MORTON COUNTY HOUSING AUTHORITY
MONTHLY MEETING
MORTON COUNTY COMMISSION ROOM
MORTON COUNTY COURT HOUSE
210 2ND AVE NW, MANDAN
THURSDAY, SEPTEMBER 10, 2026 – 3:00 P.M. CST

AGENDA

1) Call to Order
2) Public Comment
3) Approval of Minutes
4) Approval of Expenditures
5) Financial Statements
6) Voucher Activity
7) 2026 Voucher Equity
8) Management Fee
9) Administrative Fee Reserves
10) 2027 Fair Market Rent
11) HUD Communication – Audit Finding
12) Office Equipment and furniture
13) Other Business
14) Adjourn

MORTON COUNTY HOUSING AUTHORITY
MEETING MINUTES
AUGUST 13, 2026

The regularly scheduled meeting of the Board of Commissioners of the Morton County Housing Authority was called to order by DeNae Kautzmann, Chairwoman, on Thursday, August 13, 2026, at 3:00 p.m., at the Morton County Commission Room at the Morton County Courthouse in Mandan. In attendance, in addition to DeNae were Commissioners Paul Tokach, Rory Anderson, Steve Maershbecker and Carly Retterath. Also, in attendance were Rick Horn and Kayla Golke of the Management Firm.

No Public Comment.

The minutes from the previous meeting were reviewed. Rory motioned to approve of the minutes as presented with Paul seconding. On a roll call vote, all members present voted Yes. Motion passed 5-0.

The expenditures from July 13, 2026, through August 7, 2026, were reviewed. Steve motioned to accept the expenditures as presented with Rory seconding. On a roll call vote, all members present voted Yes. Motion passed 5-0.

The July 31, 2026, financial statements were reviewed. No questions or discussion.

Rick presented to the Board the year-to-date voucher activity for the current fiscal year. As of July 2026, our average HAP payment was $603.01 vs $562.63 in January 2026. As of August 7, 2026, we had 380 applications received YTD, 78 vouchers issued, 73 vouchers utilized with 32 outstanding vouchers, and we are currently processing 389 applications. The number of applications that are currently being processed is 389 compared to 208 as of 12/31/2025.

A discussion regarding the 2026 Voucher Equity was had. The HAP Equity balance as of July 2026 was $31,421.07. The Admin Equity balance as of July 2026 was $1,166,112.65. In August there will be a drop in admin revenue received due to HUD reconciling the 2025 fiscal year activity. HUD has determined that there was an overpayment of admin fees of $12,447. The overpayment will be offset against the August admin fee disbursement.

A discussion regarding the Auditor Request for Proposals was had. Board members reviewed the RFP that Rick presented. The audit proposal will be posted on the Morton County website as well as the Morton County Housing Authority website. The audit proposal will also be sent out to Brady Martz, Eide Bailey and an auditing firm in Minnesota. Paul expressed concern on using a RFP vs. RFQ. DeNae and Carly stated that they believe an RFP is appropriate for this specific situation. Carly motioned to approve using the RFP that has been presented with Rory seconding. On a roll call vote, all members present voted Yes. Motion passed 5-0.

A discussion regarding the upcoming Annual Plan – Public Hearing was had. The public hearing will be held before the October 8th board meeting. The public hearing will be at 2:30pm. The public notice will published in the newspaper, the Morton County website and the Morton County Housing

Authority website.

A discussion regarding a request from HJL Management for an increase in the voucher admin fee. Based on the 2026 HUD Admin fees, the housing authority is receiving $2.69 per voucher more than last year (based on current proration factors). The admin fee has typically been reviewed annually. The management firm is requesting an increase of $1. Paul had mentioned that the county is attempting to cut costs and if the authority was brought in house the management fees could be cut in half. DeNae stated that it is fair to ask for a yearly increase in the admin fee. This is a complex federal program and Rick attended specialized training in order to manage the program. Paul felt that this topic should not be voted on due to the ongoing investigation that was sent to HUD. Paul motioned to table this conversation until the next meeting with Rory seconding. On a roll call vote, 3 members voted no, 2 members voted yes. Motion failed 2-3. Carly motioned to approve the $1 increase for HJL Management that would be effective as of January with Steve seconding. On a roll call vote, 3 members voted no, 2 members voted yes. Motioned failed 2-3.

