



430 Hartsell Ave
Lakeland, FL 33815

(863) 267-6911

<http://LakelandHousing.org>



Board Of Commissioners

Michael Pimentel, Chairman

Richard Richardson, Vice-Chairman

Joseph DiCesare

Edward Hall

Lorenzo Robinson

Dorothy Sanders

Gary Smith

REGULAR BOARD MEETING

OCTOBER 20, 2014

Benjamin Stevenson, Executive Director

Ricardo Gilmore, Esquire

AGENDA

Board of Commissioners Meeting
The Housing Authority of the City of Lakeland, Florida
Monday, October 20, 2014 at 6:00 P.M.
LHA Board Room
430 Hartsell Avenue
Lakeland, Florida

Pledge of Allegiance

Moment of Silence

Establish a Quorum

- 1. Approval of the Meeting Agenda**
- 2. Approval of the Minutes of the Regular Board Meeting held Monday, September 29, 2014 and Minutes of Special Board Meeting.**
- 3. Public Forum**
- 4. Old Business**
 - Recovery and Sustainability Plan

 - LHA Recovery Plan Update
- 5. New Business**
- 6. Monthly Reports**
 - Financial Reports and Grant Updates

 - Housing Report

 - Development Report

 - Resident Services Report

 - Resolutions
 - Resolution # 14-1391** – The Board of Commissioners is requested to approve the 2015 Annual Budget.

Resolution # 14-1392 – The Board of Commissioners is requested to authorize that the current (Calendar Year 2014) utility allowance schedules for the Public Housing and the Housing Choice Voucher programs be continued for Calendar Year 2015.

Resolution # 14-1393– The Board of Commissioners is requested to authorize the Executive Director to enter into a contract with Annettie Machuca and Associates, Inc. to provide Housing Choice Voucher and Public Housing Recertification Services.

7. Secretary's Report

8. Legal Report

9. Other Business

- Corrective Action Plan

10. Adjournment

MINUTES
Regular Board Meeting of
The Housing Authority of the City of Lakeland
Monday September 29, 2014

The Commissioners of the Housing Authority of the City of Lakeland met at 6:05 p.m. at the Lakeland Housing Authority, 430 Hartsell Avenue, Lakeland, Florida.

LHA Board Members Present: Michael Pimentel, Chairman
 Richard Richardson, Vice Chairman
 Edward Hall, Commissioner
 Joseph DiCesare, Commissioner
 Dorothy Sanders, Commissioner
 Gary Smith, Commissioners

Secretary Benjamin Stevenson
Legal Counsel: Ricardo Gilmore, Esquire

Guest Brain Nemeroff – Berman Hopkins

The meeting was called to order at 6:05 p.m. by Commissioner Pimentel, Chairman. The Pledge of Allegiance and a Moment of Silence were observed. A quorum was established.

APPROVAL OF THE AGENDA

Commissioner Pimentel requested to move up item #5, the 2013 Audited Financial Statement, a presentation by Brian Nemeroff of Berman Hopkins, to #1 on the agenda. No other changes were made to the agenda. The meeting agenda was accepted and approved.

APPROVAL/ACCEPTANCE OF MINUTES

- **Motion to approve and accept the minutes of the Regular Board Meeting held August 18, 2014 with necessary corrections.**
Motion by Richardson, second by Pimentel

Correction: "Minutes were accepted of the Regular Board Meeting held July 21, 2014."

Vote: Commissioners
Michael Pimentel – Aye Edward Hall – Aye Dorothy Sander – Aye
Richard Richardson – Aye Joseph DiCesare – Aye Gary Smith – Aye

- **Motion to approve and accept the Minutes of the Special Board Meeting held September 15, 2014.**

Motion by DiCesare, second by Hall

Vote: Commissioners

Michael Pimentel – Aye

Richard Richardson – Aye

Edward Hall – Aye

Joseph DiCesare – Aye

Dorothy Sander – Aye

Gary Smith – Aye

PUBLIC FORUM

None

NEW BUSINESS

- **2013 Audited Financial Statement – Berman Hopkins**

Brian Nemroff, CPA of Berman Hopkins, provided a presentation of the December 2013 Financial Audit. His report showed draft audit findings of internal controls and compliances. Mr. Nemroff indicated that the audit evidence obtained is sufficient and appropriate to provide a basis for an audit opinion.

Commissioner DiCesare asked how commissioners would address questions or concerns regarding the audit findings. Mr. Gilmore, Legal Counsel, advised that the commissioners should email their questions to Mr. Stevenson and he would send the question(s) to the auditor.

OLD BUSINESS

- **Recovery Plan Review Committee Meeting Updates**

Commissioners Richardson and Smith serve as the Recovery Plan Review Committee. Commissioner Richardson gave a brief update to the board regarding their meetings with the executive director and staff. He indicated that they are very pleased with the significant progress and all the information provided relevant to how LHA will reduce costs. He informed the board they are waiting on feedback from HUD on the information submitted. Commissioner Smith stated that the Recovery Plan Review Committee was presented with actual numbers and not just theory. He further reiterated to the board that the plan is now contingent on HUD's review. Commissioner Richardson concluded by saying that it will be their recommendation to the board to accept the recovery plan that will be presented next month.

- **LHA Recovery Plan Updates**

Mr. Stevenson informed the board that he gave the committee a draft Recovery Plan. The draft includes background information summarizing how the agency got to where it is now and the steps the agency is taking to prevent reoccurrence of the same items. He explained to the board that it is his plan to give a draft to the committee for review, present the current draft to HUD for their feedback and then present the document to the board for review and approval.

