



CARVER COUNTY  
COMMUNITY  
DEVELOPMENT  
AGENCY

## **Board of Commissioners Packet**

September 18th, 2025

5:00 p.m. - Regular Meeting

CDA Office, 705 N. Walnut Street, Chaska





**CARVER COUNTY CDA  
BOARD OF COMMISSIONERS**

**Agenda**

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**Meeting Date: September 18, 2025**

**5:00 pm**

**CDA Boardroom, Chaska, MN**

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**1. Call to Order by Chair**

**2. Audience**

Anyone wishing to address the CDA Board on an item not on the agenda, or an item on the consent agenda, may notify Ellie Logelin ([elliel@carvercda.org](mailto:elliel@carvercda.org) or 952-448-7715) and instructions will be given to participate during the meeting or provide written comments. Verbal comments are limited to five minutes.

**3. Approval of Agenda and Meeting Minutes**

A. Approval of Meeting Minutes – August 19<sup>th</sup>, 2025, Special Meeting

**4. Consent Agenda**

- A. Approval of September 2025 Dashboard
- B. Approval of Write-Off of Past Tenant Balances for August 2025
- C. Approval of Record of Disbursements – August 2025

**5. Regular Agenda**

- A. Ehlers presentation
- B. Approval of Investment Policy
- C. Close Meeting
  - i. Executive Director Performance Review
  - ii. Watertown Land Appraisal

**6. Information**

- A. John Fahey, Carver County Commissioner
- B. Nick, Koltavy, Assistant County Administrator Carver County

**7. Adjournment**

**For More Information, call 952-448-7715**

**Carver County CDA Board meeting agendas are available online at:**  
<https://www.carvercda.org/about-cccda/board-of-commissioners/>

Next Meeting:

CDA Board of Commissioners Regular Meeting  
October 28<sup>th</sup>, 2025, at 5:00 pm  
Carver County CDA Boardroom, 705 N Walnut St Chaska, MN 55318



## Board of Commissioners

### Meeting Minutes

**Meeting Date: August 19, 2025**

**5:00 pm**

**CDA Boardroom, Chaska, MN**

Chair Greg Anderson called the meeting to order at 5:00 p.m.

#### **COMMISSIONER ROLL CALL:**

		<b>Present</b>	<b>Absent</b>
Chair	Greg Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vice Chair	Adam Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Secretary/Treasurer	Troy Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commissioner	Sylvia MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commissioner	Celi Haga	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### **CDA Staff in attendance:**

Executive Director	Allison Streich
Director, Comm. Development	Melodie Bridgeman
Director, Finance	Brittany Larson
Director, Housing	Shanika Bumphurs
Director, HR & Operations	Janette Meyer
HR & Operations Specialist	Ellie Logelin

#### **Others in attendance:**

John Fahey, Carver County Commissioner  
Nick Koktavy, Assistant County Administrator - Carver County  
*Nick Koktavy joined the meeting at 5:02pm*  
Brian Bruggeman, Colliers International  
*Brian Bruggeman left the meeting at 5:13pm*

#### **AUDIENCE**

*No audience members addressed the board.*

#### **25-62 Approval of Agenda and Meeting Minutes**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the agenda for the August 19, 2025, CDA Board meeting be approved as written.

BE IT FURTHER RESOLVED by the Carver County Community Development Agency Board of Commissioners that the minutes for the July 17, 2025, regular meeting be approved as written.

#### **Motion: Williams**

#### **Second: Teske**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**CONSENT AGENDA****25-63 Approval of the August 2025 Dashboard**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the August 2025 Dashboard is approved as written.

**25-64 Approval of the Write-Off of Past Tenant Balance for July 2025**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that the Past Tenant balance for July 2025 is hereby approved to be written off.

**25-65 Approval of Record of Disbursements – July 2025**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the July 2025 Record of Disbursements is approved as written.

**25-66 Approval of Authorized Signatory**

WHEREAS, pursuant to Minnesota Statutes Section 469.006, et. seq. Carver County Community Development Agency (“CDA”) Executive Director Allison Streich is the duly authorized official signatory for the CDA; and

WHEREAS, it is in the best interest of the CDA to add Director of Housing, Shanika Bumphurs, as an official authorized signatory for quotes or proposals of \$5000 or less.

Appointment of Authorized Signatory:

Director of Housing, Shanika Bumphurs, indicated her willingness to act as authorized signatory of the CDA for approval of quotes or proposals of \$5000 or less.

NOW THEREFORE, BE IT RESOLVED that Director of Housing, Shanika Bumphurs, be and is hereby appointed as an authorized signatory of the CDA effective immediately upon passage and execution.

FURTHER RESOLVED that CDA Director of Housing Shanika Bumphurs is hereby appointed to do and perform any and all such acts, including execution of any and all documents and certificates as said person shall deem necessary or advisable, to carry out the purposes of the CDA in the foregoing resolution.

**25-67 Approval of Personal Property Disposition Policy**

WHEREAS, the Carver County Community Development Agency (“CDA”) periodically identifies personal property and equipment that is no longer needed for public purposes; and

WHEREAS, the CDA seeks to ensure that the disposition of such property is conducted in a lawful, transparent, and efficient manner; and

WHEREAS, the proposed Personal Property Disposition Policy establishes procedures for identifying surplus property, estimating fair market value, and authorizing appropriate methods of disposal, including public auction, negotiated sale, donation, and environmentally responsible disposal; and

WHEREAS, the policy defines the authority of the Executive Director and the CDA Board in approving dispositions based on the estimated value of the property; and

WHEREAS, the Board has reviewed the proposed policy and finds it to be in the best interest of the CDA and the public it serves;

NOW, THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that the Personal Property Disposition Policy is hereby approved and adopted, effective immediately.

