

#4

**COMPLETE**

**Collector:** Copy of Web Link 1 (Web Link)  
**Started:** Friday, November 17, 2023 5:53:24 AM  
**Last Modified:** Friday, November 17, 2023 6:21:04 AM  
**Time Spent:** 00:27:40  
**IP Address:** 69.145.46.242

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Page 1: Qualifications, Experience, &amp; Capacity

**Q1** **Yes**

Is organization staff familiar with the HOME-ARP Request for Qualifications Guidebook?

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**Q2**

Contact Person Information:

Full Name	<b>Patti Webster</b>
Position Title	<b>CEO</b>
Email	<b>Pattiw@homefrontmt.org</b>
Phone Number(s)	

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**Q3**

Organization Information:

Organization Name	<b>HomeFront Partners</b>
Street Address	<b>2415 1st Ave North</b>
City	<b>Billings</b>
State	<b>MT</b>
ZIP + 4	<b>59101</b>
Email Address	<b>pattiw@homefrontmt.org</b>
Phone & FAX Numbers	<b>406-254-6391</b>

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**Q4**

Organization website: Please enter complete URL.

[www.homefrontpartners.org](http://www.homefrontpartners.org)

Page 2: Organization Type

**Q5**

**Nonprofit - 501(c)3 Charitable Nonprofit Corporation**

Organization Type: Please select one of the following.

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Page 3: Nonprofit Documentation

**Q6**

IRS Determination Letter    Acceptable formats PDF, JPG, JPEG

[\*\*LG%20PROPERTY%20TAX%20EXEMPTION%20APP%20AND%20LETTER.pdf \(1.5MB\)\*\*](#)

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**Q7**

Current Bylaws    Acceptable formats PDF, JPG, JPEG

[\*\*1173%20%20Resolution%20-%20Authorizing%20Revision%20to%20Board%20By-Laws%20SIGNED.pdf \(728.4KB\)\*\*](#)

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**Q8**

Articles of Incorporation    Acceptable formats PDF, JPG, JPEG

[\*\*Articles%20of%20Incorp.pdf \(245.8KB\)\*\*](#)

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**Q9**

Governing body list: A list of the current Board of Directors or other governing body of the organization. The list must include the name, telephone number, address, occupation or affiliation of each member, and must identify the principal officers of the governing body. (Acceptable formats PDF, DOC, DOCX, JPG, JPEG)

[\*\*Board%20Members%209272023.docx \(17.4KB\)\*\*](#)

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Page 4: Organizational Details / Financial Information

**Q10**

Organizational chart: The chart must illustrate the organization's administrative framework and staff positions. Acceptable formats PDF, DOC, DOCX, JPG, JPEG

[\*\*Org%20Chart.pdf \(263.6KB\)\*\*](#)

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**Q11**

Most recent organizational audit or IRS Form 990. Acceptable formats PDF, JPG, JPEG

[\*\*2022%20Final%20Financial%20Statements.pdf \(1.1MB\)\*\*](#)

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**Q12**

Treasurer / Financial Report through December 31. Acceptable formats PDF, JPG, JPEG

**BANK%20BALANCES%20AS%20OF%20102023%20PROVIDED%20TO%20THE%20BOARD.pdf (698.9KB)**

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**Q13**

Unique Entity Identification (UEI) Number: A UEI is a number issued by the federal government's System for Award Management (SAM) to identify businesses and other entities that do business with the federal government. The UEI replaces the DUNS number. If your entity is already registered in SAM.gov, it has already been assigned a UEI number. Simply log into SAM.gov to access it. Entities intending to bid on contracts or grants directly from the federal government should visit SAM.gov and choose "Register Entity" to receive a UEI. Those who would like a UEI for sub-award reporting should choose "Get Unique Entity ID." There is no cost to register for a UEI and it can usually be created within one business day. FREE local assistance is available at the Montana Procurement Technical Assistance Program, 201 N Broadway, Billings, MT 59101 / 406.869.8410 / langman@bigskyeda.org. Enter your UEI number below.

DMTBCJFPNJK3

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**Q14**

System for Award Management (SAM) Registration: SAM is an official website of the U.S. federal government. All entities that receive payment with federal funds from Community Development Division programs must be registered in SAM. There is no cost to register; Register Online. FREE local assistance is available at the Montana Procurement Technical Assistance Program, 201 N Broadway, Billings, MT 59101 / 406.869.8410 / langman@bigskyeda.org.

Please click or enter the organization's SAM registration date:

**01/04/2023**

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**Q15**

Commercial and Government Entity (CAGE) Code. A CAGE code is a unique identifier assigned to government agency suppliers, to government agencies themselves, and to organizations funded by federal grants.

CAGE Code:

**38kk6**

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**Q16**

Authorized Responsible Party Signature: This is the person with organizational legal authority to bind the organization in grant administration matters.

Full Name:

**Patti Webster**

Position / Job Title:

**CEO**

Phone Number

Email Address:

**pattiw@homfrontmt.org**

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**Q17**

Describe the length of time the organization has been in operation and the organization's purpose. (500 characters maximum)

Founded in 1973, HomeFront Partners (HFP) is dedicated to affordable housing and community enrichment in Billings, fostering safe living environments and inclusive growth through enduring partnerships and comprehensive programs. HFP is committed to enhancing housing affordability in Billings, offering safe homes and fostering community well-being.

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**Q18**

Describe the types of supportive services currently being provided by the organization. (2,000 characters maximum)

HomeFront Partners (HFP) is dedicated to promoting housing stability and improving life quality for families and individuals. Our array of supportive services includes: Housing Assistance: We administer various HUD-funded programs like the Housing Choice Voucher (HCV), Moderate Rehabilitation (Mod Rehab), providing rental aid across 763 Section 8 (HCV) units, 651 Department of Commerce units, and 216 units in Public Housing, and 284 Affordable Market, Tax Credit, or Home units. An additional 103 units are in development. Self-Sufficiency Programs: Our Family Self-Sufficiency (FSS) program empowers residents with education, job training, and employment opportunities, promoting economic independence. Specialized Housing Programs: We cater to veterans via the Veterans Affairs Supportive Housing (VASH) and support individuals with disabilities with the Mainstream Voucher program. Quality Assurance: We ensure the quality and safety of housing through more than 400 annual Field Inspections and Quality Assurance Controls. Homeownership Support: We assist eligible individuals on the path to homeownership, providing necessary education and resources. Community Partnerships: We work with local entities to address homelessness, mental health, and domestic violence, adopting a comprehensive approach to community health. Training and Education: Continuous staff training in areas like Fair Housing and Cyber Security is crucial to our operation, ensuring adherence to federal standards. Financial Empowerment: We offer financial counseling and management training to enhance our residents' resource management skills with our Family Self-Sufficiency (FSS) participants. These services are carefully crafted to address the varied needs within our community, underscoring our dedication to inclusivity and equal housing opportunities. HFP is committed to fostering a stable and thriving community in Billings and the broader Montana area.

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**Q19**

How many people has the organization served over the past 12 months? (whole numbers only; no ranges, no percentages)

2740

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**Q20**

What percentage of those served meet criteria for at least one of the qualifying populations as defined in the HOME-ARP Notice: CPD-21-10? (decimal format to show the percentage [e.g., .25 for 25%; .5 for 50%; etc.])

1.0

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**Q21**

Describe the organization's experience and compliance with federally funded programs. (1,000 characters maximum)

HomeFront Partners boasts over 52 years of expertise in federally funded housing and adherence to fair housing laws. Our consistent passing of federal and state reviews showcases our compliance with HUD standards. With a comprehensive Internal Control Plan and regular audits, we prioritize accountability. Monthly Board meetings ensure we meet federal requirements, serving nearly 3,000 individuals with integrity. Our track record includes managing HCV, Mod Rehab, VASH, with 400+ annual inspections and extensive federal regulation training for staff. Our financial health and commitment to equitable housing reflect our strict compliance, with no discrepancies throughout our history, and proactive measures to maintain this record.

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**Q22**

Describe the agency's policy for maintaining confidentiality of individuals and families served. (1,000 characters maximum)

HFP maintains strict confidentiality for those we serve, with all staff adhering to HIPAA and HUD privacy standards, including no retention of medical records. We access criminal records solely with individual consent, in compliance with 24 CFR 5.903. Personal data is managed with the utmost care, stored for at least three years to accommodate disability access needs. Our records management, following robust policies for nondiscriminatory recruitment, is reinforced by our Internal Control Plan and continual training on confidentiality and PII. We follow stringent data handling protocols, employ secure systems, and conduct regular cybersecurity training. Sensitive information access is limited to authorized personnel, and we have secure storage for physical files, ensuring preparedness for any data breaches.

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**Q23**

Describe the organization's policies, procedures, and experience in each of the following three areas: (1,500 character maximum for each)

Financial Management & Accountability

**HomeFront Partners** maintains stringent financial management and accountability protocols. Our comprehensive Internal Control Plan ensures meticulous tracking of expenditures and revenues, aligning with GAAP and HUD financial standards. Regular internal and external audits validate our fiscal practices, and a three-year financial record demonstrates our stability and transparency. Monthly financial reports are scrutinized by our Board, ensuring that all public and private funds are managed with the highest degree of integrity.

Personnel Management

Our personnel management is rooted in equity and professionalism. We adhere to rigorous hiring practices, providing fair housing, cyber security, and sensitivity training to all staff. Performance evaluations are systematic, fostering professional growth and aligning with organizational goals. Our commitment to staff development is evidenced by our low turnover rate and the high level of certifications maintained by our team, ensuring that we have skilled personnel dedicated to our mission. We also seek to offer competitive wages and benefits to attract team members who are high-achieving individuals. HFP provides a competitive benefits package to its employees, including medical, dental, vision, accident, short- and long-term disability, life insurance, paid time off and holidays. HFP employees also receive retirement benefits as members of the Montana Public Employee Retirement System. HFP is an equal opportunity employer and maintains a drug-free workplace. To provide equal employment and advancement opportunities to every applicant and employee, HFP bases employment decisions on merit, qualifications, experience, and abilities. Interested individuals can apply through our website where we post all available jobs.

Procurement & Purchasing

HomeFront Partners follows strict procurement and purchasing policies compliant with federal regulations at 2 CFR §200.317 through §200.326, Procurement Standards, the procurement standards of the Procurement Handbook for Public Housing Authorities (PHAs), HUD Handbook 7460.8, REV 2, and applicable State and Local laws to ensure transparency and competitiveness. We conduct thorough market research, issue RFPs for major contracts, and maintain a vendor list that meets our ethical and performance criteria. Our process includes rigorous evaluation and approval mechanisms to guarantee that every purchase delivers the best value while adhering to our commitment to economic inclusion and community development. The most recent Procurement Policy was adopted by the Board of Directors through Resolution No. 1178 on 6/29/2022.

Recordkeeping & Reporting

Recordkeeping and reporting at HomeFront Partners are conducted with precision and in compliance with HUD's regulatory framework. We maintain all records for at least three years, ensuring that data on program funding, participant demographics, and financial transactions are accurate and readily available. Our reporting system is robust, facilitating timely and accurate reports to stakeholders and regulatory bodies, reflecting our dedication to transparency and continuous improvement in service delivery.

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**Q24**

If the organization currently manages grant funding, describe the method for tracking staff time on grant-specific tasks. (500 characters maximum)

HomeFront Partners employs a detailed time-tracking system for staff working on grant-specific tasks. This includes electronic timesheets where employees log hours spent on grant-related activities, ensuring accurate allocation of time to respective grants. This system is periodically audited for compliance with grant requirements, facilitating transparency and accountability in our grant management process.

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**Q25**

Describe the standards the organization uses for code-of-conduct covering conflicts of interest and governing the actions of its officers, Board of Directors, and employees. (2,000 characters maximum)

HomeFront Partners enforces a rigorous code-of-conduct to prevent conflicts of interest and guide the behavior of our officers, Board of Directors, and employees. This code demands full disclosure of any potential conflicts, prohibiting personal gain from organizational resources or decisions. Our officers and board members must recuse themselves from decisions where a conflict may exist. The policy states: "No employee, officer, Board Member, or agent of the HAB shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved." Employees are trained to recognize and report conflicts, with annual reviews to reinforce understanding. Ethical conduct is monitored by an independent compliance officer, ensuring decisions are made solely in the organization's best interest. Violations are met with disciplinary actions, up to termination or removal from the board. Financial transparency is paramount, with strict rules against accepting gifts that could influence decision-making. We also limit political activities to prevent any appearance of organizational bias or favoritism. Regular audits and board oversight further maintain the integrity of our operations. This code is not only a set of rules but also a culture that promotes honesty, respect, accountability, and the public trust. Our commitment to ethical conduct ensures we operate transparently and effectively, serving our community's housing needs without compromise.

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**Q26**

**Yes**

Does the organization carry fidelity bond coverage for responsible officials?

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Page 6: Certifications / Authorization / Signature

Q27

CERTIFICATIONS: Please certify compliance with each of the following by checking the box next to each:

**Funded activities must exclusively benefit individuals and families in qualifying populations in the City of Billings.**

**Subrecipients must prevent the duplication of funds to prevent fraud, waste, and abuse by verifying a qualifying household is not already receiving the same eligible supportive service or has been approved to receive the same service through another program or service provider. Subrecipients must immediately repay the City of Billings for assistance that is determined to be duplicative.**

**Subrecipients must maintain procedures to prohibit employees, board members, and officers from using their positions for a purpose that has the appearance of being motivated by a desire for private gain for themselves or others.**

**Financial records, supporting documentation, statistical records, and all other records pertinent to funding shall be retained for a period of five years following completion of project/activity.**

**Subrecipients shall comply with the Fair Housing Act, HUD regulations, and the Montana Human Rights Act prohibiting employment, contracting, and beneficiary discrimination based on: Disability - includes people with HIV / AIDS and people in recovery from alcohol / drugs; Race / Color; Religion; Religious Belief; Sex - includes protection against sexual harassment; Familial Status - includes the presence of children under the age of 18 and/or pregnancy; National Origin; Sexual Orientation; Gender Identity; Marital Status; Creed; and Age.**

**Subrecipients hiring personnel to carry out HOME-ARP activities, follow all Equal Employment Opportunity (EEO) policies. These may include the documentation of advertising methodology, demographics for interviewees, and reasons for the hiring decision; to the greatest extent feasible, direct all employment, contract, and training opportunities to low- and very-low-income persons and businesses, including seasonal and temporary employment opportunities; and recruit potential employees residing in lower-income areas and those residing in public or federally assisted housing.**

**Required documentation includes: a summary of the**

number of applicants for each position; the number that are minorities, women, and/or disabled; reasons for the hiring decision; personnel policies; and employee training, promotion, and salary levels.

Subrecipients must not contract with, hire, or employ an individual in the United States knowing that the contractor or individual is not authorized with respect to such employment.

Subrecipients are required to comply with the policies, guidelines, and requirements of the Uniform Administration, Cost Principles that require costs be necessary and reasonable, and Audit requirements set forth in 2 CFR Part 200.

Funds, materials, property, or services, provided directly or indirectly through HOME-ARP, cannot be used for partisan political activity, or to further the election or defeat of any candidate for public office.

All procurement transactions regardless of whether negotiated or advertised, and without regard to dollar value, shall be conducted in a manner providing a maximum degree of open and free competition.

Organizations that are directly funded under the HOME-ARP program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded through HOME-ARP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under HOME-ARP, and participation must be voluntary for the beneficiaries of the HOME-ARP programs or services.

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**Q28**

**Yes**

Upon request, applicant agrees to furnish copies of liability insurance coverage, fidelity bond coverage for principal staff handling the organization's accounts, and payment of payroll taxes and worker's compensation insurance coverage, as required by Federal and State laws.

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**Q29**

**Yes**

Upon request, applicant agrees to furnish copies of commitment letters for other funding sources.

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**Q30**

**Yes**

Upon request, applicant agrees to furnish copies of accounting records and other financial documentation.

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**Q31**

Signature of Authorized Responsible Party Entering your full name in the box below will convey the same meaning as a wet signature.

Patti Webster

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**Q32**

Request for Qualification - Part 1 Submittal Date

Please enter or click today's **11/17/2023**  
date below:

#5

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Friday, November 17, 2023 6:21:25 AM  
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Page 1: Supportive Service Program & Activities

**Q1** Yes

Have you completed and submitted the HOME-ARP Request for Qualifications - Part 1 online form?

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Page 2: Supportive Service Program & Activities

**Q2**

Organization Name. Must be the same as entered in the Part 1 - Qualifications online form.

HomeFront Partners

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**Q3**

Please provide the proposed supportive service program location: (please be specific)

Street Address	<b>2415 1st Ave N</b>
City	<b>Billings</b>
State	<b>MT</b>
Zip Code + 4	<b>59101</b>

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**Q4** Yes

Is the program location within the Billings city limits?

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**Q5**

Which qualifying populations does your agency propose to serve with HOME-ARP funds? (choose one or more)

**Homeless, as defined in 24 CFR 91.5,**

**At Risk of Homelessness, as defined in 24 CFR 91.5,**  
**Fleeing, or Attempting to Flee, Domestic Violence,**  
**Dating Violence, Sexual Assault, Stalking, or Human**  
**Trafficking**

**Other Populations including: Other families requiring housing assistance services to prevent homelessness, or those at greatest risk of housing instability**

**Veterans and Families that include a Veteran Family Member that meets the criteria for one or more of the qualifying populations**

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**Q6**

Which eligible supportive service categories does your agency propose to carry out? (choose one or more)

**McKinney-Vento Supportive Services (see McKinney-Vento Homeless Assistance Act)**

**Homeless Prevention Services**

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**Q7**

Which eligible activities associated with the above service categories does your agency propose to implement? Full descriptions of activities can be found in HOME-ARP Supportive Services: Eligible Costs & Services (Please choose at least one of the following)

**Housing Search and Counseling Services,**

**Transportation,**

**Landlord / Tenant Liaison,**

**Services for Special Populations,**

**Financial Assistance Costs (e.g., rental application fees, security deposits, utility payments, rental arrears, first, and last month's rent, etc.)**

**Short-term and Medium-term Financial Assistance for Rent**

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**Q8**

Describe the need for the proposed supportive services at your organization in relation to homeless prevention and increasing housing stability. (1,000 character maximum)

Our proposed supportive services address critical barriers to housing stability, essential in preventing homelessness. We provide case management and re-entry support, crucial for individuals transitioning to stable living environments. Financial assistance, covering rental applications and deposits, minimizes economic obstacles to housing access. Our guidance through complex aid programs and provision of often-overlooked essentials like hygiene products supports clients' dignity and readiness for housing. Stable housing is fundamental to life goal attainment, and our role in preparing clients for tenancy is key. With a 9-year track record in MERA and CoC programs, we're a trusted entity, deeply understanding street-level needs. Our established management, coupled with strong landlord relationships and specialized training in fair housing, domestic violence, de-escalation, and sexual harassment, positions us to offer holistic, impactful services.

**Q9**

**Yes**

Is the above-stated need identified within the City of Billings' HOME-ARP Allocation Plan?

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**Q10**

Please estimate the number of qualifying HOUSEHOLDS your agency expects to serve with HOME-ARP supportive services in one year. (Whole numbers only; no ranges, no percentages; a single individual = one household; one family = one household)

1000

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**Q11**

What is the organization's timeframe in MONTHS for carrying out the proposed activity? Please enter a whole number (no comma, decimal point, etc.)

36

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Page 3: Organizational Experience and Capacity

**Q12**

Provide a detailed description of the organization's ability to serve the identified qualifying population(s). Describe similar projects or activities that have been / are being successfully carried out at the organization, as well as sources of funding for the programs or activities. (2,000 character maximum)

HomeFront Partners (HFP) stands out for its capacity to serve diverse qualifying populations, backed by a track record of administering HUD programs and operating as a Public Housing Authority in Billings. We manage programs like HCV and Mod Rehab, addressing the needs of veterans, individuals with disabilities, and the homeless, seamlessly integrated through the Continuum of Care's Coordinated Entry System and partnering with other organizations in case staffing, collaborating with sober living homes for rapid rehousing, and leading way to addressing homeless challenges. Our long-standing management of the Mod Rehab program has made significant strides in housing those emerging from homelessness, particularly those facing mental health or substance abuse challenges. Our swift action through the EHV and MERA programs showcases our responsiveness to homelessness risks. Uniquely, we also provide critical assistance to sex offenders seeking suitable housing whom are traditionally underserved. Our projects are funded through federal and state grants from HUD and the MT Department of Commerce, complemented by public/private partnerships that enhance our funding pool and service outreach. Our staff's expertise in Fair Housing laws and a suite of professional certifications ensure exemplary program administration. Our partnership with entities like the Continuum of Care and Montana NAHRO further amplifies our service efficacy. HFP's strategic planning and policy review are continual, reflecting our adaptive services to meet community needs. The December 2022 update of our Internal Control Plan solidifies our pledge to operational and service excellence. With robust operational structures, skilled staff, and reliable funding, plus a collaborative and improvement-focused culture, HFP is well-equipped to deliver effective services to our designated populations.

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**Q13**

Please explain any identified obstacles to carrying out this activity prior to the expenditure deadline of September 30, 2030. (1,000 character maximum)

The only obstacle in reaching our goal is the hiring of a second Tenancy Support Specialist to fill the role. HFP will actively recruit for a second Tenancy Support Specialist in addition to the one current staff member in this role. This position once awarded in hopes of filling almost immediately upon program award. A job description and resume are attached to this application.

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**Q14**

Describe how the organization plans to market the program to participants to ensure people know how to access services or resources. (1,000 character maximum)

HFP employs a dynamic marketing strategy to ensure wide awareness of our services. We use Constant Contact to promptly inform nonprofits and agencies in our network about our offerings, enabling regular updates. Our active social media presence on Facebook, Twitter, Instagram, and our website extends our reach, engaging the community and directing those in need to our resources. Moreover, we capitalize on physical marketing tools like sandwich boards to capture local foot traffic. The utilization of the TSS position enables direct outreach, collaborating with property managers, healthcare facilities, and social services like Family Services. This role also involves advocating for our programs through presentations at community hubs like libraries and participating in the Continuum of Care, enhancing partnerships and referrals. This multi-channel approach ensures that individuals and families in need of housing assistance are aware of and can easily access the resources we provide.

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**Q15**

The City has not implemented a preference for any qualifying populations or subpopulations. Describe how the agency will maintain a waiting list of any program participants and/or a waiting list for services. (1,000 character maximum)

HFP maintains a comprehensive & equitable waiting list for participants, ensuring fair access to services. Our process will involve a systematic application intake, assessment of eligibility, and time-stamped recording of applicants to uphold transparency and orderliness. The waiting list will be regularly updated & managed through our secure database, allowing for real-time tracking of applicant status & needs. We notify applicants of their list status. When vacancies arise, the waiting list are consulted to fill spots based on the application date, ensuring those who have waited longest are prioritized. For services, applicants will be triaged based on urgency and program criteria. This waiting list system will be auditable, with clear documentation practices to ensure compliance with HUD guidelines & to withstand external reviews. HFP's approach is designed to be adaptable, allowing for the inclusion of preferences should the City implement them in the future.

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**Q16**

Describe how the agency will verify a program participant meets at least one of the qualifying populations prior to service approval. (1,000 character maximum)

HFP implements a rigorous verification process to ensure that all program participants meet the qualifying criteria before service approval. Applicants are required to submit documentation that evidences their eligibility, such as income statements, housing status, and any other relevant information pertaining to the qualifying populations criteria. Our staff is trained in the detailed assessment of such documentation, ensuring due diligence in the verification process. Interviews or attestations from community organizations, are conducted for those claiming homelessness. Our staff's careful documentation assessment maintains service integrity and participant confidentiality.

**Q17**

How will the organization verify the income of the individuals / households served? Check all that apply.

**Federal Tax Forms,**

**Pay Stubs,**

**Client Self-Report,**

**Verified through other assistance (TANF, Medicaid, etc.),**

**Third Party Verification**

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**Q18**

Describe how the agency will assess duplication of benefits, including a process for verifying that a program participant is not currently receiving and/or been approved to receive the same service through another funding source. (1,00 characters maximum)

HomeFront Partners diligently assesses duplication of benefits with a multi-step verification process. Participants declare any concurrent services upon application, which we verify against other funding sources, aided by our active participation in the Continuum of Care Coalition. This network facilitates data sharing and prevents overlap of services. Additionally, unique cases are staffed individually, providing another layer of scrutiny. Regular cross-references with local agencies' databases are conducted, and we obtain consents to review participants' records from other programs, ensuring no duplication occurs. Our coordinated approach and robust communication channels with other service providers ensure the integrity of resource allocation.

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**Q19**

Has any program participant been required to repay due to an overpayment and / or duplication of funds at your agency? If yes, how were repaid funds reinvested into another program participant and / or activity?

**Yes,**

Other (please specify):

While HomeFront typically does not encounter overpayments or duplications of services, on rare occasions they have occurred. In such instances, HFP has worked with clients to establish a repayment agreement, when feasible. 50% of the overpayment collected must be paid back to HUD while the remaining funds are reinvested directly back into the same program to benefit other participants.

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**Q20**

Describe the methods or programs the agency will use to document and verify a program participant's eligibility. (1,00 characters maximum)

HomeFront Partners establishes program participant eligibility through rigorous documentation and verification protocols. Applicants are required to submit essential documents such as proof of income and residency. Our team carefully assesses these documents, cross-checking with the "by name list" from the Continuum of Care Coalition to prevent duplications and ensure accurate eligibility. For verification, we employ robust software systems that create an auditable trail of eligibility determinations. Special attention is given to unique cases, with direct verification from other agencies as necessary. This thorough documentation and verification process upholds the integrity of our programs and ensures that services are provided to eligible participants in compliance with program requirements.

**Q21**

What is the total HOME-ARP funding requested for supportive service activities? (Please enter whole numbers in each field (no dollar sign, comma, decimal point, etc.)

For supportive services activities: **261660**

For the direct provision of services: **381383**

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**Q22**

**Yes**

If included in the project budget, will the cost of labor or supplies and materials be incurred in directly providing supportive services to program participants? (i.e., direct provision of services)

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**Q23**

If the direct provision of services will be funded, please describe the employee positions to be funded, percentage of time dedicated to the activity, qualifications, and duties in carrying out the proposed activity. (500 characters maximum)

HFP seeks 2 Tenancy Support Specialists, 100% funded, for full housing process facilitation, landlord outreach, client advocacy, and record maintenance. They'll coordinate with crisis services and the Eligibility Department, ensuring clients' housing needs are met and analyzing market trends. Qualifications include a Bachelor's or equivalent experience, 1-year mental health and substance disorder work, knowledge of housing programs, a valid driver's license, and a clean NCIC background check.

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**Q24**

Upload job descriptions and resumes of any staff that will directly carry out supportive service activities for program participants.

**job%20description%20and%20resume.pdf (205.6KB)**

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**Q25**

Identify the organization's key staff members that will be responsible for HOME-ARP activity oversight, implementation, financial management, and quarterly reporting. Please include specific titles and qualifications. (1,000 characters maximum for each)

Activity Oversight:

The TSS will engage daily in the activities outlined, under the supervision of the Director of Operations. Current TSS, Pam Aning, boasts 9 years at HomeFront, with 3 years on the MERA Program. A community partner for the COC Initiative in Yellowstone County, Pam was recently honored with the Montana Housing Partners Front Line Staff award for her dedication during COVID. The Director of Operations position is currently vacant and we are actively recruiting this position.