LHA staff met with HUD today. There will be a close out meeting with LHA staff and the Board Chairman on September 30, 2014. HUD requested that some of the unrestricted cash on hand be applied to the debt. LHA agreed to transfer \$1.1 million. This reduces the debt to about \$4.1 million. HUD also wants to reduce the repayment period from 10 years to 5 years.

Mr. Stevenson advised that the Recovery Plan draft will be presented to the board at the October 20, 2014 board meeting.

MONTHLY REPORTS

• Financial Report and Grant Updates

Ray Coury, Financial Advisor presented a thorough Financial Report and Grants Update highlighting various items indicated in the report.

Report submitted and accepted as written.

• Housing Report

Carlos Pizarro gave highlights of the Housing Report indicating that the Section-8 Waiting List will be opened before the end of the year. LHA received a second contract from Pinellas County to perform Section-8 inspections.

Report submitted and accepted as written.

• Development Report

Valerie Brown gave a thorough presentation of the Development Report. In the months of August and September 2014 much focus was given to completing the 2015 Agency Plan which consist of conducting several meeting with the Resident Advisory Board, collaborating with the City of Lakeland and conducting a Public Hearing. During this month LHA also completed the audit financials.

Report submitted and accepted as written.

• Resident Services Report

Report submitted as accepted as written.

RESOLUTIONS

Resolution #14-1387 –The Board of Commissioners is requested to approve and authorize the Executive Director to establish the Fiscal Year 2015 Fair Market Rent Rates/Payment Standard for Section-8 residents effective December 1, 2014.

- Motion to accept and approve resolution #14-1387**

Motion by Smith, second by Richardson

Vote: Commissioners

Michael Pimentel – Aye

Edward Hall – Aye

Dorothy Sanders – Aye

Richard Richardson – Aye

Joseph DiCesare – Aye

Gary Smith – Aye

Resolution 14-1388 – The Board of Commissioners is requested to approve and authorize the Executive Director to increase the current dollar value of a work order contract with Johnson-Laux Construction, Inc., by \$51,100. The Change Order is for the installation of a centralized phone system as well as necessary improvements to the parking lot and grounds at the Administration Building. The total not-to-exceed dollar amount of the contract will become \$193,600.

● **Motion to accept and approve the resolution # 14-1391**

Motion by Richardson, second by Hall.

Vote: Commissioners

Michael Pimentel – Aye

Edward Hall – Aye

Dorothy Sanders – Aye

Richard Richardson – Aye

Joseph DiCesare – Aye

Gary Smith – Aye

Resolution # 14-1389 – The Board of Commissioners is requested to approve and authorize the Executive Director to increase the current dollar value of the task order contact with Innovative Financial Housing Solutions, Inc. for up to \$137,000.

● **Motion to accept and approve the resolution #14-1384**

Motion by Smith, second by Richardson.

Vote: Commissioners

Michael Pimentel – Aye

Edward Hall – Aye

Dorothy Sanders – Aye

Richard Richardson – Aye

Joseph DiCesare – Aye

Gary Smith – Aye

Resolution #14-1390 – The Board of Commissioners is requested to authorize the chairman to sign the PHA Certificate of Compliance for the 2015 Agency Plan to satisfy the requirements of the U.S. Department of Housing and Urban Development.

● **Motion to accept and approve the resolution #14-1384**

Motion by Smith, second by Hall.

Vote: Commissioners

Michael Pimentel – Aye

Edward Hall – Aye

Dorothy Sanders – Aye

Richard Richardson – Aye

Joseph DiCesare – Aye

Gary Smith – Aye

SECRETARY'S REPORT

Report submitted and accepted as written.

LEGAL REPORT

Mr. Gilmore requested the board to approve the corrected Executive Director Evaluation Form.

- **Motion to accept the corrected format of the Executive Director Evaluation Form presented by the Legal Counsel.**

Motion by Richardson, second by Pimentel

Vote: Commissioners

Michael Pimentel – Aye

Richard Richardson – Aye

Edward Hall – Aye

Joseph DiCesare – Aye

Dorothy Sanders – Aye

Gary Smith – Aye

OTHER BUSINESS

Corrective Action Plan

Submitted and accepted as written.

The meeting adjourned at 7:35 p.m.

Benjamin J. Stevenson, Secretary

OLD BUSINESS



**BOARD OF
COMMISSIONERS**

Michael A. Pimentel
Chairman

Rev. Richard Richardson
Vice-Chairman

Eddie Hall
Commissioner

Joseph DiCesare
Commissioner

Lorenzo Robinson.
Commissioner

Dorothy Sanders
Commissioner

Gary Smith
Commissioner

Benjamin J. Stevenson
Executive Director

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Lakeland, FL 33815

MAIN OFFICE

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DATE: October 10, 2014
TO: LHA Commissioners
FROM: Benjamin Stevenson, Executive Director
RE: Recovery Plan Update

Below is a summary update of progress made with the LHA Recovery Plan.

1) Purchase Agreement for Sale of LHA Property

Status: A new buyer has provided an offer to purchase the commercial lot at the corner of 10th Street and Florida Avenue. Staff received permission from the LHA Board of Commissioners to negotiate the sale of the Arbor Manor property. A purchase agreement was executed in September 2014.

The next step is submittal of disposition application to the HUD Special Applications Center. The Board authorized submittal of the application at the September 15, 2014 Special Board meeting. The application will be completed and submitted in October 2014.

2) Reduce COCC Budget/Overall Agency Debt

Status: The COCC budget is a part of the Recovery Plan.

The Miami Field Office was in town this month for a presentation on the draft Recovery Plan. After receipt of comments from HUD-Miami, staff will finalize the document and present to the LHA Board of Commissioners for approval at the October 2014 Board meeting.

