Customer Satisfaction Assessment Results

L. DeGrave provided a refresher for the items on the Customer Satisfaction Survey which consisted of a five factor rating system regarding customer service, staff friendliness and courtesy, timeliness of service, quality of service, needs met, overall condition of lobby, self-service resources, quality of results received, response and follow-up time, and overall experience. L. DeGrave summarized all of the rating factors together stating that for Quarter 3 of 2014, overall ratings confirmed that 84 percent of customers received excellent customer satisfaction, 10 percent received very good service, 2 percent received good service, 4 percent received poor service, and nobody (0 percent) reported fair service. Rolling data was revealed next which showed last years (2013) data as it compares to this year's data which confirmed that results were quite consistent. Annual data was also provided which consists of data from Quarter 4 of 2013 to Quarter 3 of 2014. Results were rated at excellent for 84-85 percent of the time, very good for 8-10 percent of the time, good for 3-2 percent of the time, fair remained at 0, and poor remained at 4 percent of the time. It was stated that these surveys were completed by a variety of customers. Surveys are available in the lobby, on the web, and at the Housing Specialist office by appointment.

OLD BUSINESS:
None

NEW BUSINESS:
4. Approval of Voucher Payment Standards for 2015.

P. Leifker reported that the Voucher Payment Standards are the amounts that the Authority can pay for assistance within the locality. Last year's Fair Market Rent (FMR), established by HUD, in comparison to this year's FMRs showed a significant increase across the board. HUD established that a PHA's payment standards must be between 90 and 110 percent of the FMR for the PHA's area. The BCHA payment standards in 2014 and those proposed for 2015 continue to utilize the dual payment standards. It has been identified that the 0, 1, and 2 bedroom units are the most difficult for participants to find within the payment standards that was established previously. Accordingly, those have been increased to 100 percent of FMR for 0 and 1 bedroom and then from there payment standards taper off to 97 to 95 percent inside City of Green Bay limits. Historically, the Authority has used a 3 percent variance as the difference between the dual payment standards and therefore, this variance was proposed for this year as well. Additionally, not all payment standards were moved to 100 percent, as it is important to keep the flexibility in which the 90 and 110 percent window provides. If payment standards decrease, it is necessary to give clients a two year notice before payment changes occur. Thus, if payment standards must decrease it is a two year process before the benefits can be reaped.

C. Goddard made a motion to approve the 2015 Voucher Payment Standards, seconded by A. Nicholson. Motion carried.

5. Preliminary approval of ICS's 2015 budget.

Y. Tice reviewed the information elucidated on ICS's 2015 Budget. She explained that she and S. Schmutzer worked together to determine numbers that worked for both of their budgets. The proposed ICS 2015 budget has established the amount of $1,315,000 for total revenue. This amount was determined by the summation of the Administrative Fee Revenue (received from HUD) at $1,210,445, the FSS Administrative Fee Revenue at $89,555, the Admin Fraud Revenue (new this year) at $5,000, and the Port In Administrative Fee Revenue at $10,000 (which increased from last year but has still remained conservative). A review of the expense budget shows that expenses regarding salary and Health, Dental & Vision have increased. The reason for the salary expense increase is due to the removal of furlough which was originally budgeted for last year. Health, Dental & Vision has an increase, but this is an item for which they are awaiting more information. The current insurance provider is offering a 15.9 percent increase on their rates. Other employee benefits have decreased as the carry over for health reimbursements has been eliminated and

additionally the SUTA and workman's comp rates decreased. Staff Training was reestablished in the budget and included is a list of some likely training opportunities. Office supply expense was decreased, mostly due to cost savings implemented this year. Equipment expenses were qualified due to computer upgrades needed. There was a decrease in professional service expenses primarily due to no longer needing legal consulting. Depreciation has decreased as well as some of the insurance packages. Port Out Administration is consistent with last year but does increases a bit. Included in the agenda packet are the salary ranges, which all fall within the agreed upon brackets.