The management firm left the meeting so the housing authority board could discuss Morton County Housing Corporation. Chairwoman Kautzmann reported on her meeting with the subcommittee tasked to drafting new contracts with Morton County Housing Corporation. Since the Authority will no longer provide management services to the Corporation, there is no need to update the agreement. The lease to the Authority is month to month. Before any work is done regarding the lease, we must first determine if the Corporation will continue leasing to the Authority. The office is fully equipped with Authority furniture and equipment including computers. If the Corporation does not lease to the Authority, the Board will have decisions to make which hinge on the new tenant.

______________________________ __________________

DeNae Kautzmann, Chairwoman Date

______________________________ __________________

Rick Horn, Management Agent Date

Morton County Housing-Vouchers

Check Register

For the Period From Aug 8, 2026 to Sep 4, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount		
12599	8/14/26	Dakota Country Storage	111.10	810.00		
12600	8/14/26	Wells Fargo Vendor Financial Services	111.10	169.11	______	Steve Maerschbecker
12601	8/14/26	BEK Communications Cooperative	111.10	309.24		
12602	8/14/26	Burleigh County Housing Authority	111.10	708.52	______	Carly Retterath
12603	8/21/26	Presort Plus	111.10	55.00		
12604	8/21/26	Column Software PBC	111.10	51.75	______	DeNae Kautzmann
12605	8/21/26	C-Ram	111.10	35.00		
12606	8/31/26	Ashton Nahs	111.10	250.00	______	Rory Anderson
12607	9/1/26	HJL Management Company	111.10	35,074.00		
12608	9/1/26	Morton County Housing Corp	111.10	900.00	______	Paul Tokach
12609	9/4/26	Online Information Services Inc	111.10	679.66		
12610	9/4/26	Quadient Finance USA	111.10	350.00		
12611	9/4/26	Quadient, Inc.	111.10	175.75		
12612	9/4/26	Uniti	111.10	9.64		
12613	9/4/26	Fireside Office Products Inc	111.10	234.00		
Total				39,811.67		

Morton County Contract
Check Register
For the Period From Aug 8, 2026 to Sep 4, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1323	8/31/26	HJL Management Co	111.10	8,490.90
Total				**8,490.90**

Morton County Housing-Vouchers
General Ledger Trial Balance
As of Sep 30, 2026

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
111.10	CASH	64,006.03	
1145.00	Accrued Interest Receivable	7,680.40	
124.00	Prepaid Insurance	3,450.00	
125.10	A/R OTHER	126.00	
128.00	Tenant A/R	10,477.00	
128.10	Allowance for Doubtful Account		10,477.00
131.20	Investments-Starion	776,386.69	
1400.00	Leasehold Improvements	148,851.01	
1400.90	Furniture & Equipment	4,276.00	
163.10	OFFICE FURNITURE & EQUIP	3,343.74	
166.10	Accumulated Depreciation		21,796.33
167.10	Accumulated Amortization		45,051.16
2112.00	Interest Payable		274.33
2115.00	ST Lease Liability		8,919.13
2118.10	Accts Pay - Landlord HAP		976.00
2215.00	LT Lease Liability		64,399.61
511.10	Restricted Net Assets		81,063.99
512.10	Unrestricted Net Assets		1,010,648.10
512.11	Unrestr Net Assets - Pre 2004		158,615.00
706.00	ANNUAL CONTRIBUTIONS H		2,386,875.00
706.10	ANNUAL CONTRIBUTION - A		311,565.00
711.00	Investment Income - Unrestrict		23,474.56
714.00	Fraud Recovery		6,724.16
720.00	Other Income - Port In		13,223.10
911.00	MANAGEMENT FEES	316,021.00	
912.00	ACCOUNTING & AUDITING	17,109.75	
916.00	SUNDRY	19,345.76	
916.10	Port admin fee	13,806.70	
918.00	OFFICE RENT	900.00	
919.00	Storage Rental	1,500.00	
941.00	GENERAL EXPENSE	4,752.55	
945.00	Interest Expense	2,296.12	
961.00	INSURANCE EXPENSE	3,722.52	
973.00	HAP PAYMENTS	2,458,268.68	
973.10	Port out vouchers	266,646.00	
973.20	Port in Voucher	11,678.00	
974.00	Depreciation Expense	1,532.64	
975.00	Amortization Expense	7,905.88	
	Total:	4,144,082.47	4,144,082.47

Morton County Contract
General Ledger Trial Balance
As of Aug 31, 2026

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
111.10	CASH	96,037.34	
1120.00	Accrued Interest Receivabl	1,822.40	
1162.00	GENERAL FUND INVEST	380,938.11	
512.10	RETAINED EARNINGS		452,654.45
711.00	INTEREST INCOME		9,852.07
715.00	Management Fee Income		83,406.04
913.10	Management Fees	66,852.85	
916.00	SUNDRY	261.86	
	Total:	**545,912.56**	**545,912.56**