3) Reduction In Force

Status: Staff had conversations with labor/legal counsel regarding Reduction In Force process. LHA executive staff provided recommendations regarding staffing in their respective departments. They developed a list of staff and their characteristics such as race, age, sex, etc. for review by the labor/legal counsel. This information assisted the labor/legal counsel with advising LHA on how to proceed within legal standards. Offers of separation were made to certain staff. They have 45 days to consider the offers. Staff is implementing the Reduction in Force and reorganization as part of the Recovery Plan process. This action will most likely result in a temporary reduction in services at the property level. But, LHA is forced to take this action as part of the Recovery Plan and its efforts to reduce staff expenses. The reduction in



services is of great concern to staff and residents. As previously, noted this topic was discussed with the resident leaders at a meeting with the Resident Advisory Board on August 7, 2014. Several resident leaders expressed concern about the reduction in services to residents.

4) Relocate Section 8 and Public Housing staff to Hartsell Avenue

Status: The Section 8 staff was relocated to Hartsell Avenue on October 1, 2014. Public Housing staff relocated to this location in January 2014.

5) Bring Human Resources In-House

Status: A contractor, Paychex was procured in December 2013 to provide payroll services. The new payroll system was placed in operation in January 2014.

6) Implement Yardi Upgrade

Status: The upgrade was setup to run in test mode in November 2013. It has been running in the background with no issues. Staff started the transition to Go Live with new upgrades in February 2014. Staff has also segregated the financial accounts as described in the Corrective Action Plan. Basically, the process was setup to ensure the proper classification of accounts in the LHA financial reports. Staff continues to monitor this situation.

7) Other Updates

HUD awarded LHA another Family Self-Sufficiency grant for FY 2015. The dollar amount of the grant is \$104,856 for one year. The grant will cover the salary and benefits for two positions. LHA received the official award notice on October 8, 2014.

Staff also released the Request for Qualifications for a third party Developer Partner. Four responses were received. Information on the selected Developer Partner is included in this month's Development Report. The Developer will assist LHA in submitting a low income housing tax credit application for the West Lake Apartments property.

BJS

Fiscal Years 2014-2018

Housing Authority of the City of Lakeland Recovery and Sustainability Plan



Benjamin Stevenson, President /CEO

Housing Authority of the City of Lakeland, Florida

October , 2014



BOARD OF COMMISSIONERS

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October 8, 2014

Mr. Jose Cintron
Director of Public Housing
U.S. Department of Housing and Urban Development
Miami Field Office
901 Brickell Plaza
Miami, FL 33131-3028

Dear Mr. Cintron:

The Housing Authority of the City of Lakeland (HACL) is pleased to present our plan for the recovery and long term sustainability of the agency. Please know that the HACL is committed to providing quality affordable housing while maximizing its financial soundness and viability. The Recovery and Sustainability Plan (Plan) includes numerous strategies that will assist in these efforts and result in the long term sustainability of the agency.

As previously discussed and agreed upon reducing costs is one of HACL's primary goals as we strive to improve our financial position. To achieve this goal the HACL has shifted resources into new technology (Yardi), developed plans for a Reduction In Force and plans for streamlining the delivery of services, including Section 8 case management.

Enclosed for your review are various components of the Recovery Plan, including:

- Recovery and Sustainability Plan Narrative
- Recovery and Sustainability Plan – Attachment A, page 1
- Repayment Plan Schedule – Attachment A, page 2
- Reorganization Documents – Attachment B
 - Organizational Chart
 - Reduction in Force Plan (included in narrative)
- Recovery Budget for Fiscal Year 2015 – Attachment C
- Uncollected Public Housing Funds Chart – Attachment D

The HACL would like to thank the Miami Field Office for the ongoing assistance provided during this period of recovery. We look forward to HUD's review and consideration of the Plan. Please let me know if you have any questions.

Sincerely,

Benjamin Stevenson
Executive Director

**Housing Authority of the City of Lakeland
Recovery and Sustainability Plan Narrative
September 2014 – August 2018**

Introduction

The HACL was created by the State of Florida in 1939 pursuant to Florida Statute 421. The HACL manages affordable housing programs that offer many diverse housing and self-sufficiency opportunities to families and individuals residing in the city of Lakeland within Polk County, Florida.

The mission of the Housing Authority of the City of Lakeland, Florida (HACL), FL-011, is to provide quality, affordable housing and self-sufficiency opportunities in an effective and professional manner, in Lakeland and Polk County, Florida. In order to effectively carry out its mission and ensure the long term viability of the HACL, a Recovery and Sustainability Plan (Plan) has been developed.

The HACL affordable housing programs include conventional public housing, Section 8 and the mixed income housing opportunities. The HACL's Public Housing inventory consists of the following developments:

Public Housing Program		
Name of Development	# Units	Type
Westlake Apartments	120	Multi-Family
John Wright Homes	20	Multi-Family
Cecil Gober Villas	37	Elderly
Hampton Hills Homes	12	Homeownership
Total	189	

The HACL received a HOPE VI grant award in 1999. With this grant the HACL demolished 380 units of public housing and developed affordable housing using mixed financing, including Low Income Housing Tax Credits (LIHTC). The HACL self-manages all of its properties through West Lake Management, LLC including the following mixed income developments:

Mixed Income Developments			
Name of Development	#Units	Type	Unit Mix
Dakota Park	40	Multi-Family	20 LIHTC, 20 Public Housing/LIHTC
Washington Renaissance	78	Elderly	48 LIHTC, 30 Public Housing/LIHTC
Washington Renaissance	118	Multi-Family	39 LIHTC, 79 Public Housing/LIHTC
Colton Meadow	72	Multi-Family	LIHTC
Villas at Lake Bonnet Homes	75	Multi-Family	LIHTC with 18 Project based Section 8
The Manor at West Bartow	100	Elderly	LIHTC, 99 Project based Section 8
Total	483		

In addition to the properties reflected above, the HACL owns four (4) parcels of land that will be utilized for future development and/or disposed of at market value. The HACL also administers a Section 8 Program that is approved for 1,525 vouchers.

