



**AMENDED
PUBLIC NOTICE & AGENDA
COMMUNITY DEVELOPMENT AUTHORITY
Parker Bluff - 220 Portland Avenue, Beloit, WI 53511
4:30 PM
Wednesday, October 23, 2019**

1. CALL TO ORDER AND ROLL CALL
2. PUBLIC COMMENT
3. MINUTES
 - 3.a. Consideration of the minutes of the September 25, 2019 Community Development Authority regular meeting and the October 9, 2019 special meeting
[Attachment](#)
4. BELOIT HOUSING AUTHORITY
 - 4.a. Presentation of the September Activity Report (Cole)
[Attachment](#)
 - 4.b. Presentation of the August Financial Report (Cole)
[Attachment](#)
 - 4.c. Review and consideration of Resolution 2019-27, Authorizing the Beloit Housing Authority to apply for a Family Self-Sufficiency (FSS) Program Grant (Cole)
[Attachment](#)
 - 4.d. Review and Consideration of Resolution 2019-28, Approving Revision to Beloit Housing Authority's Capitalization Policy
[Attachment](#)
5. COMMUNITY DEVELOPMENT
 - 5.a. Consideration of a Lease Agreement among the Community Development Authority and William T Mansfield, Jr. Revocable Trust and Hendricks Commercial Properties, LLC and consideration of an Access Easement Agreement and acquisition and sale of minor parcels of land located on or near the Broad Street Parking Lot (Christensen)
6. ADJOURNMENT

** Please note that, upon reasonable notice, at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information to request this service, please contact the City Clerk's Office at 364-6680, 100 State Street, Beloit, WI 53511.

Minutes

Beloit Community Development Authority

Parker Bluff – 220 Portland Avenue, Beloit, WI 53511

September 25, 2019

4:30 P.M.

The regular meeting of the City of Beloit Community Development Authority was held on Wednesday, September 25, 2019 in the Community Room of Parker Bluff Apartments, 220 Portland Avenue.

1. Call to Order and Roll Call

Meeting was called to order by Commissioner Baker at 4:30 PM.

Present: Commissioners Baker, Ellison, Kenitzer, Leavy and Murray

Absent: Councilor Forbeck

Staff Present: Julie Christensen, Clinton Cole, Teri Downing and Ann Purifoy

2. Public Comment

Christina Patterson, a public housing tenant, graduated from the FSS (Family Self-Sufficiency) Program recently and purchased a City tax foreclosure through ACTS Housing. She expressed her thanks to Jeff Hoyt and the FSS Program for the opportunity to acquire the tools and resources to make homeownership possible. Christina stated that she and her family will always be grateful.

3. Consideration of the August 28, 2019 Community Development Authority Regular Meeting

A motion was made by Commissioner Leavy and seconded by Commissioner Ellison to approve the minutes of the August 28, 2019 Community Development Authority regular meeting. Motion carried unanimously.

4. Community and Housing Services

a. Consideration of Resolution 2019-23 Recommending Approval of the 2020 Community Development Block Grant (CDBG) budget, 2020-2024 Consolidated Plan, 2020 Annual Plan and 2020-2024 Neighborhood Revitalization Strategy Area (NRSA)

Teri Downing, Community and Housing Services Director, presented the staff report and recommendation.

Commissioner Kenitzer requested data comparing the amount received by public service agencies in 2019 to the amount recommended for 2020. Teri supplied the requested information and stated that this was omitted from the 2020 CDA Budget spreadsheet due to a new person preparing the budget, but it will be included in the future.

Councilor Leavy asked that monitoring findings be distributed to the Board before budget approval so the Board members can make more informed decisions regarding staff recommendations.

Commissioner Leavy moved and Commissioner Baker seconded a motion to approve Resolution 2019-23. Motion carried unanimously.

b. Consideration of Resolution 2019-24 Recommending Approval of the 2020 Home Investment Partnerships Program (HOME) budget

Julie Christensen, Community Development Director, presented the staff report and recommendation.

Commissioner Ellison moved and Commissioner Murray seconded a motion to approve Resolution 2019-24. Motion carried unanimously.

5. **Beloit Housing Authority:**

a. Presentation of the August Activity Report

Clinton Cole, Beloit Housing Authority Director, gave a brief summary of the report.

b. Presentation of the July Financial Report

Clinton Cole, Beloit Housing Authority Director, gave a brief summary of the report.

Low Income Public Housing (LIPH) continues to operate at a deficit. The sale of our Project-based units on Elm Street put us in a positive balance but we cannot continue to run at a deficit by taking funds from reserves. We do have options, which will be examined at a future Special Meeting, which involve a shift in funding in order to balance the budget.

c. Public Hearing and Consideration of Resolution 2019-20 Approving the Beloit Housing Authority's Annual and Five-Year PHA Plans

Clinton Cole presented the staff report and recommendation.