Implementation:

The TSS will diligently collaborate with clients to achieve their objectives, meticulously documenting all interactions including meetings, needs, outcomes, and progress to ensure goals are met and for documentation purposes. This includes tracking additional agency involvement to maximize resource utilization. As part of our commitment to quality assurance and control, outcomes and objectives will be reviewed regularly. This data will then be reported to the CEO for comprehensive analysis. The CEO will present these findings to the Board at least semi-annually to maintain transparency and inform strategic decision-making, ensuring continuous improvement in service delivery.

Financial Management:

Financial oversight at HomeFront is managed by CEO Patti Webster, who brings over 35 years of experience. Helen's precise attention to detail ensures adherence to budget guidelines. Her expertise in financial reporting, accounting, auditing, and planning is crucial for preparing accurate quarterly budgets. All financials undergo external audits by an independent auditor, and state and federal agencies also review them for contract compliance. The financials and audits are meticulously reviewed by the Board of Directors' Executive Committee and subsequently reported to the full board, guaranteeing financial transparency and accountability.

Quarterly Reporting:

Reporting will be jointly managed by the Tenancy Support Specialist and Director of Operations, who currently handle similar tasks for other programs. Their collaboration ensures the delivery of precise and current information. Working as a duo allows them to effectively monitor deadlines, ensuring all reports are completed within the stipulated timeframes.

**Q26**

**Yes**

If awarded HOME-ARP funding, will the organization hire new staff to implement the project? If yes, the organization must comply with low-income recruitment regulations for positions supported, either in part or in full, with federal funding. Recruitment efforts must include targeting low- and very-low-income individuals, and race/ethnicity documentation must be provided on applicants for any positions supported by federal funding.

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Page 5: New Staff Positions

**Q27**

Please upload job descriptions for each new position. Acceptable formats PDF, DOC, DOCX, JPG, JPEG

**HomeFront%20Tenancy%20Support%20Specialist%20Position%20Description%202022-23.docx (32.5KB)**

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Page 6: Sources & Uses

**Q28**

Please upload your completed Sources & Uses spreadsheet. Acceptable formats PDF, JPG, JPEG

**Sources%20and%20Uses.pdf (761.2KB)**

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Page 7: Authorization / Certification / Signature

**Q29**

Please upload the Authorization to Request Funds documentation, signed by the organization's Authorized Responsible Entity. Acceptable formats PDF, JPG, JPEG

**1154%20Resolution%20-%20Authorizing%20CEO\_ED%20To%20Conduct%20All%20Business%20of%20HAB.pdf (283.6KB)**

---

**Q30**

Signature: Typing your full name in the box below will be considered signing.

Patti Webster

---

**Q31**

HOME-ARP Request for Qualifications - Part 2 Submittal Date

Please click or enter the date **11/17/2023** below:

COPY

ARTICLES OF INCORPORATION

OF

HAB DEVELOPMENT CORPORATION

Executed by the undersigned person for the purpose of forming a Montana non-profit corporation under the "Montana Nonprofit Corporation Act," Title 35, Chapter 2 of the Montana Code Annotated.

ARTICLE I

Name. The name of the non-profit corporation is HAB DEVELOPMENT CORPORATION.

ARTICLE II

Designation of Status. The non-profit corporation is designated as a public benefit corporation.

ARTICLE III

Duration. The duration of the non-profit corporation is perpetual.

ARTICLE IV

Purposes. The general purposes and objectives for which the non-profit corporation is organized are:

- (a) To own, manage, develop, construct, lease and operate housing units or housing facilities for persons of low or moderate income, including elderly persons, veterans, disabled and/or handicapped persons of low or moderate income.
- (b) To do each and every thing necessary, suitable or proper for the accomplishment of any of the purposes for the attainment of any one or more of the subjects herein enumerated, or which may at any time appear conducive to or expedient for protection or benefit of the non-profit corporation, and to do said acts as fully and to the same extent as natural persons might, or could do, in any part of the world as principals, agents, partners, trustees,

or otherwise, either alone or in conjunction with any other person, association or corporation.

#### ARTICLE V

Registered Office and Registered Agent. The registered office of the non-profit corporation shall be 2415 1st Avenue North, Billings, Montana 59101, and the registered agent of the non-profit corporation at that address is LUCY BROWN.

#### ARTICLE VI

Incorporators. The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
Lucy Brown	2415 1st Avenue North Billings, Montana 59101

#### ARTICLE VII

Members. The non-profit corporation shall have no members and shall not authorize or issue shares of stock.

#### ARTICLE VIII

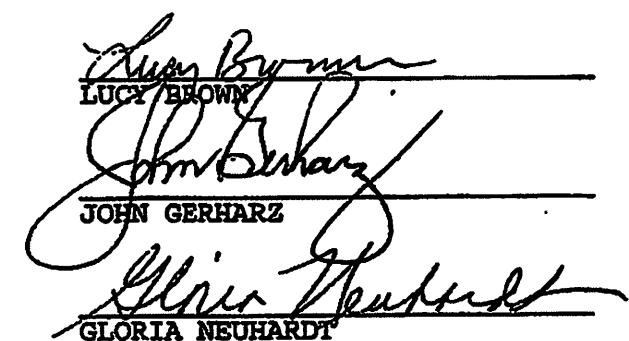
Dissolution. Upon the dissolution or winding up of the non-profit corporation, its assets remaining after payments, or provision for payment, of all debts and liabilities of this non-profit corporation shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

## ARTICLE IX

Directors. The number of directors constitute the initial Board of Directors of this non-profit corporation is three (3), and the names and address of the persons who are to serve as directors until the first annual meeting of the Board of Directors, or until successors are elected and shall qualify are:

<u>Name</u>	<u>Address</u>
Lucy Brown	2415 1st Avenue North Billings, Montana 59101
John Gerharz	Suite 820 First Bank Bldg Billings, Montana 59101
Gloria Neuhardt	1010 Grand Avenue Billings, Montana 59101

DATED this 18 day of May, 1994.



The image shows three handwritten signatures in black ink, each with a printed name underneath. The first signature is 'Lucy Brown' with 'LUCY BROWN' printed below it. The second is 'John Gerharz' with 'JOHN GERHARZ' printed below it. The third is 'Gloria Neuhardt' with 'GLORIA NEUHARDT' printed below it. The signatures are cursive and appear to be placed over a horizontal line.

Internal Revenue Service  
P.O. Box 2508  
Cincinnati, OH 45201

RECEIVED  
OCT 25 2016

Department of the Treasury

Date: October 20, 2016

HAB DEVELOPMENT CORPORATION  
2415 1ST AVE N  
BILLINGS, MT 59101

Person to Contact: #0196814

Ms. Benjamin

Toll-Free Telephone Number:

877-829-5500

Employer Identification Number:

81-0495266

Form 990 Required:

No

Dear Sir or Madam:

This is in response to your request dated September 14, 2016 regarding your tax-exempt status.

We confirmed you were erroneously placed on the Auto-Revocation List. You can disregard the CP120A notice we previously sent. We'll remove you from the Auto-Revocation List and re-list you in the Exempt Organizations Select Check (Pub 78 data) on our website, [www.irs.gov/charities](http://www.irs.gov/charities), during the next monthly update.

We issued you a determination letter in January 1996, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

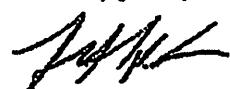
Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3876).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Jeffrey I. Cooper  
Director, Exempt Organizations  
Rulings and Agreements

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JAN 11 1996

HAB DEVELOPMENT CORPORATION  
2415. 1ST AVENUE NORTH  
BILLINGS, MT 59101-2318

Employer Identification Number:

81-0495266

DLN:

17053275759009

Contact Person:

ELLIOT R CEO

ID# 31372

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

January 1996

Addendum Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Steven T. Miller

Steven T. Miller  
Director, Exempt Organizations

**RESOLUTION NUMBER 1154**

**AUTHORIZING CEO/EXECUTIVE DIRECTOR TO CONDUCT ALL BUSINESS OF THE  
HOUSING AUTHORITY OF BILLINGS, ITS INSTRUMENTALITIES, ENTITIES, ETC.**

WHEREAS, the Housing Authority of Billings in accordance with Housing and Urban Development Department regulations and the Housing Authority of Billings' own policies,

NOW THEREFORE BE IT RESOLVED that the Board Members of the Housing Authority of Billings hereby resolve to authorize the CEO/Executive Director to conduct all activities of the Housing Authority and all instrumentalities/entities. Such activities will include, but are not limited to:

- 1) Contracting;
- 2) Conducting the Day-to-Day operations of the businesses;
- 3) Financial, to include all business operations such as account signature designation, opening/closing accounts, purchase of CDs and other investments and loan authorizations;
- 4) Sale and purchase of real and personal property;
- 5) Legal
- 6) All other activities as needed

*AYES: 4*

*NODES: 1*

*ABSENT: 0*

*ABSTAIN: 0*

Effective: December 1, 2021

ACCEPTED BY:

  
Ruth Weller  
Secretary

DocuSigned by:

  
Carol Burton

F5E07D981497420  
Carol Burton, Interim - Chairperson

  
Carol Burton

Date





**RESOLUTION NUMBER 1173**

**BEFORE THE BOARD OF COMMISSIONERS OF THE**

**HOUSING AUTHORITY OF BILLINGS**

**RESOLUTION AUTHORIZING CHANGE TO BOARD BY-LAWS**

WHEREAS, the Housing Authority of Billings periodically updates its By-Laws in accordance with Housing and Urban Development Department regulations and the State of Montana Code Annotated,

NOW THEREFORE BE IT RESOLVED that the Members of the Housing Authority of Billings Board of Commissioners hereby resolve to adopt a revision to the By-Laws containing the attached information:

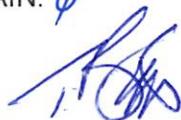
Effective: July 1, 2022.

AYES: 6

NOES: 0

ABSENT: 1

ABSTAIN: 0



SEAL



Tom Boos, Board Chairperson



Patti Webster, Secretary of the Board of Commissioners

Date:

6-30-2022



EX LIBRIS

RESTATED BY-LAWS  
THE HOUSING AUTHORITY BILLINGS

Effective July 1, 2022

REVISED BY RESOLUTION # 1173

**ARTICLE I - THE AUTHORITY**

Section 1. **Name of Authority.** The name of the Authority shall be HomeFront with the legal entity, the Housing Authority of Billings.

Section 2. **Seal of Authority.** The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority, the year of its organization, the word "Seal", and the words "Billings, Montana".

Section 3. **Office of Authority.** The office of the Authority shall be at the administrative office of the Authority, located at 2415 1<sup>st</sup> Avenue North, in the City of Billings, State of Montana. The Authority may hold its meetings at such other places as it may designate, at the discretion of the majority of the Board of Commissioners.

Section 4. **Board of Commissioners.** The powers of the Authority shall be vested in the Board of Commissioners thereof in office from time to time duly appointed or elected.

**ARTICLE II - OFFICERS**

Section 1. **Officers.** The officers of the Board shall be a Chair, a Vice-Chair, and a Secretary. In addition to the above officers, the Board of Directors may elect or appoint such other officers, assistant officers, and agents as it deems necessary at such times, in such manner, and upon such terms, as it shall prescribe.

Section 2. **Chair.** The Chair shall preside at all meetings of the Board. At each meeting, the Chair may submit such recommendations and information as the Chair may consider proper concerning the business, affairs, and policies of the Authority.

Section 3. **Vice-Chair.** The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair until such time as the Authority shall select a new Chair.

Should the Vice-Chair be unavailable to preside at regular or special meetings of the Board, then the remaining Commissioner with the greatest length of service shall preside.

Section 4.

**Secretary.** The CEO/Executive Director of the Authority shall be the Secretary. The Secretary shall be responsible for the maintenance of the records of the Board, shall be responsible for providing a record of all votes, and shall provide for the keeping of a record of the proceedings of the Board in a journal of proceedings and shall keep in safe custody at the Housing Authority offices the journal of proceedings and the seal of the Authority, and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Authority. The Secretary shall perform all duties incident to the office. The Secretary shall not be a voting Board member.

Except as otherwise authorized by resolution of the Board, the Secretary, or those HomeFront staff designated as signers, shall sign all checks for the payment of money and shall pay out and disburse such money under the direction of the Board. The Secretary shall provide for the keeping of regular books of accounts showing receipts and expenditures, in summary, and shall cause to be rendered to the Board, at each regular meeting (or more frequently when requested), an account of transactions and also of the financial condition of the Authority. The details of this information are held with the Chief Financial Officer and will be made available upon request.

Section 5.

**CEO/Executive Director.** The CEO/Executive Director shall manage and supervise the business, affairs, and property of the Authority, subject, however, to the control of the Board; and shall perform such other duties as are incident to the office of a chief executive officer or are properly required of or by the Board. Included in these general powers but not by means of limiting them, the CEO/Executive Director may from time to time employ such personnel as he or she deems necessary to exercise the Authority's powers, duties, and functions as prescribed by the Housing Authorities Law, as amended, of Montana and all other laws of the State of Montana applicable thereto. The selection and compensation of such personnel shall be determined by the CEO/Executive Director subject to the laws of the State of Montana. The CEO/Executive Director shall be an employee of the Board. No Commissioner of the Authority shall be eligible to hold this office during his or her term as Commissioner or for a period of three years after his or her departure from the Board.

Section 6.

**Additional Duties.** The officers of the Board shall perform such other duties and functions as may from time to time be required by the Authority or the by-laws or rules and procedures of the Board.

Section 7.

**Election of Officers.** The Chair and Vice-Chair shall be elected at the annual meeting of the Board from among the Commissioners of the Board, and shall hold office for one year or until their successors are elected and qualified; except that the first Chair shall hold office until the expiration of their term as Commissioner. Officers shall take office at the next regular meeting of the Board after the election.

Section 8.

**Vacancies.** Should the office of Chair become vacant, the Vice-Chair shall assume the position for the unexpired term of said office or until the next election for Chair, whichever occurs first. If the office of Vice-Chair becomes vacant, the Board shall elect a successor from its membership at the next regular meeting.

Section 9.

**Removal.** The Board may remove a commissioner from the position as an officer. An officer shall not be involuntarily removed from office except after being given no less than one (1) week notice of a hearing held by the Board. Said notice shall state the grounds for the proposed removal. At that hearing, the officer proposed for removal from that position shall have the opportunity to be represented and address the reason for the proposed removal. An officer can be removed only through a resolution adopted by a majority of the full Board. The Board cannot remove a commissioner from the position of a commissioner and the Secretary shall be removed in accordance with law or if the CEO/Executive Director has been appointed through an employment contract, according to the provisions of that contract. All other officers can be removed either for cause or without cause.

### ARTICLE III - MEETINGS

Section 1.

**Annual Meeting.** The Annual Meeting of the Board shall be held on the last Wednesday in the month of February. In the event such a date shall fall on a legal holiday, the meeting shall be held on the date to which such a regular meeting would be postponed.

Section 2.

**Regular Meeting.** Regular meetings shall be held at such time and place as may from time to time be determined by the Board. In the event a day of the regular meeting shall be a legal holiday, the meeting shall be held on the same day of the following week or such other date as determined by the Board.

Section 3.

**Special Meeting.** The Chair of the Board may, when the Chair deems it expedient, call a special meeting of the Board for the purpose of transacting any business designated in the call. The Chair of the Board shall, upon the written request of two Commissioners of the Board, call a special meeting. At such a special meeting no business shall be considered other than as designated in the call, but if all Commissioners are present at a special meeting, any and all business may be transacted at such a special meeting.

The call for a special meeting shall be mailed, e-mailed, or hand-delivered to each Commissioner of the Board at their business or home address at least forty-eight (48) hours prior to the date of such special meeting. Any Commissioner who claims not to have received notice of the call and who does not attend the special meeting may at the next regular meeting move for reconsideration of any and all items of business that were voted upon at the special meeting. Any Commissioner may waive the notice requirement by attending the Special Meeting.

Section 4. **Closure of Meetings.** All of the meetings of the Board shall be open to the public whether regular or special except in the following cases:

(1) When the discussion relates to a matter of individual privacy, the Chair or other presiding officer, with the advice of legal counsel shall make a determination as to whether the demands of individual privacy clearly exceed the merits of public disclosure. If the presiding officer does determine that the demands of individual privacy clearly exceed the merits of public disclosure, the Chair may close the meeting for the discussion of the matter unless the individual or individuals who are the subject of the discussion waive their right of privacy. In the latter event, the meeting shall remain open; (2) any other matter that meetings are allowed to be closed by law.

Section 5. **Electronic Meetings.** The Board may determine to hold meetings electronically, instead of in-person meetings, to ensure the health, safety, and security of the Board, staff, and the public. Electronic meetings will be held when legal notice of such meetings is adequate for the Board, Staff and the Public to participate.

Section 6. **Quorum.** A majority of sitting Commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance action may be taken by the Board upon a vote of a majority of the Commissioners present. Telephonic and Electronic attendance may count for all purposes in establishing a quorum.

Section 7. **Order of Business.** The order of business shall be as set from time to time by the Board.

Section 8. **Resolutions.** All resolutions shall be in writing and shall be copied in a journal of the proceedings of the Board.

Section 9. **Manner of Voting.** The voting on all questions coming before the Authority may be by voice vote except that upon request of one member the vote may be by roll call, and the yeas and nays shall be entered upon the minutes of such meeting. The election of officers may be by ballot.

## ARTICLE IV. Committees

Section 1. **Ad Hoc Committees.** The Chair may appoint such Ad Hoc committees for such purposes as are consistent with these By-Laws and the purposes, jurisdiction, and authority of the Authority. The membership of an Ad Hoc committee shall have Commissioners as the majority of its membership except in instances when the committee's charge concerns Commissioner conduct when there shall be no requirement for Commissioner membership on the Ad Hoc committee. Any such Ad Hoc committee's term shall be until the Board's next annual meeting, a new Chair succeeds the appointing Chair, or by the action of the Chair, whichever occurs first. Committees may be continued in whole or in part by any new Chair. Committees shall have no authority to act on any matter that requires Board action and shall have only that

jurisdiction is specifically authorized by the charge given to the committee by the Chair. The quorum for a committee shall be no less than 33% of its members provided that number shall not be less than 2 persons. Any action by an Ad Hoc committee can be nullified by the Board at the Board's next meeting.

Section 2. **Standing Committees.** Standing committees shall exist by virtue of these By-Laws without any further action by the Chair.

Section 2.1 **Executive Committee.** The Chair, Vice-Chair, and Secretary shall constitute an Executive Committee. The designating of such committee and the delegation thereto of authority shall not operate to relieve the Board, or any member thereof, of any responsibility imposed by law. The Secretary shall not be a voting member of the Executive Committee. The Executive Committee's jurisdiction shall be limited to those routine administrative matters that do not require Board action, to provide an annual evaluation of the CEO/Executive Director and provide advice to the CEO/Executive Director, or to act upon such matters as specifically authorized by the full Board. Any action by the Executive Committee can be nullified by the Board at the Board's next meeting. Meetings of the Executive Committee may be held without notice at such times and places as the Chair may fix from time to time. Any action required or permitted to be taken by the Executive Committee at a meeting may be taken without a meeting if all of the members of the Executive Committee sign a consent in writing, setting forth the action so taken. All other actions must be ratified by the full Board.

Section 2.2 **Finance Committee** – The Chief Financial Officer and two commissioners shall constitute a Finance Committee. The designation of such committee and the delegation thereto of authority shall not operate to relieve the Board, or any member thereof, of any responsibility imposed by law. The Finance Committee's jurisdiction shall be limited to those routine financial matters that do not require Board action, to provide advice to the CEO/Executive Director, or to act upon such matters as specifically authorized by the full Board. Any action by the Finance Committee can be nullified by the Board at the Board's next meeting. Meetings of the Finance Committee may be held without notice at such times and places as the Chair may fix from time to time. All committee actions must be ratified by the full Board.

Section 2.3 **Development Committee** – The CEO, CFO, and two commissioners shall constitute a Development Committee. The designation of such committee and the delegation thereto of authority shall not operate to relieve the Board, or any member thereof, of any responsibility imposed by law. The Development Committee's jurisdiction shall be limited to those routine development matters that do not require Board action, to provide advice to the CEO/Executive Director, or to act upon such matters as specifically authorized by the full Board. Any action by the Development Committee can be nullified by the Board at the Board's next meeting. Meetings of the Development Committee may be held without notice at such times and places as the Chair may fix from time to time. All committee actions must be ratified by the full Board.

## ARTICLE V - CONFLICTS OF INTEREST

Section 1. The Conflict of Interest Policy adopted by the Board of Commissioners as a Resolution is incorporated herein by reference.

## ARTICLE VI - AMENDMENTS

Section 1. **Amendments to By-Laws.** The by-laws of the Authority shall be amended only with the approval of at least five of the Commissioners of the Authority at a regular or a special meeting but no such amendment shall be adopted unless at least seven days' written notice thereof has been previously given to all of the Commissioners of the Authority.



(Seal)

Accepted By:

A handwritten signature in black ink.

Tom Boos, Chair

A handwritten signature in blue ink.

Patti Webster, Secretary

A handwritten signature in black ink.

Date



## Housing Authority of Billings - Current Balances

Customer Name	Additional Name	Additional Name #2
HAB DEVELOPMENT CORPORATION	SPRING GARDENS TRUST ACCOUNT	
HAB DEVELOPMENT CORPORATION	OLD TOWN SQUARE	
HAB DEVELOPMENT CORPORATION	WESTCHESTER SQUARE	
HAB DEVELOPMENT CORPORATION	PHEASANT HOME	
HAB DEVELOPMENT CORPORATION	SVG PHEASANT HOME RESERVE	
HAB DEVELOPMENT CORPORATION	FALCON RUN TRUST ACCOUNT	
HAB DEVELOPMENT CORPORATION	LAUREL GARDENS ACCOUNT	
HAB DEVELOPMENT CORPORATION	ENTERPRISE COCC	
HAB DEVELOPMENT CORPORATION	OLD TOWN SQUARE ACCOUNT	
<b>HCB6102 - Total</b>		
<b>HCB6102 - Count</b>		
HAB EDUCATION AND WELLNESS CORPORATION		
<b>HCB6116 - Total</b>		
<b>HCB6116 - Count</b>		
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	PLEASANTVIEW
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	AMP1-PUBLIC HOUSING
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	COCC FUND
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	NFF-DEVELOPMENT FUND
HOUSING AUTHORITY	HOMEFRONT	SECTION 8

Current Balance	CD Acct #	CD Term	CD Int. Rate	Maturity Date	Current Balance
\$304,888.70					
\$139,445.42					
\$8,484.30					
\$66,368.35					
\$94,096.02					
\$75,251.47					
\$925,355.25					
\$175,318.28					
					\$76,682.24
<b>\$1,789,207.79</b>					<b>\$76,682.24</b>
8					1
\$10,403.73					
<b>\$10,403.73</b>					
1					0
\$233,543.38					
\$985,659.44					
\$458,059.67					
\$332,018.59					
\$729,978.55					

## Housing Authority of Billings - Current Balances

Customer Name	Additional Name	Additional Name #2
OF BILLINGS		VOUCHERS
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	SVG NFF- DEVELOPMENT FUND
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	SVG SECTION 8 FSS
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	HAB PROPERTY MANAGEMENT
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	SVG PHA FSS
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	MDOC ACCOUNT
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	MAINSTREAM 5
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	DISPOSITION PROCEEDS
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	FSS FORFEITURE
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	AMP1 PUBLIC HOUSING ACCOUNT
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	AMP1 HAIL PROCEEDS
HOUSING AUTHORITY OF BILLINGS	HOMEFRONT	ESCO RESERVES
<b>HCH2401 - Total</b>		
<b>HCH2401 - Count</b>		
RED FOX APARTMENTS LLLP		
<b>RCB1505 - Total</b>		
<b>RCB1505 - Count</b>		
WHITETAIL RUN APARTMENTS LLP		
WHITETAIL RUN APARTMENTS LLP	SVG RESERVE	

Current Balance	CD Acct #	CD Term	CD Int. Rate	Maturity Date	Current Balance
\$7,198.34					
\$87,656.97					
\$79,167.04					
\$2,325.10					
\$79,034.41					
\$34,019.93					
\$9,310,332.78					
\$31,412.72					
		2			\$161,482.48
		2			\$378,136.43
		2			\$129,791.73
<b>\$12,370,406.92</b>					<b>\$669,410.64</b>
<b>13</b>					<b>3</b>
\$342,461.45					
<b>\$342,461.45</b>					
1					0
\$222,481.70					
\$205,442.87					

## Housing Authority of Billings - Current Balances

Customer Name	Additional Name	Additional Name #2	CIF #	DDA Acct #	DDA Int. Rate	Current Balance	CD Acct #	CD Term	CD Int. Rate	Maturity Date	Current Balance
WCB5443 - Total						\$427,924.57					
WCB5443 - Count						2					0
WHITETAIL SQUARE						\$89,995.43					
WCB5446 - Total						\$89,995.43					
WCB5446 - Count						1					0
Overall - Total						\$15,030,399.89					\$746,092.88
Overall - Count						26					4

**HomeFront (Housing Authority of Billings)  
BOARD MEMBERS  
9/27/2023**

**Name & Address**

**Term of Office**

**Tom Boos – NAHRO Certified**

**01/01/2021 – 12/31/2025**

**Phyllis Crawford - Resident Commissioner**

**12/12/2022 – 12/31/2024**

**2/14/2022 – 12/31/2026**

**Edward R. Hammer - NAHRO Certified**

**9/13/2021 – 12/31/2023**

**Hannah Reno - NAHRO Certified**

**Board Vice Chair**

**6/26/2023 – 12/31/2023**

**Tafuna Tusi**

**12/13/2021 – 12/31/2024**

**Vacant**

Patti Webster, CEO – serves as Secretary for all  
Boards.

**05/13/2019 – 12/31/2023**



RECEIVED

NOV 30 2020

Governor Steve Bullock

DEPARTMENT OF REVENUE  
DIRECTOR'S OFFICE Director Gene Walborn

November 20, 2020

HAB Development Corporation  
2415 1<sup>st</sup> Ave N  
Billings MT

**Property Tax Exemption**  
**Application Number: 0300521**  
**Property ID: 03-0821-16-2-18-06-0000**

**County: Yellowstone**

**Property Legal Description: Lots 11 – 15, Block 5 & Lots 11 – 20, Block 14 Yellowstone Subdivision together with adjacent abandoned 3<sup>rd</sup> st**

Dear Applicant:

Property tax exemption applications must be submitted to the department by March 1 for property that is owned as of January 1 of the year in which the exemption is requested, unless the applicant receives a Removal of Property Tax Exemption Notice or the applicant was unable to apply by the March 1 deadline due to hospitalization, physical illness, infirmity, or mental illness. (Admin. Rule 42.20.102).

This letter is to inform you that the department received your application for a property tax exemption on June 18, 2020, with an ownership date of April 15, 2020. Therefore, your application will be considered for tax year 2021 unless you provide additional documentation pertaining to one of the above exceptions for which you would like the department to consider.

In processing your application, the department will contact you if additional documentation is needed. Otherwise, a determination letter will be mailed to the name and address on the application. Please notify the department if your contact information changes.

If you have any questions, please feel free to contact me at 406-444-5698 or 406-444-6900 and ask for extension 5698.

Sincerely,

A handwritten signature in blue ink that reads "Linda Sather".

Linda Sather  
Management Analyst  
DOR – Property Assessment Division  
PO Box 8018  
Helena MT 59604  
406-444-5698 Phone  
406-444-9383 Fax  
[lsather@mt.gov](mailto:lsather@mt.gov)

Documentation need to qualify under 15-6-221, MCA

## GUIDELINES FOR LOW INCOME HOUSING UNDER 15-6-221

RECEIVED  
UPDATED 8/15/2019

NOV 30 2020  
VED

HOUSING AUTHORITY  
OF BILLINGS  
NOV 30 2020

\* 1. Dedicated to providing affordable housing to low income families/individuals  
sent already

\* 2. Limited Partnership-General Partner is a non-profit corporation with a 501(c)3  
sent already  
exemption from the Internal Revenue.