The purpose of the Plan is to improve the overall management and financial viability of the agency. During the recovery planning process the HACL analyzed problems, identified underlying causes and where possible, resolved identified issues. As a result of this process the HACL has developed a Plan. The Plan not only provides a framework for addressing and resolving major concerns but also factors in activities that will result in the long term sustainability of the HACL.

Summary

Over the past several years, the HACL has been working to address a series of systemic concerns and problematic practices which led to a significant amount of funds owed from the Central Office Cost Center (COCC) to the public housing program. Previously, it was reported that for fiscal year 2013, the unaudited balance owed to the public housing program was \$4,997,252. However, the audited fiscal year 2013 financial report submitted to the U.S. Department of Housing and Urban Development's (HUD) Financial Data System (FDS) reflects a balance of \$4,144,915 owed to the public housing program. The difference in the unaudited and audited totals is attributed to the timing of a \$247,633 capital fund draw down of funds that were previously disbursed and a \$1,100,000 payment made by the HACL (using non-federal funds). A review of the FDS report shows the progress the HACL has made in addressing the interfund balance issue. It is estimated that during fiscal year 2014, the HACL has made or will make a total of approximately \$709,217 in payments and adjustments to further reduce the debt owed to public housing. Moreover, the HACL has ceased the interfund borrowing between programs and the COCC liability has not increased since fiscal year 2013.

It is important to note that the auditors and financial advisor have not uncovered any evidence of the theft of federal funds during their review and analysis. That is, all of the funds were used for affordable housing purposes although some of the decision-making was questionable. Moreover, there were some actions taken by staff that needed to be corrected and safeguards were developed and put in place to insure the proper use of federal funds with future activities. The Plan reflects actions taken in this regard.

This Plan provides a Repayment Schedule that proposes to reimburse the Public Housing Program over a five (5) year period. Reimbursements will be made using a variety of sources such as proceeds from the sale of property owned by the HACL, future development fees and non-federal sources. Details regarding the repayments are provided in Attachment B. The progress the HACL has made in areas of eliminating the interfund borrowing and starting to repay the debt owed to the public housing program is significant and supports or validates the position that the HACL staff has the ability and wherewithal to successfully complete the objectives outlined in this Plan.

Financial Condition

In regards to the financial condition of the HACL, the current administration became aware of several systemic concerns and problematic practices which led to a significant amount owed from the COCC to the public housing program. Staff has been working to balance the COCC budget. Efforts include increasing income by creating new business opportunities and enhancing the services offered by the departments/properties by performing more work in-house.

In 2008, HACL implemented the fee system methodology and established a COCC under Asset Management (accounting and budgeting on a project-by-project basis). At the time, the HACL had 465 public housing units, but 147 units were later approved for disposition, thereby, leaving the HACL with 318 public housing units. However, in 2010, the HACL implemented the full asset management model since the HUD required public housing agencies having 250 or more units to convert to the asset management model and implement the "new fee system." At a later date, the HUD raised the unit threshold requirement to 400 units. This implementation permitted the consolidation of all units into one project (AMP), and allowed housing authorities to eliminate the use of a COCC. To our detriment, HACL

continued to maintain the fee system with multiple AMPs and a COCC. It was detrimental because the HACL did not charge fees in the proper manner which resulted in the agency being deprived of eligible income for management services. Since fiscal year 2008, the estimated loss of income is approximately \$771,759 from the Public Housing Program. The HACL has submitted to HUD a request to make the necessary adjustments for the transfer of these fees to the COCC. It is the HACL intent to then use the fees to further reduce the amount owed to the Public Housing Program.

During fiscal year 2014, as a direct result of the aforementioned concerns, the HACL procured a financial advisor to review, analyze, and explore possible causes for the COCC's increase in interfund transactions and the balance due federal programs such as public housing. The financial advisor began their review by conducting an analytical review of certain line items within the COCC and reviewed the trends of those various line items including transactions recorded in the due to other funds. In addition, they performed in depth reviews and analysis of fees charged and collected the data. The results of the analysis are reported in a later part of this document under the Repayment Plan and Uncollected Fees. The review confirmed a growing interfund balance in the prior two years that warranted further examination. The balance grew from zero (\$0) to \$2.8 million due to other programs.

Trend Analysis – Selected Accounts – Central Office Cost Center (COCC)						
COCC Line Items	2013	2012	2011	2010	2009	2008
Surplus (deficit)	(796,956)	(1,155,819)	38,493	(38,493)		(139,743)
Salary and Wages	596,908	743,979	713,918	680,190	595,553	563,545
Unrestricted Net Position (deficit)	(2,636,751)	(2,039,795)		(38,493)		
Due to Other Funds, Net	2,802,540	2,008,745				103,785

The trend analysis shown above reports the COCC operations near breakeven during the period 2008 through 2011, then a dramatic change appears in 2012. The examination revealed that the HACL allocated costs (primarily to business activities) in addition to using the fee for service system, recording these expenses as "COCC Cost Allocation." This line item functioning as "revenue" enabled the HACL to recover the periodic increase in costs incurring within the COCC while minimizing interfund borrowing. The COCC Cost Allocation in addition to the standardized fees for service (management, bookkeeping and asset management) created this hybrid method. The HACL, recognizing that this hybrid method was incorrect, changed to a proper accounting method in 2012. The effect of this change eliminated the practice of recording a COCC Cost Allocation, a practice that enabled the HACL to bring (or force) the COCC to report a breakeven or near breakeven during the early years under Asset Management. The HACL's change from an improper to proper revenue measurement methodology involved changing the revenue recognition to include only the fee for service permitted under Asset Management. The HACL then recorded a series of adjustments necessary to correct this practice as reflected in the financial statements for 2012 and made prior period adjustments to correct and adjust for the impact of this improper practice. Specifically, the HACL:

- Reversed the 2012 COCC Cost Allocation recorded between the COCC and Business Activities,
- Recorded a prior period adjustment of \$883,976 representing the COCC Cost Allocation recorded in 2011, and
- Realized the impact of both of these adjustments as increases to the COCC's deficit or loss by \$2,039,795, with a corresponding increase in income or equity in Business Activities.

