



News-η-Notes

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CARH Midyear Meeting Highlights

by Marge Alden
MN CARH board member

The Midyear meeting was held in sunny Sarasota, Florida. It started out with all the committee meetings. I attended the State Associations meeting where the attending states discuss what their associations have been doing and how they have achieved some of their successes. I reported on our struggles and how we are back on track with our new executive director. The national office offered to help us in any way they can.

Many of the state associations' memberships have grown despite all the projects leaving the program. The main way they have grown — both financially and in membership — is having a state lease which is supported by Rural Development. It is expensive to get the lease started, but after that it is profitable and provides a great service to their membership. Rural Development in those states usually mandates use of the association lease. To obtain the lease and updates they have to be members or pay a significantly higher rate.

Many states mentioned the attendance at their conferences has increased by adding on presenters like HD supply for maintenance personnel, caretakers and owners' ideas. Charlie from HD would be happy to present at our conference. Another popular conference or separate conference was their buyer-seller sessions. Having a downtown conference location was mentioned as a means of obtaining more vendors since it is easily accessible from airports. Social media was discussed as the modern means of communication with the members. This includes having a Facebook page, YouTube videos, etc.

There was a teleconference session with

the National Rural Development office. They said they have no new information other than they are considering eliminating the CNA that they have previously required for transfers and trying to speed up the timeline of processing transfers. They are also looking at a performance-based management fee and Rural Development is looking at what to consider priorities for management. Stephanie White said she is retiring in June. There were more than 5,000 515 units taken out of the program last year. They are using those RA units to fund expiring contracts. They are looking at having consistency in the RD documents regarding the dollar amount level requiring multiple bids for reserve withdrawals. Currently some say \$3,000 and some \$5,000. They are looking at all their documents having \$5,000 as the level requiring bids.

The national office is also looking at changing the Affirmative Fair Housing Plan update to every five years or possibly like HUD with no expiration unless there is a change. OMB plans to reduce staff through attrition due to the decrease in units. There was discussion after the conference call ended on the vouchers with no termination date awarded to some tenants. There is no recertification or follow-up — they are forever with no oversight and can be taken with them to wherever they relocate. The issue was none of the agencies wanted the job of oversight. A really good deal if you are one of the lucky recipients.

There was a full-week session with RD staff and some owners working on a business process diagram and budget. The results were that RD's process needs to be more efficient. They used an example from the research that a budget may be looked at over 80 times before approving it or sending it back to

continued on back

owners. The average was nine hours for RD's review of a budget. Many budgets weren't returned approved until the year was over. They are looking for funding to train staff to be more efficient and hire firms to improve staff knowledge. Many come to the job with no financial training or experience and they have had significant turnover in the agency. They quoted the time frame in days to returning a budget in some states. Minnesota was one they mentioned at up to 244 days. In summary, some of the outcome suggestions to speed up the process were to net all rent collected, to have average costs, elevate process and train staff.

There were several sessions and panels to discuss the future of the program and government in general. The overall consensus was no one knows what is going to happen with the political changes. That was a constant through all the sessions and presenters. Some of the possible changes the presenters speculated on were we may see some significant cuts or elimination of programs, reduction in corporate tax rate, depreciation changes or elimination of depreciation. There is talk of having all buildings written off the first year or over ten years rather than depreciating them. They predict fewer regulations, procedure changes, a focus on retention of properties, re-amortization of mortgages and keeping RA. Uncertainty was the theme. No one really knows what the future holds.

The political transition team and their role in handling the agencies from the old political appointees until the new appointments are made was discussed. They have people hired to move in and just cover the offices on a temporary basis until new hires arrive. Some of these staff just occupy the space to make sure there is no vandalism, theft or other related issues and assist in the transition.

There was a session on Labor Laws and how that impacts differently by size and state. The National Labor regulations apply to everyone, but each state has their own set of regulations that also need to be incorporated into how a business is operated. Along with that, OSHA, Cobra, older workers benefit protection plan, civil rights, discrimination, equal pay and the importance of having a handbook outlining policies was discussed. In the handbook some of the suggested inclusions were a social media policy, probation, anti-harassment policy, work hours, payroll procedures, personal days off and what is included (such as sick days, vacation, etc.), rules of conduct and attire, employment of relatives, confidentiality, drug and alcohol issues, technology, personnel records availability, rights of privacy and fraternization.

There was a portion related to employment applications and what can and can't be requested. It

is not legal to ask for a date of birth, maiden name, marital status, whether they ever filed a workers comp claim, if they were ever hurt on a job, if they have past addictions, if they have children or if they are adopted, if they are pregnant or what their religion is. You can ask what is needed for a background check and use a reputable company to do the check. Arrests cannot be a rejection criteria; only convictions apply. If you hire before the background check is complete and then find out information, it can be very difficult to legally let them go. It is important to retain all your personnel records and separate them by what documents are available for review by employees and others versus documents such as medical or drug screening. Each state has different requirements of what has to be shared and what is company confidential. Hold all your payroll records for a minimum of three years and stay up to date on what posting is required for your type of company.

The social media session stated the best way to contact our politicians is not with letters anymore, but with social media such as their Facebook page in private or public posts. Most politicians have their emails constantly monitored and responses are generally prompt and you know they received the message. During the session, a couple attendees were asked about their feelings on affordable housing and the video was forwarded to Congress. Other social media roles were briefly discussed.

It was a well-attended conference with owners from all over the country. There was a lovely appetizer reception on Lido Beach. Unfortunately, it was obvious from the coughing that started as people disembarked the shuttle bus that Red Tide was in the air but the cooler air made it bearable. The food was delicious, the setting beautiful, the people delightful and a good time was had by all.

MN CARH News

MN CARH's president is Rodney Hestekin.

MN CARH's new executive director since October is Allison Peterson. She graduated from the University of Minnesota-Duluth with a degree in



Rodney Hestekin



Allison Peterson

management, marketing and communication. She has worked in the residential real estate and property management industry for the last five years. She holds a Minnesota Real Estate License and is excited to be a part of the MN CARH organization.