- Non-Profit General Partner can be an LLC that is wholly owned and controlled by the 501(c)3 corporation
- The LLC does not have to be a disregarded entity – can be a taxed entity under IRS rules
- Can find this information on the non-profit corporation's IRS Form 990

NIA 3. Montana Board of Housing has allocated federal low-income housing tax credits

\* 4. Will meet either:

- At least 20% of the residential units are rent-restricted and rented to tenants whose household income do not exceed 50% of the median family income for the county OR
- At least 40% of the residential units are rent-restricted to persons whose household income do not exceed 60% of the median income for the county

\* 5. A deed restriction or other legally binding instrument that restricts the property's usage

\* 6. Property meets a public purpose in providing housing to an underserved population and provides a minimum of 50% of the units in the property to tenants at 50% of the median family income for the area, with rents restricted to a maximum of 30% of 50% of the median family income

Already  
Housing  
Authority

7. The owner's partnership or operating agreement or accompanying document provides that at the end of the compliance period, the ownership of the property may be transferred to the non-profit corporation or housing authority general partner

8. Local government must have a public meeting  
board minutes



## Property Tax Exemption Application

15-6-201, MCA

Any person, firm, corporation, partnership, association, or other group who wants property qualified as tax exempt must submit an application to the Department of Revenue. **A completed application and all required supporting documentation must be submitted by March 1 to be considered for the current tax year.**

### Required Information

Applicant Name	Property Address		
HAB Development Corporation	313 S 8th Ave		
Mailing Address	City <u>Laurel</u>		
2415 1st Avenue North	State <u>MT</u>	ZIP <u>59044</u>	
City <u>Billings</u>	County <u>Yellowstone</u>		
State <u>MT</u>	ZIP <u>59101</u>	Geocode (This can be found on the classification and appraisal notice.)	
Email <u>pattiw@billingsha.org</u>	<u>0 3 - 0 8 2 1 - 1 6 - 2 - 1 8 - 0 6 - 0 0 0 0</u>		
Contact Phone <u>406-237-1916</u>	Assessment Code		
FEIN <u>81-0495266</u>	<u>000B011980</u>		

### Property Type

Real Property

Provide legal description of real property.

Personal Property

Provide description of personal property  
(e.g., vehicle make and model, furniture and fixtures, etc.)

YELLOWSTONE SUBD (LAUREL), S16, T02 S, R24 E, BLOCK 5, LOT 11-15, & LT 11-20 BLK 14 & ADJ ABANDON 60 FT S 3RD ST

### Required Documentation

The following documentation is required with your application unless otherwise specified. Please note some exemptions require additional documentation as noted in the Property Exemption Types table below. Do not send original documents. Photocopies are acceptable.

- ✓ • Signed copy of articles of incorporation (if incorporated) or constitution and bylaws (if not incorporated).
- ✓ • Deed, contract for deed, or notice of purchaser's interest that evidences ownership.  
(Omit if applying for business equipment exemption.)
- ✓ • If property is a mobile home, title of mobile home or letter of explanation evidencing ownership if there is no title. (Omit if applying for a business equipment exemption.)
- ✓ • Photograph of the property. (Omit if property is furniture and fixtures for personal property exemption.)
- ✓ • Federal Internal Revenue Service Tax Exempt Status letter, such as a copy of 501(c)(3) letter.  
✓ If you do not have the letter, include a separate sheet explaining the reason why.
- ✓ • Letter explaining how the organization is specifically using the property.
  - Real property example – offices for organization, housing for low income, church, parsonage, etc.
  - Personal property examples – making copies of student records (copier), transporting clients (vehicles), dispensing patient medication, etc.

## Property Exemption Types

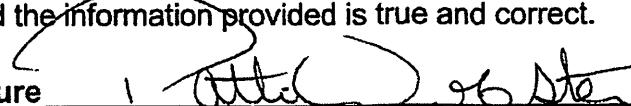
Check the property exemption type(s) that you are applying for. Make sure to include the additional documentation specified in the table below with the completed application.

<input type="checkbox"/> Religious – For clergy residence, submit proof occupant is a member of the clergy (e.g., certificate of ordination, license, etc.).	<input type="checkbox"/> Museum/Zoo/Art Gallery
<input type="checkbox"/> Public charity	<input type="checkbox"/> Retired, aged or chronically ill facilities
<input type="checkbox"/> Agencies (entities) working with the developmentally disabled	
<input checked="" type="checkbox"/> Low-income housing – Refer to <u>15-6-221, MCA</u> for additional documentation needed.	<input type="checkbox"/> Tribal property – Provide the type of essential governmental service or tribal resolution on the lines provided below. Choose from the following: <i>tribal government administration, fire, police, public health, education, recreation, sewer, water, cemetery, religious, pollution control, public transit and public parks and recreational facilities.</i>  _____  _____
<input type="checkbox"/> Educational – Submit copy of attendance policy and proof of a definable curriculum with systematic instruction.	
<input type="checkbox"/> Healthcare facility – Submit license from the Department of Public Health and Human Services.	
<input type="checkbox"/> Government – Provide department/agency on the line provided below.  _____	<input type="checkbox"/> Personal property – The March 1 deadline is waived if application is made within 30 days of acquisition. The following documentation is required: <ul style="list-style-type: none"> <li>• Description of property such as vehicle make and model or type of furniture and fixtures.</li> <li>• Copy of title, registration slip, application for title or bill of sale for motor vehicles which evidences ownership.</li> <li>• Copy of signed leased agreement if personal property is being leased.</li> </ul>
<input type="checkbox"/> Nonprofit mental health center	
<input type="checkbox"/> Veteran's clubhouse – Refer to <u>15-6-203, MCA</u> for additional documentation needed.	
<input type="checkbox"/> Cemetery – Submit proof of permanent care and improvement fund.	
<input type="checkbox"/> Community service building/Fraterna organization – Refer to <u>15-6-209, MCA</u> for additional information.	<input type="checkbox"/> Other – Refer to <u>Title 15, Chapter 6, Part 2, MCA</u> , for list of exemption types.

## Affirmation and Signature

Under penalty of law, I/we affirm that I/we are the owners/lessees of the property or an agent/representative for the owners/lessees of the property. I/we affirm that the use of the property is for a nonprofit mission and the information provided is true and correct.

**X** Applicant Signature



Date 6/10/2020

Printed Name Patti Webster

Title CEO/Executive Director

**Important!** Make sure your application is signed and all required supporting documentation is enclosed. Incomplete applications will not be processed and your application will be returned to you.

Mail the application and supporting documentation to:

Department of Revenue  
PO Box 8018  
Helena MT 59604-8018

Keep a copy of this application and all supporting documentation for your records. After the department reviews your application, we will send you a letter stating approval or denial of the tax exemption.

**Questions?** Go to [revenue.mt.gov](http://revenue.mt.gov) or call us in Helena at (406) 444-5698 to speak to the exemption management analyst, or our call center at (406) 444-6900, Montana Relay at 711 for hearing impaired.

COPY

ARTICLES OF INCORPORATION

OF

HAB DEVELOPMENT CORPORATION

Executed by the undersigned person for the purpose of forming a Montana non-profit corporation under the "Montana Nonprofit Corporation Act," Title 35, Chapter 2 of the Montana Code Annotated.

ARTICLE I

Name. The name of the non-profit corporation is HAB DEVELOPMENT CORPORATION.

ARTICLE II

Designation of Status. The non-profit corporation is designated as a public benefit corporation.

ARTICLE III

Duration. The duration of the non-profit corporation is perpetual.

ARTICLE IV

Purposes. The general purposes and objectives for which the non-profit corporation is organized are:

- (a) To own, manage, develop, construct, lease and operate housing units or housing facilities for persons of low or moderate income, including elderly persons, veterans, disabled and/or handicapped persons of low or moderate income.
- (b) To do each and every thing necessary, suitable or proper for the accomplishment of any of the purposes for the attainment of any one or more of the subjects herein enumerated, or which may at any time appear conducive to or expedient for protection or benefit of the non-profit corporation, and to do said acts as fully and to the same extent as natural persons might, or could do, in any part of the world as principals, agents, partners, trustees,

or otherwise, either alone or in conjunction with any other person, association or corporation.

#### ARTICLE V

Registered Office and Registered Agent. The registered office of the non-profit corporation shall be 2415 1st Avenue North, Billings, Montana 59101, and the registered agent of the non-profit corporation at that address is LUCY BROWN.

#### ARTICLE VI

Incorporators. The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
Lucy Brown	2415 1st Avenue North Billings, Montana 59101

#### ARTICLE VII

Members. The non-profit corporation shall have no members and shall not authorize or issue shares of stock.

#### ARTICLE VIII

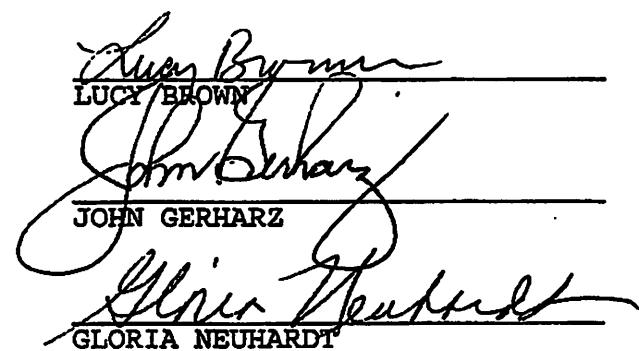
Dissolution. Upon the dissolution or winding up of the non-profit corporation, its assets remaining after payments, or provision for payment, of all debts and liabilities of this non-profit corporation shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

## ARTICLE IX

Directors. The number of directors constitute the initial Board of Directors of this non-profit corporation is three (3), and the names and address of the persons who are to serve as directors until the first annual meeting of the Board of Directors, or until successors are elected and shall qualify are:

<u>Name</u>	<u>Address</u>
Lucy Brown	2415 1st Avenue North Billings, Montana 59101
John Gerharz	Suite 820 First Bank Bldg Billings, Montana 59101
Gloria Neuhardt	1010 Grand Avenue Billings, Montana 59101

DATED this 18 day of May, 1994.



The image shows three handwritten signatures of the directors, each placed over their printed name. Lucy Brown's signature is a cursive 'Lucy Brown' over 'LUCY BROWN'. John Gerharz's signature is a cursive 'John Gerharz' over 'JOHN GERHARZ'. Gloria Neuhardt's signature is a cursive 'Gloria Neuhardt' over 'GLORIA NEUHARDT'. The signatures are written in black ink on a white background.

RECEIVED

APR 21 2020

Return to:  
Bruce O. Bekkedahl  
Patten, Peterman, Bekkedahl & Green, PLLC  
2817 2<sup>nd</sup> Avenue North, Suite 300  
Billings, MT 59101

RECEIVED  
APR 21 2020  
SimpliFile

851412

E-RECORDED

ID: 3917157  
County: Yellowstone  
Date: 4/15/20 Time: 3:32

WARRANTY DEED

FOR VALUABLE CONSIDERATION, Laurel Gardens, Inc., a Montana Corporation, hereinafter referred to as Grantor, does hereby grant and convey unto the HAB Development Corporation, of 2415 1<sup>st</sup> Avenue North, Billings, MT 59101, hereinafter referred to as Grantee, the following described real property in Yellowstone County, Montana, to-wit:

Block 5: Lots 11, 12, 13, 14, and 15

Block 14: Lots 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20

of Yellowstone Subdivision, Laurel, Montana, in the City of Laurel, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document # 8982.

TOGETHER with that part of vacated South Third Street adjoining, which attached to said Land by operation of law upon vacation.

To have and to hold unto the Grantee and to the heirs, successors and assigns thereof forever.

SUBJECT TO current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities apparent and as may appear of record, the Grantor warrants the title against all persons whomsoever, and gives to Grantee the usual covenants set forth in Montana Code Annotated Section 30-11-110.

DATED: April 15, 2020.

LAUREL GARDENS, INC., GRANTOR

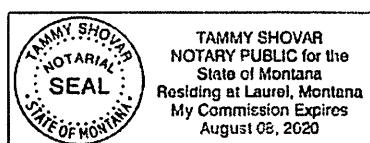
By: Mark J. Hedin  
Mark J. Hedin, Its President

STATE OF MONTANA )  
: ss.  
County of Yellowstone )

On this 15<sup>th</sup> day of April, 2020, before me, a Notary Public for the State of Montana, personally appeared, Mark J. Hedin, as President of Laurel Gardens, Inc., and acknowledged to me that he executed the above instrument for the purpose and consideration therein expressed.

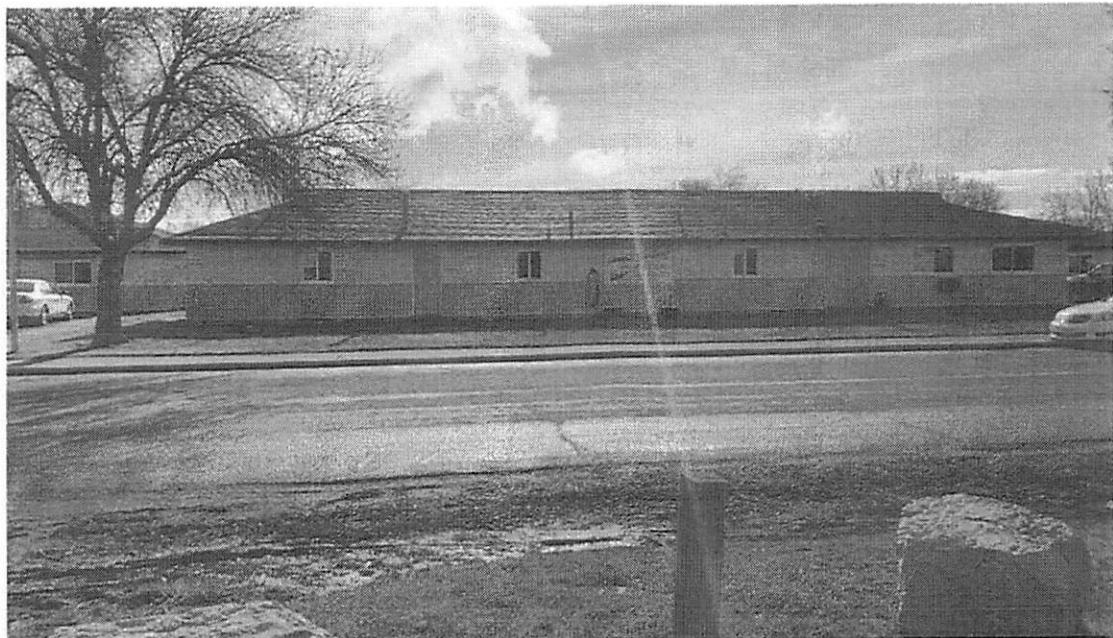
IN WITNESS WHEREOF, I have hereto set my hand and affixed my official seal the day and year hereinabove first written.

Tammy Shovar  
Notary Public for the State of Montana





PREMIER HOME INSPECTION LLC  
premierinspec@gmail.com  
<https://montanahomeinspections.net>



## RESIDENTIAL REPORT

313 S 8th Ave  
Laurel MT 59044

Patti Webster  
APRIL 15, 2019



Inspector  
**Douglas Corbridge**  
Certified Inspection Expert; interNACHI;  
FHA Fee Inspector; Certified Professional  
Inspector  
406-698-2875  
premierinspec@gmail.com



Agent  
**Travis Dimond**  
Berkshire Hathaway  
4069278724  
travis@floberg.com

Internal Revenue Service  
P.O. Box 2508  
Cincinnati, OH 45201

RECEIVED  
OCT 25 2016

Department of the Treasury

Date: October 20, 2016

HAB DEVELOPMENT CORPORATION  
2415 1ST AVE N  
BILLINGS, MT 59101

Person to Contact: #0196814  
Ms. Benjamin  
Toll-Free Telephone Number:  
877-829-5500  
Employer Identification Number:  
81-0495266  
Form 990 Required:  
No

Dear Sir or Madam:

This is in response to your request dated September 14, 2016 regarding your tax-exempt status.

We confirmed you were erroneously placed on the Auto-Revocation List. You can disregard the CP120A notice we previously sent. We'll remove you from the Auto-Revocation List and re-list you in the Exempt Organizations Select Check (Pub 78 data) on our website, [www.irs.gov/charities](http://www.irs.gov/charities), during the next monthly update.

We issued you a determination letter in January 1996, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

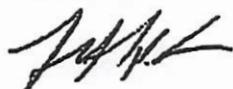
Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Jeffrey I. Cooper  
Director, Exempt Organizations  
Rulings and Agreements

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JAN 11 1996

HAB DEVELOPMENT CORPORATION  
2415. 1ST AVENUE NORTH  
BILLINGS, MT 59101-2318

Employer Identification Number:  
81-0495266  
DLN:  
17053275759009  
Contact Person:  
ELLIOT H CEO ID# 31372  
Contact Telephone Number:  
(877) 829-5500  
Our Letter Dated:  
January 1996  
Addendum Applies:  
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Steven T. Miller

Steven T. Miller  
Director, Exempt Organizations

### **Motivation for Acquiring Laurel Gardens**

HAB Development is an instrumentality of the Housing Authority of Billings. As such – our mission is to help families and individuals with low incomes to achieve greater stability and self-reliance by providing safe, affordable, quality housing.

HAB Development owns and operates several affordable housing properties. We are motivated to maintain our properties in a superior condition well after the contracts and affordability periods have ended.

Laurel Gardens is in severe distress. The comprehensive inspection that was conducted shows approximately \$500,000.00 of repairs are needed to bring the property up to our standards.

HAB Development will provide a copy of the inspection to you in lieu of the CNA as one does not exist.

In fact, we submitted a copy of this inspection to the PBCA and the property still received a superior rating.

Our motivation is to bring Laurel Gardens back to a place that the residents can live in with pride and we as owners can be proud of the quality housing provided to the elderly/disabled that live there.



<b>Department:</b>	<b>Job Description</b>
<b>Job Title:</b> Tenancy Support Specialist	<b>FLSA Status:</b> Non-Exempt
<b>Reports To (Title):</b> Chief Occupancy Director, Teddi Shorten	<b>Position Status:</b> Full-time ( <i>grant dependent</i> )
<b>Prepared By:</b> CEO	<b>Schedule:</b> Work hours will vary to meet participant/landlord needs
<b>Rate:</b> \$17.73/hr. - \$24.11/hr.	<b>Revision Date:</b> February 2022

**Job Summary:**

Under the direct supervision of the Chief Occupancy Director, the Tenant Support Specialist addresses the housing needs of adults who are disabled, chronically homeless, and seeking permanent housing. Services include the assessment, identification, arrangement and provision of pre-tenancy, housing stabilization, tenancy sustaining, and housing-focused service coordination.

**Essential Duties and Responsibilities and Expectations:**

1. Tenancy Support Services

**Tenancy Support Services Duties:**

100% of time

- Conduct outreach to housing-insecure individuals with the goal of connecting them to a more comprehensive, integrated healthcare system.
- Actively participate in and coordinate with community housing providers and initiatives, such as Housing First, Coordinated Entry Systems, Frequent User System Engagement (FUSE), Human Resource Councils, and homeless shelters.
- Facilitate the entire housing process, including assistance with housing search, housing applications, housing voucher applications, housing orientations, inspections, lease renewals, the move-in process, the move-out process, and housing relocation (when applicable).
- Reviews VI-SPDAT scores and matches clients to housing type via Coordinated Entry System protocols.
- Serve as a liaison between landlords, property owners, clients, and agencies providing ongoing supportive services to mitigate conflict and support retention of tenancy.
- Provide advocacy from a client's perspective in program decision making and planning as it relates to housing.
- Prepares materials for making presentations to realtor, property managers and property owners or groups thereof.
- Networks and collaborates with area Housing Resources and maintains a presence at all meetings.
- Familiarity with current housing market information, housing trends and available resources.
- Coordinate with other crisis continuum navigators and coordinators.
- Collaborate with HomeFront Eligibility Department to ensure most appropriate housing needs are met.
- Maintain Client Records – a) Maintains accurate documentation of service objectives and outcomes as well as other services in accordance with Federal, State, County and guidelines, b) Maintains client related data systems, including case notes and HMIS entries; c) Maintains a Property Manager/Owner Contact Log to meet set expectations, d) Prepares related reports including but not limited to: outcomes, and successes.
- Other duties and projects as assigned.

**Minimum Qualifications (Experience/Education):**

- Bachelor's degree in social-service related field required. Relevant experience may substitute for education.
- At least one year experience interacting with individuals who have mental health or co-occurring mental health and substance use disorders required.
- Familiarity with Federal and local housing programs.
- Knowledge of housing resources, subsidy programs, and the Continuum of Care for homeless persons
- Valid Driver's License and must be able to obtain MT Driver's License within 6 months of hire.
- Meet HomeFront background check standards with a history and driving record acceptable to agency insurance carrier.

### **Competencies or Knowledge, Skills and Abilities (KSA's):**

- Communication and Teamwork: ability to establish and maintain cooperative working relationships with all those contacted in the course of the position. Communicate effectively to produce clear, concise, and accurate correspondence, presentations, and reports. Strong verbal, written, and interpersonal communication skills, strong facilitation and conflict resolution skills.
- Self-development: Continued education in new methods, materials, and personnel practices to learn and apply federal and state laws and rules regarding business practice.
- Efficiency and Effectiveness: plan, organize, prioritize, and coordinate work flow; work independently and meet multiple deadlines; attention to detail with accuracy. Ability to set priorities and work independently.
- Adaptability to changes and problem-solving skills: to define problems, collect data, analyze and establish facts and draw valid conclusions, deal with abstract and concrete variables. High ethical standards and values, and demonstrated good judgement.
- Commitment to service: expectation to achieve the highest standards of personal and professional work performance in commitment to serving the Billings' community. Ability to work in a team, be transparent, show respect and care for diversity on daily basis.
- Strong leadership capabilities.
- Software skills: Microsoft Office Suite including Word, Excel, Access, and Power Point; Window based applications; database management.

### **Physical Demands & Working Conditions:**

(Work environment, lifting carrying, use of hand, arms, repetitive motion, etc.)

Constant (67%-100%)	Frequent (34%-66%)	Occasional (1%-33%)
Manual dexterity (Right, Left, Both) Sitting Talking Listening Close & distant vision Depth perception Ability to adjust focus Moderate noise	Walking Standing Reaching	Stoop, kneel, crouch, or crawl

**HomeFront** is an Equal Opportunity Employer. **HomeFront** does not discriminate on the basis of race, religion, color, sex, gender identity, sexual orientation, age, non-disqualifying physical or mental disability, national origin, veteran status or any other basis covered by appropriate law. All employment is decided on the basis of qualifications, merit, and business need

*The above statements are intended to describe the general nature and level of work being performed by the individual assigned this position. This job description is not intended to be an exhaustive list of all responsibilities, duties and skills of the personnel in those position(s).*

*I have read and accept the duties and responsibilities as outlined. I have also been given the opportunity to discuss any questions or concerns regarding any or all of the above directly with my supervisor prior to signing this document. Further, I agree to notify my supervisor immediately in the event that I am unable to fulfill any or all of the duties as outlined above.*

*I understand that **HomeFront** reserves the right to revise or change this job description as the need arises.*

*I have reviewed this job description and received a copy.*

Employee Signature: \_\_\_\_\_ /Date: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_ /Date: \_\_\_\_\_

<b>Department:</b>	<b>Job Description</b>
<b>Job Title:</b> Tenancy Support Specialist	<b>FLSA Status:</b> Non-Exempt
<b>Reports To (Title):</b> Chief Occupancy Director, Teddi Shorten	<b>Position Status:</b> Full-time ( <i>grant dependent</i> )
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**Essential Duties and Responsibilities and Expectations:**

1. Tenancy Support Services

**Tenancy Support Services Duties:**

100% of time

- Conduct outreach to housing-insecure individuals with the goal of connecting them to a more comprehensive, integrated healthcare system.
- Actively participate in and coordinate with community housing providers and initiatives, such as Housing First, Coordinated Entry Systems, Frequent User System Engagement (FUSE), Human Resource Councils, and homeless shelters.
- Facilitate the entire housing process, including assistance with housing search, housing applications, housing voucher applications, housing orientations, inspections, lease renewals, the move-in process, the move-out process, and housing relocation (when applicable).
- Reviews VI-SPDAT scores and matches clients to housing type via Coordinated Entry System protocols.
- Serve as a liaison between landlords, property owners, clients, and agencies providing ongoing supportive services to mitigate conflict and support retention of tenancy.
- Provide advocacy from a client's perspective in program decision making and planning as it relates to housing.
- Prepares materials for making presentations to realtor, property managers and property owners or groups thereof.
- Networks and collaborates with area Housing Resources and maintains a presence at all meetings.
- Familiarity with current housing market information, housing trends and available resources.
- Coordinate with other crisis continuum navigators and coordinators.
- Collaborate with HomeFront Eligibility Department to ensure most appropriate housing needs are met.
- Maintain Client Records – a) Maintains accurate documentation of service objectives and outcomes as well as other services in accordance with Federal, State, County and guidelines, b) Maintains client related data systems, including case notes and HMIS entries; c) Maintains a Property Manager/Owner Contact Log to meet set expectations, d) Prepares related reports including but not limited to: outcomes, and successes.
- Other duties and projects as assigned.

**Minimum Qualifications (Experience/Education):**

- Bachelor's degree in social-service related field required. Relevant experience may substitute for education.
- At least one year experience interacting with individuals who have mental health or co-occurring mental health and substance use disorders required.
- Familiarity with Federal and local housing programs.
- Knowledge of housing resources, subsidy programs, and the Continuum of Care for homeless persons
- Valid Driver's License and must be able to obtain MT Driver's License within 6 months of hire.
- Meet HomeFront background check standards with a history and driving record acceptable to agency insurance carrier.

### **Competencies or Knowledge, Skills and Abilities (KSA's):**

- Communication and Teamwork: ability to establish and maintain cooperative working relationships with all those contacted in the course of the position. Communicate effectively to produce clear, concise, and accurate correspondence, presentations, and reports. Strong verbal, written, and interpersonal communication skills, strong facilitation and conflict resolution skills.
- Self-development: Continued education in new methods, materials, and personnel practices to learn and apply federal and state laws and rules regarding business practice.
- Efficiency and Effectiveness: plan, organize, prioritize, and coordinate work flow; work independently and meet multiple deadlines; attention to detail with accuracy. Ability to set priorities and work independently.
- Adaptability to changes and problem-solving skills: to define problems, collect data, analyze and establish facts and draw valid conclusions, deal with abstract and concrete variables. High ethical standards and values, and demonstrated good judgement.
- Commitment to service: expectation to achieve the highest standards of personal and professional work performance in commitment to serving the Billings' community. Ability to work in a team, be transparent, show respect and care for diversity on daily basis.
- Strong leadership capabilities.
- Software skills: Microsoft Office Suite including Word, Excel, Access, and Power Point; Window based applications; database management.

### **Physical Demands & Working Conditions:**

(Work environment, lifting carrying, use of hand, arms, repetitive motion, etc.)