MORTON COUNTY DEVELOPMENT ACCOUNT

General Ledger Trial Balance

As of Aug 31, 2026

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
111.00	CASH	24,745.58	
1145.00	Accrued Interest Receivable	5,240.81	
131.30	Starion CD	367,711.00	
1400.50	Accumulated Depreciation		4,400.72
1400.90	Furniture & Equipment	857.92	
1475.10	OFFICE FURNITURE & EQUIP	3,542.80	
512.10	RETAINED EARNINGS		388,658.88
711.00	INTEREST INCOME		9,038.51
	Total:	402,098.11	402,098.11

Morton County Housing-Vouchers
Income Statement
Compared with Budget
For the Eight Months Ending August 31, 2026

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues						
ANNUAL CONTRIBUTIONS HAPS	$ 322,085.00	$ 292,000.00	30,085.00	$ 2,386,875.00	$ 2,336,000.00	50,875.00
ANNUAL CONTRIBUTION - AD MIN	29,581.00	42,500.00	(12,919.00)	311,565.00	340,000.00	(28,435.00)
Investment Income - Unrestrict	2,864.79	2,900.00	(35.21)	23,474.56	23,200.00	274.56
Fraud Recovery	420.00	1,700.00	(1,280.00)	6,724.16	13,600.00	(6,875.84)
Other Income - Port In	1,284.20	1,600.00	(315.80)	13,223.10	12,800.00	423.10
Total Revenues	356,234.99	340,700.00	15,534.99	2,741,861.82	2,725,600.00	16,261.82
Expenses						
MANAGEMENT FEES	35,145.00	35,855.00	(710.00)	280,947.00	286,840.00	(5,893.00)
ACCOUNTING & AUDITING	0.00	0.00	0.00	17,109.75	16,200.00	909.75
SUNDRY	1,393.18	3,500.00	(2,106.82)	17,896.71	28,000.00	(10,103.29)
Port admin fee	1,740.48	1,600.00	140.48	13,806.70	12,800.00	1,006.70
Storage Rental	810.00	120.00	690.00	1,500.00	960.00	540.00
GENERAL EXPENSE	305.00	750.00	(445.00)	4,752.55	6,000.00	(1,247.45)
Interest Expense	275.57	320.00	(44.43)	2,296.12	2,560.00	(263.88)
INSURANCE EXPENSE	345.00	420.00	(75.00)	3,722.52	3,360.00	362.52
HAP PAYMENTS	279,317.00	265,000.00	14,317.00	2,163,903.00	2,120,000.00	43,903.00
Port out vouchers	33,159.00	27,000.00	6,159.00	266,646.00	216,000.00	50,646.00
Port in Voucher	1,097.00	1,650.00	(553.00)	11,678.00	13,200.00	(1,522.00)
Depreciation Expense	191.58	192.00	(0.42)	1,532.64	1,536.00	(3.36)
Amortization Expense	949.01	1,000.00	(50.99)	7,905.88	8,000.00	(94.12)
Total Expenses	354,727.82	337,407.00	17,320.82	2,793,696.87	2,715,456.00	78,240.87
Net Income	$ 1,507.17	$ 3,293.00	($ 1,785.83)	($ 51,835.05)	$ 10,144.00	($ 61,979.05)

Morton County Housing Authority

Waiting List Analysis
As of September 4, 2026

		YTD 9/4/2026	FY AVG	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Applications	A	426	525	572	526	549	421	525	462	473	504	457	493	558	619	491	648	577
Applications on housing list	B	75	246	141	178	244	216	271	225	262	246	243	148	288	285	266	340	338
Vouchers Issued	C	68	183	132	136	211	164	210	179	203	193	192	94	220	203	148	261	205
Vouchers Issued - Move Ins & Port Ins	C	17																
Vouchers Utilized	D	61	112	87	96	123	75	144	125	145	151	141	80	140	107	75	85	111
Vouchers Utilized Move Ins & Port Ins	D	17																
% of applications on housing list to applications (B / A)		18%	47%	25%	34%	44%	51%	52%	49%	55%	49%	53%	30%	52%	46%	54%	52%	59%
% of vouchers issued to applications (C / A)		16%	35%	23%	26%	38%	39%	40%	39%	43%	38%	42%	19%	39%	33%	30%	40%	36%
% of vouchers utilized to vouchers issued (D / C)		90%	63%	66%	71%	58%	46%	69%	70%	71%	78%	73%	85%	64%	53%	51%	33%	54%
% of vouchers utilized to applications (D / A)		14%	22%	15%	18%	22%	18%	27%	27%	31%	30%	31%	16%	25%	17%	15%	13%	19%
Vouchers issued and outstanding as of 12/31			32	31	24	45	34	41	43	26	20	26	0	35	36	14	63	41
Applications in process as of 12/31			138	208	129	178	95	115	110	120	150	137	250	180	124	120	136	84
Vouchers issued and outstanding as of 9/4/26		34																
Applications in process as of 9/4/26		345																