Chairman Baker opened the Public Hearing regarding approval of the 2020 Annual and Five-Year PHA Plans. The Public Hearing closed with no comments.

Commissioner Ellison moved and Commissioner Leavy seconded a motion to approve Resolution 2019-20. Motion carried unanimously.

d. Review and Consideration of Resolution 2019-21, Authorizing the Beloit Housing Authority to apply for a Resident Opportunity & Self-Sufficiency Service Coordinator (ROSS-SC) Program grant

Clinton Cole presented the staff report and recommendation.

Clint stated that this grant money will have a positive effect on our budget.

Commissioner Baker moved and Commissioner Murray seconded a motion to approve Resolution 2019-21. Motion carried unanimously.

- e. The Community Development Authority will adjourn into closed session pursuant to §19.85(1)(e) Wis. Stats., for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, in particular to discuss the potential sale of 1119 Portland Avenue. The Community Development Authority may reconvene and take action on an item discussed in closed session.

Commissioner Leavy moved and Commissioner Murray seconded a motion to adjourn into closed session at 6:01 p.m. Motion carried unanimously.

Commissioner Leavy moved and Commissioner Murray seconded a motion to reconvene the Regular Meeting at 6:11 p.m. Motion carried unanimously.

Commissioner Leavy moved and Commissioner Ellison seconded a motion to approve Resolution 2019-22. Motion carried unanimously

6. **Adjournment**

Commissioner Leavy moved and Commissioner Murray seconded a motion to adjourn at 6:12 p.m. Motion carried unanimously.

Respectfully submitted, Ann Purifoy

Minutes

Beloit Community Development Authority

Parker Bluff - 220 Portland Avenue, Beloit, WI 53511

October 9, 2019

4:30 P.M.

The special meeting of the City of Beloit Community Development Authority was held on Wednesday, October 9, 2019 in the Community Room of Parker Bluff Apartments, 220 Portland Avenue.

1. **Call to Order and Roll Call:**

Meeting was called to order by Commissioner Baker at 4:36 p.m.

Present: Commissioners Baker, Ellison, Forbeck, Kenitzer, Leavy and Murray

Absent: None

Staff Present: Julie Christensen, Clinton Cole and Ann Purifoy

2. **Public Comment**

None

3. **Housing Authority:**

a. **Consideration of Resolution 2019-25 Approving the 2020 Beloit Housing Authority Operating Budget**

Clinton Cole, Beloit Housing Authority Director, presented the staff report and recommendation.

Clint explained the anticipated revenue line items of the 2020 Operating Budget. He explained that Gross Potential Rent is projected to be down almost \$11K from last year due to project-based rental accounts being down. We do not receive capital funds for these units, only rental income.

He indicated that we anticipate the Operating Subsidy to be down more than \$15K. This will most likely continue to go down every year as HUD gets out of the public housing business. HUD is making a push for housing authorities to look for alternate funding for public housing. One option is a program called Rental Assistance Demonstration, or RAD, which seeks to preserve public housing by providing Public Housing Agencies (PHAs) with access to more stable funding to make needed improvements to properties.

Commissioner Ellison moved and Commissioner Leavy seconded a motion to approve Resolution 2019-25. Motion carried unanimously.

b. **The Community Development Authority will adjourn into closed session pursuant to 19.85(1)(e) Wis. Stats., for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public**

business, whenever competitive or bargaining reasons require a closed session, in particular to discuss the potential sale of 756 Tenth Street. The Community Development Authority may reconvene and take action on an item discussed in closed session.

Commissioner Forbeck moved and Commissioner Murray seconded a motion to adjourn into closed session at 5:09 p.m. Motion carried unanimously.

Commissioner Forbeck moved and Commissioner Ellison seconded a motion to reconvene the Special Meeting at 5:19 p.m. Motion carried unanimously.

Commissioner Forbeck moved and Commissioner Ellison seconded a motion to approve Resolution 2019-26. Motion carried unanimously.

4. **Adjournment:**

Motion by Commissioner Baker and seconded by Commissioner Leavy to adjourn at 5:20 p.m. Motion carried.

Respectfully submitted, Ann Purifoy

REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



Agenda Number:	4a		
Topic:	September 2019 Activity Report		
Date:	October 23, 2019		
Presenter:	Clinton Cole	Division:	Beloit Housing Authority

Overview/Background Information

Each month, the Housing Authority provides an activity report to the Community Development Authority. This report is for information only.

Key Issues

Public Housing:
At the end of this reporting period there were four public housing vacancies. 20 applicants were pulled from the public housing waiting list; 10 applicants were briefed. 12 annual and seven interim certifications were completed. 24 public housing inspections were completed during this period.