Constant (67%-100%)	Frequent (34%-66%)	Occasional (1%-33%)
Manual dexterity (Right, Left, Both) Sitting Talking Listening Close & distant vision Depth perception Ability to adjust focus Moderate noise	Walking Standing Reaching	Stoop, kneel, crouch, or crawl

**HomeFront** is an Equal Opportunity Employer. **HomeFront** does not discriminate on the basis of race, religion, color, sex, gender identity, sexual orientation, age, non-disqualifying physical or mental disability, national origin, veteran status or any other basis covered by appropriate law. All employment is decided on the basis of qualifications, merit, and business need

*The above statements are intended to describe the general nature and level of work being performed by the individual assigned this position. This job description is not intended to be an exhaustive list of all responsibilities, duties and skills of the personnel in those position(s).*

*I have read and accept the duties and responsibilities as outlined. I have also been given the opportunity to discuss any questions or concerns regarding any or all of the above directly with my supervisor prior to signing this document. Further, I agree to notify my supervisor immediately in the event that I am unable to fulfill any or all of the duties as outlined above.*

*I understand that **HomeFront** reserves the right to revise or change this job description as the need arises.*

*I have reviewed this job description and received a copy.*

Employee Signature: \_\_\_\_\_ /Date: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_ /Date: \_\_\_\_\_

# **PAMELA ANING**

## **Work Experience:**

Home Front/Housing Authority of Billings, Billings, MT

**Tenancy Support Specialist**

August 2014-Present

**Housing Resource Support Specialist**

- Answer telephones and give information to callers, take messages, or transfer calls to appropriate individuals.
- Greet visitors or callers and handle their inquiries or direct them to the appropriate persons according to their needs.
- Create, maintain, and enter information into databases for work orders.
- Operate office equipment, such as fax machines, copiers, or phone systems and arrange for repairs when equipment malfunctions.
- Set up and manage paper or electronic filing systems, recording information, updating paperwork, or maintaining documents, or other material.
- Operate electronic mail systems and coordinate the flow of information, internally or with other organizations.
- Schedule and confirm appointments for clients, hearing officer, and or supervisors for hearings.
- Complete forms in accordance with company procedures.
- Locate and attach appropriate files to incoming correspondence requiring replies from web site.
- Conduct searches to find needed information, using such sources as the Internet to help clients.
- Open, read, route, and distribute incoming mail or other materials and answer routine letters.
- Make copies of correspondence or other printed material.
- Learn to operate new office technologies as they are developed and implemented.
- Train and assist staff with computer usage and front desk knowledge.
- Dispense supplies as directed by supervisor.
- Maintaining timekeeping information and processing and submitting payroll for Emergency Housing Program.
- Manage projects or contribute to committee or team work.
- Mail newsletters, promotional material, or other information.

PPL Montana Billings, MT

March 2014 –August 2014

**Administrative Assistant**

- Data entry, translating graphs into system, coordination and planning the dissolution of plant plan for transition.
- Analyzing, troubleshooting and evaluating plant data
- Tracking graphs data on speed sheet
- Planed and organized events for company
- Scheduled meetings and helped with fund raising
- Acted as liaison for employee and management communications during transition
- Handled invoices and tracking expenses for projects

Tamarack Property Management Billings, MT  
**Property Manager**

September 2012 -February 2014

- Manage and oversee operations, maintenance, administration, and improvement of commercial, industrial, or residential properties.
- Plan, schedule, and coordinate general maintenance, major repairs, and remodeling or construction projects for commercial or residential properties.
- Direct collection of monthly assessments, rental fees, and deposits and payment of insurance premiums, mortgage, taxes, and incurred operating expenses.
- Inspect grounds, facilities, and equipment routinely to determine necessity of repairs or maintenance.
- Act as liaisons between on-site managers or tenants and owners.
- Meet with prospective tenants to show properties, explain terms of occupancy, and provide information about local areas.
- Market vacant space to prospective tenants through leasing agents, advertising, or other methods.
- Prepare detailed budgets and financial reports for properties.

**Education, Certifications and Training:**

Highland Park High School, Highland Park, IL  
Sun Rise University

Diploma  
Med Tech Certification

**Core Competencies:**

- Accounts Payable
- Assessments
- Human Resource Support
- Intuit QuickBooks
- Microsoft Office Suite
- Sage
- Peach Tree
- Social Services
- Fund Raising



Financial Statements

June 30, 2022

**Housing Authority of Billings, Montana**

# Housing Authority of Billings, Montana

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June 30, 2022

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Section I – Financial Section

June 30, 2022

**Housing Authority of Billings, Montana**



CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

Board of Commissioners  
Housing Authority of Billings, Montana  
Billings, Montana

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities of the Housing Authority of Billings, Montana (the Authority) as of and for the year ended June 30, 2022, and the discretely presented component unit of the Authority as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of June 30, 2022 and the discretely presented component unit as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years ended June 30, 2022 and December 31, 2021 then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Red Fox Apartments, LLLP were not audited in accordance with *Government Auditing Standards*.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of employer's share of the net pension liability and the employer's contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Billings, Montana's basic financial statements. The Schedule of Financial Position by Program and the Schedule of Revenue, Expenses and Changes in Net Position by Program are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Financial Data Schedules (FDS) are presented for purposes of additional analysis as required by Housing and Urban Development Real Estate Assessment Center (REAC) and are also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Financial Position by Program, the Schedule of Revenue, Expenses and Changes in Net Position by Program, the schedule of expenditures of federal awards, and the Financial Data Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 on our consideration of Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Example's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eddie Baily, LLP". The signature is fluid and cursive, with "Eddie" and "Baily" connected by a single stroke, and "LLP" in a smaller, separate group of letters.

Bismarck, North Dakota  
December 15, 2022

**Housing Authority of Billings, Montana**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022

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This discussion and analysis of the Housing Authority of Billings provides a narrative overview and analysis of the financial activity of the Authority for the year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

**Financial Highlights**

- Net Position of the Authority increased \$10,002,655 in the fiscal year ending June 30, 2022.
- Operating revenue of the Authority decreased \$810,932 from the prior year. Major revenue decreases were \$818,456 in housing assistance in the HUD Section 8 Housing Choice Voucher Program and \$201,704 in administration and management fees.
- The Authority had intergovernmental revenues consisting of HUD Low Rent Public Housing Operating Funds of \$987,543, HUD Section 8 Housing Choice Voucher Program Grants of \$4,245,552, HUD FSS Coordinator Program Grants of \$57,443, Montana State Department of Commerce Section 8 Program administrative fees of \$240,253, HUD Section 8 New Construction Grants for Pleasantview Apartments of \$527,465, and HUD Section 8 New Construction Grants for Laurel Gardens of \$62,548.

**Overview of the Financial Statements**

The financial statements consist of three parts-management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include a balance sheet, statements of revenues, expenses and changes in net position, and statements of cash flows. Since the Authority has only enterprise funds, the entity-wide and the fund presentation information is the same.

- The basic financial statements consist of fund financial statements of the Authority's enterprise funds, which operate similar to business activities and for which the Authority follows an accrual basis of accounting.
- The basic financial statements also include a "Notes to the Financial Statements" section that explains some of the information in the fund financial statements and provides more detailed data.
- The Notes to the Financial Statements are followed by a "Supplementary Information" section, which presents the financial data schedule of the Authority required by the U.S. Dept. of Housing and Urban Development (HUD).

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of these statements.

**Housing Authority of Billings, Montana**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

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**Basic Financial Statements**

The basic financial statements provide detailed information about the Authority's most significant funds. The Authority has one kind of fund:

- Enterprise fund-The Authority's activities are in its enterprise fund, activities that are accounted for in a manner similar to businesses operating in the public sector. Funding has primarily come from HUD grant income. The net position of these fund represents accumulated earnings since their inception and is generally restricted for program purposes.

**Condensed Financial Information**

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<b>Assets</b>			
Cash	\$ 17,186,424	\$ 4,661,512	\$ 12,524,912
Investments - certificates of deposit	744,662	365,164	379,498
Accounts receivable (net)	155,312	208,218	(52,906)
Prepaid expenses	1,669	31,949	(30,280)
	<u>18,088,067</u>	<u>5,266,843</u>	<u>12,821,224</u>
 Other Assets			
Capital Assets (net of depreciation)	2,052,536	2,034,371	18,165
Total non-current assets	<u>19,341,822</u>	<u>23,031,763</u>	<u>(3,689,941)</u>
	<u>21,394,358</u>	<u>25,066,134</u>	<u>(3,671,776)</u>
 Total Assets	39,482,425	30,332,977	9,149,448
 Deferred outflows of resources	332,416	501,554	(169,138)
 Total Assets and Deferred Outflows	<u>\$ 39,814,841</u>	<u>\$ 30,834,531</u>	<u>\$ 8,980,310</u>
 <b>Liabilities and Net Position</b>			
 <b>Liabilities</b>			
Accounts payable	\$ 134,326	\$ 132,561	\$ 1,765
Other liabilities	<u>475,141</u>	<u>505,140</u>	<u>(29,999)</u>
Total current liabilities	<u>609,467</u>	<u>637,701</u>	<u>(28,234)</u>
 Non-current Liabilities	2,647,722	4,178,609	(1,530,887)
 Total Liabilities	<u>3,257,189</u>	<u>4,816,310</u>	<u>(1,559,121)</u>
 Deferred inflow of resources	597,530	60,754	536,776
 <b>Net Position</b>			
Invested in capital assets	18,105,378	21,002,967	(2,897,589)
Restricted	11,177,745	219,255	10,958,490
Unrestricted	6,676,999	4,735,245	1,941,754
Total net position	<u>35,960,122</u>	<u>25,957,467</u>	<u>10,002,655</u>
 Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 39,814,841</u>	<u>\$ 30,834,531</u>	<u>\$ 8,980,310</u>

**Housing Authority of Billings, Montana**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022

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**Major factors affecting the condensed Statement of Net Position**

During 2022, there was a significant increase to cash of approximately \$12,525,000 and certificates of deposit of approximately \$380,000 for the Authority as a result of the sale of 57 single family homes. In addition, there was a decrease in the Capital Assets balance of approximately \$3,690,000 also as a result of the single family home sale.

Liabilities decreased \$1,559,121 primarily due to the decrease in Net Pension Liability noted below, along with the decrease in notes payable due to the WSB Mortgage being paid off during 2022.

In 2015, the Authority was required to implement GASB 68 to account for its retirement plan. This resulted in recording a Net Pension Liability of \$1,363,298 in 2022, a decrease of \$761,619 from 2021. The Net Pension Liability represents the unfunded portion of anticipated future retirement payments. Deferred inflows and outflows represent amounts that will be factored into future computations of the net pension liability.

Restricted Net Position represents funds restricted for use as housing assistance payments under the Housing Choice Voucher and Mainstream programs. A corresponding amount of restricted cash is included in the cash balance.

**Housing Authority of Billings, Montana**  
 Management's Discussion and Analysis  
 For the Year Ended June 30, 2022

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**Significant Changes in the Statement of Revenue, Expenses, and Changes in Net Position**

	2022	2021	Change
<b>Operating Revenue</b>			
Housing assistance program	\$ 4,968,346	\$ 5,786,802	\$ (818,456)
Dwelling rental	2,039,945	2,071,791	(31,846)
Operating subsidy	987,543	1,048,911	(61,368)
Other government grant	287,158	-	287,158
Administration and management fees	123,651	325,355	(201,704)
Other income	<u>408,978</u>	<u>393,694</u>	<u>15,284</u>
 Total operating revenue	 <u>8,815,621</u>	 <u>9,626,553</u>	 <u>(810,932)</u>
<b>Operating Expenses</b>			
Occupancy and payments to:			
Landlords	5,276,025	5,339,228	(63,203)
Maintenance	1,163,838	1,361,909	(198,071)
Administration	2,209,977	2,499,702	(289,725)
Utilities	403,607	345,783	57,824
Tenant services	229,532	191,616	37,916
Other operating expenses	<u>153,634</u>	<u>413,350</u>	<u>(259,716)</u>
 Total operating expense	 <u>9,436,613</u>	 <u>10,151,588</u>	 <u>(714,975)</u>
 Operating Loss	 <u>(620,992)</u>	 <u>(525,035)</u>	 <u>(95,957)</u>
<b>Non-Operating Revenue</b>			
Investment income	24,110	25,165	(1,055)
Capital grant income	-	403,315	(403,315)
Corporate grant income	-	102,300	(102,300)
Gain on insurance recovery	64,860	-	64,860
Loss on disposition of capital assets	10,615,355	(1,212)	10,616,567
Interest expense	<u>(80,678)</u>	<u>(90,919)</u>	<u>10,241</u>
 Total non-operating revenue	 <u>10,623,647</u>	 <u>438,649</u>	 <u>10,184,998</u>
 Change in net position	 <u>\$ 10,002,655</u>	 <u>\$ (86,386)</u>	 <u>\$ 10,089,041</u>

A discussion of the change between revenues and expenses for fiscal year 2022 compared to fiscal year 2021 is as follows:

- Operating revenue decreased \$810,932 for the reasons noted in the financial highlights above.
- Operating expenses decreased by \$714,975 in 2022. Much of this decrease was due to a decrease in administration costs of \$289,725, which is due to the sale of the single family homes during 2022. Maintenance costs decreased by \$198,071, which is also due to the sale of the single family homes during 2022. The Authority also had a decrease in housing assistance payments under the HUD Section 8 Housing Choice Voucher program of approximately \$208,000. Utility costs increased by \$57,824.

**Housing Authority of Billings, Montana**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022

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- Investment income was \$24,110 in 2022 as interest rates continued to be low.
- Grant revenue to the Public Housing Capital Fund decreased \$403,315 in 2022.

### **Capital Asset Activity**

The following table summarizes the changes in capital assets between June 30, 2022 and 2021:

	2022	2021	Change
Land	\$ 2,171,673	\$ 3,070,335	\$ (898,662)
Buildings	22,490,240	26,057,409	(3,567,169)
Building improvements	12,405,233	13,890,707	(1,485,474)
Infrastructure	1,403,964	1,403,964	-
Equipment	706,768	866,768	(160,000)
Construction in progress	14,998	225,217	(210,219)
	<u>39,192,876</u>	<u>45,514,400</u>	<u>(6,321,524)</u>
Accumulated depreciation	(19,851,054)	(22,482,637)	2,631,583
	<u><u>\$ 19,341,822</u></u>	<u><u>\$ 23,031,763</u></u>	<u><u>\$ (3,689,941)</u></u>

The Authority spent \$445,770 for capital assets in 2022 of which \$430,772 was expended for improvements in the Low Rent Public Housing program. During 2022 the Authority disposed of \$6,767,294 of capital assets after the sale of the 57 single family homes.

See Note 5 of the financial statements for additional information related to capital assets.

### **Significant Debt Summary**

During 2022, the Authority made principal payments of \$792,352 on long-term debt. No additional proceeds were obtained in the current year.

See Note 6 of the financial statements for additional information related to long-term debt.

### **Currently known fact and expectations and/or Conditions/Expectations**

#### **Changes and Proposed changes**

##### **Staff:**

- Conducted some in-house reorganization.
- Hired a controller to increase the staff size of finance department to 3 FTE.
- Establish Agency wide COVID-19 Protocols and Protections for staff and tenants.
- Conducted Additional Cross Training Opportunities to expand the agency knowledge base.
- Hosted In House Capital Fund Training
- All staff participated in Human Trafficking training

**Housing Authority of Billings, Montana**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022

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**Agency:**

- Continued meeting goals and objectives of strategic plan.
- Reorganized Organizational Structure – increasing employee position by six new positions.
- Completed the process of restructuring the Public Housing Program with a Section 18 application to, and approval from, HUD.
- HOMEFRONT developed partnerships to create additional affordable housing.
- HOMEFRONT continued to apply for any additional vouchers available that fit the capacity and need of our community and that fulfill the mission of our agency.
- Completed Board Governance with a change to by-laws and adoption of Board Policies & Procedures, Board Job Descriptions, Board Oath.
- Conducted In House Board/Leadership Training with National NAHRO President, Sunny Shaw.
- 3 Board Members became certified Board of Commissioners by completing national NAHRO Certification
- Applied for a County/Tribal matching grant position through the Crisis Leader group that was funded to hire a Tenant Support Specialists in line with agency goals and leasing assistance.
- HOMEFRONT emphasized the procurement compliance by having a dedicated employee to this and for the continued procurement training with leadership and Board.

**Community:**

- HOMEFRONT Development sold the Western Inn Hotel which was purchased as a direct response to the COVID 19 pandemic emergency in our community to assist the community in serving those needing a low barrier shelter and Quarantine & Isolation rooms.
- HOMEFRONT expanded its collaboration with community partners serving on a variety of housing workgroups and being named, by City Council Initiative, to lead the community Housing Strategy.
- Led the effort for the community application to participate in Local Housing Solutions workgroup,
- HOMEFRONT worked with community partners on the Substance Abuse Executive Committee and Crisis Leader's Group to make important decisions on how tax payer dollars are used regarding mental health, substance abuse and homeless services.

**Program:**

- The HCV program continued a review and re-write of the Administrative Plan.
- HCV furthered partnerships with CoC and local providers for the Foster Youth Initiative.
- HOMEFRONT continued as a front door agency for the CoC and will engage clients through Service Point, a community wide HMIS system.

**Technology:**

- Hired a Full-Time IT staff position which is also an income generating path.
- Upgraded agency server

**Contacting the Authority's Management Center**

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. If you have any questions concerning any of the information provided in this report or would like to request additional information, contact the Executive Director, 2415 1<sup>st</sup> Ave. North, Billings, MT 59101.

Housing Authority of Billings, Montana  
 Statements of Net Position  
 June 30, 2022

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	Primary Government	Discretely Presented Component Unit as of 12/31/2021
<b>Assets and Deferred Outflows</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 5,575,252	\$ 264,935
Restricted cash	11,611,172	163,652
Receivables		
Due from HUD	10,877	-
Due from related party	88,094	-
Tenant and other, net	56,341	1,513
Certificates of deposits	744,662	-
Prepaid expenses	1,669	-
	<hr/>	<hr/>
Total current assets	<hr/> <u>18,088,067</u>	<hr/> <u>430,100</u>
<b>Capital Assets</b>		
Capital assets, not being depreciated	2,186,671	572,000
Capital assets, net of accumulated depreciation	<u>17,155,151</u>	<u>4,297,232</u>
Total capital assets, net of accumulated depreciation	<u>19,341,822</u>	<u>4,869,232</u>
<b>Other Assets</b>		
Other assets	25	24,582
Notes receivable	1,855,798	-
Developer fees receivable	126,265	-
Interest receivable	70,448	-
Total other assets	<hr/> <u>2,052,536</u>	<hr/> <u>24,582</u>
	<hr/>	<hr/>
Total Assets	<hr/> <u>39,482,425</u>	<hr/> <u>5,323,914</u>
<b>Deferred Outflow of Resources</b>	<hr/> <u>332,416</u>	<hr/> <u>-</u>
	<hr/> <u>\$ 39,814,841</u>	<hr/> <u>\$ 5,323,914</u>

Housing Authority of Billings, Montana  
 Statements of Net Position  
 June 30, 2022

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	Primary Primary Government	Discretely Presented Component Unit as of 12/31/2021
<b>Liabilities, Deferred Inflows and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 134,326	\$ 16,986
Due to related party	-	88,094
Prepaid rent	27,667	-
Accrued liabilities	78,180	17,323
Current portion of accrued compensated absences	64,864	-
Accrued interest payable	2,433	58,294
Tenant security deposits payable	165,979	18,772
FSS escrow obligations	70,147	-
Current portion of long-term debt	65,871	9,386
Total Current Liabilities	<u>609,467</u>	<u>208,855</u>
<b>Long-Term Liabilities</b>		
Long-term debt - net of current portion	1,170,573	2,287,770
Accrued compensated absences	113,851	-
Developer fee payable	-	126,265
Net pension liability	1,363,298	-
Total Long-Term Liabilities	<u>2,647,722</u>	<u>2,414,035</u>
Total Liabilities	<u>3,257,189</u>	<u>2,622,890</u>
<b>Deferred Inflow of Resources</b>	<u>597,530</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	18,105,378	2,572,076
Restricted	11,177,745	-
Unrestricted	6,676,999	128,948
Total net position	<u>35,960,122</u>	<u>2,701,024</u>
	<u>\$ 39,814,841</u>	<u>\$ 5,323,914</u>

**Housing Authority of Billings, Montana**  
 Statements of Revenues, Expenses and Changes in Net Position  
 Year Ended June 30, 2022

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	Primary Government	Discretely Presented Component Unit	Year Ended 12/31/2021
<b>Operating Revenue</b>			
Housing assistance program receipts	\$ 4,968,346	\$ -	-
Dwelling rental	2,039,945	229,420	229,420
Operating subsidy	987,543	-	-
Other government grant	287,158	-	-
Administration and management fees	123,651	-	-
Other income	408,978	-	-
	<hr/>	<hr/>	<hr/>
<b>Total operating revenue</b>	<b>8,815,621</b>	<b>229,420</b>	<b>229,420</b>
<b>Operating Expenses</b>			
Occupancy and payments to landlords	5,276,025	243,249	243,249
Maintenance	1,163,838	27,726	27,726
Administration	2,209,977	81,007	81,007
Utilities	403,607	11,049	11,049
Tenant services	229,532	6,426	6,426
Other	153,634	28,622	28,622
	<hr/>	<hr/>	<hr/>
<b>Total operating expenses</b>	<b>9,436,613</b>	<b>398,079</b>	<b>398,079</b>
<b>Operating Loss</b>	<b>(620,992)</b>	<b>(168,659)</b>	<b>(168,659)</b>
<b>Nonoperating Revenue (Expense)</b>			
Interest and investment income	24,110	118	118
Other income	-	4,122	4,122
Gain on insurance recovery	64,860	-	-
Gain on sale of capital assets	10,615,355	-	-
Interest expense	(80,678)	(30,937)	(30,937)
	<hr/>	<hr/>	<hr/>
<b>Total nonoperating revenue (expense)</b>	<b>10,623,647</b>	<b>(26,697)</b>	<b>(26,697)</b>
<b>Income (Loss) Before Capital and Other Contributions</b>	<b>10,002,655</b>	<b>(195,356)</b>	<b>(195,356)</b>
<b>Capital and Other Contributions</b>			
HUD capital grants	-	-	-
<b>Change in Net Position</b>	<b>10,002,655</b>	<b>(195,356)</b>	<b>(195,356)</b>
<b>Net Position, Beginning of Year</b>	<b>25,957,467</b>	<b>2,896,380</b>	<b>2,896,380</b>
<b>Net Position, End of Year</b>	<b>\$ 35,960,122</b>	<b>\$ 2,701,024</b>	<b>\$ 2,701,024</b>

**Housing Authority of Billings, Montana**  
**Statements of Cash Flows**  
**Year Ended June 30, 2022**

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	Primary Government	Discretely Presented Component Unit
	Year Ended 12/31/2021	
<b>Operating Activities</b>		
Cash received from tenants	\$ 2,039,891	\$ 228,606
Cash received from U. S. Department of Housing and Urban Development	6,016,788	-
Cash received from others	819,807	-
Cash payments to landlords	(4,060,016)	-
Cash payments to employees	(2,177,554)	-
Cash payments to suppliers	<u>(2,021,548)</u>	<u>(133,925)</u>
Net Cash from Operating Activities	<u>617,368</u>	<u>94,681</u>
<b>Capital and Related Financing Activities</b>		
Receipt of insurance proceeds	64,860	-
Proceeds from the sale of capital assets	13,535,057	-
Purchases of capital assets	(445,770)	-
Principal payments on long-term debt	(792,352)	(8,701)
Interest paid on long-term debt	<u>(80,678)</u>	<u>(19,354)</u>
Net Cash from (used for) Capital and Related Financing Activities	<u>12,281,117</u>	<u>(28,055)</u>
<b>Investing Activities</b>		
Interest income and realized gains	5,925	118
Certificates of deposit redeemed	<u>(379,498)</u>	-
Net Cash (used for) from Investing Activities	<u>(373,573)</u>	<u>118</u>
Net Change in Cash and Cash Equivalents	12,524,912	66,744
Cash and Cash Equivalents, Beginning of Year	<u>4,661,512</u>	<u>361,843</u>
Cash and Cash Equivalents, End of Year	<u>\$ 17,186,424</u>	<u>\$ 428,587</u>

**Housing Authority of Billings, Montana**  
**Statements of Cash Flows**  
**Year Ended June 30, 2022**

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	<u>Primary Government</u>	<u>Discretely Presented Component</u>
	<u>Year Ended 12/31/2021</u>	
<b>Reconciliation of Cash and Cash Equivalents</b>		
Cash	\$ 5,575,252	\$ 264,935
Restricted cash	<u>11,611,172</u>	<u>163,652</u>
<b>Total Cash and Cash Equivalents</b>	<b><u>\$ 17,186,424</u></b>	<b><u>\$ 428,587</u></b>
 <b>Reconciliation of Operating Loss</b>		
<b>to Net Cash from Operating Activities</b>		
Operating loss	\$ (620,992)	\$ (168,659)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation expense	1,216,009	241,115
Amortization expense	-	2,137
Non cash portion of pension expense from- State of Montana	112,512	-
Changes in assets and liabilities		
Receivables, net	52,926	(1,513)
Prepaid expenses	30,280	-
Deferred outflows of resources	56,626	-
Accounts payable	1,765	15,902
Accrued liabilities	(13,783)	5,000
Security deposits	(19,728)	699
Prepaid rents	27,667	
FSS escrow obligations	(1,071)	-
Net pension liability	(761,619)	-
Deferred inflow of resources	<u>536,776</u>	<u>-</u>
 <b>Net Cash from Operating Activities</b>	<b><u>\$ 617,368</u></b>	<b><u>\$ 94,681</u></b>

## **Note 1 - Nature of Operations and Significant Accounting Policies**

### **Nature of Operations**

The Housing Authority of Billings, Montana (Housing Authority), a related organization of the City of Billings, Montana, is a public housing agency formed to provide financial assistance for low income public housing pursuant to the United States Housing Act of 1937, as amended, 42 United States Code Section 1437 et seq. The City of Billings appoints the members of the Authority's Board of Commissioners, however, the Authority is not financially accountable to the City of Billings.

The Authority operates 216 public housing units subsidized by the Department of Housing and Urban Development under an Annual Contributions Contract; Section 8 Programs consisting of 669 Housing Authority of Billings, Montana housing choice vouchers, 90 veterans affairs supportive housing, 40 Mainstream vouchers, 25 Foster Youth Independence vouchers and administrative income to administer a portion (460 vouchers) of the Montana State Section 8 voucher Program; a project based Section 8 housing complex consisting of 100 subsidized and 2 unsubsidized units; 75 HAB Development units (30 of the units are for Laurel Gardens which is an elderly project based Section 8 project), and 32 LIHTC units owned by Whitetail Run Apartments, LLP of which the Authority is the general partner.

### **Reporting Entity**

The Authority's financial statements include the accounts of all Housing Authority operations. The criteria for including organizations as component units within the Authority reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- the organization is legally separated (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization's board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

The Authority is not includable as a component unit within another reporting entity.

### Blended Component Units

Included within the financial reporting entity of the Authority as blended component units are HAB Development Corporation, HAB Education and Wellness Corporation, Whitetail Run Apartments Development, LLC, Whitetail Run Apartments, LLP, and Red Fox Development, LLC.

The Authority is the sole shareholder of HAB Development Corporation and has the day to day management responsibilities of the Corporation. The Corporation owns and operates 75 units of low income housing in Billings, Montana.

# Housing Authority of Billings, Montana

## Notes to Financial Statements

June 30, 2022

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The Authority is the sole shareholder of HAB Education and Wellness Corporation and has the day to day management responsibilities of the Corporation. The Corporation offers education and wellness activities to the youth, ages 4-12, of the residents served by the Authority.

The Authority is the sole member of Whitetail Run Apartments Development, LLC and the managing general partner in Whitetail Run Apartments, LLP. Whitetail Run Apartments, LLP is a 32-unit low income housing tax credit project located in Billings, Montana. As the general partner, the Authority has the day to day management responsibilities of the LLP. Whitetail Run Apartments Development, LLC is the limited partner in Whitetail Run Apartments, LLP.

