

**MINUTES**  
**BROWN COUNTY HOUSING AUTHORITY**  
**Monday, September 23, 2013, 3:00 p.m.**  
**City Hall, 100 N. Jefferson Street, Room 604**  
**Green Bay, WI 54301**

**MEMBERS PRESENT:** Tom Diedrick–Chair, Ann Hartman, Corday Goddard, Adam DeKeyser

**MEMBERS ABSENT:** Sup. Andy Nicholson

**OTHERS PRESENT:** Robyn Hallet, Rob Strong, Stephanie Schmutzer, Nikki Aderholdt, Matt Roberts, Pat Leifker, Nicole Tiedt, Yvette Tice, Lori DeGrave, Susan Exworthy, Aaron Schuette

**APPROVAL OF MINUTES:**

1. Approval of the minutes from the July 15, 2013, meeting of the Brown County Housing Authority

A motion was made by C. Goddard and seconded by A. DeKeyser to approve the minutes from the July 15, 2013 meeting of the Brown County Housing Authority. Motion carried.

2. Approval of the minutes from the July 29, 2013, special meeting of the Brown County Housing Authority

A motion was made by A. DeKeyser and seconded by C. Goddard to approve the minutes from the July 29, 2013 special meeting of the Brown County Housing Authority. Motion carried.

**ELECTION OF OFFICERS:**

R. Strong suggested the election be postponed until later in the meeting to see if other Commissioners arrive. All agreed.

**COMMUNICATIONS:**

3. Letter from Housing Authority Insurance Group regarding dividends received

R. Hallet explained that Housing Authority Insurance Group, BCHA's insurance company, occasionally pays out dividends to members. BCHA recently received a check for \$141.72.

**STAFF REPORTS:**

N. Aderholdt provided a handout and explanation regarding fraud recovery activity. She explained that in 2007 BCHA began taking small claims actions against clients who received Housing Assistance Payments fraudulently. To date, BCHA has filed 454 cases, of which 126 have been satisfied, 39 have been dismissed and the remaining are open and making payments. The total amount recouped as of today is \$496,475, which includes receipts from repayment agreements, loan payoffs and Wisconsin Tax Refund Interception Program (TRIP). The total balance due on all accounts is \$1,000,280. N. Aderholdt explained that by regulation, the PHA can retain 50% of the amounts recouped; the other 50% must be returned to HUD.

T. Diedrick explained that fraud recovery activity is something that BCHA does to make sure we're operating a high quality program. N. Aderholdt stated that other PHAs have contacted us to learn from our procedures for fraud recovery.

S. Schmutzer explained that the HUD regulations allow us to keep 50% of money collected or actual expenses incurred in recovery activity. Since the first option is more beneficial for

us, that is how much we keep, which is used to cover N. Aderholdt's time and other related expenses. The other half goes back into Housing Assistance Payments funds.

N. Aderholdt stated that she will give another update in early 2014, after more TRIP payments have been received.

#### **REPORTS:**

#### **4. Report on Housing Choice Voucher Rental Assistance Program**

##### **A. Preliminary Applications**

P. Leifker reported that there were 57 preliminary applications for July and 90 for August 2013.

##### **B. Unit Count**

P. Leifker reported that the unit count for July was 2,983 units and August was 2,937.

##### **C. Housing Assistance Payments Expenses**

P. Leifker reported that the Housing Assistance Payments for July was \$1,175,893 and August was \$1,159,603.

##### **D. Housing Quality Standard Inspection Compliance**

M. Roberts reported that there were 287 inspections in July; of those 55% passed their first inspection, 17.8% passed the reinspection, and 27.2% failed. For August, there were 301 inspections, with 52.2% passing, 21.9% passing the reinspection, 25.9% failed the reinspection.