**Motion: Teske**

**Second: MateKole**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## **REGULAR AGENDA**

### **Watertown Land Presentation**

Brian Bruggeman presented.

### **25-68 Approval of the Revised 2026 Budget and Levy**

WHEREAS, the Carver County Community Development Agency (the “Agency”) is duly organized and existing under the laws of the State of Minnesota, including Laws of Minnesota for 1980, Chapter 482, as amended (the “Special Law”); and

WHEREAS, with the approval of the Carver County Board of Commissioners (the “Carver County Board”), the Agency may levy special benefit taxes as authorized under Minnesota Statutes, section 469.107 or 469.033, Subd 6; and

WHEREAS, the Agency has prepared its 2026 General Administrative Operating Budget (the “2026 Budget”) and seeks the approval of the Carver County Board for the 2026 Budget and, to the extent required by law, the Agency’s levy of its special benefits tax, in order to continue the work of the Agency in Carver County;

WHEREAS, the Agency is required to certify a proposed special benefits tax levy to the Carver County Auditor (the “Auditor”) on or before September 30th, 2025, as required by Minnesota Statutes, Section 275.065, Subdivision 1(a), and to certify to the Auditor a final special benefits tax levy on or before December 29, 2025, which is five working days after December 20th, as required by Minnesota Statutes, Section 275.07;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. The 2026 Revised Budget is hereby approved and directed to be submitted to Carver County pursuant to the requirements of Minnesota Statutes, Sections 469.033 and 275.065.
2. Subject to the consent of the Carver County Board, to the extent required under Minnesota Statutes, Section 469.033, and the Special Law, the Executive Director of the Agency is hereby authorized to certify to the Auditor on or before September 30, 2025, a proposed levy of the Agency’s special benefits tax for taxes payable in 2026 in the amount of \$3,798,406 which, based on current estimates of market value for property in Carver County, is the maximum permitted by law, and to determine the final maximum amount of such levy and certify the final levy to the Auditor on or before December 29, 2025.

3. Upon approval of the Carver County Board of the Agency's budget and levy of the special benefits tax, the County's approving resolution shall be attached hereto and made a part of this resolution.

**Motion: Teske**

**Second: Williams**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**25-69 Approval of Purchase of 110 W 2<sup>nd</sup> St. Chaska**

WHEREAS, pursuant to the laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.001 through 469.047 (the "Act"), the Carver Community Development Agency (the "Agency") desires to purchase 110 W 2<sup>nd</sup> St, Chaska, Minnesota.

WHEREAS, on this 19th day of August, 2025, there has been presented to the meeting of the members of the CDA a proposal for the CDA to purchase 110 W 2<sup>nd</sup> St Chaska at a not to exceed amount of \$285,000, with the CDA contributing \$144,508 and LAHA funds covering \$140,492.

WHEREAS, the Agency has the desire to purchase 110 W 2<sup>nd</sup> St Chaska as another potential affordable rental option within the community.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. That the Executive Director is hereby authorized to execute and deliver a purchase agreement in a not to exceed amount of \$285,000, to purchase said Property on behalf of the Agency.

**Motion: Teske**

**Second: Williams**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**25-70 Approval of Purchase of 100 State Avenue South, New Germany, MN 55367**

WHEREAS, pursuant to the laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.001 through 469.047 (the "Act"), the Carver Community Development Agency (the "Agency") desires to purchase 100 State Avenue South, New Germany, Minnesota.

WHEREAS, on this 19th day of August, 2025, there has been presented to the meeting of the members of the CDA a proposal for the CDA to purchase 100 State Avenue South at a not to exceed amount of \$340,000, plus \$10,694.

WHEREAS, the Agency has the desire to purchase 100 State Avenue South in New Germany as another potential affordable rental option within the community.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. That the Executive Director is hereby authorized to execute and deliver a purchase agreement in a not to exceed amount of \$340,000, plus \$10,694 to purchase said Property on behalf of the Agency.

**Motion: MateKole**

**Second: Teske**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### **25-71 Approval of Real Property Acquisition and Disposition Policy**

WHEREAS, the Carver County Community Development Agency (“CDA”) is authorized under Minnesota Statutes §§469.001–469.047 to acquire and dispose of real property for housing and redevelopment purposes; and

WHEREAS, the CDA seeks to ensure that all real property transactions are conducted in a manner that is consistent, transparent, and compliant with applicable federal, state, and local laws; and

WHEREAS, the Real Property Acquisition and Disposition Policy establishes procedures for evaluating, negotiating, and executing acquisitions and dispositions, including fair market value determinations, public input, and strategic alignment with CDA goals; and

WHEREAS, the policy also outlines the authority of the Executive Director and the Board of Commissioners in approving transactions, and includes provisions for conflict of interest and non-discrimination;

NOW, THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that the Real Property Acquisition and Disposition Policy is hereby approved and adopted, effective immediately.

**Motion: Williams**

**Second: Teske**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## 25-72 Approval of Execution of CoC PSH Grant Agreement for FY2025-2026

WHEREAS, the Carver County CDA has been awarded a Continuum of Care Permanent Supportive Housing Grant in the amount of \$92,559 for FY2025–2026; and

WHEREAS, the CDA intends to execute the grant agreement with the U.S. Department of Housing and Urban Development (HUD), enter into a subgrant agreement with the Scott-Carver- Dakota CAP Agency, and formally request HUD to transfer the grant to the CAP Agency;

NOW, THEREFORE, BE IT RESOLVED that the Carver County CDA Board of Commissioners authorizes the Executive Director to execute the FY2025–2026 CoC PSH Grant Agreement, subgrant the program to the Scott-Carver-Dakota CAP Agency, and submit a formal request to HUD for grant transfer.