The Authority is the sole member of Red Fox Development, LLC, which is the general partner and .01% owner of Red Fox Apartments, LLLP, a discretely presented component unit which operates 30 units of low income housing.

Accordingly, the balances and transactions of these component units are reported within the proprietary fund of the Authority.

### Discretely Presented Component Unit

As mentioned above, the discretely presented component unit in the accompanying financial statements is Red Fox Apartments, LLLP (Red Fox). Red Fox was organized in fiscal year 2017 to construct a 30-unit low income housing tax credit project in Billings, Montana. Construction of the project was completed in the fall of 2018. As the general partner in Red Fox, the Authority has the day to day management responsibilities. The financial statements of Red Fox are presented in a separate column to emphasize that it is legally separate from the Authority. The LLLP's fiscal year end is December 31 so the financial statements presented are as of and for the period ended December 31, 2021.

### **Basis of Accounting**

The Department of Housing and Urban Development Real Estate Assessment Center (REAC) assesses the financial condition of Public Housing Authorities (PHA's). To uniformly and consistently assess the PHA's, REAC requires that PHA's financial statements conform to Generally Accepted Accounting Principles (GAAP).

The Authority considers all revenues and expenses (including HUD intergovernmental revenues and expenses) as operating items with the exception of interest expense, interest income, development and construction grants, and HUD capital grants, which are considered non-operating for financial reporting purposes.

The Authority prepares its financial statements on the accrual basis of accounting which is generally accepted. Under this method revenues are recognized in the accounting period in which they are earned and expenses when the liability for them is initially incurred.

### **Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Concentrations of Credit Risk**

Accounts receivable are comprised principally of amounts due from HUD for reimbursement of modernization costs and for annual contributions due under grants.

### **Cash and Cash Equivalents**

The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### **Accounts Receivable**

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. Receivables are reported net of the related allowance of \$348 at June 30, 2022.

### **Notes and Interest Receivable**

Notes and interest receivable are carried at amounts advanced, net of reserve for uncollectable accounts, if any. As of June 30, 2022, all notes and interest are considered to be fully collectible.

### **Certificates of Deposit**

Certificates of deposit are recorded at cost.

### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are stated at historical or estimated historical cost. Depreciation is computed using the straight-line method and is provided over the following estimated useful lives:

Buildings	30-40 years
Building improvements	20 years
Infrastructure	40 years
Equipment	3-10 years

# Housing Authority of Billings, Montana

Notes to Financial Statements

June 30, 2022

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Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the year ended June 30, 2022.

## **Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expenses/ expenditure) until then. The Authority has two items that qualify for reporting in this category. They are the contributions made to pension plans after the measurement date and prior to the fiscal year-end, and changes in the net pension liability (asset) not included in pension expense (revenue) reported in the statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has one type of item that qualifies for reporting in this category. The Authority reports changes in the net pension liability (asset) not included in pension expense (revenue) reported in the statement of net position.

## **Fraud Recovery**

HUD requires the Authority to account for monies recovered from tenants who committed fraud or misrepresentation in the application process for rent calculations and now owe additional rent for prior periods or retroactive rent as fraud recovery. The monies recovered are shared by HUD and the local Housing Authority.

## **Family Self-Sufficiency**

The Family Self-Sufficiency program (FSS) is an incentive program for low-income persons receiving subsidies to help them find ways to increase their income through schooling, technical training, etc. The Authority sets aside in an escrow account the difference between the participants' starting subsidy and their declining subsidy as their wages increase. When the participants achieve an income level at which they no longer receive subsidies in accordance with program guidelines, they will receive the escrow balance in cash. If the participants fail to comply with the program requirements, their escrow balance is forfeited. The total balance of the escrow accounts at June 30, 2022 was \$70,147. The liability and the corresponding restricted cash are shown on the Authority's financial statements.

# Housing Authority of Billings, Montana

## Notes to Financial Statements

June 30, 2022

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### Compensated Absences

#### *Vacation*

Employees of the Authority, that qualify, begin earning vacation days on the first day of their employment. However, they may not use vacation days until they have been continuously employed for six months. Non-exempt employees accrue vacation leave each pay period proportionate to the below schedule based upon the hours worked each pay period:

Years of Service	Rate Earned Per Hours Worked	Maximum Hours Accrual
1 day through 9 years	0.06123	240
10 years through 15 years	0.07439	288
15 years through 20 years	0.08787	336
Over 20 years	0.10170	384

Full-time non-exempt employees earn paid vacation time based upon the number of hours worked. Part-time, temporary, and seasonal employees are not eligible for paid vacation leave.

Non-exempt employees may not accumulate more than two times the annual maximum accrual designated for their years of employment. The accrual cap may be extended if an employee is unable to take leave due to a legitimate business reason. Non-exempt employees are not allowed to cash out vacation leave without the Board of Commissioner authorization. Upon employment termination, all earned and unused vacation time will be paid.

Exempt employees accrue vacation leave per pay period according to the following schedule:

Years of Service	Hours	Maximum Hours Accrual
1 day through 9 years	6	390
10 years through 15 years	7	455
15 years through 20 years	8	520
Over 20 years	9	585

#### *Sick Leave*

Full-time employees earn sick leave based upon the regular hours worked each pay period. Part-time, temporary, and seasonal employees are not eligible for sick leave. Employees may not use sick leave days until they have been continuously employed for 3 months. Employees accrue sick leave at .04898 hours per actual hours worked. Accrued sick time will be capped at 480 hours (12 weeks).

Upon termination of employment, employees will not be paid out sick leave. Current employees, as of July 1, 2020, will receive sick leave payout at .25 of their sick leave accrued hours.

# Housing Authority of Billings, Montana

Notes to Financial Statements

June 30, 2022

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## **Components of Net Position**

Components of net position include the following:

- Net Investment in Capital Assets—Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- Restricted Net Position—Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the statement of net position that are subject to restraints on their use by HUD.
- Unrestricted Net Position—Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the statement of net position that are not subject to restraints on their use.

## **Restricted Net Position**

Unspent Section 18 disposition proceeds in the Public Housing program are considered restricted. As of June 30, 2022, restricted net position for the Public Housing program was \$11,177,745.

Excess HAP funds provided by HUD for the Housing Choice Voucher (HCV) and Mainstream programs are considered restricted. All restricted funds must be used solely for the purpose of the HCV and Mainstream programs HAP expenses with the exception of over-leased units. As of June 30, 2022, there was no restricted net position for the Housing Choice Voucher (HCV) and Mainstream programs.

It is the Authority's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

## **Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Montana Public Employee Retirement Administration (MPERA) and additions to/ deletions from MPERA's fiduciary net position have been determined on the same basis as they are reported by MPERA. Authority contributions and net pension liability (asset) are recognized on an accrual basis of accounting. Investments are reported at fair value.

## **Note 2 - Deposits and Certificates of Deposit**

### **Deposit and Investment Policy**

The Authority's funds are required to be deposited and invested under the terms of a general depository agreement pursuant to PIH 95-27 "Required HA Cash Management and Investment Policies and Procedures." The depository bank deposits for safekeeping and trust with the Authority's agent approved pledged securities in an amount sufficient to protect Authority funds on a day-to-day basis during the period of the agreement. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation insurance. Under the general depository agreement, the Authority, at its own discretion, invests funds in demand and savings deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

The agreement authorizes the Authority to invest in the following approved investment instruments:

- A. Direct obligations of the Federal Government backed by the full faith and credit of the United States including U.S. Treasury Bills; U.S. Treasury Notes; and U.S. Treasury Bonds
- B. Obligations of Federal Government Agencies including Federal Financing Bank; Government National Mortgage Association (GNMA), Mortgage-Backed Securities (GNMA I and GNMA II); GNMA Participation Certificates; Maritime Administration Merchant Marine Bonds, Notes and Obligations; Small Business Administration (SBA), Small Business Investments Corporation (SBIC) Debentures; and Tennessee Valley Authority (TVA) Power Bonds and Notes
- C. Securities of Government-Sponsored Agencies including Farm Credit Consolidated System-Wide Discount Notes; Federal Farm Credit Banks Consolidated System-Wide Bonds; Federal Home Loan Banks Consolidated Bonds, Notes and Discount Notes; FHLMC Mortgage Participation Certificates (PC) (Guaranteed); FHLMC Collateralized Mortgage Obligations (CMOs); Federal National Mortgage Association (FNMA) Debentures; FNMA Notes; FNMA Short-Term Discount Notes; FNMA Capital Debentures; and Student Loan Marketing Associations (SLMA) Obligations
- D. Demand and Savings Deposits
- E. Money-Market Deposit Accounts
- F. Municipal Depository Fund
- G. Super NOW Accounts
- H. Certificates of Deposit
- I. Repurchase Agreements
- J. Sweep Accounts
- K. Separate Trading of Registered Interest and Principal of Securities
- L. Mutual Funds

### **Primary Government**

#### **Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Beyond what is stated in the Century Code, the Authority does not have a formal policy to further limit exposure to custodial credit risk.

The carrying amounts of the Authority's deposits (cash and certificates of deposit) with financial institutions as of June 30, 2022 totaled \$17,931,086 and the cash bank balances totaled \$18,108,298.

For the bank balances as of June 30, 2022, \$500,000 was covered by Federal Depository Insurance and the remaining balance was collateralized with securities held by a pledging financial institution's agent in the government's name.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Authority does not have a formal policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

#### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Beyond what is stated in the Century Code, the Authority does not have a formal policy to further limit exposure to credit risk. All certificates of deposit held by the Authority as of June 30, 2022 mature within 1 year.

#### **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The Authority places no limit on the amount which may be invested with a single issuer.

#### **Discretely Presented Component Unit**

##### **Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, Red Fox Apartments, LLLP deposits may not be returned to it.

The carrying amount with financial institutions of Red Fox Apartments, LLLP's deposits with financial institutions as of December 31, 2021 were \$428,587.

For the bank balances as of December 31, 2021, the full balances were covered by FDIC insurance and there is no significant level of risk.

### **Note 3 - Restricted Cash and Investments**

#### **Primary Government**

Restricted cash relates to tenant security deposits held (\$165,979); the family self-sufficiency program (\$70,147); operating and replacement reserves required by Montana Board of Housing on the Whitetail Run project (\$194,621); unspent Section 18 disposition proceeds in the Public Housing program (\$11,177,745); and for accounts payable to HUD in the HCV program (\$2,680).

#### **Discretely Presented Component Unit**

Restricted cash relates to tenant security deposits held and operating and replacement reserves required by the partnership agreement.

### **Note 4 - Notes Receivable**

The following are the notes receivable of the Authority at June 30, 2022:

#### Notes Receivable from Discretely Presented Component Unit

2.07% note receivable from Red Fox Apartments LLLP, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	\$ 472,500
1.00% note receivable from Red Fox Apartments LLLP, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	45,000
1.00% note receivable from Red Fox Apartments LLLP, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	90,122
Non interest bearing note receivable from Red Fox Apartments LLLP, drawn on maximum available construction loan proceeds of \$1,248,176, payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	<u>1,248,176</u>
	<u>\$ 1,855,798</u>

# Housing Authority of Billings, Montana

## Notes to Financial Statements

June 30, 2022

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During 2022, the Authority earned approximately \$17,836 in interest income on the above notes with Red Fox. As of June 30, 2022, the Authority was owed accrued interest of \$70,448 from Red Fox.

### Note 5 - Capital Assets

#### Primary Government

Capital asset activity for the primary government for the year ended June 30, 2022 is as follows:

	07/01/21 Balances	Increases	Decreases	Transfers	06/30/22 Balances
Capital assets not being depreciated					
Land	\$ 3,070,335	\$ -	\$ (898,662)	\$ -	\$ 2,171,673
Construction in progress	225,217	445,770	(29,702)	(626,287)	14,998
Total capital assets not being depreciated	<u>3,295,552</u>	<u>445,770</u>	<u>(928,364)</u>	<u>(626,287)</u>	<u>2,186,671</u>
Capital assets being depreciated					
Buildings	26,057,409	-	(4,193,456)	626,287	22,490,240
Building improvements	13,890,707	-	(1,485,474)	-	12,405,233
Infrastructure	1,403,964	-	-	-	1,403,964
Equipment	866,768	-	(160,000)	-	706,768
Total capital assets being depreciated	<u>42,218,848</u>	<u>-</u>	<u>(5,838,930)</u>	<u>626,287</u>	<u>37,006,205</u>
Less accumulated depreciation for:					
Buildings	15,306,596	490,272	(2,872,654)	-	12,924,214
Building improvements	6,536,672	608,918	(946,938)	-	6,198,652
Infrastructure	270,585	39,618	-	-	310,203
Equipment	368,784	77,201	(28,000)	-	417,985
Total accumulated depreciation	<u>22,482,637</u>	<u>1,216,009</u>	<u>(3,847,592)</u>	<u>-</u>	<u>19,851,054</u>
Total capital assets being depreciated, net	<u>19,736,211</u>	<u>(1,216,009)</u>	<u>(1,991,338)</u>	<u>626,287</u>	<u>17,155,151</u>
Total capital assets, net	<u>\$ 23,031,763</u>	<u>\$ (770,239)</u>	<u>\$ (2,919,702)</u>	<u>\$ -</u>	<u>\$ 19,341,822</u>

As of June 30, 2022, the Authority has no outstanding contracts for work to be completed.

Housing Authority of Billings, Montana  
Notes to Financial Statements  
June 30, 2022

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**Discretely Presented Component Unit**

Capital asset activity for the discretely presented component unit for the year ended December 31, 2021 is as follows:

	01/01/21 Balances	Increases	Decreases	Transfers	12/31/21 Balances
Capital assets not being depreciated					
Land	\$ 572,000	\$ -	\$ -	\$ -	\$ 572,000
Capital assets being depreciated					
Land Improvements	1,358,460	-	-	-	1,358,460
Buildings	3,570,867	-	-	-	3,570,867
Equipment	200,634	-	-	-	200,634
Total Being Depreciated	5,129,961	-	-	-	5,129,961
Accumulated Depreciation	591,614	241,115	-	-	832,729
Total capital assets being depreciated	4,538,347	(241,115)	-	-	4,297,232
Total capital assets, net	<u>\$ 5,110,347</u>	<u>\$ (241,115)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,869,232</u>

**Note 6 - Long-Term Debt**

**Primary Government**

Long-term debt activity for the primary government for the year ended June 30, 2022 is as follows:

	07/01/21	Increases	Decreases	06/30/22
Notes Payable	<u>\$ 2,028,796</u>	<u>\$ -</u>	<u>\$ (792,352)</u>	<u>\$ 1,236,444</u>

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Long-term debt for the primary government as of June 30, 2022, consisted of the following:

\$1,900,000 note payable to Western Security Bank, interest at 3.9%, due in varying monthly installments ranging from \$9,085 to \$14,940, including interest, from November 2016 to November 2036, unsecured	\$ 1,236,444
Less: current maturities	<u>(65,871)</u>
	<u><u>\$ 1,170,573</u></u>

Long-term debt maturities for the primary government are as follows:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 65,871	\$ 47,061
2024	67,779	44,473
2025	70,470	41,782
2026	73,268	38,984
2027	76,177	36,075
2028-2032	428,729	132,529
2033-2037	454,150	1,427
 Total	 <u>\$ 1,236,444</u>	 <u>\$ 342,331</u>

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**Discretely Presented Component Unit**

Long-term debt activity for Red Fox, the discretely presented component unit, for the year ended December 31, 2021 is as follows:

	<u>01/01/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/21</u>
Notes Payable	<u>\$ 2,304,550</u>	<u>\$ -</u>	<u>\$ (7,394)</u>	<u>\$ 2,297,156</u>

Long-term debt for Red Fox as of December 31, 2021 consisted of the following:

4.12%, \$482,698 note payable to U.S. Bank National, due in monthly installments of \$2,338, due January 2034, secured by a security agreement, assignment of rent, and fixture financing statement	\$ 457,147
Unamortized debt issuance costs, based on an effective interest rate of 4.63%	<u>(15,789)</u>
	<u>441,358</u>
2.07% note payable to HAB Development Corporation, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	472,500
1.00% note payable to HAB Development Corporation, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by subordinate deed of trust	45,000
1.00% note payable to HAB Development Corporation, annual payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by subordinate deed of trust	90,122
Non interest bearing note payable to the Housing Authority of Billings, drawn on maximum available construction loan proceeds of \$1,248,176, payments to commence at completion of construction to the extent of available cash flow with entire balance due in November 2056, secured by a subordinate deed of trust	<u>1,248,176</u>
Less: current maturities	<u>2,297,156</u>
	<u>(9,386)</u>
	<u><u>\$ 2,287,770</u></u>

# Housing Authority of Billings, Montana

Notes to Financial Statements

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Long-term debt maturities for Red Fox are as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>
2022	\$ 9,386
2023	9,780
2024	10,191
2025	10,619
2026	11,064
Thereafter	2,261,905
Unamortized debt issuance costs	(15,789)
 Total	 <u>\$ 2,297,156</u>

## **Note 7 - Pension and Retirement Plan**

### **Description of the Plans**

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System, and school districts. Benefits are established by state law and can only be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

### **Benefits Provided**

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

#### **Service retirement:**

- Hired prior to July 1, 2011:
  - Age 60, 5 years of membership service;
  - Age 65, regardless of membership service; or
  - Any age, 30 years of membership service.
- Hired on or after July 1, 2011:
  - Age 65, 5 years of membership service;
  - Age 70, regardless of membership service.

**Early retirement, actuarially reduced:**

- Hired prior to July 1, 2011:
  - Age 50, 5 years of membership service; or
  - Any age, 25 years of membership service.
- Hired on or after July 1, 2011:
  - Age 55, 5 years of membership service;

**Second Retirement** (requires returning to PERS-covered employer or PERS service):

- Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:
  - A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018).
  - No service credit for second employment;
  - Start the same benefit amount the month following termination; and
  - Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- Retired before January 1, 2016 and accumulate at least 2 years of additional service credit:
  - A recalculated retirement benefit based on provisions in effect after the initial retirement; and
  - GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- Retired on or after January 1, 2016 and accumulates 5 or more years of service credit:
  - The same retirement as prior to the return to service;
  - A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
  - GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

**Member's highest average compensation (HAC)**

- Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;

**Compensation Cap**

- Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

**Monthly benefit formula**

- Members hired prior to July 1, 2011:
  - Less than 25 years of membership service: 1.785% of HAC per year of service credit;
  - 25 years of membership service or more: 2% of HAC per year of service credit.

# Housing Authority of Billings, Montana

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- Members hired on or after July 1, 2011:
  - Less than 10 years of membership service: 1.5% of HAC per year of service credit;
  - 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
  - 30 years or more of membership service: 2% of HAC per year of service credit.

### **Guaranteed Annual Benefit Adjustment (GABA)**

After the member has completed 12 months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  - a. 1.5% for each PERS is funded at or above 90%
  - b. 1.5% reduced by 0.1% for each 2.0% PERS is funded below 90%; and
  - c. 0% whenever the amortization period for PERS is 40 years or more.

### **Contributions**

The state Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

### **Special Funding**

The state of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employers who received special funding are all participating employers.

### **Not Special Funding**

Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions.

Member and employer contribution rates are shown in the table below.

Fiscal Year	Member		State and Universities		Local Government		School Districts	
	Hired < 7/1/11	Hired > 7/1/11	Employer	Employer	State	Employer	State	
2022	7.900%	7.900%	8.970%	8.870%	0.100%	8.600%	0.370%	
2021	7.900%	7.900%	8.870%	8.770%	0.100%	8.500%	0.370%	
2020	7.900%	7.900%	8.770%	8.670%	0.100%	8.400%	0.370%	
2019	7.900%	7.900%	8.670%	8.570%	0.100%	8.300%	0.370%	
2018	7.900%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%	
2017	7.900%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%	
2016	7.900%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%	
2015	7.900%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%	
2014	7.900%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%	
2012-2013	6.900%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%	
2010-2011	6.900%		7.170%	7.070%	0.100%	6.800%	0.370%	
2008-2009	6.900%		7.035%	6.935%	0.100%	6.800%	0.235%	
2000-2007	6.900%		6.900%	6.800%	0.100%	6.800%	0.100%	

# Housing Authority of Billings, Montana

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1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1, following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
  - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following an actuary valuation that shows the amortization period of the PERS-DBRP has dropped below 25 years and remains below the 25 years following the reduction of both the additional employer and member contribution rates.
  - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
  - c. The portion of employer contributions allocated to the PCR are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.
3. Non-Employer Contributions
  - a. Special Funding
    - i. The State contributes 0.1% of members' compensation on behalf of local government entities.
    - ii. The State contributes 0.37% of members' compensation on behalf of local government entities.
    - iii. The State contributed a Statutory Appropriation from the General Fund of \$34,290,660.

## Stand Alone Statements

The financial statements of the Montana Public Employees Retirement Board (PERB) *Comprehensive Annual Financial Report* (CAFR) and GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov/>

# Housing Authority of Billings, Montana

## Notes to Financial Statements

June 30, 2022

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### **Actuarial Assumptions**

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions.

• Investment Return	7.06%
• Admin Expense as % of Payroll	0.28%
• General Wage Growth*	3.50%
*includes Inflation at	2.40%
• Merit Increases	0% to 4.80%
• Postretirement Benefit Increases	

#### **Guaranteed Annual Benefit Adjustment**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  - a. 1.5% for each year PERS is funded at or above 90%
  - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%
  - c. 0% whenever<sup>4</sup> the amortization period for PERS is 40 years or more
- Mortality assumptions among contributing members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, set back one year for males.
- Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Mortality Tables with no projections.

### **Discount Rate**

The discount rate used to measure the Total Pension Liability was 7.06%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 0.1% of salaries for local governments and 0.37% for school districts. In addition, the State contributes a statutory appropriation from the general fund. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2126. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. A municipal bond rate was not incorporated in the discount rate.

### Target Allocations

The long-term rate of return as of June 30, 2021, was calculated using the average long-term capital market assumptions published in the Survey of Capital Market Assumptions 2021 Edition by Horizon Actuarial Service, LLC, yielding a median real return of 4.66%. The assumed inflation is based on the intermediate inflation assumption of 2.40% in the 2021 OASDI Trustees Report used by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.06%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2021, are summarized in the table on the top of the next page. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation (78c & 78f) as of June 30, 2021, are summarized in the table below.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Real Rate of Return Arithmetic Basis</u>
Cash	3.00%	-0.33%
Domestic equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
 Total	 <u>100.00%</u>	 <u> </u>

### Sensitivity Analysis

The following presents the Authority's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The Net Pension Liability was calculated using the discount rate of 7.06%, as well as what the Net Pension Liability would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	<u>1.0% Decrease (6.06%)</u>	<u>Current Discount Rate</u>	<u>1.0% Increase (8.06%)</u>
Employer's Net Pension Liability	\$ 2,164,023	\$ 1,363,298	\$ 691,676

# Housing Authority of Billings, Montana

## Notes to Financial Statements

June 30, 2022

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### **Summary of Significant Accounting Policies**

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the Authority has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

### **Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources**

GASB Statement 68 allows a measurement date of up to 12 months before the Authority's fiscal year-end can be utilized to determine the Plan's Total Pension Liability. The basis for the Total Pension Liability as of June 30, 2021, was determined by taking the results of the June 30, 2020, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the Authority's and the state of Montana's NPL for June 30, 2021, are displayed below. The Authority's proportionate share equals the ratio of the Authority's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The Authority recorded a liability of \$1,363,298 as of June 30, 2021. The Authority's proportionate share was 0.075187 percent as of June 30, 2021, which was an decrease of 0.005357% from its proportion measured as of June 30, 2020.

	<u>Net Pension Liability as of 6/30/2022</u>	<u>% of Collective NPL as of 6/30/2022</u>
Employer proportionate share	\$ 1,363,298	0.075187%
State of Montana proportionate share associated with employer	402,251	0.022184%
	<u>\$ 1,765,549</u>	<u>0.097371%</u>

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**Changes in benefit terms:** There have been no changes in benefit terms since the previous measurement date.

**Changes in proportionate share:** There were no changes between the measurement date of the collective NPL and the Authority's reporting date that are expected to have a significant effect on the Authority's proportionate share of the collective NPL. However, each employer may have unique circumstances that will impact the Authority's proportionate share of the collective net pension. If there were changes that are expected to have an impact on the net pension liability, the Authority should disclose the amount of the expected resultant change in the Authority's proportionate share of the collective net pension liability, if known.

**Pension Expense**

	Pension Expense Year Ended 6/30/2022
Employer's proportionate share of PERS	\$ 60,230
State of Montana proportionate share for employer	<u>112,512</u>
	<u><u>\$ 172,742</u></u>

For the year ended June 30, 2022, the Authority recognized a Pension Expense of \$60,230 for its proportionate share of the Plan's pension expense. The Authority recognized grant revenue of \$112,512 for the support provided by the State of Montana for its proportionate share of the pension expense associated with the Authority.

**Recognition of Deferred Inflows and Outflows**

At June 30, 2022, the Authority reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Actual vs. expected experience	\$ 14,549	\$ 9,870
Changes in assumptions	201,930	-
Actual vs. expected investment earnings	-	552,286
Changes in proportion share and differences between employer contributions and proportionate share of contributions	-	35,374
Employer contributions subsequent to the measurement date	<u>115,937</u>	<u>-</u>
	<u><u>\$ 332,416</u></u>	<u><u>\$ 597,530</u></u>

# Housing Authority of Billings, Montana

## Notes to Financial Statements

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\$115,937 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

2023	\$ 11,386
2024	(82,743)
2025	(133,391)
2026	(176,303)
2027	-
Thereafter	-

### **Defined Contribution Plan**

The Authority contributes to the state of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for employees that have elected the DCRP. The PERS-DCRP is administered by the PERB and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit* and *defined contribution* retirement plans.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The state Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the Authority's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

Employer contributions to the defined contribution plan were \$16,397 in 2022.

### **Note 8 - Risk Management**

The Authority's risk management activities include purchase of commercial insurance for employee health care, workers' compensation, buildings, personal property, loss of income, auto, employee dishonesty, boiler and machinery and general liability. The Authority retains no risk of loss except losses exceeding insurance coverage amounts. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. There have been no significant reductions in insurance coverage.

### **Note 9 - TCAP Grant**

Whitetail Run Apartments, LLP received total TCAP funds of \$2,658,141 in 2010 and 2011 from the Montana Board of Housing in lieu of receiving tax credits under the Low-Income Housing Tax Credit Program. TCAP funds are subject to the same limitations, including rent, income, use restrictions and compliance monitoring, as are projects awarded low income housing tax credits under Section 42 of the Internal Revenue Code. The Partnership must comply with these provisions for fifteen years. A violation of the terms of the agreement may require the Partnership to repay all or a portion of the funds.

### **Note 10 - HOME Funds**

The Authority received funding used for the Red Fox project through a grant under the HOME program. Grants provided under the terms of the HOME program are subject to a variety of requirements, including period of affordability provisions for twenty years. In the event a project is not in compliance with the HOME provisions within the period of affordability, the full amount of the HOME grant for that project may need to be repaid by the Authority.

### **Note 11 - Related Party Transactions**

#### **Developer Fees**

The Authority earns developer fees for the development of affordable housing based on its agreement with Red Fox Apartments LLLP (Red Fox). Developer fees are earned and received in accordance with its development agreement. During 2022, the Authority earned developer fee income of \$0 from Red Fox. As of June 30, 2022, the Authority was owed \$126,265 for developer fees.