Section 8:
509 vouchers were housed on September 30, 2019, with 45 voucher holders either searching for units or waiting for passed inspections. 12 portable vouchers were paid by BHA, and seven port-in vouchers were administered. 61 Section 8 inspections were completed during this reporting period, and the Housing Specialists completed 57 annual and 49 interim recertifications. 21 new vouchers were issued during this period.

Conformance with Strategic Plan

Approval of this action would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy or program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. **Write N/A if not applicable**)

N/A

Action Required/Recommendation

No action required. Information only.

Fiscal Note/Budget Impact

All fiscal/budget impacts are noted in the report.

Attachments

September 2019 Activity Report

**Beloit Community Development Authority
Activity Report to Board for September 2019**

Public Housing

Vacancies – 9/30/2019

<u>Total Public Housing Units</u>		131 Units 97% Occupancy
Vacancies	1	Elderly - 98% Occupancy
	3	Family - 97% Occupancy

Public Housing Inspections

24 inspections were completed during this reporting period. 20 were annual inspections and two reinspections, there was one move-in inspection, and there was one housekeeping inspection.

Public Housing Activities

Annual Recerts:	12
Interim Recerts:	7
Notice to Vacate:	1
New Tenants:	0
Transfers:	0
Lease Terminations:	0
Possible Program Violations:	0
Evictions	0

Public Housing Briefings

Number Notified:	20
Number Briefed:	10

Section 8 Program

Total Section 8 Vouchers 598 Vouchers

September 30, 2019 509 under lease - 85% Utilization
12 Portable Vouchers paid –12 Not Absorbed by other PHAs
(Port Out)
7 Portable Vouchers administered (Port In)

Section 8 Inspections

61 inspections were completed during this reporting period. 25 were annual inspections, 14 were initial inspections, 20 were reinspections, and there were two special inspections.

Section 8 Activities

New Participants:	1
Annual Recerts:	57
Interim Recerts:	49
Abatements:	6
Unit transfers:	9
Possible Program Violations:	3
End of Program	4
Port outs:	1

Section 8 Briefings

Number Notified:	0
Number Briefed:	21

APPLICATIONS:

Waiting List:	113	Public Housing East
	108	Public Housing West
	197	Parker Bluff
	286	Sec. 8

0 Tenants removed for Repayment Default
0 Tenants removed for unreported income
0 Tenants removed for unauthorized occupants
0 Applicants removed for debts owed
Some applicants are on both lists, some are not
Section 8 waiting list opened 4/4/11

REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



Agenda Number:	4b		
Topic:	August 2019 Financial Report		
Date:	October 23, 2019		
Presenter:	Clinton Cole	Division:	Beloit Housing Authority

Overview/Background Information

Each month, the Housing Authority provides a financial report to the Community Development Authority. This report is for information only.

Key Issues

Attached is the Beloit Housing Authority Financial Statement prepared by the BHA Financial Assistant for the month ending August 31, 2019.

Through the month of August, the Low Income Public Housing (LIPH) program income was \$532,305.37 and the LIPH expenses were \$562,726.19. There was a deficit of \$(30,420.82) in LIPH. The Operating Reserve for LIPH at 2019 Period End is \$5,256,260.18.

Through the month of August, Inflows of revenue from LIPH Grants total \$182,083.67 and related grant expenses total \$182,083.67.

Through the month of August, the Project Based Voucher (PBV) program income was \$35,706.04 and the expenses were \$33,283.66. The PBV had a surplus of \$2,422.38. The PBV Operating Reserve at this Period End is \$80,268.38.

Through the month of August, Phase 1 and Phase 2 program income was \$652,788.78 and the expenses were \$573,741.30. Phase 1 and Phase 2 had a surplus of \$79,047.48. The Operating Reserve for these programs at this Period End is \$349,192.48.

Through the month of August, the Housing Choice Voucher (HCV) program income was \$2,240,672.22 and expenses were \$2,163,488.11. The HCV program had a surplus of \$28,170.41. The HCV Operating Reserve at this Period End is \$324,360.41.

Debts owed BHA collected to date in 2019: \$22,314.25
TRIP Program: \$12,580.06 Repayments: \$3,945.46

Conformance with Strategic Plan

Approval of this agreement would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy of program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. **Write N/A if not applicable**)

N/A

Action Required/Recommendation

No action required. Information only.

Fiscal Note/Budget Impact

All fiscal/budget impacts are noted in the report.