The trend analysis illustrates an increase in the due to other funds, resulting from what appears to be costs in excess of revenue plus the impact of the change in accounting.

The HACL also saw a decrease in development opportunities. In 2008 the Florida Housing Finance Corporation implemented a 5 year moratorium on multifamily housing development in Polk County. As a

result all development projects were limited to the development of senior housing facilities. Also, the HACL previously used \$1.2 million in public housing funds to purchase a parcel of land for development. When the tax credit application failed the loan became another financial debt on the HACL books and increased the debt owed to public housing. It is understood by the HACL that should this property be sold at some point in the future, the debt owed to the public housing program must be repaid out of the sales proceeds.

Current Recovery Efforts

Over the past couple of years, and more aggressively in the last year, the HACL has made significant efforts to improve its financial condition. Highlights of some of these efforts include the following:

Recovery Plan Review Committee

Acknowledging and understanding the seriousness of the HACL financial position, in July 2014 the HACL Board established a Recovery Plan Review Committee comprised of board members. This Committee meets on a monthly basis with the Executive Director and his team to review the status of the HACL’s recovery as well as other areas requiring improvement. The two Board members on this committee are highly experienced managers who have an understanding of finance, management and real estate matters. The HACL is fortunate to have these individuals available and willing to serve on the Committee as the HACL strives to cure deficiencies and achieve a high level of excellence.

Reduction of Expenses and Consultants

The following factors were considered in reducing budget and overall agency expenses.

The staffing level, in part, contributed to growth of the debt associated with the interfund borrowing between programs. Consequently, the HACL acknowledged that a reduction in staff was necessary. The objectives associated with "right-sizing" the agency and ensuring that staff is performing well are as follows:

- Attrition
- Replacing underperforming/unwilling staff
- Training - improving skill sets and knowledge of existing staff

It should be noted that since fiscal year 2010 the HACL has made significant reductions in the overall staffing levels of the agency. These reductions have been made as a result of the HACL’s business needs and financial position. To date, the reduction in staffing has been accomplished without the implementation of a layoff or furlough. Staffing levels are projected to be further reduced when the HACL implements its Reduction in Force during the last quarter of 2014/first quarter 2015. The chart below reflects the agency-wide staffing levels of the agency.

Reduction In Staff Size						
Agency-wide Total	2010	2011	2012	2013	2014	2015*
Staff Size	129	116	111	77	64	53

*Number includes employee and trainee positions funded by the Youth Build Program.

Reorganization and Reduction In Force

As part of the HACL’s Plan it has developed plans for a reorganization and further reduction in staffing levels. The reorganization and Reduction in Force (RIF) will begin in fiscal 2014. In regards to the RIF, a select group of the HACL employees were offered an incentive package that will result in voluntary separation from the HACL. The purpose of this offer is simply to reduce staffing levels and costs. This

RIF is motivated by the expectation of reducing costs and is seen as a strategic element of the restructuring of the HACL operations. This strategy is in concurrence with the HUD Field Office who has also recommended a staff reduction as a positive effort towards cost reduction and containment.

During consultation with department directors a decision was made to identify positions that could be eliminated or reclassified. Senior staff was directed to identify a target group within their departments and create a list of criteria for staff reduction. It should also be noted that the HACL consulted with a labor attorney to ensure that there were no conflicts with state or federal law. The criterion included the following:

- 1) Assess positions and duties that could be handled by an outside contractor - specifically where there were potential cost savings for the HACL.
- 2) Review duties that could be merged with another position
- 3) Develop a list of positions that were considered and selected for the RIF
- 4) Develop a list of positions that were considered and not selected for the RIF
- 5) Other factors included:
 - Employee performance of assigned duties
 - Employee ability to do more than one task
 - Employees with special skills and
 - Business needs

Positions targeted for elimination or reclassification included those at the director, manager and non-manager level. The positions reviewed and considered as part of the RIF included the following:

- Maintenance Supervisor/Investigations Manager
- Capital Funds Manager
- Asset Manager
- Director of Finance
- Director of Resident Services
- Senior Director of Development
- Section 8/Public Housing Accountant
- COCC Receptionist
- Information Technology Manager
- Human Resources Generalist
- Section 8 Assistant Manager
- Section 8 Case Worker
- Section 8 Case Worker
- Section 8 Case Worker

After this review was conducted, it was determined that several positions would be reclassified with additional duties and other positions would be reclassified with lesser duties. Furthermore, it was determined that several positions would be absorbed by other staff or the respective duties and responsibilities would be outsourced. The targeted salaries by position levels include:

Targeted Salaries by Position		
Management/Directors	5	383,495
Non-Management	4	103,303
Total		486,798

The management positions to be eliminated are Director of Resident Services, Asset Manager, Capital Fund Improvement Manager and Maintenance Supervisor/Lease Enforcement. The duties of the Asset Manager and Capital Fund Improvement Manager will be assumed by the Vice-President of Administrative Services and Finance and the President/Chief Executive Officer. The exact split of the duties is to be determined. The Maintenance Supervisor duties will be divided up amongst existing staff and the lease enforcement duties will be absorbed by the property management staff.