#### **Due from Related Party**

The Authority has advanced funds to Red Fox throughout construction. As of June 30, 2022, the Authority was owed \$88,094 from Red Fox. This amount is to be repaid from available cash flow of Red Fox.

#### **Management Contract**

The Authority has entered into a management agreement with Red Fox for services in management of the project. During 2022, the Authority earned \$45,598 in management fee income from Red Fox.

**Housing Authority of Billings, Montana**  
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**Note 12 - Subsequent Event**

Subsequent to year-end, the Authority purchased several parcels of land totaling \$1,093,850. The land was purchased using existing cash.

**Note 13 - Condensed Component Unit Information**

Condensed component unit information for Whitetail Run Apartments, LLP, HAB Development Corporation, and HAB Education and Wellness Corporation, the Authority's blended component units, as of and for the year ended June 30, 2022 are summarized below. Blended component units Whitetail Run Apartments Development, LLC and Red Fox Developer, LLC had no significant balances or activity.

**Condensed Statement of Net Position**

	Whitetail Run Apartments, LLP	Elevate Property Management LLC	HAB Development Corporation	HAB Education & Wellness Corporation	Total
<b>Assets</b>					
Current Assets	\$ 399,310	\$ 8,896	\$ 644,055	\$ 11,411	\$ 1,063,672
Capital Assets	3,148,996	-	6,466,475	-	9,615,471
Other Assets	-	-	582,509	-	582,509
<b>Total Assets</b>	<b>3,548,306</b>	<b>8,896</b>	<b>7,693,039</b>	<b>11,411</b>	<b>11,261,652</b>
Deferred Outflows - Pension	6,599	12	10,283	-	16,894
<b>Total Assets and Deferred Outflows</b>	<b>\$ 3,554,905</b>	<b>\$ 8,908</b>	<b>\$ 7,703,322</b>	<b>\$ 11,411</b>	<b>\$ 11,278,546</b>
<b>Liabilities</b>					
Current Liabilities	\$ 105,259	\$ 2,298	\$ 153,943	\$ -	\$ 261,500
Noncurrent Liabilities	720,378	47	615,800	-	1,336,225
<b>Total Liabilities</b>	<b>825,637</b>	<b>2,345</b>	<b>769,743</b>	<b>-</b>	<b>1,597,725</b>
Deferred Inflows - Pension	11,862	22	18,485	-	30,369
<b>Net Position</b>	<b>2,717,406</b>	<b>6,541</b>	<b>6,915,094</b>	<b>11,411</b>	<b>9,650,452</b>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b>\$ 3,554,905</b>	<b>\$ 8,908</b>	<b>\$ 7,703,322</b>	<b>\$ 11,411</b>	<b>\$ 11,278,546</b>

# Housing Authority of Billings, Montana

## Notes to Financial Statements

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### Condensed Statement of Revenues, Expenses and Changes in Net Position

	Whitetail Run Apartments, LLP	Elevate Property Management LLC	HAB Development Corporation	HAB Education & Wellness Corporation	Total
<b>Operating Revenues</b>					
Dwelling rental	\$ 304,533	\$ -	\$ 536,719	\$ -	\$ 841,252
Housing assistance program	-	-	62,548	-	62,548
<b>Total Operating Revenues</b>	<b>304,533</b>	<b>-</b>	<b>599,267</b>	<b>-</b>	<b>903,800</b>
<b>Operating Expenses</b>					
Occupancy and payments to landlords	125,665	-	244,114	-	369,779
Maintenance	63,665	-	187,327	-	250,992
Administrative	99,348	-	209,541	980	309,869
Utilities	14,979	-	62,713	-	77,692
Tenant services	546	-	12,210	-	12,756
Other	20,174	-	18,537	-	38,711
<b>Total Operating Expenses</b>	<b>324,377</b>	<b>-</b>	<b>734,442</b>	<b>980</b>	<b>1,059,799</b>
<b>Operating Income (Loss)</b>	<b>(19,844)</b>	<b>-</b>	<b>(135,175)</b>	<b>(980)</b>	<b>(155,999)</b>
<b>Nonoperating Income (Expenses)</b>					
Interest income	279	-	17,464	5	17,748
Other income	10,827	5	31,930	-	42,762
Loss (gain) on disposition of assets	-	-	(29,702)	-	(29,702)
Pension income (expense)	15,041	121	12,971	-	28,133
Interest expense	(47,476)	-	(47,196)	-	(94,672)
<b>Total Nonoperating Income (Expense)</b>	<b>(21,329)</b>	<b>126</b>	<b>(14,533)</b>	<b>5</b>	<b>(35,731)</b>
Transfers in	-	-	1,198,257	-	1,198,257
Transfers out	-	-	-	-	-
<b>Change in Net Position</b>	<b>(41,173)</b>	<b>126</b>	<b>1,048,549</b>	<b>(975)</b>	<b>1,006,527</b>
<b>Net Position, Beginning of Year</b>	<b>2,758,579</b>	<b>6,415</b>	<b>5,866,545</b>	<b>12,386</b>	<b>8,643,925</b>
<b>Net Position, End of Year</b>	<b>\$ 2,717,406</b>	<b>\$ 6,541</b>	<b>\$ 6,915,094</b>	<b>\$ 11,411</b>	<b>\$ 9,650,452</b>

### Condensed Statement of Cash Flows

	Whitetail Run Apartments, LLP	Elevate Property Management LLC	HAB Development Corporation	HAB Education & Wellness Corporation	Total
<b>Net Cash Provided By (Used For)</b>					
Operating activities	\$ 63,912	\$ (5)	\$ 1,279,168	\$ (980)	\$ 1,342,095
Non-capital financing activities	10,827	5	31,930	-	42,762
Transfers to other entities	-	-	1,198,257	-	1,198,257
Capital and related financing activities	81,638	-	(2,438,820)	-	(2,357,182)
Investing activities	279	-	100,271	5	100,555
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>156,656</b>	<b>-</b>	<b>170,806</b>	<b>(975)</b>	<b>326,487</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>242,173</b>	<b>8,896</b>	<b>383,286</b>	<b>12,386</b>	<b>646,741</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 398,829</b>	<b>\$ 8,896</b>	<b>\$ 554,092</b>	<b>\$ 11,411</b>	<b>\$ 973,228</b>



Required Supplementary Information

June 30, 2022

**Housing Authority of Billings, Montana**

Housing Authority of Billings, Montana  
 Schedule of Employer's Share of Net Pension Liability  
 June 30, 2022

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**Schedule of Employer's Share of Net Pension Liability**

**MPERA**

**Last 10 Fiscal Years\***

	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the net pension liability (asset)	0.0752%	0.0805%	0.0737%	0.0788%	0.0889%	0.0965%	0.0877%
Employer's proportionate share of the net pension liability (asset)	\$1,363,298	\$2,124,917	\$1,539,703	\$1,643,704	\$1,732,068	\$1,644,053	\$1,225,931
State of Montana's proportionate share of the Net Pension Liability associated with the Employer	\$402,251	\$669,436	\$501,344	\$549,241	\$23,062	\$20,088	\$15,058
Total	\$1,765,549	\$2,794,353	\$2,041,047	\$2,192,945	\$1,755,130	\$1,664,141	\$1,240,989
Employer's covered payroll	\$1,328,085	\$1,351,393	\$1,215,366	\$1,295,151	\$1,102,662	\$1,156,129	\$1,023,474
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	102.65%	157.24%	126.69%	126.91%	157.08%	142.20%	119.78%
Plan fiduciary net position as a percentage of the total pension liability	79.91%	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%

\*The amounts presented above for each fiscal year were determined as of June 30<sup>th</sup>, the measurement date, which is one year prior to the Employer's fiscal year. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Housing Authority of Billings, Montana  
Schedule of Employer Contributions  
June 30, 2022

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**Schedule of Employer Contributions**

**MPERA**

**Last 10 Fiscal Years\***

	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$115,937	\$117,693	\$118,400	\$104,530	\$109,699	\$92,340	\$96,636
Plan Choice Rate Required Contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,707
Contributions in relation to the statutorily required contribution	\$115,937	\$117,693	\$118,400	\$104,530	\$109,699	\$92,340	\$98,342
Contribution deficiency (excess)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Employer's covered payroll	\$1,307,066	\$1,328,085	\$1,351,393	\$1,215,366	\$1,295,151	\$1,102,662	\$1,156,129
Contributions as a percentage of covered payroll	8.87%	8.86%	8.76%	8.60%	8.47%	8.37%	8.51%

\* The amounts presented above for each fiscal year were determined as of June 30<sup>th</sup>. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Housing Authority of Billings, Montana**  
Notes to Required Supplementary Information  
For the Year Ended June 30, 2022

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## **Note A - Changes of Benefit Terms**

The following changes to the plan provisions were made as identified:

### **2017 Legislative Changes:**

#### **Working Retiree Limitations - for PERS**

- Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

#### **Refunds**

- 1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

**Interest credited to member accounts**-Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

#### **Lump Sum Payouts**

- Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefits.

#### **Disabled PERS Defined Contribution (DC) Members**

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who become disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

**Housing Authority of Billings, Montana**  
Notes to Required Supplementary Information  
For the Year Ended June 30, 2022

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**Note B - Changes in Actuarial Assumptions and Methods**

**Method and assumptions used in calculations of actuarially determined contributions**

The following Actuarial Assumptions were adopted from the June 2020 Experience Study:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increases	3.50% to 8.47%
Asset valuation method	4-year smooth market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Mortality Table
Admin Expense	0.28%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.



Supplementary Information

June 30, 2022

**Housing Authority of Billings, Montana**

Housing Authority of Billings, Montana  
 Schedule of Financial Position by Program  
 June 30, 2022  
 (Page 1 of 4)

Assets and Deferred Outflows	Public Housing Operating Fund	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator					Public Housing Capital Fund	HAB Development Corporation					
			State Vouchers	Local Vouchers	Mainstream Vouchers	FSS Coordinator			Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	Falcon Run	Laurel Gardens
Current Assets														
Cash and cash equivalents	\$ 919,601	\$ 911,095	\$ 4,498	\$ 902,599	\$ 24	\$ -	\$ -	\$ 210,499	\$ 111,176	\$ 39	\$ 128,910	\$ 61,975	\$ 23	
Restricted cash	11,178,621	-	-	71,951	-	-	-	-	-	-	-	-	-	
Tenant security deposits	70,368	31,308	-	-	-	-	-	9,000	6,075	1,650	11,442	2,540	10,763	
Receivables														
Due from HUD	9,790	-	-	-	1,087	-	-	-	-	-	-	-	-	
Notes receivable - current	-	-	-	-	-	-	-	-	-	-	-	-	-	
Due from related party	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tenant and other	4,831	2,596	-	19,275	-	-	-	2,230	3,427	2,854	-	354	2,004	
Allowance for doubtful accounts	(236)	-	-	(112)	-	-	-	-	-	-	-	-	-	
Certificates of deposit	668,082	-	-	-	-	-	-	-	76,580	-	-	-	-	
Due from other programs	-	-	-	-	-	-	-	-	-	2,155	359	-	-	
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total current assets	12,851,057	944,999	4,498	993,713	1,111	-	-	221,729	197,258	4,543	142,507	65,228	12,790	
Net Property and Equipment														
Land	1,006,257	200,000	-	-	-	-	-	1	-	32,016	34,051	-	274,378	
Buildings	8,581,391	2,322,693	-	-	-	-	-	832,699	804,909	600,662	3,184,959	992,773	760,840	
Building improvements	8,774,988	2,203,558	-	-	-	-	-	387,319	6,400	28,500	-	-	149,237	
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	382,003	-	
Equipment	432,232	82,619	-	27,636	-	-	-	41,890	-	-	-	87,677	-	
Construction in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accumulated depreciation	18,794,868	4,808,870	-	27,636	-	-	-	1,261,909	811,309	661,178	3,219,010	1,462,453	1,184,455	
	(12,892,040)	(2,791,523)	-	(27,636)	-	-	-	(785,266)	(391,819)	(200,908)	(550,266)	(132,760)	(72,820)	
Total Property	5,902,828	2,017,347	-	-	-	-	-	476,643	419,490	460,270	2,668,744	1,329,693	1,111,635	
Other Assets														
Other assets	-	-	-	-	-	-	-	-	25	-	-	-	-	
Notes receivable-noncurrent	-	-	-	-	-	-	-	-	517,500	-	-	-	-	
Developer fees receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest receivable	-	-	-	-	-	-	-	-	64,984	-	-	-	-	
Total other assets	-	-	-	-	-	-	-	-	582,509	-	-	-	-	
Deferred Outflow of Resources	71,616	29,910	26,074	56,631	1,983	-	-	3,993	1,764	566	1,731	87	2,142	
	\$ 18,825,501	\$ 2,992,256	\$ 30,572	\$ 1,050,344	\$ 3,094	\$ -	\$ -	\$ 1,284,874	\$ 618,512	\$ 465,379	\$ 2,812,982	\$ 1,395,008	\$ 1,126,567	

Housing Authority of Billings, Montana  
 Schedule of Financial Position by Program  
 June 30, 2022  
 (Page 2 of 4)

	Tax Credit Project										Total
	Whitetail Square	HAB Education & Wellness Corporation	Whitetail Run	Elevate Property Management	HAB Management	COCC	Development Fund	Elimination			
Assets and Deferred Outflows											
Current Assets											
Cash and cash equivalents	\$ 107,746	\$ 11,411	\$ 181,375	\$ 8,896	\$ 9,562	\$ 746,197	\$ 1,259,626	\$ -	\$ 5,575,252		
Restricted cash	-	-	194,621	-	-	-	-	-	-	11,445,193	
Tenant security deposits	-	-	22,833	-	-	-	-	-	-	165,979	
Receivables										-	
Due from HUD	-	-	-	-	-	-	-	-	-	10,877	
Notes receivable - current	-	-	-	-	-	-	58,123	(58,123)	-	-	
Due from related party	-	-	-	-	-	-	88,094	-	88,094		
Tenant	6,318	-	481	-	-	1,961	10,358	-	-	56,689	
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	(348)	
Certificates of deposit	-	-	-	-	-	-	-	-	-	744,662	
Due from other programs	793	-	-	-	46,429	167,930	27,823	(245,489)	-	-	
Prepaid expenses	-	-	-	-	-	1,669	-	-	-	1,669	
Total current assets	114,857	11,411	399,310	8,896	55,991	917,757	1,444,024	(303,612)		18,088,067	
Net Property and Equipment											
Land	161,537	-	58,033	-	-	-	405,400	-	-	2,171,673	
Buildings	-	-	3,724,859	-	-	-	684,455	-	-	22,490,240	
Building improvements	-	-	506,445	-	-	-	848,626	(499,840)	12,405,233		
Infrastructure	860,791	-	-	-	-	-	161,170	-	-	1,403,964	
Equipment	-	-	13,849	-	-	-	20,865	-	-	706,768	
Construction in progress	-	-	-	-	-	14,998	-	-	-	14,998	
Accumulated depreciation	1,022,328	-	4,303,186	-	-	14,998	2,120,516	(499,840)		39,192,876	
	(215,198)	-	(1,154,190)	-	-	-	(774,084)	137,456		(19,851,054)	
Total Property	807,130	-	3,148,996	-	-	14,998	1,346,432	(362,384)		19,341,822	
Other Assets											
Other assets	-	-	-	-	-	-	-	-	-	25	
Notes receivable-noncurrent	-	-	-	-	-	-	2,595,280	(1,256,982)	1,855,798		
Developer fees receivable	-	-	-	-	-	-	126,265	-	-	126,265	
Interest receivable	-	-	-	-	-	-	13,190	(7,726)	70,448		
Total other assets	-	-	-	-	-	-	2,734,735	(1,264,708)		2,052,536	
Deferred Outflow of Resources	69	-	6,599	12	8,031	114,947	6,261	-	-	332,416	
	\$ 922,056	\$ 11,411	\$ 3,554,905	\$ 8,908	\$ 64,022	\$ 1,047,702	\$ 5,531,452	\$ (1,930,704)		\$ 39,814,841	

Housing Authority of Billings, Montana  
 Schedule of Financial Position by Program  
 June 30, 2022  
 (Page 3 of 4)

Liabilities, Deferred Inflows, and Net Position	Public Housing Operating Fund		Housing Assistance Payments Program D-76-040		Section 8 Contract Administrator				Public Housing Capital Fund		HAB Development Corporation					
	State Vouchers	Local Vouchers	Mainstream Vouchers	FSS Coordinator	Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	Falcon Run	Laurel Gardens	Liabilities, Deferred Inflows, and Net Position	Current Liabilities	Long-Term Liabilities	Total Liabilities	Deferred Inflow of Resources	Net Position
											Current Liabilities	Long-Term Liabilities	Total Liabilities	Deferred Inflow of Resources	Net Position	
Current Liabilities																
Accounts payable	\$ 30,955	\$ 41,817	\$ 592	\$ 5,962	\$ 1,458	\$ -	\$ 2,554	\$ 639	\$ -	\$ 4,767	\$ 825	\$ 5,432				
Due to other programs	57,733	15,523	14,386	51,592	23,252	-	2,155	563	9,253	-	-	36,358				
Prepaid rent	-	-	-	-	-	-	-	635	2,493	6,371	-	1,500				
Accrued liabilities	4,995	-	-	-	-	-	-	-	-	-	-	-				
Accrued compensated absences, current	18,057	4,604	4,029	4,730	804	-	351	191	398	405	90	1,375				
Accrued interest payable	2,433	-	-	-	-	-	-	-	-	-	-	-				
Tenant security deposits payable	70,368	31,308	-	-	-	-	9,000	6,075	1,650	11,442	2,540	10,763				
FSS escrow obligations	876	-	-	69,271	-	-	-	-	-	-	-	-				
Current portion of long-term debt	65,871	-	-	-	-	-	-	-	-	36,118	-	-				
Total current liabilities	251,288	93,252	19,007	131,555	25,514	-	14,060	8,103	13,794	59,103	3,455	55,428				
Long-Term Liabilities																
Long-term debt - net of current portion	1,170,573	-	-	-	-	-	-	-	-	565,810	-	-				
Accrued compensated absences	43,133	11,203	-	-	976	-	979	624	677	1,059	190	4,288				
Net pension liability	293,708	122,667	106,932	232,255	8,132	-	16,377	7,234	2,320	7,097	358	8,787				
Total Long-Term Liabilities	1,507,414	133,870	106,932	232,255	9,108	-	17,356	7,858	2,997	573,966	548	13,075				
Total Liabilities	1,758,702	227,122	125,939	363,810	34,622	-	31,416	15,961	16,791	633,069	4,003	68,503				
Deferred Inflow of Resources	128,731	53,764	46,868	101,797	3,564	-	7,178	3,171	1,017	3,111	157	3,851				
Net Position																
Net investment in capital assets	4,666,384	2,017,347	-	-	-	-	476,643	419,490	460,270	2,066,816	1,329,693	1,111,635				
Restricted	11,177,745	-	-	-	-	-	-	-	-	-	-	-				
Unrestricted	1,093,939	694,023	(142,235)	584,737	(35,092)	-	769,637	179,890	(12,699)	109,986	61,155	(57,422)				
Total net position	16,938,068	2,711,370	(142,235)	584,737	(35,092)	-	1,246,280	599,380	447,571	2,176,802	1,390,848	1,054,213				
	<u>\$ 18,825,501</u>	<u>\$ 2,992,256</u>	<u>\$ 30,572</u>	<u>\$ 1,050,344</u>	<u>\$ 3,094</u>	<u>\$ -</u>	<u>\$ 1,284,874</u>	<u>\$ 618,512</u>	<u>\$ 465,379</u>	<u>\$ 2,812,982</u>	<u>\$ 1,395,008</u>	<u>\$ 1,126,567</u>				

Housing Authority of Billings, Montana  
 Schedule of Financial Position by Program  
 June 30, 2022  
 (Page 4 of 4)

Liabilities, Deferred Inflows, and Net Position	Whitetail Square		HAB Education & Wellness Corporation		Tax Credit Project		Elevate Property Management	HAB Management	COCC	Development Fund	Elimination	Total
	Whitetail	Square	Whitetail	Run	Project							
Current Liabilities												
Accounts payable	\$ 974	\$ -	\$ 2,832	\$ -	\$ 6,318	\$ 28,345	\$ 856	\$ -	\$ -	\$ -	\$ 134,326	
Due to other programs	-	-	32,376	2,298	-	-	-	-	-	-	(245,489)	-
Prepaid rent	-	-	16,668	-	-	-	-	-	-	-	-	27,667
Accrued liabilities	207	-	-	-	-	-	-	72,978	-	-	-	78,180
Accrued compensated absences, current			819	-	767	26,932		1,312				64,864
Accrued interest payable	-	-	7,726	-	-	-	-	-	-	-	(7,726)	2,433
Tenant security deposits payable	-	-	22,833	-	-	-	-	-	-	-	-	165,979
FSS escrow obligations	-	-	-	-	-	-	-	-	-	-	-	70,147
Current portion of long-term debt	-	-	22,005	-	-	-	-	-	-	-	(58,123)	65,871
Total current liabilities	1,181	-	105,259	2,298	7,085	128,255	2,168	(311,338)	-	-	-	609,467
Long-Term Liabilities												
Long-term debt - net of current portion	-	-	691,172	-	-	-	-	-	-	-	(1,256,982)	1,170,573
Accrued compensated absences	-	-	2,142	-	2,409	46,171	-	-	-	-	-	113,851
Net pension liability	283	-	27,064	47	32,938	471,420	25,679	-	-	-	-	1,363,298
Total Long-Term Liabilities	283	-	720,378	47	35,347	517,591	25,679	(1,256,982)	-	-	-	2,647,722
Total Liabilities	1,464	-	825,637	2,345	42,432	645,846	27,847	(1,568,320)	-	-	-	3,257,189
Deferred Inflow of Resources												
Total	124	-	11,862	22	14,436	206,622	11,255	-	-	-	-	597,530
Net Position												
Net investment in capital assets	807,130	-	2,435,819	-	-	14,998	1,346,432	952,721	-	-	-	18,105,378
Restricted	-	-	-	-	-	-	-	-	-	-	-	11,177,745
Unrestricted	113,338	11,411	281,587	6,541	7,154	180,236	4,145,918	(1,315,105)	-	-	-	6,676,999
Total net position	920,468	11,411	2,717,406	6,541	7,154	195,234	5,492,350	(362,384)	-	-	-	35,960,122
	\$ 922,056	\$ 11,411	\$ 3,554,905	\$ 8,908	\$ 64,022	\$ 1,047,702	\$ 5,531,452	\$ (1,930,704)	-	-	-	\$ 39,814,841

Housing Authority of Billings, Montana  
 Schedule of Revenue, Expenses and Changes in Net Position by Program  
 Year Ended June 30, 2022  
 (Page 1 of 2)

	Public Housing Operating Fund	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator				Public Housing Capital Fund	HAB Development Corporation						
			State Vouchers	Local Vouchers	Mainstream Vouchers	FSS Coordinator		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	Falcon Run	Laurel Gardens	
Operating Revenue														
Housing assistance program receipts	\$ -	\$ 527,465	\$ -	\$ 4,245,552	\$ 75,338	\$ 57,443	\$ -	\$ -	\$ 141,782	\$ 67,716	\$ 26,560	\$ 150,200	\$ 32,880	\$ 62,548
Dwelling rental	786,930	403,363	-	-	-	-	-	-	-	-	-	-	117,581	
Operating subsidy	977,753	-	-	-	-	-	9,790	-	-	-	-	-	-	
Other government grants	-	-	-	-	-	-	-	-	-	-	-	-	-	
Administration and management fees	-	281,040	-	-	-	-	-	-	-	-	-	-	-	
Other income	102,661	12,785	8,825	39,539	671	-	-	10,800	4,706	1,321	7,445	765	6,893	
Total operating revenue	1,867,344	943,613	289,865	4,285,091	76,009	57,443	9,790	152,582	72,422	27,881	157,645	33,645	187,022	
Operating Expenses														
Occupancy and payments to landlords	722,299	168,405	7,500	3,955,049	133,596	44,517	-	47,349	24,043	17,067	82,008	38,920	34,727	
Maintenance	635,452	131,952	17,505	22,308	328	-	9,790	29,126	20,480	26,059	33,289	8,325	70,048	
Administration	883,758	255,735	232,640	390,777	28,803	-	-	44,268	23,517	7,733	68,966	10,777	54,280	
Utilities	182,519	114,364	-	-	-	-	-	9,254	6,259	2,855	2,744	8,092	33,509	
Tenant services	4,414	69,276	-	39,695	-	12,926	-	(32)	32	-	48	456	11,706	
Other	90,587	5,406	-	9,795	-	-	-	5,988	(822)	908	9,453	1,714	1,296	
Total operating expense	2,519,029	745,138	257,645	4,417,624	162,727	57,443	9,790	135,953	73,509	54,622	196,508	68,284	205,566	
Operating Income (Loss)	(651,685)	198,475	32,220	(132,533)	(86,718)	-	-	16,629	(1,087)	(26,741)	(38,863)	(34,639)	(18,544)	
Nonoperating Revenue (Expenses)														
Interest and investment income	4,139	143	26	388	10	-	-	16,873	425	7	126	26	7	
Gain on insurance recovery	-	64,860	-	-	-	-	-	-	-	-	-	-	-	
Gain (loss) on sale of property and equipment	11,002,016	-	-	-	-	-	-	-	-	-	-	(29,702)	-	
Pension income (expense)	58,588	32,668	(1,727)	72,469	(9,708)	-	-	11,052	3,878	1,346	3,535	84	(6,924)	
Interest expense	(49,630)	-	-	-	-	-	-	-	-	-	(16,148)	-	(31,048)	
Total nonoperating revenue (expense)	11,015,113	97,671	(1,701)	72,857	(9,698)	-	-	27,925	4,303	1,353	(12,487)	(29,592)	(37,965)	
Income (Loss) Before Contributions and Transfers	10,363,428	296,146	30,519	(59,676)	(96,416)	-	-	44,554	3,216	(25,388)	(51,350)	(64,231)	(56,509)	
Capital Contributions HUD capital grants	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income (Loss) Before Transfers	10,363,428	296,146	30,519	(59,676)	(96,416)	-	-	44,554	3,216	(25,388)	(51,350)	(64,231)	(56,509)	
Transfers in Transfers out	(1,198,257)	-	(150,000)	-	-	-	-	-	-	-	-	-	1,198,257	
Changes in Net Position	9,165,171	296,146	(119,481)	(59,676)	(96,416)	-	-	44,554	3,216	(25,388)	(51,350)	(64,231)	1,141,748	
Net Position, Beginning Of Year	7,772,897	2,415,224	(22,754)	644,413	61,324	-	-	1,201,726	596,164	472,959	2,228,152	1,455,079	(87,535)	
Net Position, End Of Year	\$ 16,938,068	\$ 2,711,370	\$ (142,235)	\$ 584,737	\$ (35,092)	\$ -	\$ -	\$ 1,246,280	\$ 599,380	\$ 447,571	\$ 2,176,802	\$ 1,390,848	\$ 1,054,213	

Housing Authority of Billings, Montana  
 Schedule of Revenue, Expenses and Changes in Net Position by Program  
 Year Ended June 30, 2022  
 (Page 2 of 2)