Attachments

N/A

Consolidated 2019 Budget Report for Beloit Housing Authority - August 2019

	YTD Actual							Annual Board Approved Budget			
	Income	Approved YTD	LIPH	LIPH Grants	PBV	Phase 1 & 2	HCV	Agency Total	LIPH/LLC/PBV	HCV	Total
1 Dwelling Rental	205,582.00				34,678.00	151,216.49		185,894.49	308,373.00		308,373.00
2 Excess Utilities	-							-			-
3 Interest on Unrestricted Fund Investments	802.00	48.32				414.73	1,581.02	2,044.07	770.00	433.00	1,203.00
4 Income - Transfer In from Other Funds	-	204,080.02				205,570.68	44.65	409,695.35			-
5 Other Income - Tenants	4,950.67				1,028.04	27,389.37		29,767.41	7,426.00		7,426.00
6 HAP Fraud Recovery & FSS Forfeitures	-						7,825.30	7,825.30			-
7 Other Income - Bad Debt Collections	-	13,698.76						13,698.76			-
8 Other Income - Laundry/Copy Fees/Misc	31,812.00	11,489.27				50,500.87	25,627.25	87,617.39	47,718.00		47,718.00
9 Other Income - CFP Operation Money	40,000.00	45,114.00						45,114.00	60,000.00		60,000.00
10 Other Income - Sale of Asset Gain/Loss	-							-			-
11 Admin Fees Earned - HUD	210,342.00						203,077.00	203,077.00		315,513.00	315,513.00
12 Incoming Billable Admin Fees/Oper Sub	183,333.33					217,696.64		217,696.64	275,000.00		275,000.00
13 ROSS/CFP Grant	-		182,083.67								
14 HAP Subsidy	1,862,690.00						2,001,167.00	2,001,167.00		2,794,035.00	2,794,035.00
15 Operating Subsidy	268,382.00	257,875.00						257,875.00	402,573.00		402,573.00
Total Income	2,807,894.00	532,305.37	182,083.67	35,706.04	652,788.78	2,240,672.22	3,461,472.41	1,101,860.00	3,109,981.00	4,211,841.00	
Expenses	Approved YTD	LIPH	LIPH Grant	PBV	Phase 1 & 2	HCV	Agency Total	LIPH/LLC/PBV	HCV	Total	
Administrative Expenses											
16 Admin Salaries	270,813.33	49,554.13	9,144.00	11,052.47	88,208.20	120,944.11	278,902.91	209,528.00	196,692.00	406,220.00	
17 FSS Coordinator Admin Salaries	-		10,623.91				10,623.91			-	
18 Admin Employee Benefits	116,524.67	24,532.96		4,678.77		49,532.56	78,744.29	96,915.00	77,872.00	174,787.00	
19 FSS Coordinator Admin Benefits	-		3,981.98				3,981.98			-	
20 Advertising & Marketing	1,533.33				52.52		52.52	1,300.00	1,000.00	2,300.00	
21 Legal	2,333.33				1,263.45		1,263.45	3,250.00	250.00	3,500.00	
22 Staff Training	3,333.33		9,392.49				9,392.49	2,500.00	2,500.00	5,000.00	
23 Travel	333.33					41.69	41.69	250.00	250.00	500.00	
24 Accounting Consultants	22,473.33	4,068.00		724.00	7,300.00	4,460.00	16,552.00	26,460.00	7,250.00	33,710.00	
25 Audit Fee	25,333.33	6,432.50			21,765.00	6,432.50	34,630.00	29,000.00	9,000.00	38,000.00	
26 Telephone	8,136.00	988.22				861.90	1,850.12	5,472.00	6,732.00	12,204.00	
27 Postage	4,333.33	1,469.18					1,469.18	2,145.00	4,355.00	6,500.00	
28 Office Supplies	3,666.67	922.74				1,060.09	1,982.83	3,420.00	2,080.00	5,500.00	
29 Memberships & Publications	1,746.67	432.66				362.67	795.33	685.00	1,935.00	2,620.00	
30 Bank Fees	2,133.33				58.81	1,871.01	1,929.82	-	3,200.00	3,200.00	
31 Computer Maintenance	-						-			-	
32 Copier Expenses	4,000.00	1,722.45					1,722.44	3,444.89	2,815.00	6,000.00	
33 Office Equipment Maintenance	-						-	-	-	-	
34 Postage Machine	-					2,747.36	2,747.36			-	
35 Software Maintenance	8,333.33	3,258.92				4,775.88	8,034.80	6,250.00	6,250.00	12,500.00	
36 Outgoing Portable Admin Fees	-						-			-	
37 Sundry Administration/Compliance Fees	6,333.33	495.00		4,039.44	10,359.16	721.50	15,615.10	9,500.00	-	9,500.00	
38 Management Improvements	-						-			-	
39 Management Fees	12,000.00				11,489.27		11,489.27	18,000.00		18,000.00	
40 Eviction & Collection Agent Fees	-					1,714.81	1,714.81	-	-	-	
41 HAP Expense (net fraud recovery to HUD)	-					1,960,023.25	1,960,023.25	-	-	-	
HAP Overfunding (Underfunding)	-					49,013.70				-	
Maintenance Expenses											
42 Maintenance Salaries	106,094.00	4,741.02		3,347.46	105,857.89		113,946.37	159,141.00		159,141.00	
43 Casual Labor - Maintenance	-						-			-	
44 Maintenance Benefits	36,980.67	361.10		1,291.24			1,652.34	55,471.00		55,471.00	
45 Maintenance Materials & Supplies	14,833.33	86.62		495.17	20,440.82		21,022.61	22,250.00		22,250.00	
46 Plumbing Supplies	-	27.48					27.48			-	
47 Locks, Locksets & Keys	-						-			-	
48 Electrical Supplies	-	74.99		5.00			79.99			-	
49 Painting Supplies	-						-			-	
50 Cleaning Supplies	-	503.91					503.91			-	