2026 HAPs LEASES, HAP DOLLARS AND ADMIN FEE EARNED

Month	HAPS Leased	HAP $s Received	HAP $s Spent	Admin Fee Received	Admin Expenses	Net	Balance
Jan	517	298,248	290,742	36,596	41,491	2,611	1,231,802
Feb	514	302,186	289,876	36,595	42,305	6,600	1,236,484
Mar	522	296,253	298,671	36,595	55,935	(21,758)	1,217,016
Apr	517	302,590	300,044	41,143	42,382	1,307	1,222,833
May	516	311,403	306,935	43,143	42,032	5,579	1,242,347
Jun	524	229,690	317,750	42,956	41,328	(86,432)	1,150,676
Jul	520	324,420	314,055	42,956	44,780	8,541	1,163,883
Aug	518	322,085	312,476	29,581	41,155	(1,965)	1,172,181
Sep						0	
Oct						0	
Nov						0	
Dec						0	
	4,148	2,386,875	2,430,549	309,565	351,408		

	Amount	Accr Int	Maturity	Rate
Checking	395,794.76			
Cert of Dep - Starion	117,438.58	1,069.82	6/29/2027	3.50%
Cert of Dep - Starion	61,186.96	448.14	12/29/2026	3.99%
Cert of Dep - Starion	121,975.14	1,111.14	6/29/2027	3.50%
Cert of Dep - Starion	120,023.60	3,849.37	9/23/2026	3.74%
Cert of Dep - Starion	116,609.00	283.70	9/8/2027	3.70%
Cert of Dep - Starion	116,609.00	283.70	9/8/2027	3.70%
Cert of Dep - Starion	122,544.41	634.55	1/7/2027	3.50%
	1,172,181.45	7,680.42		

January 1, 2026 Balance of Development Account 381,777.15

	Other Income	Interest	Donations	Balance
Jan		4,146.77		385,923.92
Feb		15.12		385,939.04
Mar		16.85		385,955.89
Apr		15.21		385,971.10
May		4,317.76		390,288.86
Jun		16.24		390,305.10
Jul		2,135.73		392,440.83
Aug		15.75		392,456.58
Sep				392,456.58
Oct				392,456.58
Nov				392,456.58
Dec				392,456.58

	Amount	Accr Int	Maturity	Rate
Checking	24,745.58			
Cert of Dep - Starion	123,007.91	3,493.42	10/21/2026	3.65%
Cert of Dep - Starion	122,544.41	634.55	1/7/2027	3.50%
Cert of Dep - Starion	122,158.68	1,112.82	6/29/2027	3.50%
	392,456.58	5,240.79		

Total Housing Authority cash on 8/31/2026

HAP Acct	1,172,181
Dev	392,457
Contract Fee	469,519
	$2,034,157

MORTON COUNTY FINANCIAL INFORMATION
MANAGEMENT FEE ACCOUNT
2026

Month	Income / Contract	Interest Income	Other Income	Expenses/Admin/ Contract	Balance	
Beginning Balance					$ 446,915.56	
January	10,305.09	22.86		8,521.94	448,721.57	82.70%
February	10,334.03	21.81		8,283.23	450,794.18	80.15%
March	10,672.64	25.56		8,554.11	452,938.27	80.15%
April	10,225.15	24.62		8,196.12	454,991.92	80.16%
May	10,489.35	4,326.02		8,407.48	461,399.81	80.15%
June	10,554.30	1,835.79		8,459.44	465,330.46	80.15%
July	10,231.86	27.30		8,201.49	467,388.13	80.16%
August	10,593.62	27.78		8,490.90	469,518.63	80.15%
September					469,518.63	#DIV/0!
October					469,518.63	#DIV/0!
November					469,518.63	#DIV/0!
December					469,518.63	#DIV/0!
	83,406.04	6,311.74	-	67,114.71		