### Motion: Teske

### Second: Williams

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### October Board Meeting

Tentatively rescheduled the regular October Board meeting from October 16<sup>th</sup> to October 28<sup>th</sup>, 2025, due to a scheduling conflict.

### INFO - Carver County Update

Carver County Commissioner Fahey provided an update.

- Carver County approved their Strategic Plan for 2026.
- Carver County is continuing to work on the budget and levy for 2026.
- Stiftungsfest in Norwood Young America will take place August 21<sup>st</sup>-24<sup>th</sup>.

Carver County Assistant County Administrator Koktavy provided an update.

- The County Board meeting for the Carver County CDA final levy approval is scheduled for September 2<sup>nd</sup>, 2025.

### INFORMATION

A Carver Place ribbon cutting and CDA 45<sup>th</sup> Anniversary event is scheduled for September 10<sup>th</sup>, 2025.

Melodie Bridgeman provided an update on the Down Payment and Closing Cost Assistance Program (DPA) and a Home Stretch course that is scheduled for November 7<sup>th</sup>, 2025.

Janette Meyer provided a reminder for Allison Streich's performance review that will be on the September Board meeting agenda.

Allison Streich provided an update on a potential event with CDA staff and Board members.

### ADJOURNMENT

## 25-73 Adjournment

BE IT RESOLVED that the Carver County Community Development Agency Board of Commissioners hereby adjourns until Thursday, September 17<sup>th</sup>, 2025.



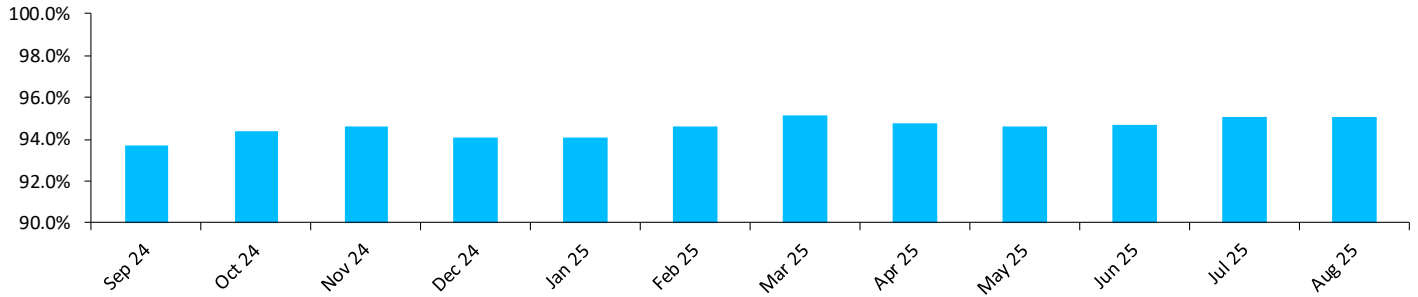
**Motion: MateKole**

**Second: Williams**

	Ayes: 4	Nays: 0	Absent: 1	Abstain: 0
	Yes	No	Absent	Abstain
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MateKole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haga	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

*The CDA Board meeting adjourned at 6:05 p.m.*

## HOUSING UPDATES



### 2025 Capital Improvement Projects in Process:

Property	Improvement Project	Status and Tentative Schedule
Brickyard	<ul style="list-style-type: none"> <li>Exterior Work</li> </ul>	<ul style="list-style-type: none"> <li>Contractor selected, work to repair the patio concrete, is scheduled to start in October 2025.</li> </ul>
Bluff Creek	<ul style="list-style-type: none"> <li>Deck Repairs</li> <li>Mansards</li> </ul>	<ul style="list-style-type: none"> <li>We are currently reviewing bids.</li> <li>Material selected, waiting on contractor to be selected.</li> </ul>
Centennial	<ul style="list-style-type: none"> <li>Floor Drains</li> </ul>	<ul style="list-style-type: none"> <li>Project has started.</li> </ul>
Hilltop/Mayer	<ul style="list-style-type: none"> <li>A/C Cages</li> <li>Community Rooms</li> <li>Grounds</li> </ul>	<ul style="list-style-type: none"> <li>Project is expected to start by in late September.</li> <li>The Hilltop Community Room renovation is in progress, scheduled to be completed by the end of September.</li> <li>In process of removing trees throughout the property.</li> </ul>
Lake Grace	<ul style="list-style-type: none"> <li>Intercom System</li> <li>Window Replacement (D building)</li> <li>Concrete Work/Stoop Replacement</li> </ul>	<ul style="list-style-type: none"> <li>Bids received, waiting until 2026 to start.</li> <li>Contracts signed will start in mid-October.</li> <li>Contractor bid, scheduled to be completed in October 2025.</li> </ul>
Oak Grove	<ul style="list-style-type: none"> <li>Water Heaters</li> </ul>	<ul style="list-style-type: none"> <li>Water Heaters are being replaced with standard water heaters.</li> </ul>
Carver Homes	<ul style="list-style-type: none"> <li>1385 Marigold</li> <li>116 South Street</li> <li>800 Arboretum</li> </ul>	<ul style="list-style-type: none"> <li>We are re-siding the home. This work is on hold till the Fall.</li> <li>We are replacing the exterior stoops; work is anticipated to be completed in October 2025.</li> <li>Work has been completed, and we will be moving forward with the sale.</li> </ul>
Waybury	<ul style="list-style-type: none"> <li>Exterior Work</li> </ul>	<ul style="list-style-type: none"> <li>Catch Basin being replaced in rear of the property. Work to be completed October 2025.</li> </ul>
Windstone	<ul style="list-style-type: none"> <li>Concrete Work</li> <li>Exterior Work</li> </ul>	<ul style="list-style-type: none"> <li>Contractor selected, to be completed in October 2025.</li> <li>We are removing dead ash trees throughout the property, which should be completed by mid-September.</li> </ul>

### Staffing Update:

- **Housing Quality Specialist (HQS)**  
The Housing Quality Specialist position remains vacant currently. We anticipate posting the position and beginning the hiring process in late 2025.
- **Caretaker**  
We are actively recruiting for a Caretaker position to backfill for Waybury/Windstone Townhomes.
- **Property Manager**  
We are actively recruiting for three Property Manager positions to oversee Crossings/Spruce, Centennial Hill/Brickyard, and Trail's Edge South.
- **Compliance Specialist**  
We welcome Mai C. as our new Compliance Specialist. Mai started with us on August 25, 2025. Mai will support all CCCDA properties and report to the Housing Assistance Manager.