51	Equipment Repair Parts	-						-			-
52	Maintenance Contracted Services	10,114.67	1,947.85	1,214.48	20,322.49		23,484.82	15,172.00		15,172.00	
53	Refuse Removal Services	3,166.67	100.00		2,512.50	690.19	3,302.69	4,750.00		4,750.00	
54	Plumbing Repair Services	1,000.00		1,135.32			1,135.32	1,500.00		1,500.00	
55	Heating/AC Repair Services	2,133.33			3,776.88		3,776.88	3,200.00		3,200.00	
56	Electric Repair Service	333.33	121.24				121.24	500.00		500.00	
57	Window Repair Service	666.67					-	1,000.00		1,000.00	
58	Automotive Repairs/Fuel	3,333.33	2,645.62		1,327.86		3,973.48	5,000.00		5,000.00	
59	Elevator Repair & Maintenance	5,333.33					-	8,000.00		8,000.00	
60	Pest Control Services	4,000.00					-	6,000.00		6,000.00	
61	Cable TV	-			1,283.16		1,283.16	-		-	
62	Answering Service	1,466.67	1,281.27				1,281.27	2,200.00		2,200.00	
63	Misc Contracts	2,000.00					-	3,000.00		3,000.00	
64	Clean/Paint Units	533.33					-	800.00		800.00	
	Utilities Expenses	-									
65	Water/Sewer	14,966.67	865.92	1,257.37	5,004.08		7,127.37	22,450.00		22,450.00	
66	Electricity	16,666.67	4,061.56	714.23	13,236.13		18,011.92	25,000.00		25,000.00	
67	Natural Gas	7,666.67	1,154.28	1,285.44	4,387.31		6,827.03	11,500.00		11,500.00	
	Other Operating Expenses	-									
68	Protective Services Contract	30,266.67	22,812.94		976.00		23,788.94	45,400.00		45,400.00	
69	Insurance	28,046.00	4,751.66	1,857.68	17,957.54	2,280.00	26,846.88	38,547.00	3,522.00	42,069.00	
70	PILOT	17,241.33		185.59	13,033.23		13,218.82	25,862.00		25,862.00	
71	Compensated Absences	-					-	-		-	
72	Collection Losses	7,333.33			8,790.75		8,790.75	11,000.00		11,000.00	
73	Replacement Reserves & Debt Pmt-Princ	-					-	-		-	
74	Other General Expense/Asset Mgmt Fees	184,834.00	217,696.64		10,672.96	2,831.42	231,201.02	277,251.00		277,251.00	
75	Casualty Losses - Non Capitalized	-					-	-		-	
76	Capital Expenditures	-		147,860.50			147,860.50	-		-	
77	Transfer In / Out	-	205,615.33	1,080.79	203,665.29	414.73	410,776.14	-		-	
	Total Expense	992,371.33	562,726.19	182,083.67	33,283.66	573,741.30	2,163,488.11	3,515,322.93	1,162,484.00	326,073.00	1,488,557.00

	LIPH	LIPH Grant	PBV	Phase 1 & 2	HCV	Agency Total	Budget LIPH	Budget HCV	Budget Total
Operating Reserve - FYE 12/31/18	5,286,681.00	-	77,846.00	270,145.00	296,190.00	5,930,862.00	5,634,672.00		5,634,672.00
Change in Operating Reserve FYE 12/31/18 (reserve/deficit)	(30,420.82)	0	2,422.38	79,047.48	28,170.41	79,219.45	(60,624.00)	2,783,908.00	2,723,284.00
Operating Reserve at end Period for 2019	5,256,260.18	0	80,268.38	349,192.48	324,360.41	6,010,081.45	5,574,048.00	2,783,908.00	8,357,956.00

****LIPH Operating Reserve includes \$5,380,074.02 of money unavailable due to tax credit revenue on paper only**

Physical Operating Reserve at end of Period for 2019	(123,813.84)	0	80,268.38	349,192.48	324,360.41	630,007.43			
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SECTION 8 Funding Analysis