A. DeKeyser made a motion to approve the ICS 2015 Budget, seconded by A. Hartman. Motion carried.

6. Preliminary approval of BCHA's 2015 budget.

S. Schmutzer began by explaining that the yellow highlighted areas relate to ICS's budget. The various pages of the budget represent different BCHA programs. She began with the Voucher program, reporting that information from HUD indicates the proration rate for next year will remain consistent with the current proration level. Fraud income was determined based on a requirement to split them 50/50 with half to HAP and half to admin. HAP income was based on the understanding that HUD will allow us to retain the offset funding. VASH was added as a new line item at $91,370. Total income has accordingly been proposed at $16,214,261. Total expenses for 2015 were proposed at $16,073,114. Port out costs are broken out separately this year. At the bottom of the pages there is a profit and loss breakdown for HAP, VASH, and Admin showing if those areas were over- or underspent. It appears we will not have overspent in any of those areas. One area that may change is legal costs for fraud cases, which may increase

S. Schmutzer also reviewed the budget for the Community Development Block Grant funds that are un-programmed or de-federalized funds. This money has been used for down payment and closing cost loans. The revenue indicated is interest and repayments, which are reincorporated into these funds. There are some Administrative costs due to auditing. The WHNCP account is rarely utilized so there is little activity on this account. Last is the Revenue Bond account, which was refinanced in 2013. These bonds are now financed through the GBHA, so this may require some Administrative funding in 2015, but otherwise this account has no current activity. At this time, there are no anticipated uses for these funds but, if something comes up, this item can be readjusted to meet future needs.

R. Hallet pointed out an attachment to the budget that highlights training needs. As City staff, all out-of-state travel must be pre- approved, therefore any such travel is indicated here. Many of the conferences attended will benefit both the BCHA and the GBHA, so the cost of training is split.

C. Goddard made a motion to approve the BCHA 2015 budget, seconded by A. Nicholson. Motion carried.

S. Schmutzer stated that a resolution will be needed per HUD, which will be presented at the November BCHA meeting.

INFORMATIONAL:

7. Update on new VASH vouchers

R. Hallet stated that 10 project based VASH vouchers and 15 tenant based VASH vouchers were awarded to the BCHA. The BCHA was additionally invited to apply for six more tenant based VASH vouchers. T. Diedrick had previously given approval to send in the application for the second round as there was not enough time to wait for the next BCHA meeting for member approval.

R. Hallet, P. Leifker, and two other ICS staff who work directly with VASH will be going to Milwaukee to meet with HUD and VA staff to discuss the VASH voucher program in an effort to streamline the

process. At this visit, they will also tour the Milwaukee Veterans Manor, which the Green Bay Veterans Manor has been based after.

8. Report on State Debt Collection Program
S. Schmutzer discussed a new State Debt Collection Program that was emailed with the meeting packet.

C. Goddard inquired if the State will do all the collection of debt to which S. Schmutzer confirmed. This program would allow the State to go after individuals who owe the Authority money after being terminated from the program. First however, the Authority would try to collect the owed money for 90 days; if after 90 days, the Authority is unable to collect, and the amount is greater than a $50-$100 threshold, then the Authority can put this debt into the collection system. The State will then seek out the individuals who owe money at any means available to them. It is the Authority's responsibility to ensure that the debt is within the statute of limitations. If the State is unable to locate the individual, the Authority could contract with a collection agency. There is a hierarchy for collection within this system, however, (i.e. State taxes and State money is collected by the State first) there is a fee involved for this program which is paid by those indebted to the Authority which is either $35 or 15 percent—whatever is greater.

S. Schmutzer stated that it would be worthwhile to pursue this new program although a decision is not necessary at this time.

BILLS:
A. DeKeyser made a motion to approve the bills for the month of September 2014. A. Nicholson seconded the motion. Motion carried

FINANCIAL REPORT:
S. Schmutzer reported there was nothing overtly significant to point out on the financial report. A Trial Balance was asked to be put into the report on a quarterly basis which was added this month.

STAFF REPORT:
9. Date of next meeting: November 17, 2014.

T. Diedrick stated that sometime after the first of the year (possibly February or March) it would be beneficial to hold a joint meeting with the BCHA and ICS. M. Roberts inquired if the Commissioners would prefer that ICS board members come to a regular BCHA board meeting. Commissioners did not voice a preference, M. Roberts agreed he would contact the ICS board members regarding scheduling this.

An additional staff report was added to the agenda by R. Hallet regarding the housing intern status in which she stated that a new intern was hired. The new intern stayed on for five days but she found a full time job and thus gave her notice. Fortunately, another intern was found who is starting soon.

A. Hartman made a motion to adjourn, seconded by A. Nicholson. Motion carried. Meeting adjourned at 4:08 PM.

sd:rh:jd