### Miscellaneous Updates:

- **Carver Place:**  
We currently have **twenty-one (21)** occupied units, **thirteen (13)** in process applications, and **five (5)** fully approved applications! Our continued focus is on maintaining momentum!!
- **Waybury NSPIRE/REAC Inspection:**  
On September 16, 2025, Waybury will have its' first Real Estate Assessment Center (REAC) inspection under the National Standards for the Physical Inspection of Real Estate (NSPIRE) guidelines. Both REAC and NSPIRE under the HUD guidelines, REAC oversees inspections using the new NSPIRE standards. REAC itself was not replaced; it simply adopted NSPIRE as the updated method for assessing HUD-assisted housing. A huge THANK YOU to the Maintenance, Compliance, and Management team, for all their hard work these past few weeks in preparing for this inspection!
- **HOTMA Implementation: January 2026**  
The Housing Opportunity Through Modernization Act of 2016 (HOTMA) is now scheduled to take effect on January 1, 2026. This regulation will impact compliance and operations across our Rural Development, Section 8, and Low-Income Housing Tax Credit (LIHTC) properties.
- **NSPIRE-V: February 2027**  
HUD extended the mandatory compliance date for the new voucher inspection protocol, NSPIRE-V, to February 1, 2027, to give additional time to implement the requirements effectively. This extension also applies to HQS changes from both the NSPIRE and HOTMA final rules.
- **MHA Certification Programs:**  
We have 5 employees, that will be attending Minnesota Multi Housing Associations Professional Certification Programs starting September 24, 2025, the program and attendees are as follows:
  - **Advanced Certified Residential Manager (ACRM):** The ACRM Program is designed for experienced property management professionals, offering cohort-based training in leadership,

advocacy, staffing, finance, and asset management. The designation earned is recognized across the industry.

- **Andra Willis, Assistant Director of Housing**
- **Certified Residential Maintenance Technician (CRMT):** The CRMT provides comprehensive training in maintenance and operations, graduates will also earn a designation respected across the multi-housing industry nationwide.
  - **Tyler James, Maintenance Technician II**
  - **Devin May, Maintenance Technician I**
- **Certified Residential Manager (CRM):** The CRM program provides comprehensive property management training, with graduates earning a nationally recognized designation.
  - **Katie Ochs, Property Manager I**
  - **Amanda Olsoy, Property Manager I**

SPECIAL PROGRAMS			
Program	Grant Term	# Units Under Contract	% Under Contract
Bridges	7/1/23-6/30/25	15	80% 12-under contract, 1-searching; 1-leasing up mid-September
Bridges RTC	7/1/23-6/30/25	2	100%
Housing Trust Fund	10/1/23-9/30/25	15	73% 11-under contract, 2-non-renewal searching, 1-searching, 10-cut due to budget (not adding)
CoC PSH	8/1/24-7/31/25	14	79% 11-under contract, 1-searching, 1 referral

## Resident Services

### Presentations 2025

Agency	Property	Number of Residents
SW Transit	Centennial	24
	Waybury	17
Help at Your Door	Centennial	10
	Waybury	17
We Cab	Waybury	17
	Crossings	7
Tenant Landlord Law Changes	All	30

### 2025 YTD

# of residents/clients	Mobile food shelf participants	Energy Assistance Program Application assistance
10	31	6

## CDA SERVICES BY COMMUNITY

The table below lists the main CDA services and number of participants or units for each Carver County Community. Numbers are updated on a quarterly basis (or are noted accordingly).

**Updated as of December 31, 2024:**

	Metro HRA Housing Choice Vouchers	CDA Affordable Rental Units	CDA Subsidized Rental Units	CDA Rental Assistance Participants	Community Growth Partnership Initiative (Projects Awarded 2016 - 2025)	NextStage – 2024 Year End Activity	Land Trust Units	Housing Rehab (Single Family and Multifamily Rental)
Carver	17	9	9	6	3	3		
Chanhassen	45	59	20	2	7	10		
Chaska	145	183	174	24	4	11	28	2
Cologne			3	2	3	1	1	
Hamburg								
Mayer			10		4	1	2	
New Germany				1	5			
NYA	3	47	10	1	7	4		3
Victoria		3	3		7	2	1	
Waconia	13	119	51	7	6	2	10	
Watertown	2		34		7	4	1	7
Townships					5			
Other						8		
<b>TOTAL</b>	<b>225</b>	<b>420</b>	<b>314</b>	<b>43</b>	<b>62</b>	<b>46</b>	<b>43</b>	<b>12</b>

## FINANCE

### FINANCE

		August 2025 YTD Actual	August 2025 YTD Budget	Variance
CDA	Revenue	13,317,542	11,664,094	1,653,448
	Expenses	8,249,614	9,047,635	798,021
	Cash Balance	6,423,578		

		August 2025 YTD Actual	August 2025 YTD Budget	Variance
Properties	Revenue	6,988,135	6,759,336	228,799
	Expenses	4,892,760	5,005,769	113,009
	Cash Balance	3,508,861		

### Revenue Recapture collected through August

Note-Write-off amounts and collected amounts may not be from the same year.