	Whitetail Square	HAB Education & Wellness Corporation	Tax Credit Project	Whitetail Run	Elevate Property Management	HAB Management	COCC	Development Fund	Elimination	Total
<b>Operating Revenue</b>										
Housing assistance program receipts	\$ -	\$ -	\$ -	\$ 304,533	\$ -	\$ -	\$ -	\$ 8,400	\$ -	\$ 4,968,346
Dwelling rental	-	-	-	-	-	-	-	-	-	2,039,945
Operating subsidy	-	-	-	-	-	-	-	-	-	987,543
Other government grants	-	-	-	-	-	-	-	287,158	-	287,158
Administration fees	-	-	-	-	45,598	1,361,697	-	-	(1,564,684)	123,651
Other income	6,341	-	-	10,827	5	2,718	40,956	158,038	(6,318)	408,978
<b>Total operating revenue</b>	<b>6,341</b>	<b>-</b>	<b>-</b>	<b>315,360</b>	<b>5</b>	<b>48,316</b>	<b>1,402,653</b>	<b>453,596</b>	<b>(1,571,002)</b>	<b>8,815,621</b>
<b>Operating Expenses</b>										
Occupancy and payments to landlords	21,520	-	-	125,665	-	-	108,000	115,231	(369,871)	5,276,025
Maintenance	8,680	-	-	63,665	-	(1)	470,324	2,449	(385,941)	1,163,838
Administration	439	980	-	99,348	-	47,517	834,229	53,896	(827,686)	2,209,977
Utilities	234	-	-	14,979	-	-	19,435	9,363	-	403,607
Tenant services	-	-	-	546	-	-	6,772	83,693	-	229,532
Other	4,326	-	-	20,174	-	-	778	4,031	-	153,634
<b>Total operating expense</b>	<b>35,199</b>	<b>980</b>	<b>-</b>	<b>324,377</b>	<b>-</b>	<b>47,516</b>	<b>1,439,538</b>	<b>268,663</b>	<b>(1,583,498)</b>	<b>9,436,613</b>
<b>Operating Income (Loss)</b>	<b>(28,858)</b>	<b>(980)</b>	<b>-</b>	<b>(9,017)</b>	<b>5</b>	<b>800</b>	<b>(36,885)</b>	<b>184,933</b>	<b>12,496</b>	<b>(620,992)</b>
<b>Nonoperating Revenue (Expenses)</b>										
Interest and investment income	41	5	-	279	-	7	195	65,037	(63,624)	24,110
Gain on insurance recovery	-	-	-	-	-	-	-	-	-	64,860
Gain (loss) on sale of property and equipment	-	-	-	-	-	-	-	(356,959)	-	10,615,355
Pension income (expense)	577	-	-	15,041	121	11,503	(153,179)	(39,324)	-	-
Interest expense	-	-	-	(47,476)	-	-	-	-	63,624	(80,678)
<b>Total nonoperating revenue (expense)</b>	<b>618</b>	<b>5</b>	<b>-</b>	<b>(32,156)</b>	<b>121</b>	<b>11,510</b>	<b>(152,984)</b>	<b>(331,246)</b>	<b>-</b>	<b>10,623,647</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>(28,240)</b>	<b>(975)</b>	<b>-</b>	<b>(41,173)</b>	<b>126</b>	<b>12,310</b>	<b>(189,869)</b>	<b>(146,313)</b>	<b>12,496</b>	<b>10,002,655</b>
<b>Capital Contributions</b>										
HUD capital grants	-	-	-	-	-	-	-	-	-	-
<b>Income (Loss) Before Transfers</b>	<b>(28,240)</b>	<b>(975)</b>	<b>-</b>	<b>(41,173)</b>	<b>126</b>	<b>12,310</b>	<b>(189,869)</b>	<b>(146,313)</b>	<b>12,496</b>	<b>10,002,655</b>
Transfers in	-	-	-	-	-	-	-	150,000	-	1,348,257
Transfers out	-	-	-	-	-	-	-	-	-	(1,348,257)
<b>Changes in Net Position</b>	<b>(28,240)</b>	<b>(975)</b>	<b>-</b>	<b>(41,173)</b>	<b>126</b>	<b>12,310</b>	<b>(189,869)</b>	<b>3,687</b>	<b>12,496</b>	<b>10,002,655</b>
<b>Net Position, Beginning Of Year</b>	<b>948,708</b>	<b>12,386</b>	<b>-</b>	<b>2,758,579</b>	<b>6,415</b>	<b>(5,156)</b>	<b>385,103</b>	<b>5,488,663</b>	<b>(374,880)</b>	<b>25,957,467</b>
<b>Net Position, End Of Year</b>	<b>\$ 920,468</b>	<b>\$ 11,411</b>	<b>\$ 2,717,406</b>	<b>\$ 6,541</b>	<b>\$ 7,154</b>	<b>\$ 195,234</b>	<b>\$ 5,492,350</b>	<b>\$ (362,384)</b>	<b>\$ 35,960,122</b>	



Section II – Single Audit  
June 30, 2022

**Housing Authority of Billings, Montana**

**Housing Authority of Billings, Montana**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Housing and Urban Development Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871	N/A	\$ 4,245,552
Mainstream Vouchers	14.879	N/A	<u>75,338</u>
Total Housing Voucher Cluster			<u>4,320,890</u>
U.S. Department of Housing and Urban Development/ Public and Indian Housing	14.850	N/A	<u>977,753</u>
Total Public and Indian Housing			<u>977,753</u>
U.S. Department of Housing and Urban Development/ Public Housing Capital Fund - 2021	14.872	N/A	<u>9,790</u>
Total Public Housing Capital Fund			<u>9,790</u>
U.S. Department of Treasury Passed through the State of Montana			
COVID 19 - Emergency Rental Assistance Program	21.023	N/A	<u>5,739</u>
Total Treasury			<u>5,739</u>
U.S. Department of Housing and Urban Development/ Section 8 Project-Based Cluster			
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	527,465
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	<u>62,548</u>
Total Housing Voucher Cluster			<u>590,013</u>
U.S. Department of Housing and Urban Development/ FSS Coordinator Grant	14.896	N/A	<u>57,443</u>
Total Federal Financial Assistance			<u>\$ 5,961,628</u>

Housing Authority of Billings, Montana  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2022

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**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Housing Authority of Billings, Montana (the Authority) under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. No federal financial assistance has been provided to subrecipients.

**Note C – Indirect Cost Rate**

The Authority does not draw for indirect administrative expenses and has not elected to use the 10% de minimis cost rate.



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Commissioners  
Housing Authority of Billings, Montana  
Billings, Montana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Housing Authority of Billings, Montana (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Authority's basic financial statements and have issued our report thereon dated December 15, 2022. The financial statements of Red Fox Apartments, LLC were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances or reportable noncompliance associated with the discretely presented component unit.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of Billings, Montana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eddie Bailely LCP". The signature is fluid and cursive, with "Eddie" and "Bailely" being the most prominent parts.

Bismarck, North Dakota

December 15, 2022



**Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance**

Board of Commissioners  
Housing Authority of Billings, Montana  
Billings, Montana

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited Housing Authority of Billings, Montana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Housing Authority of Billings, Montana's major federal program for the year ended June 30, 2022. Housing Authority of Billings, Montana's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Housing Authority of Billings, Montana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Housing Authority of Billings, Montana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Housing Authority of Billings, Montana's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Housing Authority of Billings, Montana's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Housing Authority of Billings, Montana's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Housing Authority of Billings, Montana's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Housing Authority of Billings, Montana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Housing Authority of Billings, Montana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Housing Authority of Billings, Montana's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Bismarck, North Dakota  
December 15, 2022

Housing Authority of Billings, Montana  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

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**Section I – Summary of Auditor's Results**

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**FINANCIAL STATEMENTS**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No
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**Identification of major programs:**

Name of Federal Program	Federal Financial Assistance Listing/CFDA Number
Housing Voucher Cluster	14.871 / 14.879
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Housing Authority of Billings, Montana  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

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**Section II – Financial Statement Findings**

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**None Reported**

Housing Authority of Billings, Montana  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

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**Section III – Federal Award Findings and Questioned Costs**

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**None Reported**



Financial Data Schedules (FDS)

June 30, 2022

**Housing Authority of Billings, Montana**

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
111 Cash - Unrestricted	\$919,601	\$264,935	\$714,304		\$911,095
112 Cash - Restricted - Modernization and Development			\$194,621		
113 Cash - Other Restricted	\$11,177,745	\$144,880			
114 Cash - Tenant Security Deposits	\$70,368	\$18,772	\$64,303		\$31,308
115 Cash - Restricted for Payment of Current Liabilities	\$876				
100 Total Cash	\$12,168,590	\$428,587	\$973,228	\$0	\$942,403
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$9,790				
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$4,831	\$1,513	\$12,234		\$3,091
126.1 Allowance for Doubtful Accounts -Tenants	-\$236	\$0	\$0		-\$495
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0			
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable			\$64,984		
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$14,385	\$1,513	\$77,218	\$0	\$2,596
131 Investments - Unrestricted	\$668,082		\$76,580		
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From			\$0		
145 Assets Held for Sale					
150 Total Current Assets	\$12,851,057	\$430,100	\$1,127,026	\$0	\$944,999
161 Land	\$1,006,257	\$572,000	\$398,479		\$200,000
162 Buildings	\$17,356,379	\$4,929,327	\$11,979,602		\$4,526,251
163 Furniture, Equipment & Machinery - Dwellings	\$432,232	\$200,634	\$143,416		\$82,619
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$12,892,040	-\$832,729	-\$3,288,029		-\$2,791,523
167 Construction in Progress					
168 Infrastructure			\$382,003		
160 Total Capital Assets, Net of Accumulated Depreciation	\$5,902,828	\$4,869,232	\$9,615,471	\$0	\$2,017,347
171 Notes, Loans and Mortgages Receivable - Non-Current			\$517,500		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			\$0		
173 Grants Receivable - Non Current					
174 Other Assets	\$0	\$24,582	\$25		
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$5,902,828	\$4,893,814	\$10,132,996	\$0	\$2,017,347
200 Deferred Outflow of Resources	\$71,616		\$16,894		\$29,910
290 Total Assets and Deferred Outflow of Resources	\$18,825,501	\$5,323,914	\$11,276,916	\$0	\$2,992,256

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$35,950	\$17,226	\$45,600		\$41,817
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$18,057		\$3,629		\$4,604
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$2,433	\$58,294	\$7,726		
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$70,368	\$18,772	\$64,303		\$31,308
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital	\$65,871	\$9,386	\$58,123		
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$88,094			
346 Accrued Liabilities - Other	\$876	\$17,083			
347 Inter Program - Due To	\$57,733		\$80,489		\$15,523
348 Loan Liability - Current					
310 Total Current Liabilities	\$251,288	\$208,855	\$259,870	\$0	\$93,252
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$1,170,573	\$2,287,770	\$1,256,982		
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$126,265			
354 Accrued Compensated Absences - Non Current	\$43,133		\$9,959		\$11,203
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

**HomeFront (MT001)**  
**BILLINGS, MT**  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
357 Accrued Pension and OPEB Liabilities	\$293,708		\$69,284		\$122,667
350 Total Non-Current Liabilities	\$1,507,414	\$2,414,035	\$1,336,225	\$0	\$133,870
300 Total Liabilities	\$1,758,702	\$2,622,890	\$1,596,095	\$0	\$227,122
400 Deferred Inflow of Resources	\$128,731		\$30,369		\$53,764
508.4 Net Investment in Capital Assets	\$4,666,384	\$2,572,076	\$8,300,366	\$0	\$2,017,347
511.4 Restricted Net Position	\$11,177,745			\$0	
512.4 Unrestricted Net Position	\$1,093,939	\$128,948	\$1,350,086	\$0	\$694,023
513 Total Equity - Net Assets / Position	\$16,938,068	\$2,701,024	\$9,650,452	\$0	\$2,711,370
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$18,825,501	\$5,323,914	\$11,276,916	\$0	\$2,992,256

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
111 Cash - Unrestricted	\$1,376,934	\$4,498	\$24	\$902,599	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities				\$71,951	
100 Total Cash	\$1,376,934	\$4,498	\$24	\$974,550	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects			\$1,087	\$0	
124 Accounts Receivable - Other Government				\$13,078	
125 Accounts Receivable - Miscellaneous	\$98,452				
126 Accounts Receivable - Tenants	\$6,318		\$0	\$65	\$0
126.1 Allowance for Doubtful Accounts -Tenants	\$0		\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current	\$58,123				
128 Fraud Recovery				\$6,132	
128.1 Allowance for Doubtful Accounts - Fraud				-\$112	
129 Accrued Interest Receivable	\$13,190				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$176,083	\$0	\$1,087	\$19,163	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
144 Inter Program Due From	\$75,045				
145 Assets Held for Sale					
150 Total Current Assets	\$1,628,062	\$4,498	\$1,111	\$993,713	\$0
161 Land	\$566,937				
162 Buildings	\$1,527,602				
163 Furniture, Equipment & Machinery - Dwellings	\$20,865				
164 Furniture, Equipment & Machinery - Administration				\$27,636	
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$989,282			-\$27,636	
167 Construction in Progress	\$5,479				
168 Infrastructure	\$1,021,961				
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,153,562	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$2,595,280				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0				
173 Grants Receivable - Non Current					
174 Other Assets	\$126,265				
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$4,875,107	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$14,361	\$26,074	\$1,983	\$56,631	
290 Total Assets and Deferred Outflow of Resources	\$6,517,530	\$30,572	\$3,094	\$1,050,344	\$0
311 Bank Overdraft					

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
312 Accounts Payable <= 90 Days	\$8,148	\$592	\$1,458	\$3,282	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$2,286	\$4,029	\$804	\$4,730	
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs				\$2,680	
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities				\$69,271	
346 Accrued Liabilities - Other					
347 Inter Program - Due To		\$14,386	\$23,252	\$51,592	
348 Loan Liability - Current					
310 Total Current Liabilities	\$10,434	\$19,007	\$25,514	\$131,555	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$2,409		\$976		
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$58,900	\$106,932	\$8,132	\$232,255	

**HomeFront (MT001)**  
**BILLINGS, MT**  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
350 Total Non-Current Liabilities	\$61,309	\$106,932	\$9,108	\$232,255	\$0
300 Total Liabilities	\$71,743	\$125,939	\$34,622	\$363,810	\$0
400 Deferred Inflow of Resources	\$25,815	\$46,868	\$3,564	\$101,797	
508.4 Net Investment in Capital Assets	\$2,153,562				\$0
511.4 Restricted Net Position					\$0
512.4 Unrestricted Net Position	\$4,266,410	-\$142,235	-\$35,092	\$584,737	\$0
513 Total Equity - Net Assets / Position	\$6,419,972	-\$142,235	-\$35,092	\$584,737	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$6,517,530	\$30,572	\$3,094	\$1,050,344	\$0

## HomeFront (MT001)

BILLINGS, MT

## Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$746,197	\$5,840,187		\$5,840,187
112 Cash - Restricted - Modernization and Development		\$194,621		\$194,621
113 Cash - Other Restricted		\$11,322,625		\$11,322,625
114 Cash - Tenant Security Deposits		\$184,751		\$184,751
115 Cash - Restricted for Payment of Current Liabilities		\$72,827		\$72,827
100 Total Cash	\$746,197	\$17,615,011	\$0	\$17,615,011
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$10,877		\$10,877
124 Accounts Receivable - Other Government		\$13,078		\$13,078
125 Accounts Receivable - Miscellaneous	\$1,961	\$100,413		\$100,413
126 Accounts Receivable - Tenants		\$28,052		\$28,052
126.1 Allowance for Doubtful Accounts -Tenants		-\$731		-\$731
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$58,123	-\$58,123	\$0
128 Fraud Recovery		\$6,132		\$6,132
128.1 Allowance for Doubtful Accounts - Fraud		-\$112		-\$112
129 Accrued Interest Receivable		\$78,174	-\$7,726	\$70,448
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,961	\$294,006	-\$65,849	\$228,157
131 Investments - Unrestricted		\$744,662		\$744,662
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$1,669	\$1,669		\$1,669
143 Inventories				
143.1 Allowance for Obsolete Inventories				

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	\$167,930	\$242,975	-\$242,975	\$0
145 Assets Held for Sale				
150 Total Current Assets	\$917,757	\$18,898,323	-\$308,824	\$18,589,499
161 Land		\$2,743,673		\$2,743,673
162 Buildings		\$40,319,161	-\$499,840	\$39,819,321
163 Furniture, Equipment & Machinery - Dwellings		\$879,766		\$879,766
164 Furniture, Equipment & Machinery - Administration		\$27,636		\$27,636
165 Leasehold Improvements				
166 Accumulated Depreciation		-\$20,821,239	\$137,456	-\$20,683,783
167 Construction in Progress	\$14,998	\$20,477		\$20,477
168 Infrastructure		\$1,403,964		\$1,403,964
160 Total Capital Assets, Net of Accumulated Depreciation	\$14,998	\$24,573,438	-\$362,384	\$24,211,054
171 Notes, Loans and Mortgages Receivable - Non-Current		\$3,112,780	-\$1,256,982	\$1,855,798
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$0		\$0
173 Grants Receivable - Non Current				
174 Other Assets		\$150,872		\$150,872
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$14,998	\$27,837,090	-\$1,619,366	\$26,217,724
200 Deferred Outflow of Resources	\$114,947	\$332,416		\$332,416
290 Total Assets and Deferred Outflow of Resources	\$1,047,702	\$47,067,829	-\$1,928,190	\$45,139,639
311 Bank Overdraft				

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 6/3 /2022

	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$28,345	\$182,418		\$182,418
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$72,978	\$72,978		\$72,978
322 Accrued Compensated Absences - Current Portion	\$26,932	\$65,071		\$65,071
324 Accrued Contingency Liability				
325 Accrued Interest Payable		\$68,453	-\$7,726	\$60,727
331 Accounts Payable - HUD PHA Programs		\$2,680		\$2,680
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits		\$184,751		\$184,751
342 Unearned Revenue				
343 Current Portion of Long-term Debt - Capital		\$133,380	-\$58,123	\$75,257
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities		\$157,365		\$157,365
346 Accrued Liabilities - Other		\$17,959		\$17,959
347 Inter Program - Due To		\$242,975	-\$242,975	\$0
348 Loan Liability - Current				
310 Total Current Liabilities	\$128,255	\$1,128,030	-\$308,824	\$819,206
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$4,715,325	-\$1,256,982	\$3,458,343
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$126,265		\$126,265
354 Accrued Compensated Absences - Non Current	\$46,171	\$113,851		\$113,851
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$471,420	\$1,363,298		\$1,363,298

HomeFront (MT001)  
 BILLINGS, MT  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$517,591	\$6,318,739	-\$1,256,982	\$5,061,757
300 Total Liabilities	\$645,846	\$7,446,769	-\$1,565,806	\$5,880,963
400 Deferred Inflow of Resources	\$206,622	\$597,530		\$597,530
508.4 Net Investment in Capital Assets	\$14,998	\$19,724,733	\$952,721	\$20,677,454
511.4 Restricted Net Position		\$11,177,745		\$11,177,745
512.4 Unrestricted Net Position	\$180,236	\$8,121,052	-\$1,315,105	\$6,805,947
513 Total Equity - Net Assets / Position	\$195,234	\$39,023,530	-\$362,384	\$38,661,146
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$1,047,702	\$47,067,829	-\$1,928,190	\$45,139,639

**HomeFront (MT001)**  
**BILLINGS, MT**  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
70300 Net Tenant Rental Revenue	\$786,930	\$229,420	\$841,252		\$403,363
70400 Tenant Revenue - Other	\$6,617		\$6,714		
70500 Total Tenant Revenue	\$793,547	\$229,420	\$847,966	\$0	\$403,363
70600 HUD PHA Operating Grants	\$987,543		\$62,548	\$57,443	\$527,465
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$2,543	\$118	\$17,748		\$143
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$154,632	\$4,122	\$67,554		\$45,453
71600 Gain or Loss on Sale of Capital Assets	\$11,002,016		-\$29,702		\$64,860
72000 Investment Income - Restricted	\$1,596				
70000 Total Revenue	\$12,941,877	\$233,660	\$966,114	\$57,443	\$1,041,284
91100 Administrative Salaries	\$254,855	\$23,367	\$21,906		\$37,236

HomeFront (MT001)  
BILLINGS, MT  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
91200 Auditing Fees	\$10,000	\$6,920	\$9,434		\$2,500
91300 Management Fee	\$165,418	\$23,887	\$67,232		\$50,186
91310 Book-keeping Fee	\$20,985	\$2,132	\$9,226		\$8,183
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$92,751	\$5,496	\$11,026		\$17,837
91600 Office Expenses	\$125,714	\$3,205	\$37,019		\$47,099
91700 Legal Expense	\$9,758	\$20			
91800 Travel					
91810 Allocated Overhead					
91900 Other	\$18,032	\$6,530	\$7,938		\$99
91000 Total Operating - Administrative	\$697,513	\$71,557	\$163,781	\$0	\$163,140
92000 Asset Management Fee	\$27,980	\$2,083	\$9,580		\$12,240
92100 Tenant Services - Salaries			\$8,516	\$35,517	\$37,704
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services			\$2,722	\$16,149	\$16,335
92400 Tenant Services - Other	\$10,581	\$6,426	\$15,107		\$32,350
92500 Total Tenant Services	\$10,581	\$6,426	\$26,345	\$51,666	\$86,389
93100 Water	\$127,942	\$9,170	\$36,158		\$14,917
93200 Electricity	\$29,417	\$1,628	\$28,861		\$88,716
93300 Gas	\$25,160	\$251	\$12,673		\$10,731
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
93800 Other Utilities Expense					
93000 Total Utilities	\$182,519	\$11,049	\$77,692	\$0	\$114,364
94100 Ordinary Maintenance and Operations - Labor	\$25,713	\$16,247	\$16,259		\$12,606
94200 Ordinary Maintenance and Operations - Materials and	\$83,411	\$1,289	\$21,124		\$17,204
94300 Ordinary Maintenance and Operations Contracts	\$494,642	\$13,181	\$196,486		\$96,507
94500 Employee Benefit Contributions - Ordinary Maintenance	\$11,797	\$2,457	\$5,596		\$5,320
94000 Total Maintenance	\$615,563	\$33,174	\$239,465	\$0	\$131,637
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$4,414	\$512	\$1,354		\$1,958
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$4,414	\$512	\$1,354	\$0	\$1,958
96110 Property Insurance	\$144,524	\$15,616	\$72,193		\$34,960
96120 Liability Insurance	\$87,467	\$6,353	\$67,871		\$45,508
96130 Workmen's Compensation	\$5,644	\$1,532	\$1,164	\$887	\$2,185
96140 All Other Insurance					
96100 Total insurance Premiums	\$237,635	\$23,501	\$141,228	\$887	\$82,653
96200 Other General Expenses	\$10,015	\$2,137			
96210 Compensated Absences	\$32,810		\$6,771	\$4,890	\$12,696
96300 Payments in Lieu of Taxes	\$67,788	\$4,570	\$16,333		\$4,306
96400 Bad debt - Tenant Rents	\$13,374	\$1,959	\$25,776		\$1,100
96500 Bad debt - Mortgages					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$123,987	\$8,666	\$48,880	\$4,890	\$18,102
96710 Interest of Mortgage (or Bonds) Payable		\$30,937	\$94,672		
96720 Interest on Notes Payable (Short and Long Term)	\$49,630				
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$49,630	\$30,937	\$94,672	\$0	\$0
96900 Total Operating Expenses	\$1,949,822	\$187,905	\$802,997	\$57,443	\$610,483
97000 Excess of Operating Revenue over Operating Expenses	\$10,992,055	\$45,755	\$163,117	\$0	\$430,801
97100 Extraordinary Maintenance	\$16,332		\$10,043		
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$612,295	\$241,111	\$344,804		\$134,655
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$2,578,449	\$429,016	\$1,157,844	\$57,443	\$745,138
10010 Operating Transfer In					
10020 Operating transfer Out					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$10,363,428	-\$195,356	-\$191,730	\$0	\$296,146
11020 Required Annual Debt Principal Payments	\$65,871	\$9,386	\$58,123	\$0	\$0
11030 Beginning Equity	\$7,772,897	\$2,896,380	\$8,643,925	\$0	\$2,415,224
11040 Prior Period Adjustments, Equity Transfers and	-\$1,198,257		\$1,198,257		
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs
11190 Unit Months Available	2895	360	1284		1224
11210 Number of Unit Months Leased	2798	347	1222		1091
11270 Excess Cash	\$1,260,272				
11610 Land Purchases	\$0				
11620 Building Purchases	\$0				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
70300 Net Tenant Rental Revenue	\$116,400				
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$116,400	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants			\$75,338	\$4,245,417	\$5,739
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$287,158				
71100 Investment Income - Unrestricted	\$65,085	\$26	\$10	\$388	
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$6,609	
71500 Other Revenue	\$77,451	\$288,138	\$671	\$105,534	
71600 Gain or Loss on Sale of Capital Assets	-\$356,959				
72000 Investment Income - Restricted				\$0	
70000 Total Revenue	\$189,135	\$288,164	\$76,019	\$4,357,948	\$5,739
91100 Administrative Salaries	\$46,896	\$103,136	\$15,856	\$105,988	\$4,310
91200 Auditing Fees	\$1,500	\$500	\$250	\$10,000	

**HomeFront (MT001)**  
**BILLINGS, MT**  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
91300 Management Fee	\$20,810	\$44,796		\$107,312	
91310 Book-keeping Fee	\$2,820	\$2,400	\$1,515	\$51,480	
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$9,550	\$55,068	\$5,969	\$58,066	\$1,429
91600 Office Expenses	\$9,057	\$11,556	\$2,517	\$83,742	
91700 Legal Expense					
91800 Travel					
91810 Allocated Overhead					
91900 Other	\$3,876	\$1,336	\$10,207	\$6,624	
91000 Total Operating - Administrative	\$94,509	\$218,792	\$36,314	\$423,212	\$5,739
92000 Asset Management Fee	\$3,840				
92100 Tenant Services - Salaries				\$0	
92200 Relocation Costs	\$74,473				
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$61			\$64,622	
92500 Total Tenant Services	\$74,534	\$0	\$0	\$64,622	\$0
93100 Water	\$1,696				
93200 Electricity	\$1,981				
93300 Gas	\$5,920				
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

**HomeFront (MT001)**  
**BILLINGS, MT**  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
93000 Total Utilities	\$9,597	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$507				
94200 Ordinary Maintenance and Operations - Materials and	\$1,155				
94300 Ordinary Maintenance and Operations Contracts	\$9,255	\$17,505	\$328	\$22,308	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$126				
94000 Total Maintenance	\$11,043	\$17,505	\$328	\$22,308	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$1,159			\$3,000	
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$1,159	\$0	\$0	\$3,000	\$0
96110 Property Insurance	\$1,012				
96120 Liability Insurance	\$7,125	\$3,817		\$3,817	
96130 Workmen's Compensation	\$507	\$2,573	\$395	\$2,644	
96140 All Other Insurance					
96100 Total insurance Premiums	\$8,644	\$6,390	\$395	\$6,461	\$0
96200 Other General Expenses				\$945	
96210 Compensated Absences	\$2,944	\$14,958	\$2,300	\$15,632	
96300 Payments in Lieu of Taxes	\$8,357				
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
96800 Severance Expense					
96000 Total Other General Expenses	\$11,301	\$14,958	\$2,300	\$16,577	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$214,627	\$257,645	\$39,337	\$536,180	\$5,739
97000 Excess of Operating Revenue over Operating Expenses	-\$25,492	\$30,519	\$36,682	\$3,821,768	\$0
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$133,098	\$3,878,864	
97350 HAP Portability-In				\$2,580	
97400 Depreciation Expense	\$136,751				
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$351,378	\$257,645	\$172,435	\$4,417,624	\$5,739
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$162,243	\$30,519	-\$96,416	-\$59,676	\$0
11020 Required Annual Debt Principal Payments	\$58,123	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$6,432,215	-\$22,754	\$61,324	\$644,413	\$0
11040 Prior Period Adjustments, Equity Transfers and	\$150,000	-\$150,000			
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				\$584,737	
11180 Housing Assistance Payments Equity				\$0	
11190 Unit Months Available			480	6919	