T. Diedrick inquired if we charge for further reinspections. M. Roberts explained that HUD does not allow for this; years ago, we interpreted the regulations to mean that a "reinspection" was only the first attempt to reinspect a unit and we thus charged for any subsequent reinspections. However, HUD informed us this was not permissible. A. DeKeyser inquired what happens after it fails an inspection twice. M. Roberts explained that we will then stop or "abate" the Housing Assistance Payment. During the abatement period, the resident still only pays their portion of the rent and the landlord cannot evict for this. Most of the time the landlord makes the repairs and HAP resumes. If abatement continues for over 90 days and the landlord refuses to make the repairs, the client is given the opportunity to move; otherwise the file would be closed. R. Hallet explained that in such cases, that information is shared with the City of Green Bay Inspection Department for properties within the City of Green Bay or other municipalities if they will take action on such landlords.

M. Roberts reported that in the last quarter, the most common fail items were regarding windows, followed by electrical issues, smoke detectors, and plumbing.

##### **E. Program Activity/52681B (administrative costs, portability activity, SEMAP)**

Y. Tice reported that for August 2013 there were 260 port-outs with a total HAP expense of over \$204,000. ICS admin was overspent by \$4,100 and FSS admin was underspent by \$2,080.

##### **F. Family Self-Sufficiency Program (client count, escrow accounts, graduates, new contracts, homeownership)**

N. Tiedt reported that there were 92 FSS clients in July and 87 in August; 28 had escrow accounts in July and 27 in August; in July there were 2 graduates, and 4 in August; 6 new contracts in July and 3 in August; 66 homeowners in July and 65 in August.

G. VASH Reports (active VASH, new VASH)

N. Tiedt reported that there were 20 VASH clients in July and 19 in August, which includes 1 new VASH client in July and 0 in August.

H. Langan Investigations Criminal Background Screening and Fraud Investigations

T. Diedrick gave an introduction for the sake of the new members, explaining that unlike many PHAs, BCHA contracts with a private investigator to do screenings of new participants and investigates fraud activity of existing participants, which has worked very well for us. P. Leifker reported that for July there were 4 new investigations assigned, 5 previous investigations closed, and 3 investigations still active. No additional applications have been processed. For August, there were 5 new investigations, 6 previous investigations closed, and 5 still active. There were 48 screenings conducted for new applicants, all of which were approved. In July, 3 of the 4 new investigations were in the City of Green Bay, one in De Pere; August had 10 from Green Bay, one from De Pere. The next chart illustrated the August 2013 initial applications by municipality. P. Leifker asked if the BCHA wanted this monthly. T. Diedrick suggested quarterly would be sufficient.

R. Strong further explained that having these investigation reports and agents to testify at small claims hearings helps a great deal when processing small claims actions. T. Diedrick further explained that Langan staff are former police officers, which also is beneficial.

I. Reasons for Background Screening Denials

P. Leifker reported there was no data for this report since there weren't any denials by Langan.

J. Customer Service Report

L. DeGrave reported various activities regarding ICS's customer service: ICS hired another customer service representative, who was previously employed with ICS through ASPIRO doing the back scanning. Customer service training on communication and dealing with difficult people will be provided to staff in October. ICS has enhanced the role of Customer and Office Services positions, providing them more in-depth training so they can better assist clients and the Program Specialists. They have also rearranged office space to better suit ICS's needs. More documents and forms are provided in the lobby to make it a self-service center and a customer service satisfaction assessment is also available in the lobby. ICS has also created a customer service charter, a statement of ICS's commitment to provide quality services in an efficient and timely manner, which will be posted in each staff person's office. ICS has created a complaint log to track customer complaints and monitor trends to see if there are specific areas they need to improve upon. A customer service procedure manual has been completed, which includes a policy that voicemails be returned within two days. The ICS website is a great self-service option with a lot of program information, downloadable forms and names and contact information for staff. ICS has a Rosetta Stone Spanish program available to staff to help them learn or brush up on their Spanish skills. Recently staff and FSS clients participated in a Habitat for Humanity garage build, which was a great team building activity and way to serve the community.