Property:	Written off:	Collected:	Notes:
Lake Grace	\$ 28,851	\$14,275	
Carver Homes	\$108,045	\$35,005	
Bluff Creek		\$883	
Brickyard			
Centennial Hill	\$2,796		
Hilltop	\$4,917		
Oakgrove			
Trails	\$15,126	\$15,363	
Crossings			
Waybury	\$11,050		
Windstone	\$3,880	\$ 2,628	
Total:	\$174,665	\$68,154	

### Other Finance updates

Consolidated YTD revenues for the CDA through August were \$13,317,542 and expenses were \$8,249,614. **Net Operating Income was \$5,067,928, 94% over budget primarily due to the receipt of \$1,000,000 in grant funds from the County to be utilized in the construction of Carver Oaks.** YTD Revenues for the properties were \$6,988,135 and expenses were \$4,892,760. **Net Operating Income was \$2,095,375, 19% over budget.**

## COMMUNITY DEVELOPMENT

### COMMUNITY LAND TRUST (CCCLT)

Total Units	43
Total resales YTD	0
# of families helped	74
Waiting list	32
Homebuyer Initiated Program Commitment	4
Re-purchase/Acquisition YTD	1

Notes:

#### **Community Land Trust**

Two additional Homebuyer Initiated Program (HIP) homebuyers have secured purchase agreements with closing scheduled in October; one home is in Waconia and the other in Mayer. This will bring the CLT portfolio to 45 homes.

#### **Down Payment Closing Assistance Program**

The Down Payment Closing Cost Assistance Program continues to help households achieve their dream of homeownership. We have committed/expended \$903,000 or 82% of the first \$1.1M. Nine closings have occurred since the launch in May with four closing scheduled by the end of October. Five households are in the process of finding their homes. We have 36 pre-applications working toward fulfilling the requirements for the remaining funds available.

Summary of DPA Use (18 closed/reservations)

- **Average Household Size:** 2.56 people.
- **Average Income:** \$78,777.
- **Average AMI (Area Median Income):** 59.5% (not adjusted for household size).
- **Average Purchase Price:** \$322,935.
- **Average Mortgage Amount:** \$270,453.
- **Average Interest Rate:** 6.51%.
- **County Residents:** 50% of borrowers were county residents.

#### **Property Types:**

- Single Family (SF): 9
- Townhouse (TH): 4
- **Top Locations:**
  - Chaska: 4
  - Waconia: 3
  - Others include Chanhassen, Mayer, NYA, Carver, Hamburg, New Germany

### Homebuyer Education

The Community Development Department will be holding a Home Stretch homebuyer education course on Friday, November 7 at the CDA.

### 413 Franklin Ave NE, Watertown

There has been a delay with window delivery from the supplier. Construction is expected to be completed in November.

### Chaska Yards (Ernst House)

We are excited to be near the end of the project with a Grand Opening / Ribbon Cutting to be held on Thursday, October 2 from 11a – 12:30p. We are actively marketing the homes to new CLT buyers.



### **BUSINESS DEVELOPMENT - NEXTSTAGE**

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Total 4 Qtrs
Total Carver County Clients Assisted	34	46	23	11	114
# of Financing Events	1	1	2	1	5
Total Financing/Investment	\$746,650	\$1,013,150	\$271,600	\$356,600	\$2,388,000
New Business Starts	0	1	1	1	3
Business Expansions	0	0	1	0	1
New FT Jobs	0	0	6	0	6
New PT Jobs	0	0	10	0	10



**MINNESOTA CITIES PARTICIPATION PROGRAM (MCP) – 2025 allocation is \$2,135,248 Numbers through July 2025**

	# Committed loans	Total \$	% of allocated funds
First Mortgage Loans	10	\$2,499,569	117%
Additional Start-up loans	0	\$ -	N/A
Step Up loans	2	\$679,867	N/A
Fix Up Loans	0	\$ -	N/A
Down Payment and Closing Cost Loans		\$168,500	92%
TOTALS	12	\$3,179,436	N/A

**SEPTIC / WELL LOAN PROGRAM (SSTS)**

	2026 new assessments	Underway (anticipated 2026 assessment)	2025 Paid Off	Total active assessments
Applications	4	31	1	72

**COMMUNITY GROWTH PARTNERSHIP INITIATIVE (CGPI)**

Open Grants:

Year	Grant	City	Project	Budget
2023	Community Development	Waconia Township	Sovereign Estates	\$90,000
2024	Pre-Development	NYA	Urban Streetscape	\$7,500
2024	Pre-Development	Watertown	Spring Hills	\$10,000
2024	Pre-Development	Victoria	Tif Analysis	\$10,000
2024	Pre-Development	Chaska	Zoning Audit	\$10,000
2024	Community Development	Cologne	Cooperative	\$100,000
2024	Community Development	Chanhasen	Downtown Redev.	\$100,000
2025	Pre-Development	Mayer	Zoning Study	\$10,000
2025	Pre-Development	Victoria	Transportation	\$10,000
2025	Pre-Development	Waconia	Stormwater Study	\$10,000
2025	Community Development	Chaska	Industrial Dev.	\$100,000
2025	Community Development	NYA	Apt. Building	\$100,000
2025	Community Development	Waconia	Well Abandonment	\$50,000
2025	Community Development	Watertown	Business Centers	\$100,000
2025	Pre-Development	Laketown	Sewer Design	\$10,000

Social Media

FACEBOOK    Choose Carver County					
	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Totals
Facebook Reach	233	314	89	99	735
Facebook Page new likes	163	2	1	1	167
Total Facebook Likes	247	249	251	252	
Total Facebook Followers	318	326	328	329	

- Note: Social media advertisements ran in Q1 2024 through Q2 2024.