HAP	
HAP Funding received from HUD YTD	2,001,167.00
Fraud Recovery/FSS Forfeitures	7,825.30
Restricted Net Asset Interest Earned	44.65
HAP Payments made YTD	1,960,023.25
Under (Over) spending YTD	49,013.70
HAP Reserve FYE 12/31/18 *	25,600.00
HAP Reserve Balance at end of Period for 2019	74,613.70
ADMIN FEES	
Administrative Funding received from HUD YTD	203,077.00
Income from other funding sources	28,558.27
Administrative Expenses YTD	203,464.86
Under (Over) spending YTD	28,170.41
Admin Fee Reserve FYE 12/31/18	270,590.00
FSS Grant Shortage at end of Period for 2019	-
Admin Fee Reserve Balance at end of Period for 2019	298,760.41

Additional Notes:

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**Cash Flow Statement
Beloit Housing Authority
8/31/2019**

	BHA YTD Actual	LIPH Grants Actual	LLC Phase 1 & 2 Actual	HCV YTD Actual	YTD Budget	Variance Over (Under)
Income						
Dwelling Rent/Utilities	34,678.00		151,216.49		308,373.00	(122,478.51)
Interest on Investments	48.32		414.73	1,581.02	1,203.00	841.07
Other Income	230,296.09		501,157.56	27,021.90	115,144.00	643,331.55
HUD Admin Fees				203,077.00	315,513.00	(112,436.00)
HUD Grants/Subsidies	302,989.00	182,083.67		2,008,992.30	3,196,608.00	(702,543.03)
Total Income	568,011.41	182,083.67	652,788.78	2,240,672.22	3,936,841.00	(293,284.92)
Expenses						
Administrative						
Salaries/Benefits	89,818.33	23,749.89	88,208.20	170,476.67	581,007.00	208,753.91
Office Expenses	19,571.74	9,392.49	40,798.94	15,811.36	122,534.00	36,959.47
Office Contracted Services	4,981.37			11,650.68	18,500.00	1,867.95
Oper Sub Transfer/Mgmt Fee Pd			11,489.27		18,000.00	6,510.73
Housing Assistance Pmts				1,960,023.25	-	(1,960,023.25)
Maintenance						
Salaries/Benefits	9,740.82		105,857.89		214,612.00	99,013.29
Materials & Supplies	1,193.17		20,440.82		22,250.00	616.01
Maintenance Contracts	8,445.78		29,222.89		51,122.00	13,453.33
Utilities	9,338.80		22,627.52		58,950.00	26,983.68
Other Operating						
Protective Services	22,812.94		976.00		45,400.00	21,611.06
Insurance	6,609.34		17,957.54	2,280.00	42,069.00	15,222.12
PILOT	185.59		13,033.23		25,862.00	12,643.18
Other Operating Expenses	423,311.97	148,941.29	223,129.00	3,246.15	288,251.00	(510,377.41)
Total Expenses	596,009.85	182,083.67	573,741.30	2,163,488.11	1,488,557.00	(2,026,765.93)
Net Admin Income (Loss)	(27,998.44)	-	79,047.48	28,215.06		
Net HAP Income (Loss)				48,969.05		
Total YTD Income (Loss)	(27,998.44)	-	79,047.48	77,184.11		

REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



Agenda Number:	4c		
Topic:	Fiscal Year 2019 Beloit Housing Authority Family Self-Sufficiency Coordinator Grant Application		
Date:	October 23, 2019		
Presenter:	Clinton Cole	Division:	Beloit Housing Authority

Overview/Background Information

The Department of Housing and Urban Development (HUD) has made Fiscal Year 2019 Family Self-Sufficiency (FSS) Program Coordinator funding available. The Beloit Housing Authority (BHA) wishes to submit an application for continued program funding.

Key Issues

1. In September 2019 the Department of Housing and Urban Development (HUD) published a Notice of Funding Availability (NOFA) regarding funding for the Fiscal Year (FY) 2019 Family Self-Sufficiency (FSS) Coordinator program.
2. The Beloit Housing Authority (BHA) intends to prepare and submit a grant application in the amount of \$72,000 to support a FSS Coordinator that works individually with individuals to assist them in meeting their identified goals and objectives.
3. The successful receipt of the FSS Coordinator funding will have a positive affect on BHA's 2020 Consolidated Budget.

Conformance with Strategic Plan

Approval of this agreement would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy of program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. Write N/A if not applicable)

N/A

Action Required/Recommendation

Staff recommends approval of the attached resolution.

Fiscal Note/Budget Impact

If we do not apply for this grant, we may not have the funding to pay for the FSS staff position.