**OLD BUSINESS:**

None

**NEW BUSINESS:**

5. Review and approval of Brown County Housing Authority 2014 Annual Agency Plan

P. Leifker explained this Annual Plan generally doesn't change significantly from year to year. One area which does change is an update to revision made to the BCHA Administrative Plan, which he indicated includes Chapter 2: Reasonable Accommodations; Chapters 6 and 11: Streamline Reexaminations for Elderly and Disabled Families on Fixed Incomes; Chapter 11: Special Recertifications Every Six Months; and Chapter 12: Eviction Warnings and Lease Violations.

A motion was made by A. Hartman and seconded by C. Goddard to approve the 2014 Annual Agency Plan. Motion carried.

6. Approval of Audited Financials for Fiscal Year Ending December 31, 2012

S. Schmutzer passed out the audited financial statements, highlighting a few areas. On the Statement of Net Position our net position increased from last year. In 2011 there was an operating loss of \$1,577,000, whereas this year there was an increase of \$636,000. She pointed out the three economic factors indicated on the report, the first attributing the decreased revenue to sequestration; the second explaining Brown County's unemployment rate contributes to a greater demand for Vouchers; and the third stating that BCHA will transfer the 1984 Community Development Block Grant (CDBG) to Brown County, who will be administering a regional CDBG program.

S. Schmutzer explained BCHA was required to have a single audit. The findings indicate we were unmodified, which means it was a good audit with no findings.

A. DeKeyser inquired why the government revenues went up from 2011 to 2012. S. Schmutzer explained this was due to the additional funding BCHA received from HUD to offset the port-out costs in 2012.

R. Strong explained that even though there are federal cuts, HUD still has an obligation to assist those on the program, so less funding doesn't necessarily mean the program shrinks in size, but rather we get hit harder in the administrative funding.

A motion was made by A. Hartman and seconded by A. DeKeyser to approve the audited financials for fiscal year ending December 31, 2012. Motion carried.

7. Approval of revisions to Chapter 8 (Housing Quality Standards and Rent Reasonableness Determinations) of Administrative Plan

M. Roberts explained that as discussed earlier, we stopped charging for reinspections a while ago, but we never removed that from the admin plan, so we are looking for approval to have that language removed.

Discussion ensued regarding the effectiveness of this policy when it was in place; however despite that, this is not permissible by regulations. R. Hallet explained that HUD stated that we could request a waiver to continue to charge such fees, but we'd have to explain in our waiver request why we believe we have good cause to implement this policy. She indicated she was in support of requesting such a waiver when ICS staff has availability to compile the data to support the request. A. Hartman asked if it is generally the "slumlords" who aren't complying. M. Roberts responded that often it is due to a lack of communication between the tenants and the landlord. There are more no shows for reinspections than there are double fails. Another issue is higher cost deficiencies not being repaired. M. Roberts agreed that it would be a good idea to request a waiver, but it will take some time to compile the data. T. Diedrick pointed out that we should be cautious about which issues we take to

our congressman because it would lack effectiveness if we are taking issues to them too frequently. If we determine it is cost effective, then we should do it.

A. Hartman inquired about the level of compliance when there was a fee compared to without one. M. Roberts responded that it is hard to gauge because when this policy changed, ICS implemented other strategies to reduce inspection costs. For example, if there was a no show earlier in the day, but the client called in, the inspector will go back later in the day.

A motion was made by A. Hartman and seconded by C. Goddard to approve the revision to Chapter 8 of the Administrative Plan. Motion carried.

8. Authorization to apply for FFY 2014 Family Self Sufficiency Coordinator funding

N. Tiedt explained that each year ICS applies for FSS Coordinator funding through a Notice of Funding Availability (NOFA), which was recently released for 2014. She is requesting authorization to again submit an application for this funding. We would be applying for funding for 3 FSS Coordinators. NOFA is not allowing for any increases in funds and have become very stringent about who can apply.