CHOOSECARVERCOUNTY.COM					
	Q3 2024 CCC	Q4 2024 CCC	Q1 2025 CCC	Q2 2025 CCC	Totals
Page Views	4,641	3,331	4,541	5,466	17,979
Average Engagement	1:19m	1:56m	2:39m	1:21m	
Top 3 Pages	Home, Events, Lake Auburn Campground	Home, Hillcrest Café & Catering, Events	Home, Hillcrest Café & Catering, Indoor Adventures in Carver County MN	Home, Downtown Chaska Farmers' Market, Events	

ADMINISTRATIVE/OTHER ITEMS OF INTEREST

The Executive Director joined Mike Huang for the Local Carver County News podcast to talk about all things CDA, affordable housing and community development related. The podcast was released on September 9.

The County Board approved the CDA’s 2026 Budget and Levy at the September 2 board meeting.

The Carver Place ribbon cutting and CDA 45<sup>th</sup> anniversary celebration was truly amazing. The turnout and energy were a true reflection of the shared commitment to housing and community development.



Carver Oaks





# Board of Commissioners

## Request for Board Action

Meeting Date: September 18, 2025

Agenda number: 4B

**DEPARTMENT:** Housing

**FILE TYPE:** Consent Agenda

**TITLE:** Approval of Write-Off of Past Tenant Balances for August 2025

**PURPOSE/ ACTION REQUESTED:** Approve write-off of Past Tenant Balances

**SUMMARY:** The Carver County CDA's policy is to write off past tenant balances that have been submitted to MN Revenue Recapture and was approved by the CDA Board. When a past tenant moves out with a balance, the tenant has 10 business days to contact the CDA to either pay the balance in full or set up a repayment agreement. If the past tenant does not contact the CDA, the balance due is submitted to MN Revenue recapture. The CDA will "write-off" the past balance in Yardi once it has been submitted to MN Revenue Recapture. Any former resident that has been submitted to MN Revenue Recapture due to that past balance will remain there until such time as that balance is paid or the six-year statute of limitations has passed.

**RECOMMENDATION:** Staff recommend approval of the write-off of past tenant balances.

**EXPLANATION OF FISCAL/ FTE IMPACTS:**

☒ None ☐ Current budget ☐ Other ☐ Amendment requested ☐ New FTE(s) requested

**RESOLUTION:**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that the Past Tenant balance for August 2025 is hereby approved to be written off.

**PREVIOUS BOARD ACTION**

N/A

**ATTACHMENTS**

Past tenant balances

**BOARD GOALS**

☐ Focused Housing Programs ☐ Collaboration ☐ Development/Redevelopment  
☐ Financial Sustainability ☒ Operational Effectiveness

**PUBLIC ENGAGEMENT LEVEL**

☐ Inform and Listen ☐ Discuss ☐ Involve ☒ N/A

**CONTACT**

Department Head: Shanika Bumphurs, Director of Housing

Author: Shanika Bumphurs, Director of Housing

Tenant Unpaid Charges

Status = Past

Property Code	Tenant Status	Charge Type	Current Owed	Amount Paid
lakegrc				
Resident 1				
	Past	SUBSIDY	\$49.79	\$0.00
	Past	SECREF	\$470.21	\$0.00
Total For Resident 1			\$520.00	\$0.00
ph				
Resident 2				
	Past	DAMAGE	\$550.00	\$0.00
	Past	RENT	\$4,800.08	\$549.92
Total For Resident 2			\$5,350.08	\$549.92
Totals			\$5,870.08	\$549.92



## Board of Commissioners

### Request for Board Action

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Meeting date: September 18, 2025

Agenda number: 4C

**DEPARTMENT:** Finance

**FILE TYPE:** Consent Agenda

**TITLE:** Approval of Record of Disbursements - August 2025

**PURPOSE/ ACTION REQUESTED:** Approve Record of Disbursements for August 2025

**SUMMARY:** In August 2025, the Carver County Community Development Agency (CDA) had \$1,843,135 in disbursements and \$169,112 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

**RECOMMENDATION:** Staff recommends approval of the Record of Disbursements for August, 2025.

**EXPLANATION OF FISCAL/ FTE IMPACTS:**

☐ None ☒ Current budget ☐ Other ☐ Amendment requested ☐ New FTE(s) requested

**RESOLUTION:**

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the August 2025 Record of Disbursements is approved as written.

**PREVIOUS BOARD ACTION**

N/A

**ATTACHMENTS**

Attachment A: Record of Disbursements - August 2025

**BOARD GOALS**

☐ Focused Housing Programs   ☐ Collaboration   ☐ Development/Redevelopment  
☒ Financial Sustainability   ☐ Operational Effectiveness

**PUBLIC ENGAGEMENT LEVEL**

☐ Inform and Listen   ☐ Discuss   ☐ Involve   ☒ N/A

**CONTACT**

Department Head: Brittany Larson, Director of Finance

Author: Brittany Larson, Director of Finance

**Carver County CDA  
Record of Disbursements  
For the Month of August 2025**

	<b>Date</b>	<b>Amount</b>	<b>Total</b>
<b>CDA</b>	08/06/25	\$359,931 (1)	
	08/13/25	\$73,938	
	08/20/25	\$61,199	
	08/27/25	\$538,352 (2)	
		<hr/>	\$1,033,420
<b>Properties</b>	08/06/25	\$92,295 (3)	
	08/13/25	\$119,045	
	08/20/25	\$497,479 (4)	
	08/27/25	\$100,897	
		<hr/>	\$809,715
<b>Total August 2025 Disbursements</b>			<b><u>\$1,843,135</u></b>
<b>August 2025 Payroll</b>			
	08/13/25	\$83,788	
	08/27/25	\$85,324	
		<hr/>	<b><u>\$169,112</u></b>