		Accrued Interest		
Checking	96,037.34			
Cert of Deposit - Starion	47,129.03	334.87	12/29/2026	3.99%
Cert of Deposit - Starion	58,304.50	141.85	9/8/2027	3.70%
Cert of Deposit - Starion	122,118.69	1,112.45	6/29/2027	3.50%
Cert of Deposit - Starion	153,385.89	233.23	9/17/2027	3.70%
	476,975.45	1,822.40		

MORTON COUNTY HOUSING AUTHORITY
2026 EQUITY BALANCES

	688 January	688 February	688 March	688 April	688 May	688 June	688 July	688 August	688 September	688 October	688 November	688 December	Available 4,128 Total			
Vouchers leases	517	514	522	517	516	524	520	518					4,148	100%	3,845,815.00	2026 Eligible funding
															(209,099.00)	Offset amount
Housing Assistance Equity - Beginning Balance	81,063.99	89,149.99	101,863.42	99,682.92	102,576.42	107,970.07	20,258.07	30,933.07	40,752.07	40,752.07	40,752.07	40,752.07	81,063.99		3,636,716	Renewal funding
																NRA offset available
HAP revenue	298,248.00	302,186.00	296,253.00	302,590.00	311,403.00	229,690.00	324,420.00	322,085.00					2,386,875.00		81,064	NRA balance 12/31/25
													-			2026 Set Aside funding
Fraud recovery revenue	580.00	403.43	237.50	347.50	925.65	348.00	310.00	210.00					3,362.08			
Other revenue													-			
Investment income													-		279,219	Program reserves 12/31/25
Total revenues	298,828.00	302,589.43	296,490.50	302,937.50	312,328.65	230,038.00	324,730.00	322,295.00	-	-	-	-	2,390,237.08			
															3,996,999	CY 2026 Funds Available
Housing assistance payments	257,407.00	256,172.00	264,694.00	266,101.00	272,855.00	282,733.00	279,051.00	278,225.00					2,157,238.00			
Port In - Billing													-		3,636,716	Renewal funding
Tenant protection	1,028.00	1,028.00	1,028.00	1,028.00	1,017.00	1,017.00	1,017.00	1,092.00					8,255.00			
Port out vouchers	31,389.00	32,676.00	32,949.00	32,915.00	33,063.00	34,000.00	33,987.00	33,159.00					264,138.00		3,362.08	YTD Fraud Recovery
PY Port Out -Covington CDA	918.00												918.00			
													-		(2,430,549)	YTD HAP
Total expenses	290,742.00	289,876.00	298,671.00	300,044.00	306,935.00	317,750.00	314,055.00	312,476.00	-	-	-	-	2,430,549.00			
															1,209,529	Remaining HAP eligibility
Difference	8,086.00	12,713.43	(2,180.50)	2,893.50	5,393.65	(87,712.00)	10,675.00	9,819.00	-	-	-	-	(40,311.92)			
Housing Assistance Equity - Ending Balance	89,149.99	101,863.42	99,682.92	102,576.42	107,970.07	20,258.07	30,933.07	40,752.07	40,752.07	40,752.07	40,752.07	40,752.07	40,752.07		302,382.27	Remaining monthly average
Average Monthly HAP	562.36	563.96	572.17	580.36	594.84	606.39	603.95	603.24	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	585.96		3,454,880	95% funding
Administrative Equity - Beginning Balance	1,169,262.69	1,168,240.71	1,165,893.27	1,150,032.76	1,154,252.80	1,159,477.81	1,164,462.60	1,166,112.65	1,157,801.02	1,157,801.02	1,157,801.02	1,157,801.02	1,169,262.69			
Administrative fee revenue	36,596.00	36,595.00	36,595.00	43,143.00	43,143.00	42,956.00	42,956.00	42,028.00					324,012.00			
Administrative fee - special													-			
Administrative fee revenue - prior year								(12,447.00)					(12,447.00)			
Investment income	3,110.11	2,775.69	3,058.66	2,928.36	2,999.37	2,822.91	2,914.67	2,864.79					23,474.56			
Port In - Billing	(1,742.00)	(1,742.00)	(1,742.00)	(1,742.00)	(935.00)	(935.00)	(1,743.00)	(1,097.00)					(11,678.00)			
Other income - Port In billing	1,925.18	1,925.18	1,925.18	1,925.18	1,124.32	1,121.14	1,992.72	1,284.20					13,223.10			
Other income													-			
Fraud recovery revenues	580.00	403.43	237.50	347.50	925.65	348.00	310.00	210.00					3,362.08			
Total revenues	40,469.29	39,957.30	40,074.34	46,602.04	47,257.34	46,313.05	46,430.39	32,842.99	-	-	-	-	339,946.74			
Total operating expenses	40,237.32	41,111.85	54,741.96	41,189.11	40,839.44	40,135.37	43,639.95	40,014.23					341,909.23			
PY Port Out -Covington CDA	61.06												61.06			
Amortization	1,001.31	1,001.31	1,001.31	1,001.31	1,001.31	1,001.31	949.01	949.01					7,905.88			
Depreciation	191.58	191.58	191.58	191.58	191.58	191.58	191.38	191.38					1,532.24			
Total expenses	41,491.27	42,304.74	55,934.85	42,382.00	42,032.33	41,328.26	44,780.34	41,154.62	-	-	-	-	351,408.41			
Difference	(1,021.98)	(2,347.44)	(15,860.51)	4,220.04	5,225.01	4,984.79	1,650.05	(8,311.63)	-	-	-	-	(11,461.67)			
															-	Balance
Administrative Fee Equity - Ending Balance	1,168,240.71	1,165,893.27	1,150,032.76	1,154,252.80	1,159,477.81	1,164,462.60	1,166,112.65	1,157,801.02	1,157,801.02	1,157,801.02	1,157,801.02	1,157,801.02	1,157,801.02			
VMS Admin Equity Balance	1,172,952.80	1,176,131.92	1,179,428.08	1,182,703.94	1,186,628.96	1,189,799.87	1,193,024.54	1,196,099.33	1,196,099.33	1,196,099.33	1,196,099.33	1,196,099.33				
Total fraud recovery	1,160.00	806.86	475.00	695.00	1,851.30	696.00	620.00	420.00	-	-	-	-	6,724.16			
Total interest	3,110.11	2,775.69	3,058.66	2,928.36	2,999.37	2,822.91	2,914.67	2,864.79	-	-	-	-	23,474.56			
Admin fee rate - $94.60	48,908.20	48,624.40	49,381.20	48,908.20	48,813.60	49,570.40	49,192.00	49,002.80	-	-	-	-				
Proration factor - 88% Jan - Jun	43,039.22	42,789.47	43,455.46	43,039.22	42,955.97	43,621.95							258,901.28			
Proration factor - 88% Jul - Dec							43,288.96	43,122.46	-	-	-	-	86,411.42			
Proration factor -													-			
Admin fee receivable / payable	6,443.22	6,194.47	6,860.46	(103.78)	(187.03)	665.95	332.96	1,094.46	-	-	-	-	21,300.70			