R. Strong explained that the application would be in BCHA's name, but ICS administers the FSS program so they are applying for the funds on behalf of BCHA.

A motion was made by C. Goddard and seconded by A. Hartman to authorize applying for FFY 2014 FSS Coordinator funding. Motion carried.

9. Discussion and possible action regarding 84 CDBG Revolving Loan Fund

R. Hallet introduced Aaron Schuette from the Brown County Planning Department, who BCHA has been working with on this issue. R. Strong stated, as discussed earlier, that Brown County will be the lead agency for a 10-county regional service area for the CDBG program. A. Schuette explained the area covered, which excludes large cities, as they receive their own entitlement funding. He stated that they have hired a Housing Planner and have an HQS RFP that will be released soon, to contract out that portion of the work. He explained that the Brown County Revolving Loan Funds (RLF) would stay within Brown County, administered separately from the regional funds.

R. Strong detailed the history of this program, stating that the funds were originally received in 1984 and BCHA administered the program on behalf of the County. Repayments are received on loans made with the original funding but are restricted, meaning it must still be used according to the requirements from 1984. Over the years, the funding mutated into different uses, including most recently as downpayment and closing cost assistance. After 20+ years, a monitoring review was conducted by the Department of Administration (DOA) after which we received a letter notifying us of the need to rectify various errors being made in the administration of the program. In responding to this letter we determined that we would give the funding back to Brown County to administer since they now have the staff to run the program.

A. Hartman inquired if DOA is in approval of BCHA giving the program back to Brown County. A. Schuette responded that this was one of their recommendations. He further commended BCHA staff for their efforts in the letter responding to DOA's findings. R. Strong indicated that we are awaiting a response from DOA to our letter and we will update the Authority once we get that response. He mentioned that the dollar amounts total about \$150,000.

R. Strong explained that the BCHA will retain the unrestricted 1981 funds. We may also work with Brown County to give back other funds that the BCHA administers on behalf of the County which we still have on the books. He further explained that the transition would include transferring the money currently in the account, the program files and records, any administrative documents, etc.

A motion was made by C. Goddard and seconded by A. DeKeyser to return the administration of the restricted 1984 Revolving Loan Funds back to Brown County. Motion carried.

**ELECTION OF OFFICERS:**

T. Diedrick turned over the position of Chair to R. Strong, who called for nominations for the position of Chairperson. A nomination for T. Diedrick was made by A. Hartman and seconded by C. Goddard. R. Strong inquired twice more if there were any other nominations. Being none, a vote was taken and passed electing T. Diedrick as the Chairperson.

T. Diedrick then opened the floor for nominations for Vice-Chair. C. Goddard nominated A. Hartman and seconded by A. DeKeyser. A request for other nominations was made two more times. Being none, a motion was approved nominating A. Hartman as the Vice-Chairperson.

T. Diedrick explained that in the past BCHA has set up a rotation to change officers every two years, with the Vice-Chair becoming the Chair, nominating a new Vice-Chair. Then the rotation would continue giving everyone an opportunity in both positions. Both he and R. Strong agreed this has worked well in the past.

**BILLS:**

A motion was made by A. Hartman and seconded by A. DeKeyser to approve the bills. Motion carried.

**FINANCIAL REPORT:**

S. Schmutzer indicated there wasn't anything unusual on the financial reports. She explained we don't yet know what will happen with the funding next month if Congress does not approve a federal budget.

T. Diedrick inquired if we wanted to go back to reviewing the financials quarterly instead of monthly. R. Hallet reminded the Authority that it may be beneficial for the sake of the new Commissioners to review these monthly; furthermore, HUD is encouraging Commissioners to be particularly attentive to the financial standings of their Authority. A. DeKeyser expressed his opinion that monthly would make the most sense.

S. Schmutzer explained these reports are year-to-date up to the date of the meeting. A. DeKeyser suggested monthly totals instead; however S. Schmutzer expressed concern that doing so would make the numbers look skewed. A. DeKeyser then suggested doing year-to-date as of the end of the previous month. S. Schmutzer agreed this would be feasible.