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	21.023 Emergency Rental Assistance Program
11210 Number of Unit Months Leased			254	6877	
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$2,377,365	-\$108,000	\$2,269,365
70400 Tenant Revenue - Other		\$13,331		\$13,331
70500 Total Tenant Revenue	\$0	\$2,390,696	-\$108,000	\$2,282,696
70600 HUD PHA Operating Grants		\$5,961,493		\$5,961,493
70610 Capital Grants				
70710 Management Fee	\$455,754	\$455,754	-\$455,754	\$0
70720 Asset Management Fee	\$53,640	\$53,640	-\$53,640	\$0
70730 Book Keeping Fee	\$96,608	\$96,608	-\$96,608	\$0
70740 Front Line Service Fee	\$393,765	\$393,765	-\$393,765	\$0
70750 Other Fees				
70700 Total Fee Revenue	\$999,767	\$999,767	-\$999,767	\$0
70800 Other Government Grants		\$287,158		\$287,158
71100 Investment Income - Unrestricted	\$195	\$86,256	-\$63,624	\$22,632
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		\$6,609		\$6,609
71500 Other Revenue	\$249,707	\$993,262	-\$365,715	\$627,547
71600 Gain or Loss on Sale of Capital Assets		\$10,680,215		\$10,680,215
72000 Investment Income - Restricted		\$1,596		\$1,596
70000 Total Revenue	\$1,249,669	\$21,407,052	-\$1,537,106	\$19,869,946
91100 Administrative Salaries	\$393,055	\$1,006,605		\$1,006,605
91200 Auditing Fees	\$9,815	\$50,919		\$50,919

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
91300 Management Fee		\$479,641	-\$455,754	\$23,887
91310 Book-keeping Fee		\$98,741	-\$96,608	\$2,133
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$109,328	\$366,520		\$366,520
91600 Office Expenses	\$287,405	\$607,314	-\$377,267	\$230,047
91700 Legal Expense	\$7,270	\$17,048		\$17,048
91800 Travel				
91810 Allocated Overhead				
91900 Other	\$57,669	\$112,311		\$112,311
91000 Total Operating - Administrative	\$864,542	\$2,739,099	-\$929,629	\$1,809,470
92000 Asset Management Fee		\$55,723	-\$53,640	\$2,083
92100 Tenant Services - Salaries		\$81,737		\$81,737
92200 Relocation Costs		\$74,473		\$74,473
92300 Employee Benefit Contributions - Tenant Services		\$35,206		\$35,206
92400 Tenant Services - Other		\$129,147	-\$96,448	\$32,699
92500 Total Tenant Services	\$0	\$320,563	-\$96,448	\$224,115
93100 Water	\$1,663	\$191,546		\$191,546
93200 Electricity	\$10,544	\$161,147		\$161,147
93300 Gas	\$7,230	\$61,965		\$61,965
93400 Fuel				
93500 Labor				
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$19,437	\$414,658	\$0	\$414,658
94100 Ordinary Maintenance and Operations - Labor	\$251,348	\$322,680		\$322,680
94200 Ordinary Maintenance and Operations - Materials and	\$31,090	\$155,273		\$155,273
94300 Ordinary Maintenance and Operations Contracts	\$16,706	\$866,918	-\$393,765	\$473,153
94500 Employee Benefit Contributions - Ordinary Maintenance	\$127,644	\$152,940		\$152,940
94000 Total Maintenance	\$426,788	\$1,497,811	-\$393,765	\$1,104,046
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs	\$6,772	\$19,169		\$19,169
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$6,772	\$19,169	\$0	\$19,169
96110 Property Insurance	\$7,971	\$276,276		\$276,276
96120 Liability Insurance	\$3,682	\$225,640		\$225,640
96130 Workmen's Compensation	\$16,197	\$33,728		\$33,728
96140 All Other Insurance				
96100 Total insurance Premiums	\$27,850	\$535,644	\$0	\$535,644
96200 Other General Expenses		\$13,097		\$13,097
96210 Compensated Absences	\$94,149	\$187,150		\$187,150
96300 Payments in Lieu of Taxes		\$101,354		\$101,354
96400 Bad debt - Tenant Rents		\$42,209		\$42,209
96500 Bad debt - Mortgages				
96600 Bad debt - Other				

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
96800 Severance Expense				
96000 Total Other General Expenses	\$94,149	\$343,810	\$0	\$343,810
96710 Interest of Mortgage (or Bonds) Payable		\$125,609	-\$63,624	\$61,985
96720 Interest on Notes Payable (Short and Long Term)		\$49,630		\$49,630
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$175,239	-\$63,624	\$111,615
96900 Total Operating Expenses	\$1,439,538	\$6,101,716	-\$1,537,106	\$4,564,610
97000 Excess of Operating Revenue over Operating Expenses	-\$189,869	\$15,305,336	\$0	\$15,305,336
97100 Extraordinary Maintenance		\$26,375		\$26,375
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$4,011,962		\$4,011,962
97350 HAP Portability-In		\$2,580		\$2,580
97400 Depreciation Expense		\$1,469,616	-\$12,496	\$1,457,120
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,439,538	\$11,612,249	-\$1,549,602	\$10,062,647
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/22

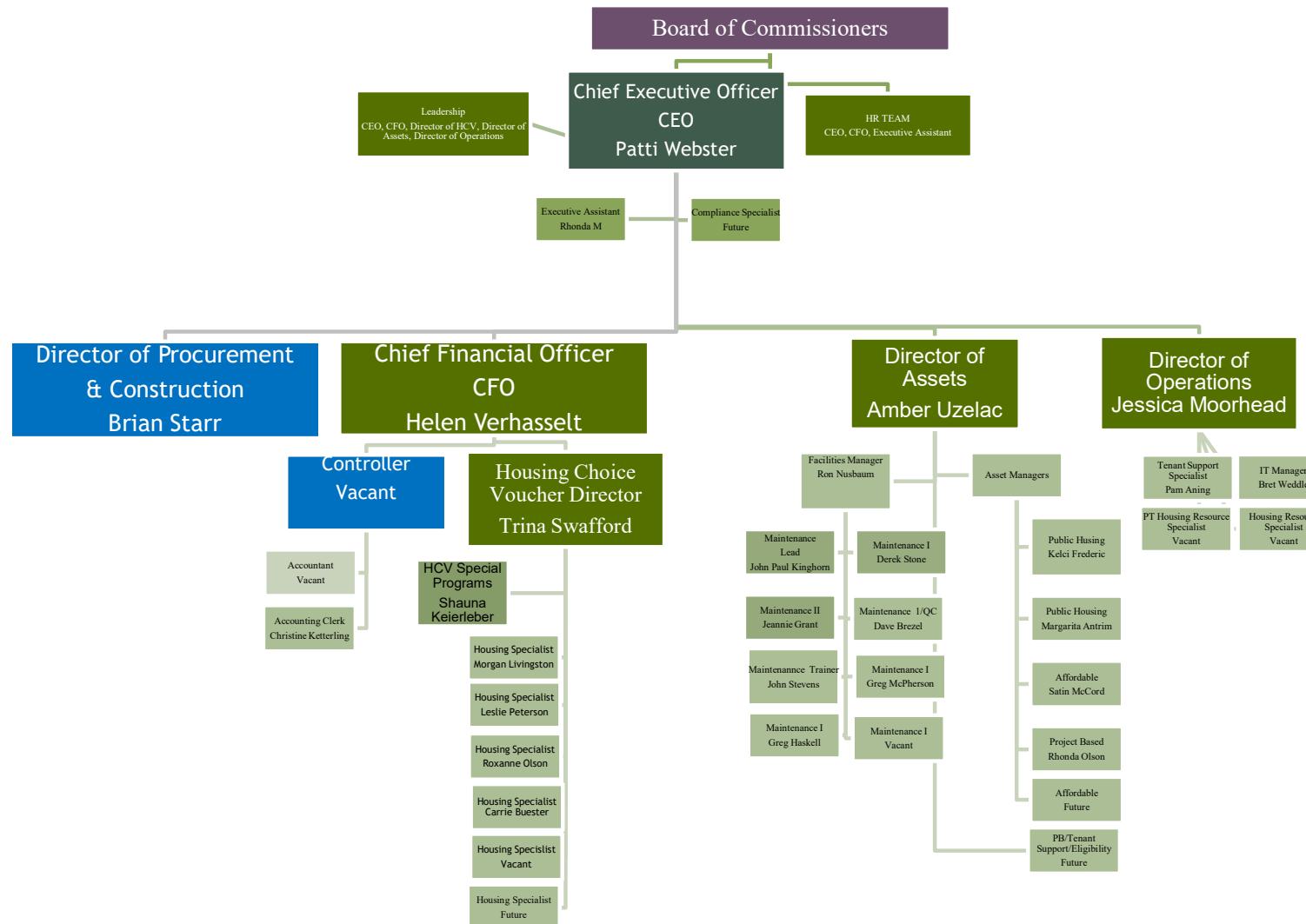
	COCC	Subtotal	ELIM	Total
40 Operating Transfers from/to Component Unit				
50 Proceeds from Notes, Loans and Bonds				
60 Proceeds from Property Sales				
70 Extraordinary Items, Net Gain/Loss				
80 Special Items (Net Gain/Loss)				
91 Inter Project Excess Cash Transfer In				
92 Inter Project Excess Cash Transfer Out				
93 Transfers between Program and Project - In				
94 Transfers between Project and Program - Out				
0 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$
0 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$189,869	\$9,794,803	\$12,496	\$9,807,299
20 Required Annual Debt Principal Payments	\$0	\$191,503		\$191,503
30 Beginning Equity	\$385,103	\$29,228,727	-\$374,880	\$28,853,847
40 Prior Period Adjustments, Equity Transfers and		\$0		\$0
50 Changes in Compensated Absence Balance				
60 Changes in Contingent Liability Balance				
70 Changes in Unrecognized Pension Transition Liability				
80 Changes in Special Term/Severance Benefits Liability				
90 Changes in Allowance for Doubtful Accounts - Dwelling				
0 Changes in Allowance for Doubtful Accounts - Other				
70 Administrative Fee Equity		\$584,737		\$584,737
80 Housing Assistance Payments Equity		\$0		\$0
90 Unit Months Available		13162		13162

HomeFront (MT001)  
BILLINGS, MT  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2022

	COCC	Subtotal	ELIM	Total
11210 Number of Unit Months Leased		12589		12589
11270 Excess Cash		\$1,260,272		\$1,260,272
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0	\$0		\$0
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0



## HOME-ARP PROJECT SOURCES AND USES

Include all costs directly related to delivering this service or accomplishing this project  
Must include all itemized costs above \$500. Sources Must equal total project costs.

<b>Organization Name:</b>	<i>HomeFront Partners</i>				
<b>Revenue Sources</b>	<b>Source:</b>	<b>Source:</b>	<b>Source:</b>	<b>Source:</b>	<b>Total Project Revenue</b>
	<b>HOME-ARP</b>	<i>Replace Text</i>	<i>Replace Text</i>	<i>Replace Text</i>	
Enter amount for each revenue source:	<b>\$643,033</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$643,033</b>
Is this source confirmed and committed to the Project? (click the box next to your answer)	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
<b>PROJECT STAFFING</b>					
Tenancy Support Specialist	<b>\$180,039</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,039</b>
Tenancy Support Specialist	<b>\$180,039</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,039</b>
Job Title: <i>Replace Text</i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OPERATING COSTS</b>					
Outside Provider Payments	<b>\$228,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$228,000</b>
Supplies	<b>\$1,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,800</b>
Insurance	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Printing	<b>\$210</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$210</b>
Information Technology	<b>\$3,240</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,240</b>
Travel	<b>\$900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$900</b>
Contract Services	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Client supplies	<b>\$13,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,500</b>
Bus Cards	<b>\$20,160</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,160</b>
Office Space	<b>\$14,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,400</b>
Postage	<b>\$744</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$744</b>
<b>Grand Total</b>	<b>\$643,033</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$643,033</b>
% of Budget Costs Considered Administration					<b>57.00%</b>
Provide a brief budget narrative for each line item identified above. Include an explanation and justification on costs per beneficiary.					
<b>Outside Provider Payments:</b>					
<i>Rent Assistance: 1st and last months rent for \$2,400 x 10 clients x 3 years = \$72,000</i>					
<i>Application Fees: \$50/application x 300 clients x 3 years = \$45,000</i>					
<i>Security Deposits: \$1,200 x 100 clients x 3 years = \$36,000</i>					
<i>Rental Arrears: \$500 x 30 clients x 3 years = \$45,000</i>					
<i>Sober Living Housing Deposits: \$600 x 50 applicants = \$30,000</i>					
<b>Supplies:</b>					
<i>General Office supplies for Support Specialist at \$300/specialist x 3 years = \$1,800</i>					
<b>Insurance:</b>					
<i>NA</i>					
<b>Printing:</b>					
<i>1,000 copies/ year x \$.07/copy x 3 years = \$210.00</i>					
<b>Travel:</b>					
<i>Approximately \$25/month x 36 months for support specialists to travel to where clients are located on the streets, to meet with landlords, take clients to appointments, etc. This equates to approximately ~44.6 miles/month or ~22.3 miles per month per support specialist. 22.3 miles x .56/mile x 2 specialists x 12 months x 3 years = ~\$900</i>					

**Contract Services:**

**NA**

**Other (identify): Cell Phones**

*for clients to maintain contact with support specialists \$50/phone x 50 clients x 3 years = \$7,500*

**Other (identify): Personal Client Supplies**

*Personal supplies for clients such as hygiene, basic items for house \$20/client x 100 clients x 3 years = \$6,000*

**Other (identify): Bus Passes**

*\$28/pass x 2 pass per client x 100 clients x 3 years = \$20,160.00*

## FOR ALL HOME-ARP APPLICANTS / ORGANIZATIONS

1. Organizations providing supportive services must ensure services are delivered equitably. A chronological waiting list, including the usage of date / Time stamps, must be maintained for **every** service offered under HOME-ARP. This may differ from your organization's current waiting list policies and procedures. ***Please describe your organization's ability to maintain and manage multiple waiting lists.***

HomeFront has over 50 years of experience managing multiple wait lists that hold over 7,000 families. Our waiting lists are maintained in chronological order with a Date and Time Stamp. HomeFront has moved to digital applications effective January 1, 2024. Paper applications can still be used to accommodate applicants if needed.

2. Procedures for managing waiting lists may include information on handling referrals internally within an organization. If multiple services or programs are offered at your organization, ***please describe your policies and procedures for internal program referrals for participants within the organization.***

Internal program referrals are treated the same as anyone else. Their application for programs is date and time stamped and is processed in chronological order along with all other applicants.

3. ***Please describe your organization's understanding of housing discrimination and The Fair Housing Act.***

HomeFront understands that the Fair Housing Act is the law of the “housing” providers. We understand that Fair Housing responsibilities and accountability start long before a family is served in our programs. Phone calls, written communication and face to face interactions are all held to the same accountability given the fair housing laws.

HomeFront has participated in fair housing complaints and have the experience of working through a complaint from beginning, investigation, mediation, and to end.

4. ***Has your staff participated in any Fair Housing training in the last three years? If yes, please list training type(s) and date(s) of training:***

All members of the HomeFront TEAM participate in annual fair housing training. Training participants are tested each year as well. The fair housing we participate in is offered through E & A Team.

5. Demonstrating long-term outcomes and participant success following a HOME-ARP funding allocation is crucial. ***What procedures will your organization implement in order to collect follow-up data from participants?***

HomeFront continues to meet with program participants until stabilized in housing. If a participant needs assistance after housing has been achieved, participants are encouraged to reach out. We will continue to support them with their needs to ensure housing remains in place. HomeFront collects multiple data points to ensure participants are set up with appropriate community services/agencies as well as the length of time our services are

provided to applicants. As part of the Continuum of Care HomeFront is available for staffing cases in the coordinated entry services as appropriate. HomeFront reports on outcome measures for placements, waitlists, and other data as necessary,

6. **How will you continue to serve clients after HOME-ARP funding is fully expended?** i.e. describe how your organization will provide aftercare services for program participants.

One of HomeFront's goals for our applicants is to obtain housing sustainability. We continue to serve clients with ongoing support as emergent situations arise. To ensure housing stability we will work closely with participants in identifying other resources such as LIHEAP, furniture, counseling services, and budgeting. Needs and services are identified during our meetings and individualized based on each applicant's case. Referrals are made to other agencies and coordination occurs during coordinated entry staffing meetings as appropriate.

7. Organizations will be required to use HMIS (Homeless Management Information System) to coordinate services and check for duplication of benefits. **Does your organization currently use HMIS? If not, is your organization willing to implement HMIS to meet program requirements?**

HomeFront has participated in the HMIS system for several years and also is an active, participating, member of the Coordinated Entry Services Case Management Team.

8. **After reviewing the additional questions / requirements / clarifications attached, would your organization like to adjust any of the supportive service activities that were proposed in your original application?**

Not at this time but we are open to a modification discussion if selected for funding.

#### HomeFront

- Bylaws for the Housing Authority / HomeFront were submitted. **Are there Articles of Incorporation for the Housing Authority / HomeFront available (not HAB Development Corporation)? If yes, please submit. If no, please explain.**

Yes, Please see attached.

- **Are there IRS determination documents for the Housing Authority / HomeFront available (not HAB Development Corporation)? If yes, please submit. If no, please explain.**

Yes, Please see attached.

- **If the organization is not hiring staff to carry out HOME-ARP supportive services, how are the positions funded today and why is HOME-ARP funding needed?**

HomeFront will be hiring additional staff to carry out HOME-ARP supportive services. There is currently one staff member in this position, but there is a need for two additional staff.

- **What building is being rented to carry out these activities and how is the rent currently being paid? Why is HOME-ARP needed?**

**All services that are provided with HOME-ARP funds are based out of the main HomeFront offices. Based on conversations with Carly Collins, this has been removed from the sources and uses as an unallowable expense.**

- Outreach Services were not proposed in the original application, although the following was proposed:
  - Costs for hygiene kits and home supplies. *These can only be provided for participants receiving Outreach Services – in need of immediate support and intervention.*
  - Costs for cell phones. *Costs associated with cell phone plans will only be reimbursed if used for Outreach Services.*
  - *General equipment costs are not covered by the City's HOME-ARP funds.*

***Please consider adding Outreach Services to your proposed activities.***

**The positions that HomeFront is requesting for this grant are outreach services. The Tenancy Support Specialists role are to meet people where they are. They often leave the facility to find individuals in need of care, collaborate with landlords, work with individuals during the move in process, and assist along the way. Travel into the community is part of this position. Additionally, HomeFront prides itself on being an agency that is easily accessible for our community members and applicants. By having an open-door policy, our participants are able to see quick turnarounds when scheduling appointments or even be seen same day. Individuals feel comfortable coming in during emergent situations. Through Outreach Services, our staff is available to serve individuals in crisis with compassion and integrity.**

**Hygiene kits and home supplies will be used for immediate support and intervention.**

**We have removed the cell phones from the sources and uses based on conversations with Carly Collins.**

**We have removed general equipment costs. We have maintained postage, general office supplies, and printing in our budget.**

Please note: bus passes may only be used by participants for eligible HOME-ARP services including to and from medical care, employment, childcare, etc. Participants must regularly certify funds used for public transportation / bus passes were used for eligible services.

**This is understood and we will develop necessary acknowledgement forms for clients to certify the use of the bus passes.**

Internal Revenue Service

District  
Director

► Housing Authority of Billings  
2415 - 1st Avenue North  
Billings, MT 59101

Department of the Treasury

915 Second Ave., Seattle, Wash. 98174

RECEIVED  
RECORDED

RECORDED

Person to Contact:

Ellen Oliver  
Telephone Number:  
(206) 442-5106

Housing Authority

Refer Reply to:  
EP/EOII:EGB

Date:

FEB 24 1983

Gentlemen:

The following information is furnished in reply to your inquiry of February 3, 1983.

As an instrumentality of a governmental unit, you are not subject to Federal income tax under the provisions of section 115(1) of the 1954 Internal Revenue Code, which states in part:

"Gross income does not include income derived from the exercise of any essential governmental function and accruing to a state or any political subdivision thereof."

As an instrumentality of a government unit, you are not an exempt organization as described in section 501(c) of the Internal Revenue Code and, therefore, cannot receive a determination letter as evidence of exemption under Section 501(c); however, your income is not taxable as explained above. You would not be required, therefore, to file Form 1120 taxable returns.

Please let us know if we may be of further assistance.

Sincerely yours,

*Max Wilson*

Max Wilson  
Group Manager  
Exempt Organizations

# Office of the Secretary of State



## OF THE STATE OF MONTANA

BE IT KNOWN THAT

### HOUSING AUTHORITY OF BILLINGS

In accordance with the provisions of Section 35-104, Revised Codes of Montana, 1947, as amended, has caused to be filed in the office of the Secretary of State of the State of Montana its Application for Certificate of Incorporation on February 23, 1973.

NOW, THEREFORE, I, FRANK MURRAY, Secretary of State of the State of Montana, do hereby certify that the Application for Certificate of Incorporation of

### HOUSING AUTHORITY OF BILLINGS

containing the required statement of facts prescribed by said Code, as amended, having been filed in this office, such association is a public body and a body corporate and politic, with perpetual existence, and is authorized to do business in the State of Montana.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Montana, at Helena, the Capital, this twenty-third day of February, A. D. 1973.

  
Frank Murray  
Secretary of State

By:

GAIL M. DeWALT  
Chief Deputy

AFFIDAVIT AND APPLICATION  
FOR CERTIFICATE OF INCORPORATION

TO: Honorable Frank Murray  
Secretary of State  
State of Montana  
State Capitol Building  
Helena, Montana 59601

STATE OF MONTANA )  
: ss.  
County of Yellowstone )

We, ALLEN L. LARSON, DONA OVERFELT, DONOVAN G. KELLY, EDNA BEST, and PETER LOMBARDOZZI, being duly sworn, depose and state:

That twenty-five qualified residents of the City of Billings have petitioned the City Clerk of the City of Billings for the creation of a Local Housing Authority, as defined by Section 35-128 (35-104), R.C.M., 1947, as amended to function in the City of Billings and the surrounding area.

That pursuant to said petition the said City Clerk has published notice of a public hearing before the City Council of the City of Billings for the purpose of determining the need for such a Housing Authority.

That the Mayor of the City of Billings has duly appointed your affiants and applicants Commissioners of the proposed Housing Authority, a certified copy of which appointment is hereunto attached.

That the terms of office of your affiants and applicants as Commissioners of the proposed Authority are to commence on January 15, 1973, and continue to the dates set opposite their names:

<u>Names</u>	<u>Expiration Date</u>
Allen L. Larson	January 15, 1976
Donovan G. Kelly	January 15, 1975
Dona Overfelt	January 15, 1974
Edna Best	January 15, 1977
Peter Lombardozzi	January 15, 1978

That upon expiration of the terms set forth above, subsequent appointments will be for a term of five (5) years.

That your affiants and applicants desire the proposed Housing Authority to become a public body and a body corporate and politic under the provisions of Chapter 140 of the 1953 laws of Montana, and acts amendatory thereto.

That the name proposed for such Housing Authority is Housing Authority of Billings. That the location of the principal office of said proposed Authority will be City Hall, Billings, Montana 59101.

That your affiants and applicants hereby request that this application be received, filed and placed upon record in the office of the Secretary of State, and that your affiants and applicants be issued under the seal of the State of Montana a Certificate of Incorporation for said corporation and that the same be duly recorded as aforesaid with this application.

Subscribed and Sworn to this 2nd day of February, 1973.

Allen L Larson Billings, Montana  
AL LARSON a/k/a ALLEN L. LARSON

Dona Overfelt Billings, Montana  
DONA OVERFELT

Don Kelly Billings, Montana  
DON KELLY

Edna Best Billings, Montana  
EDNA BEST

Peter Lombardozzi Billings, Montana  
PETER LOMBARDOZZI

STATE OF MONTANA )  
: ss.  
County of Yellowstone )

On this 2nd day of February, 1973, before me, the undersigned, a Notary Public for the State of Montana, personally appeared ALLEN L. LARSON, DONA OVERFELT, DON KELLY, EDNA BEST, and PETER LOMBARDOWSKI, known to me to be the persons whose names are subscribed to the within instrument and the commissioners of said proposed corporation as recited herein, and subscribed and made oath to these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and my notarial seal the day and year first above written.

(SEAL)

*Alvin H. Carter*  
Notary Public for the State of Montana  
Residing at Billings, Montana  
My Commission expires May 21, 1974.

## HOME-ARP PROJECT SOURCES AND USES

Include all costs directly related to delivering this service or accomplishing this project Must include all itemized costs above \$500. Sources Must equal total project costs.

<b>Organization Name:</b>	<i>HomeFront Partners</i>				
<b>Revenue Sources</b>	<b>Source:</b>	<b>Source:</b>	<b>Source:</b>	<b>Source:</b>	<b>Total Project Revenue</b>
	<b>HOME-ARP</b>	<i>Replace Text</i>	<i>Replace Text</i>	<i>Replace Text</i>	
Enter amount for each revenue source:	<b>\$617,892</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$617,892</b>
Is this source confirmed and committed to the Project? (click the box next to your answer)	<input type="checkbox"/> Yes No				
<b>PROJECT STAFFING</b>					
Tenancy Support Specialist	<b>\$180,039</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,039</b>
Tenancy Support Specialist	<b>\$180,039</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,039</b>
<b>OPERATING COSTS</b>					
Outside Provider Payments	<b>\$228,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$228,000</b>
Supplies	<b>\$1,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,800</b>
Insurance	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Printing	<b>\$210</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$210</b>
Travel	<b>\$900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$900</b>
Contract Services	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Client supplies	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,000</b>
Bus Passes	<b>\$20,160</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,160</b>
Postage	<b>\$744</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$744</b>
<b>Grand Total</b>	<b>\$617,892</b>				<b>\$617,892</b>
% of Budget Costs Considered Administration					<b>59.00%</b>
Provide a brief budget narrative for each line item identified above. Include an explanation and justification on costs per beneficiary.					
<b>Outside Provider Payments:</b>					
<i>Rent Assistance: 1st and last months rent for \$2,400 x 10 clients x 3 years = \$72,000 Application Fees: \$50/application x 300 clients x 3 years = \$45,000</i>					
<i>Security Deposits: \$1,200 x 100 clients x 3 years = \$36,000 Rental Arrears: \$500 x 30 clients x 3 years = \$45,000</i>					
<i>Sober Living Housing Deposits: \$600 x 50 applicants = \$30,000</i>					
<b>Supplies:</b>					
<i>General Office supplies for Support Specialist at \$300/specialist x 3 years = \$1,800</i>					
<b>Insurance:</b>					
<i>NA</i>					
<b>Printing:</b>					
<i>1,000 copies/ year x \$.07/copy x 3 years = \$210.00</i>					
<b>Travel:</b>					
<i>Approximately \$25/month x 36 months for support specialists to travel to where clients are located on the streets, to meet with landlords, take clients to appointments, etc. This equates to approximately ~44.6 miles/month or ~22.3 miles per month per support specialist. 22.3 miles x .56/mile x 2 specialists x 12 months x 3 years = ~\$900</i>					
<b>Contract Services:</b>					
<i>NA</i>					
<b>Other (identify): Personal Client Supplies</b>					
<i>Personal supplies for clients such as hygiene, basic items for house \$20/client x 100 clients x 3 years = \$6,000</i>					
<b>Other (identify): Bus Passes</b>					
<i>\$28/pass x 2 pass per client x 100 clients x 3 years = \$20,160.00</i>					