ISSUE BRIEF ISSUE BRIEF ISSUE BRIEF ISSUE

PHADA
Helping House America

Voucher Admin Fees Are Crucial to Housing Low-Income Families, Seniors, Veterans, and Other Vulnerable Populations

THE HOUSING CHOICE VOUCHER (HCV) PROGRAM is the largest deep subsidy housing program, supporting nearly 2.3 million families nationwide. Those served by vouchers include veterans, the elderly, the disabled, formerly homeless, and other vulnerable populations. Because families rent from private landlords, vouchers play a key role in supporting local economies. Voucher administrative fees are essential to ensuring that public housing authorities can continue to implement this important program.

Public housing authorities (PHAs) use admin fees to manage their waiting lists, comply with the voucher program's many rules, provide reasonable accommodation requests to disabled households, and conduct landlord customer service. PHAs also use admin fees to monitor for any fraud that may be occurring in the program.

Full funding for admin fees is essential to maximize the number of low-income households served. Today, the HCV program serves over 5.1 million people whose average annual household income is just over $19,000. Over half of all families in the HCV program have at least one member with a disability, and more than a third of all households served in the program are elderly. Without adequate admin fee funding, housing authorities would serve fewer vulnerable households.

Admin fees are also crucial for supporting the property owners who provide housing for HCV families. They allow housing authorities to maintain high levels of landlord customer service and to communicate policy changes to landlords in a timely manner—both of which result in higher landlord satisfaction and greater landlord retention. They also allow agencies to conduct residents' income reexaminations on-time, ensuring that payments to property owners are accurate.

Over the last 15 years, residents, landlords, and PHAs have struggled under insufficient and inconsistent admin fee funding. In the meantime, regulations governing the voucher program have only grown, and agencies must dedicate substantial staff time to additional and unnecessary compliance-related reporting duties—distracting them from their key mission of effectively and efficiently managing the HCV program.