T. Diedrick inquired if the Authority would like to see the Statement of Financial Position, with investments monthly. R. Strong responded that this doesn't change very often. S. Schmutzer indicated that this money is in a CEDARS account, which is monitored by Nicolet Bank but invested in various banks so as not to exceed the amount insured by FDIC. R. Strong further suggested that the monthly financial reports should indicate which funds are restricted versus unrestricted.

**INFORMATIONAL:**

10. Update on Performance Based Contract Administration

R. Hallet reminded the Authority that this was the program which they approved of withdrawing our application at the special July meeting. She indicated that WHEDA was in fact awarded this contract, but just learned that there have been more lawsuits against HUD for the way this was bid out, so the contracts have been put on hold again. WHEDA continues to administer it under its previous contract, but the status of its future is still unknown.

T. Diedrick expressed his disappointment in the way WHEDA approached BCHA about its desire for BCHA to withdraw its application.

**STAFF REPORT:**

11. ICS staffing changes

M. Roberts introduced Yvette Tice as ICS's new Senior Accountant. He also mentioned that ICS is fully staffed now. R. Hallet explained that M. Roberts is now the Executive Director of ICS. She explained that several months ago Jon Syndergaard resigned and moved on to another local agency; prior to that Ben Fauske had taken on the role of Executive Director of ICS's non-profit division and was a great asset, but now is transitioning that role to M. Roberts. M. Roberts has been integral in assisting with all the changes in the BCHA/ICS relationship and we see this as a positive step. T. Diedrick also commented that he has appreciated M. Robert's attendance and direct communication in the BCHA meetings and looks forward to continuing a positive relationship.

R. Hallet stated that staff has looked into having a joint BCHA and ICS board meeting and offered the next ICS board meeting on January 23, 2014, 12:00 to 1:30 at ICS as a possible date for a joint meeting. M. Roberts expressed that although this is when their board would normally meet next, it doesn't have to be the time for the joint meeting. R. Strong expressed that this is something staff has discussed because there was a lack of communication and thought it would be a good idea to have the board members for both agencies get together. R. Strong also reminded the Authority that in upcoming meetings we will be reviewing and approving a 2014 ICS budget for the use of the HCV Administrative funds. A. DeKeyser suggested it may not be necessary for the ICS board to be present for the review of the budget, so waiting until January should be fine. He also said that whether or not this would be the only BCHA meeting in January would depend on other agenda items that may need to be covered. T. Diedrick expressed his opinion that January would be very good timing with the start of a new contract.

R. Hallet commented that both she and A. Hartman attended the Wisconsin Association of Housing Authorities (WAHA) Fall Conference. A. Hartman commented that what she learned is that Commissioners need to watch what their PHA is doing, because there have been a number of PHAs that fell apart because their Board was not paying attention.

R. Hallet handed out copies of the newly revised City Guide, for which BCHA contributed funding for the printing costs.

R. Strong reminded Commissioners that the National Association of Housing and Redevelopment Organizations (NAHRO) annual conference is also coming up and that staff budgets for two Commissioners to attend if anyone is interested.

T. Diedrick requested that the next meeting date be placed on the agendas.

A. DeKeyser stated it would be helpful to know the cost per inspection and if we try to get a waiver to re-establish a fee to landlords for multiple reinspections, the fee amount should be

correlated to the actual cost. T. Dedrick stated that the fee that was established was designated by BCHA without putting a lot of time into researching the actual cost per inspection; rather it was designed to get the landlords' attention. R. Strong indicated that the amount was selected based on the fee implemented by the City of Green Bay Inspection Department, which was roughly based on two hours of staff time. The Authority agreed, however, it would still be useful to know the actual cost.

A motion was made by A. Hartman and seconded by A. DeKeyser to adjourn the BCHA meeting. Motion carried.

Meeting adjourned at 4:55 p.m.

RH:jld