After a careful analysis and it was determined that case management could be accomplished more effectively and efficiently through outsourcing. Therefore, it was determined that the HACL would eliminate four (4) non-management (4) case positions within the Section 8 Department. The duties associated with these positions will be assumed by a contractor. In addition, most of the case management information will be converted to a digital format which will require less employee input.

The IT Manager's job description will be redefined to include marketing and other duties so that the cost of this position can be shared by the properties. The duties shared by the properties can significantly reduce the cost. The COCC Receptionist position will be eliminated and moved out of COCC to Section 8 and Public Housing due to the need for this function at the program level and as a cost savings opportunity resulting from the Section 8 staff relocation back into the main office building, a "win, win" situation.

Early Exit Incentive Package

The HACL started offering Early Exit Incentive Packages (Package) in September 2014. The Package will be available to affected staff for a minimum of 45 days. This time period meets the legal requirement for allowing employees to review and consider acceptance of the Package.

The Package provides the best benefits to employees and is designed to encourage or incentivize employees to voluntarily leave. Employees that reject or take longer than the allocated time period to make a decision regarding acceptance of the Package run the risk of not being offered any severance. That is, the package is being offered over a temporary time period.

The Packages will become available to between seven (7) and ten (10) employees. If a lower number of employees than projected take advantage of the incentive package the final step would be layoffs. The target date for completing this phase including layoffs is the first quarter of 2015.

Other Efforts to Reduce Expenses

In conducting an in-depth review of its operations and expenses the HACL has or will implement the following additional actions to reduce expenses

- ***Reduction in non-critical services***

- *Relocation of public housing staff back to the Administration Building-Projected Annual Savings - \$12,000 -* The public housing manager was located at the John Wright property. Relocating the manager and staff to the HACL Main Office will save \$12,000 per year. Relocation was completed in March 2014.
- *Relocate Section 8 staff back to the Administration Building -Projected Annual Savings - \$45,000 -* Section 8 is currently housed off-site. Commercial office space is rented from a private landlord. The current lease expires in October 2014. The HACL has notified the landlord of its intent not to renew. The staff will be moved as of October 1, 2014, and

accordingly, the HACL will save \$15,000 in fiscal year 2014 but the projected savings will be \$45,000 each year thereafter.

- **Reduction in large contracts for consultants**

- During the peak development years, the HACL experienced a high reliance on development consultants and larger than usual staff (please see the Reduction In Staff Size chart for details), thus contributing to the agency-wide accelerated spending. The consequence of this additional spending has now become the catalyst to reduce the number of staff and the emphasis of “quality” over “quantity”. The HACL accomplished this objective through the hiring of more/better skilled staff to replace the less skilled staff, thereby, decreasing the need or reliance upon high priced consultants which resulted in a net savings of approximately \$433,611, as illustrated in the chart below.

Elimination/Reduction of Consultants					
Service	2010	2011	2012	2013	Consultant Totals
Development		24,986	30,506	6,263	61,755
LIHTC Advisor	61,404	57,672	3,660		122,736
Development	56,070	67,641			123,710
Development	62,459	62,950			125,409
Annual Totals	179,933	213,249	34,166	6,263	433,611

- **Streamlining IT system - use of the Yardi system -Projected Annual Savings - \$8,400**

- Implementation of the upgrade to the Yardi system eliminated the need for the Lindsay software. This is a software database of the HACL client information that will be incorporated into Yardi as a part of the new upgrade. The upgrade was substantially completed by May 2014. The Yardi upgrade is currently running in the “test” mode in the background.

- **Moving Human Resources function in-house - Projected Annual Savings -\$175,000**

- The previous HR contractor (ADP) was notified in the Fall 2013 of the HACL’s intent to not renew the contract. A contractor, Paychex, was procured in December 2013 to provide payroll services. On January 1, 2014, the new payroll system was implemented. Implementation of this phase will result in a projected annual savings of \$175,000.

Projected Annual Savings - Human Resources		
ADP Administration Savings		90,000
Unemployment Savings		20,000
Workers Comp		65,000
Total		175,000

- **Bringing the IT function in-house - 50% reduction in cost**

- The HACL was spending in excess of \$110,000 per year with outside contractors for IT services. The hiring of an in-house IT Manager reduced this expense by approximately 50%.

To chart below reflects the cost savings as noted in this section.

Annual Cost Savings	
Human Resources	175,000
Lindsey Software	8,400
Section 8 Rental Space*	45,000
PH Manager Relocation (FY 2014)	12,000
Total Annual Savings	240,400

Central Office Cost Center (COCC) - Projected Budget

The target budget for the COCC is \$702,198.16 with an estimated net income at year-end of approximate \$70,000.00. The budget will be funded through a combination of allowable income from management fees and business activities income.

The Reorganization Chart (Attachment C) is to be referenced and considered as supplemental information to be read with this Plan, as it provides a helpful view into the reorganization of the HACL. The Chart shows the agency being divided into two departments, Affordable Housing Programs and Administrative Services and Finance. Each department is supervised by a Vice-President which creates simplicity and efficiency in operations. The positions listed have been included in our proposed budget.

Final Agency-wide Budget

The HACL has established a plan for cost containment and reduction so that in fiscal year 2015 the agency-wide budget will provide breakeven results for each Federal Program without outside borrowing or the appropriation of cash reserves.

The HACL and the financial advisor conducted a review of the internal controls over cash management and implemented Standard Operating Procedures as mandated by the Corrective Action Plan to make certain internal controls are in place to ensure interfund borrowings are properly approved, monitored and liquidated in a timely manner.

A copy of the final budget (Exhibit C) is attached to this Plan.