PHADA's Recommendations

- **Fully fund administrative fees so that PHAs can maximize the impact of voucher funding.** For FY 27, PHADA recommends an admin fee appropriation of $3.70 billion, which would allow PHAs to serve the maximum number of households, maintain compliance with program regulations, and provide high-quality landlord customer service.
- **Provide PHAs with the flexibility to draw upon Housing Assistance Payment funding in years when the admin fee proration is less than 90 percent.** PHADA has developed legislative language that would allow agencies to use voucher contract renewal funding to supplement admin fees in years when Congress fails to provide sufficient admin fees.
- **Streamline and reform the HCV program to reduce PHAs' compliance burden and allow them to focus on their core mission of helping low-income families.** Congress should examine successful initiatives developed by Moving to Work agencies to achieve cost efficiencies in the voucher program and should work to expand Moving to Work flexibilities to more PHAs. ■

About PHADA

PHADA's 1,900 member housing agencies represent over 1.9 million low-income housing units throughout the United States. Our members manage small, medium, large, rural, and urban housing authorities that run programs including public housing, housing choice vouchers, Rental Assistance Demonstration (RAD), and a variety of other innovative public-private partnerships. We work closely with our members and advocate on their behalf to HUD and Congress to develop and implement effective policies for both existing and new programs.

Title 24 —Housing and Urban Development
Subtitle B —Regulations Relating to Housing and Urban Development
Chapter IX —Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development
Part 982 —Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
Subpart D —Annual Contributions Contract and PHA Administration of Program

Source: 60 FR 34695, July 3, 1995, unless otherwise noted.
Authority: 42 U.S.C. 1437f and 3535(d).
Source: 59 FR 36682, July 18, 1994, unless otherwise noted.

Editorial Note: Nomenclature changes to part 982 appear at 64 FR 26640, May 14, 1999, and at 89 FR 38293, May 7, 2024.

§ 982.155 Administrative fee reserve.

(a) The PHA must maintain an administrative fee reserve (formerly "operating reserve") for the program. There is a single administrative fee reserve for the PHA program. The PHA must credit to the administrative fee reserve the total of:

(1) The amount by which program administrative fees paid by HUD for a PHA fiscal year exceed the PHA program administrative expenses for the fiscal year; plus

(2) Interest earned on the administrative fee reserve.

(b)

(1) The PHA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. If funds in the administrative fee reserve are not needed to cover PHA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the PHA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.

(2) The PHA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

(3) If the PHA has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the PHA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 64 FR 26642, May 14, 1999]

After NAHRO's Urging, HUD Expands Administrative Fee Eligible Uses

On June 13th, HUD published a notice [Notice PIH 2022-18 (HA)] expanding the eligible uses of the administrative fee for the Housing Choice Voucher (HCV) program. The notice is titled "Use of Housing Choice Voucher (HCV) and Mainstream Voucher Administrative Fees for Other Expenses to Assist Families and Lease Units." Earlier this year, NAHRO had written to HUD recommending that it expand the eligible uses of the HCV administrative fee in order to increase voucher utilization. NAHRO wrote that HUD should "[i]mmediately issue guidance in the form of a new PIH notice clarifying that administrative fees may be used for activities and expenses that help a PHA utilize vouchers . . . ." NAHRO is pleased that HUD recognized–after NAHRO's urging–the importance of allowing administrative fees to be used for these additional purposes, which will have the end effect of helping more families find and lease homes.

The notice clarifies that administrative fees may be used for the following activities:

- **Administrative Activities:** These activities include–but are not limited to the following:
    - **Front-line, day-to-day operational activities:**
        - applicant intake;
        - lease-up activities;
        - income determinations and reexaminations;
        - unit inspections;
        - disbursing HAP to landlords;
        - policy and operational planning and implementation;
        - financial management;
        - HCV record-keeping and reporting;
    - **Indirect overhead activities associated with operating the HCV program:**
        - PHA management;
        - human resources;
        - legal;
        - finance;

- accounting and payroll;
- information technology;
- procurement;
- quality control;
- central office cost center HCV program expenses;

o **Housing search assistance activities;**
- pre-move counseling;
- helping a family identify and visit potentially available units during their housing search;
- helping a family find a unit that meets the household's disability-related needs;
- providing transportation and directions; and
- assisting with the completion of rental applications;

o **Post-lease up activities related to search assistance:**
- post-move counseling and landlord/tenant mediation;

o **HCV owner recruitment and outreach activities:**
- costs associated with materials or webpages specifically geared to owners;
- costs of landlord liaison staff;
- associated expenses;

- **Other Eligible Activities** (PHAs must change their administrative plans to support these activities; **Note:** some of these activities have certain restrictions, please see Notice PIH 2022-18 (HA) for specifics on use):
  - **Expenses for activities designed to help assist HCV families in leasing units:**
    - Owner incentive and/or retention payments;
    - security deposit assistance;
    - utility deposit assistance/utility arrears;

- application fees/non-refundable administrative or processing fees/refundable application deposit assistance/broker fees;
- holding fees; and
- renter's insurance if required by the lease.