Disbursement detail is available in the Finance Office

- (1) **DDK Construction - progress billing on Chaska Yards - \$262,378**
- (2) **106 Benton Closing - \$318,211  
Landtrust Home Closing - \$168,000**
- (3) **US Bank - Waybury Bond Payment - \$34,368**
- (4) **Pacific Life - Trails Edge South Mortgage Payment - \$31,534**





# Board of Commissioners

## Request for Board Action

Meeting date: September 18, 2025

Agenda number: 5B

**DEPARTMENT:** Administration

**FILE TYPE:** Regular Agenda

**TITLE:** Approval of Investment Policy

**PURPOSE/ ACTION REQUESTED:** Approval and formal adoption of the updated Investment Policy for the Carver County Community Development Agency (CCCD A).

**SUMMARY:** The CCCDA Investment Policy has been reviewed and updated to ensure alignment with current best practices, Minnesota Statute 118A, and the Agency's operational and fiduciary responsibilities. The policy outlines the framework for managing CCCDA's investment activities, emphasizing safety, liquidity, and yield, while ensuring compliance with applicable laws and ethical standards.

Key updates and affirmations include:

- Clear delegation of authority to the Director of Finance and external investment managers.
- Strengthened internal controls and reporting requirements.
- Defined standards for safekeeping, broker/dealer certification, and authorized investments.
- Explicit limitations on maturities and diversification strategies.
- Annual review and amendment procedures.

**RECOMMENDATION:** Staff recommends approval of the Investment Policy.

**EXPLANATION OF FISCAL/ FTE IMPACTS:**

☐ None ☐ Current budget ☒ Other ☐ Amendment requested ☐ New FTE(s) requested

**RESOLUTION:**

Be it resolved that the CCCDA Board hereby approves and adopts the Final Investment Policy as the governing document for all investment activities of the Agency. The Director of Finance is authorized to implement the policy and establish procedures consistent with its provisions. Any future amendments shall be subject to Board approval following internal annual review.

**PREVIOUS BOARD ACTION**

Resolution 97-409

**ATTACHMENTS**

Current Investment Policy

Investment Policy

**BOARD GOALS**

☐ Focused Housing Programs ☐ Collaboration ☐ Development/Redevelopment  
☒ Financial Sustainability ☒ Operational Effectiveness

**PUBLIC ENGAGEMENT LEVEL**

☐ Inform and Listen ☐ Discuss ☐ Involve ☒ N/A

**CONTACT**

Department Head: Brittany Larson, Director of Finance

Author: Allison Streich, Executive Director

## **Carver County Housing & Redevelopment Authority**

### **Investment Policy**

#### **Scope**

This investment policy applies to activities of the Carver County HRA with regard to investing the financial assets of all funds under the care of the HRA.

#### **Objectives**

*1. Preservation & safety of principal.*

Preservation of principal is the foremost objective of the investment policy of Carver County HRA. Each investment transaction shall seek to first ensure that capital losses are avoided. The HRA seeks to attain market rates of return on its investments consistent with constraints imposed by its safety objectives, cash flow considerations, state laws and grant agreements that restrict the placement of certain public funds.

*2. Maintain necessary liquidity.*

The investments will be scheduled in order to meet the liquidity needs of the HRA or any of its given funds. Checking balances will be monitored daily and all cash available will be invested.

*3. Maximize the rate of return within the stated guidelines.*

A competitive bid process shall be conducted before the HRA invests any surplus resources. Competitive bids will be obtained from firms and local offices located in the Seven-County Metro Area. Any person/firm submitting a bid must be a qualified bank or licensed to transact business in Minnesota as a broker-dealer agent according to Minnesota Statutes 80A.04.

#### **Monitoring and Adjusting the Portfolio**

The HRA financial officer will monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will recommend adjustment of the portfolio to the HRA Executive Officer accordingly.

#### **Internal Controls**

All purchases, sales and maturities of investments will be recorded in a timely manner. A report of the investments and cash position will be submitted semi-annually to the HRA Board of Commissioners. This report shall include the maturity date, cost of the security,

### **Prudence**

The standard of prudence to be applied by the HRA shall be the "prudent investor" rule, which states, "Investments shall be made with judgment, discretion and care, under circumstances then prevailing, not for speculation, but for investment, considering the probable safety of its capital as well as the probable income to be derived."

### **Ethics and Conflicts of Interest**

HRA officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials shall disclose to the HRA any material financial interest in financial institutions that conduct business within the Seven-County Metro Area, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the HRA's portfolio.

### **Review and Responsibility**

In view of the rapid changes within the capital markets, these guidelines will be reviewed annually by the Carver County Board of Commissioners.

Accepted by: \_\_\_\_\_

President, Board of Commissioners, Carver County Housing & Redevelopment Authority  
acting for and on behalf of the Board of Commissioners

Dated: \_\_\_\_\_, 1997

Acknowledged

by: \_\_\_\_\_

Executive Director, Carver County Housing & Redevelopment Authority

Dated: \_\_\_\_\_, 1997

**Carver County Community Development Agency  
Investment Policy**

**Resolution No:**

**Approved:**

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**I. Scope**

This investment policy applies to the investment activities of the Carver County Community Development Agency (“CCFDA” or the “Agency”) located in Chaska, Minnesota.

**A. Pooling of Funds**

Except for cash in certain restricted and special funds, the Agency shall consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

**B. Bank Depositories**

Investment procedures also include selecting qualifying financial institutions where Agency funds may be deposited. The Director of Finance shall designate depositories of public funds subject to review and approval by the Executive Director. Each depository must meet the definition of “financial institution” as contained in Minnesota Statute 118A.