Repayment Plan

2014 Repayments via Grant and Program Reimbursements

During fiscal year 2014, the HACL has repaid \$320,733 to public housing from reimbursements received for ROSS, 21st Century, Section 8 grant programs and West Lake Management. Additionally, in March 2014, the HACL repaid the Capital Fund Program \$395,000 for an expense that occurred in 2013, but was not recorded on the books until fiscal year 2014.

Sale of HOPE VI Property

The HACL has entered into a Purchase Agreement to sell an approximately 4 acre commercial lot located on the HOPE VI site. The offer price is \$1,330,000. The sales proceeds from the sale of this property, if approved by HUD, will be restricted to the development and rehabilitation of affordable housing on the HOPE VI site.

The HACL has an unfunded need of approximately \$13,645,792 for maintenance and upkeep of the residential housing units at the HOPE VI site as evidenced by a Green Physical Needs Assessment (GPNA)

conducted in fiscal year 2013. The GPNA identified construction deficiencies at several properties owned and managed by the HACL such as Carrington Place formerly known as Dakota Park, Renaissance – Washington Oaks, the Manor at Washington Ridge and West Lake Apartments. The proceeds from the sale of the HOPE VI property will greatly assist the HACL by providing additional funding to address the deficiencies identified in the GPNA.

Sale of Arbor Manor Property

Previously, the HACL received permission from HUD to purchase vacant land using \$1,163,900 in public housing funds. The funding source consisted of a mixture of public housing reserves and Replacement Housing Factor Funds – Year 1. The land was purchased with the intent of building additional affordable rental housing units. The HACL submitted an application for low income housing tax credits that was unsuccessful. The land has sat vacant since that time. The HACL will advertise the land for sale, based on appraised value, to the highest bidder. The HACL anticipates that the sales proceeds will be adequate to reimburse the public housing programs. The balance will be used to support future affordable housing development projects at another site. The site has a Deed of Trust on the property so the HACL will seek HUD approval prior to disposing of the land.

The GPNA identified an additional need for \$11,654,663 in improvements at other HACL owned properties such as Cecil Gober Villas, West Lake Apartments, and John Wright. The HACL would like to utilize the sales proceeds earned from this property for the redevelopment and rehabilitation of affordable housing units at these public housing properties.

Future Development Projects and Non-Federal Income

The HACL will earn development and property management fees on future development projects at HOPE VI site – Renaissance and Cecil Gober Villas and West Lake Apartments. The fees earned will be applied towards the debt owed to Public Housing.

In the event the HACL is unable to complete the sale of the properties proposed in this Plan, the HACL will seek other ways to obtain non-Public Housing funds to apply towards the debt. These ways include the potential purchase of properties controlled by the HACL where the tax credits are expiring. After the purchase of the property, all or a portion of the tax credit housing units will be converted to public housing (after review and approval by HUD).

The HACL will also generate non-federal income from general operations on an annual basis. A portion of this income will be applied towards the debt.

Uncollected Fees and Budget Short-fall

As mentioned above under Financial Condition, at the request and concern of HACL management the financial advisor was charged with reviewing, analyzing, and exploring possible causes for the COCC's increase in interfund transactions and the balance due Federal programs such as public housing. They began by conducting an analytical review of certain line items within the COCC and reviewed the trends of those various line items including transactions recorded in the due to other funds. The trend analysis illustrated an increase in the due to other funds, resulting from costs in excess of revenue plus the impact of a change in accounting.

In contemplating the COCC's cost in excess of revenue additional testing was performed. A number of instances were noted where fees recorded did not reflect the maximum amounts allowed by HUD and found instances where some fees were in excess of that allowed by HUD. It was determined that over a period of years, the HACL failed to assess and collect COCC fees from public housing that they were

allowed or entitled to collect under the Asset Management system. This failure to collect maximum fees contributed significantly to the increased borrowing that occurred. While the HACL acknowledges this as a missed opportunity, the agency is requesting HUD approval for reimbursement of these fees. If approved, this fee short-fall in its entirety will be applied to the interfund balance between the COCC and Public Housing. The estimated total of uncollected fees from public housing is \$771,759. A formal request will be sent to HUD for review and consideration. The HACL will await HUD's decision before taking any action in this regard. Details regarding the fees are provided in the chart "Uncollected Fees Due from Public Housing" included as Attachment D.

Time Period

The HACL is proposing a five (5) year time frame to reimburse funds owed to Public Housing. The Repayment Plan spreadsheet provides details on the dollar amounts and timing of the payments over the requested time period. If the HACL makes more progress than anticipated with future development projects, receives more fees than anticipated in this Plan or has a significant increase in other available/non-federal financial resources, then the HACL will pay off the debt at a faster pace. We acknowledge that there are many factors that determine the amount and timing of developer fees such as amount of tax credit available, number of units to be constructed, start of construction date, etc. However, the attached Repayment Plan provides a "good-faith" proposal of how the HACL proposes to pay back the funds owed to the Public Housing Program.

Future Challenges and Concerns

One of the preferences that the HACL would like to occur when rolling out the RIF is to gradually reduce staff over a six month period while minimizing the reduction in the quality and quantity of services, if and where possible. The HACL would like to proceed without impacting the fiscal year 2015 budgets by reducing any financial liability in the current fiscal year. The slow transition should make the reduction in services less painful for the residents of the HACL communities.

A major concern is the majority of the HACL's affordable housing inventory consists of investment properties with low income housing tax credits (LIHTC). Subsequently, the HACL must retain an adequate number of staff to properly maintain the properties as required under the guidelines of the LIHTC program. Specifically, the Florida Housing Finance Corporation has an Asset Management Non-Compliance Report that is used to monitor the performance of entities that have been awarded LIHTC. Adequate staffing will prevent these mixed finance properties from being added to the report, which will allow the HACL's property management entity to continue to be viewed in a positive manner by tax credit investment partners and ultimately afford the HACL the opportunity to earn fees through third-party management in the future.