Additionally, administrative fee reserves or outside funding sources may also be used for the listed activities. Similarly, mainstream voucher administrative fees may also be used to assist mainstream voucher families to lease units, though mainstream administrative fees may only be used for mainstream vouchers. The notice also notes that for both regular and mainstream HAP funding may not be used to pay for any of these activities. Finally, the notice provides certain information on reporting the new authorized expenses.

Fair Market Rent - Change effective January 1, 2027

40th Percentile

		Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Morton	110%	**951**	**1019**	**1173**	**1624**	**1865**	**0**
Oliver	110%	**951**	**1019**	**1173**	**1624**	**1865**	
Grant	104%	**801**	**806**	**1055**	**1460**	**1763**	
Souix	104%	**824**	**829**	**1055**	**1460**	**1763**	
McClean	104%	**921**	**927**	**1055**	**1460**	**1763**	

FMR per HUD

	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Morton	865	927	1067	1477	1696
Oliver	865	927	1067	1477	1696
Grant	770	775	1014	1404	1695
Souix	792	797	1014	1404	1695
McLean	886	891	1014	1404	1695

Fair Market Rent - Change effective January 1, 2026

40th Percentile

		Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Morton	102%	**980**	**1050**	**1198**	**1666**	**1921**	**0**
Oliver	102%	**980**	**1050**	**1198**	**1666**	**1921**	
Grant	110%	**745**	**751**	**960**	**1335**	**1610**	
Souix	110%	**799**	**806**	**960**	**1271**	**1523**	
McClean	110%	**836**	**875**	**960**	**1335**	**1610**	

FMR per HUD

	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Morton	961	1030	1175	1634	1884
Oliver	961	1030	1175	1634	1884
Grant	678	683	873	1214	1464
Souix	727	733	873	1156	1385
McLean	760	796	873	1214	1464

FMR Increases	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Morton	$ (96)	$ (103)	$ (108)	$ (157)	$ (188)
Oliver	$ (96)	$ (103)	$ (108)	$ (157)	$ (188)
Grant	$ 92	$ 92	$ 141	$ 190	$ 231
Souix	$ 65	$ 64	$ 141	$ 248	$ 310
McLean	$ 126	$ 95	$ 141	$ 190	$ 231

						Avg
Morton	-9.99%	-10.00%	-9.19%	-9.61%	-9.98%	
Oliver	-9.99%	-10.00%	-9.19%	-9.61%	-9.98%	
Grant	13.57%	13.47%	16.15%	15.65%	15.78%	
Souix	8.94%	8.73%	16.15%	21.45%	22.38%	
McLean	16.58%	11.93%	16.15%	15.65%	15.78%	

9/4/2026

U. S. Department of Housing and Urban Development

Office of Public Housing

Region VIII, Denver
1670 Broadway Street
Denver, Colorado 80202-4801

Phone: 303-672-5372
Fax: 303-672-5065
Web: www.hud.gov

July 20, 2026

SENT VIA ELECTRONIC MAIL

Mr. Rick Horn
Executive Director
Morton County Housing Authority
PO Box 517
Mandan, ND 58554-0517
rick4jlmgmt@aol.com

Dear Mr. Horn:

The Department of Housing and Urban Development (Department) has reviewed the Morton County Housing Authority (Authority) response to the Management Decision letter regarding the audit report for the Fiscal Year Ended December 31, 2025. Based on the documentation provided, the Department has accepted the Authority's resolution for the Finding listed below. Verification of closure for the Finding will take place within your next fiscal audit.

Repeat Finding 2025-001: Segregation of Duties

The auditor noted that the Authority does not have a system necessary for accounting duties to be properly segregated between authorization, custody, record-keeping, and reconciliation due to the limited number of office personnel. The auditor recommends more oversight by management and the Board on the financial records. The Authority's response is that the Board has segregated accounting duties to appropriate individuals to the extent possible. The Authority's current cash flow does not justify the hiring of additional staff.

If you have any questions, please contact Christine Samaniego via email at christine.v.samaniego@hud.gov

Sincerely,

LESLIE TORGERSON
Digitally signed by: LESLIE TORGERSON
DN: CN = LESLIE TORGERSON C = US O = U.S. Government OU = Department of Housing and Urban Development, Office of Public and Indian Housing
Date: 2026.07.20 08:46:58 -06'00'

Leslie Torgerson
Division Director
Office of Field Operations
Office of Public Housing