**II. Objective**

The funds of the Agency shall be invested in accordance with applicable State Statutes, this policy, and written administrative procedures. The primary objectives, in priority order, of investment activities shall be:

**A. Safety**

Safety of principal is the foremost objective of the Agency. Each investment transaction shall seek to first ensure that capital losses are avoided.

**B. Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Where applicable, portfolio securities should be structured to mature concurrent with cash needs to meet anticipated demands. A portion of the portfolio may also be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

**C. Yield**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above.

The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following

exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

### **III. Standards of Care**

#### **A. Prudence**

The standard of prudence to be used by the CCCDA shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the sale of securities (if necessary) are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

#### **B. Ethics and Conflicts of Interest**

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair the ability to make impartial decisions. Employees and officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Agency.

#### **C. Delegation of Authority**

Management responsibility for the investment program is hereby delegated to the Director of Finance, who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance. The Director of Finance shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### **IV. Safekeeping and Custody**

#### **A. Authorized Financial Dealer and Institution**

A list will be maintained of financial institutions authorized to provide investment services. Securities dealers not affiliated with a bank shall be required to be primary government securities dealers that report daily to the New York Federal Reserve Bank, unless a comprehensive credit and capitalization analysis reveals that other firms are adequately financed to conduct public business.

#### **B. Annual Certification of Broker/Dealers**

Before engaging in investment transactions, the Agency shall provide annually to broker/dealers a written

statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota Statute 118A governing the investment of public funds.

The broker/dealer must annually acknowledge in writing receipt of the statement of investment restrictions and agree to handle the Agency's account in accordance with these restrictions. The Agency shall not enter into a transaction with a broker/dealer until they have provided this written agreement.

### **C. Investment Managers**

The Agency may utilize SEC registered investment advisory/management firms (External Investment Managers) to invest segments of the portfolio. The External Investment Managers will operate within the constraints of this Investment Policy and an executed Investment Advisory Agreement. The External Investment Managers shall have discretion over the assigned segment of the portfolio. All External Investment Managers shall purchase and sell investment securities in accordance with Minnesota Statute 118A, this Investment Policy and the Investment Advisory Agreement. Each External Investment Manager shall provide certification as requested by State Law of their annual review of the Authority's investment policy. External Investment Managers must be registered under the Investment Advisers Act of 1940 and be licensed and registered to do business in Minnesota and registered as an investment advisor through IARD (Investment Advisor Registration Depository) in Minnesota.

### **D. Internal Controls**

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal control structure should be subject to an annual review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion.
- Separate transaction authority from accounting and recordkeeping
- Custodial safekeeping.
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members.
- Written confirmation of telephone transactions for investments and wire transfers.
- Development of a wire transfer agreement with the lead bank or third-party custodian.

### **E. Delivery vs. Payment**

All trades where applicable will be executed by delivery vs. Payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

## **V. Suitable and Authorized Investments**

### **A. Investment Types**

The following investments will be permitted by this policy, subject to any limitations imposed by State or Federal Statutes:

- Direct obligations of the federal government backed by the full faith and credit of the United

States, obligations of federal government agencies and instrumentalities, and organizations created by an act of Congress.

- State and local securities:
  - any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service
  - any security which is a revenue obligation of any state or local government which is rated "AA" or better by a national bond rating service
  - a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated "A" or better by a national bond rating agency; and
  - any security which is an obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to section 126C.55
- Commercial paper issued by U.S. corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.
- Time deposits fully insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).
- Bankers acceptances issued by United States banks.
- General obligation temporary bonds of the Agency.
- Debt service funds may purchase any issue payable from the fund.
- Repurchase agreements and reverse repurchase agreements whose underlying purchased securities consist of the foregoing.
- Local government investment pools organized and existing in accordance with the Minnesota Joint Powers Act.
- Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities.
- Guaranteed investment contracts.

## **B. Collateralization**

In accordance with Minnesota State Statute, full protection in the form of a bond or collateral will be required on all deposits in excess of amounts insured by the FDIC or by the NCUA. The bond or collateral, when computed at its market value shall be at least ten percent more than the amount of the excess deposits with the financial institution.

## **VI. Investment Parameters**

### **A. Diversification**

The investments will be diversified by security type and institution.

### **B. Maximum Maturities**

The Agency will limit its maximum final stated maturities to five years unless specific authority is given by the CCCDA Board. To the extent possible, the Agency will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the entity will not directly invest in securities maturing more than five (5) years from the date of purchase. The Agency will determine what the appropriate average weighted maturity of the portfolio should be.

Reserve funds may be invested in securities exceeding five (5) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds. The ability of investing



these types of funds should be disclosed to the CCCDA Board including appropriate time restrictions disclosed, if any apply.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

## **VII. Reporting**

### **A. Methods**

The Director of Finance shall prepare an investment report at least semi-annually, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made since the last report. This management summary will be prepared in a manner which will allow the Agency to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Executive Director and the CCCDA Board. The report will, at a minimum, include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses resulting from appreciation or depreciation.
- Listing of investment by maturity date
- The percentage of the total portfolio which each type of investment represents.

### **B. Performance Standards**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to the 365-day rolling average of U.S. Treasury securities with similar maturities.

### **C. Marking to Market**

A statement of the market value of the portfolio shall be issued at least semi-annually. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility.

## **VIII. Policy**

### **A. Exemption**

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

### **B. Amendment**

This policy shall be reviewed on an annual basis. Any changes must be approved by the Executive Director and the CCCDA Board as well as the Director of Finance charged with maintaining internal controls.