Attachments

Resolution 2019-27

COMMUNITY DEVELOPMENT AUTHORITY

RESOLUTION 2019-27

APPROVING THE BELOIT HOUSING AUTHORITY'S (BHA) 2019 FAMILY SELF-SUFFICIENCY (FSS) COORDINATOR GRANT APPLICATION SUBMISSION

WHEREAS, the Department of Housing and Urban Development (HUD) has made funding available to provide a Family Self-Sufficiency (FSS) Coordinator in 2020;

WHEREAS, the Beloit Housing Authority (BHA) currently administers a FSS program, and is required to continue administration of the program per HUD regulations;

NOW, THEREFORE BE IT RESOLVED, that the Community Development Authority (CDA) Board of Commissioners authorize BHA's grant application submission for FY2019 FSS Coordinator funding in the amount of \$72,000.

Adopted this 23rd day of October, 2019

Community Development Authority

David Baker, Chairman

Attest:

Julie Christensen, Executive Director

REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



Agenda Number:	4d		
Topic:	Revision to Beloit Housing Authority's Capitalization Policy		
Date:	October 23, 2019		
Presenter:	Clinton Cole	Division:	Beloit Housing Authority

Overview/Background Information

As a result of the April 24, 2018 Department of Housing and Urban Development (HUD) PIH On-Site Monitoring Review, HUD has recommended specific changes to the Beloit Housing Authority's (BHA) Capitalization Policy.

Key Issues

1. HUD has mandated that the BHA revise its Capitalization Policy to ensure that it is in accordance with 2 CFR 200, which is related to uniform administrative requirements, cost principles, and audit requirements for Federal awards.
2. The BHA revised its Capitalization Policy in April 2019 to conform to 2 CFR 200.
3. The BHA has received additional guidance from HUD that an additional revision is necessary to further conform to 2 CFR 200.313 (d) (1).

Conformance with Strategic Plan

Approval of this agreement would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy of program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. **Write N/A if not applicable**)

N/A

Action Required/Recommendation

Staff recommends approval of the attached resolution.

Fiscal Note/Budget Impact

N/A

Attachments

Resolution 2019-28 and Revised Capitalization Policy

COMMUNITY DEVELOPMENT AUTHORITY

RESOLUTION 2019-28

APPROVING REVISIONS TO THE BELOIT HOUSING AUTHORITY’S (BHA) CAPITALIZATION POLICY

WHEREAS, the Department of Housing and Urban Development (HUD) requires that the Beloit Housing Authority (BHA) periodically review and update policies;

WHEREAS, the April 24, 2018 HUD PIH On-Site Monitoring review noted specific changes to the Capitalization Policy that must be made to be in compliance with HUD policies;

WHEREAS, the BHA’s Capitalization Policy was reviewed and revised in April 2019 per HUD requirements;

WHEREAS, HUD has provided further guidance advising that an additional revision is necessary to remain in compliance;

NOW, THEREFORE BE IT RESOLVED, that the Community Development Authority (CDA) Board of Commissioners approve the Capitalization Policy as attached.

Adopted this 23rd day of October, 2019

Community Development Authority

David Baker, Chairman

Attest:

Julie Christensen, Executive Director



**COMMUNITY DEVELOPMENT AUTHORITY
POLICIES AND PROCEDURES**

Capitalization Policy

Newest Revision Date October 23, 2019	Original Issue Date September 11, 1985	Prior Revision Date(s) April 24,2019	Pages 4
Special Instructions/Attachments			

I. PURPOSE

The purpose of this policy is to ensure that the Beloit Housing Authority (BHA) is in compliance with the Uniform Administrative Requirements at 2 CFR 200 regarding the capitalization and disposition of fixed assets and non-real property (e.g. equipment).

II. POLICY

Acquired Assets

Physical assets acquired with unit costs in excess of \$2,500 are capitalized as property and equipment on the BHA’s financial statements. Items with unit costs below this threshold shall be expensed in the year purchased.

Capitalized property and equipment additions are accounted for at their historical cost and all such assets, except land, are subject to depreciation over their estimated useful lives, as described later.

Capitalized assets will be reported as expensed for grants if they were so budgeted in the grant application. However, for the BHA’s financial statements, these assets will be capitalized and depreciated according to these policies.

Contributed Assets

Assets with fair market values in excess of \$2,500 (per unit) that are contributed to BHA shall be capitalized as fixed assets on the financial statements. Contributed items with market values below this threshold shall be expensed in the year contributed.

Capitalized contributed assets are accounted for at their market value at the time of donation and all such assets, except land and certain works of art and historical treasures, are subject to depreciation over their estimated useful lives.

Equipment, Supplies and Furniture Purchased With Federal Funds (2 CFR 200)

BHA may occasionally purchase equipment and furniture that will be used exclusively on a program funded by a Federal agency. Equipment and furniture charged to Federal awards will be subject to certain additional policies as described below.

For purposes of Federal award accounting and administration, "equipment" shall include all assets with a unit cost in excess of \$2,500.

The following policies shall apply regarding equipment purchased and charged to Federal awards:

1. Adequate insurance coverage will be maintained with respect to equipment and furniture charged to Federal awards.
2. The BHA Director shall determine whether a specific award with a Federal agency includes additional equipment requirements or thresholds and requirements that differ from those described above.
3. A physical inventory of all equipment purchased with Federal funds shall be performed at least once every two years. The results of the physical inventory shall be reconciled to the accounting records.
4. Most maintenance supplies are ordered as needed; however, a physical count of supplies on hand will be done annually and compared to the prior year's inventory for any material fluctuations in the counts.

Establishment and Maintenance of a Fixed Asset Listing (Government Grants)

All capitalized property and equipment shall be recorded in a database maintained by BHA. This database shall include the following information with respect to each asset: (2 CFR 200)

1. Date of acquisition
2. Cost
3. Depreciation method
4. Estimated useful life

Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

A physical inventory of all assets capitalized under this policy will be taken at least once every two years by BHA. This physical inventory shall be reconciled to the BHA's database and adjustments made as necessary. All adjustments resulting from this reconciliation will be approved by the BHA Director.

Receipt of Newly-Purchased Equipment and Furniture

At the time of arrival, all newly-purchased equipment and furniture shall be examined for obvious physical damage. If an asset appears damaged or is not in working order, it shall be returned to the vendor immediately.

In addition, descriptions and quantities of assets per the packing slip or bill of lading shall be compared to the assets delivered. Discrepancies should be resolved with the vendor immediately.

Depreciation and Useful Lives

All capitalized assets are maintained in the special property and equipment account group and are not included as an operating expense. Property and equipment are depreciated over their estimated useful lives using the straight line method.

In the year of acquisition, depreciation is recorded based on the number of days the asset is in service.

The following is a list of the estimated useful lives of each category of fixed asset for depreciation purposes:

Buildings	40 years
Building Improvements	15 years
Equipment	10 years
Computer Equipment	5 years
Dwelling Equipment	15 years

For accounting and interim financial reporting purposes, depreciation expense will be recorded on a monthly basis.

Changes in Estimated Useful Lives

If it becomes apparent that the useful life of a particular capitalized asset will be less than the life originally established, an adjustment to the estimated useful life shall be made. All such changes in estimated useful lives of capitalized assets must be approved by the BHA Director.

When a change in estimated useful life is made, the new life is used for purposes of calculating annual depreciation expense. In the year in which the change in estimate is made, the cumulative effect of the change shall be reflected as depreciation expense in the BHA's statement of activities.

For example, if in the fourth year of an asset's life, it is determined that the asset will last five years instead of the original estimate of seven years, depreciation expense for that year shall be equal to the difference between 4/5 of the asset's basis (accumulated depreciation at the end of year four) and 3/7 of the asset's basis (accumulated depreciation at the beginning of the year).

Dispositions of Property and Equipment

The first step in the disposition process is to send HUD a list of proposed equipment dispositions (which will also include equipment that is fully depreciated for accounting purposes) and request disposition instructions from HUD. If equipment is sold, scrapped, donated or stolen, adjustments need to be made to the fixed asset listing and property log. If money is received for the asset, then the difference between the money received and the "book value" (purchase price less depreciation) of the asset will be recorded as a loss (if the money received is less than the book value) or a gain (if the money received is more than the book value).

Write-Offs of Property and Equipment

The BHA Director and Property Operations Coordinator recommend the disposal of all capitalized fixed assets that may be worn-out or obsolete. Property that is discovered to be missing or stolen will be reported immediately to the BHA Director. If not located, this property will be written off the

books when authorized by the CDA Board of Commissioners. The CDA Board of Commissioners approves the write-off/disposal of the assets from the general ledger.

Impairment Losses

It is the policy of the organization to recognize an impairment loss in the statement of activities with respect to any property and equipment whose carrying amount (net book value) possesses both of the following characteristics:

1. The amount is not recoverable and
2. The amount exceeds fair value.

If only one of the preceding characteristics is present, an impairment loss will not be recorded. In determining whether a carrying amount is recoverable, all future cash inflows shall be considered, including cash flows from operations attributable to the asset, as well as cash flows from the sale of the asset. In cases in which no cash flows are directly attributable to an asset, the first characteristic is considered to have been met, and the determination of whether an impairment loss has been incurred will be based on the fair market value criterion.

Impairments are distinguishable from changes in estimates resulting from a determination that a depreciable asset will be useful for a shorter period of time than the original estimate (changes in estimated useful lives were explained earlier). When an impairment loss is incurred, the loss is recognized in the statement of activities in the period of the loss and the carrying amount of the long-lived asset is adjusted downward to the revised amount. If the asset is a depreciable asset, this lesser amount shall then be used for purposes of calculating future depreciation or amortization expense.

III. APPROVAL

This policy is hereby approved and intended to supersede any and all prior policies addressing capitalization.

Approved and adopted this 23rd day of October, 2019.

David Baker
Chairman