Another major concern is ensuring that operations is structured with the appropriate amount of financing necessary to provide adequate services for all of our most valued residents. That is, the HACL must maintain an adequate quality of life standard that does not create a health and safety concern for the residents of the HACL communities. This concern applies to both Section 8 and Public Housing programs and their vulnerability to reduced staffing levels from a servicing and quality of life standpoint. We fully understand and have realistically embraced over the years this delicate balance to be good financial stewards over Federal awards provided and providing a living experience for our residents that favorably reflects our Mission Statement and HUD's values.

A final concern is the morale of the employees. Staff is being asked to do more with less. That is, with a reduction in force, the workload of existing employees will increase. The additional workload is within the scope of their current positions but none the less more work for remaining staff. As a morale booster, we are considering instituting a Flex Time policy which will allow some employees to work a four day work

week. We are considering closing the offices on Fridays on a weekly or bi-weekly basis. Another option is to have a “skeleton crew” to work on Fridays. We are reviewing each of these options and remain confident that either of these options will benefit both our employees and the agency, noting they have been used elsewhere in our industry with favorable results.

Conclusion

The Plan, which is a living document, provides the roadmap for the HACL to continue to move forward and in the right direction. It provides for objectives and activities that not only will result in a financially sound agency but an agency with sustained high levels of performance. Needless to say experience is a brutal teacher and we have learned greatly from the “mistakes” of the past. We do believe that our current management team has become an unintended benefactor from these lessons learned over the last few years. We are energized by our Plan and we will not shrink or waver in the midst of its robust provisions and lofty goals. We value HUD including the management team from the Miami Field Office that has both encouraged and challenged us over these last six months to transform ourselves for the future into an effective well managed organization, operating efficiently and performing effectively.

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Exhibit A

**Housing Authority of the City of Lakeland
Recovery and Sustainability Plan
Fiscal Year 2014- 2018
Attachment A**

Objectives	Tasks/Activities	Desired Outcome/Success Criteria	Targeted Date for Completion	Actual Accomplishment
Area: Governance				
Improve knowledge of board on roles, responsibilities, HUD programs	Board Training	More knowledgeable board		
Form Recovery Plan Oversight/Review Committee	Obtain Board approval to form committee	Move Board oversight of recovery process	Jul-14	Jul-14
Area: Administration				
Reduction In Force		Reduction in operational expenses	Dec-14	
	Develop of Reduction in Force Plan			Aug-14
	Implement/Complete RIF Plans			Aug-14
Completion -full implementation of Yardi Upgrade	Work with Yardi to ensure full implementation	More efficient operations	Dec-14	Ongoing
	Train staff on benefits and proper use of Yardi			Ongoing
Area: Finance				
Reduce COCC budget for administration	Reduction in staffing levels	Balanced budget	Dec-14	
	Reduce/eliminate non-critical services	Reduction in non-critical services	Ongoing	
	Relocate PH manager to LHA Admin location		Mar-14	Mar-14
	Terminate contract with owner for S8 office		Notice given July 2014	Oct-14
Create agency-wide balanced budget	Prepare Balanced budget	Sustainable operations budget	Dec-14	
Expend remaining \$1.9 million HOPE VI funds		Increase housing stock	Jul-15	
Sell vacant lot on HOPE VI site	Prepare necessary documents required for disposition/sale	Increase income for housing development	Jul-15	
Sell vacant parcel at Arbor Manor	Prepare necessary documents required for disposition/sale	Repayment of Public Housing loan	Dec-15	
Ensure that internal controls are in place and interfund borrowing is properly approved, monitored and liquidated timely.	Develop Standard Operating Procedures-Internal Controls over cash management	Efficient operations	Dec-14	
Area: Programmatic				
Section 8 Housing Choice Voucher Program				
Contract out basic Section 8 management services	Prepare necessary solicitation/other documents	More efficient operations	Dec-14	
Area: Development				
Construct 12 affordable housing units at HOPE VI site	Prepare necessary development proposals/plans	Increase affordable housing stock	Jul-15	
Obtain low income housing tax credits - West Lake	Submit application for low income housing tax credits - West Lake	Increase affordable housing stock	Nov-15	
Obtain low income housing tax credits - 10th Street	Submit application for low income housing tax credits - 10th Street	Increase affordable housing stock	Nov-16	
Purchase Carrington Place Apartments a.k.a Dakota Park	Purchase Carrington Place Apartments a.k.a Dakota Park	Increase affordable housing stock	Dec-17	
Obtain low income housing tax credits - Senior	Submit application for low income housing tax credits - Senior	Increase affordable housing stock	Nov-15	

**Housing Authority of the City of Lakeland
Recovery Plan Repayment Schedule
Attachment A**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Comments/Explanations
Beginning Balance*	\$4,144,915	\$3,435,698	\$1,163,939	\$113,939	\$38,939	
Payments and Source of Funds						
ROSS Program Reimbursement	\$39,144					
21st Century Program Reimbursement	\$44,890					
HCV Program - 2014 Payment	\$50,000					
HCV Program - Interfund Payment HAP	\$165,183					
Proceeds from Sale of HOPE VI Property			\$1,000,000			
Proceeds from Sale of Arbor Manor property		\$1,500,000				
Future Developer Fees**			\$50,000	\$50,000	\$13,939	
Uncollected Public Housing Fees***		\$771,759				
Capital Fund Reimbursement	\$395,000					
Non-Federal Income****	\$15,000			\$25,000	\$25,000	
Total Payment	\$709,217	\$2,271,759	\$1,050,000	\$75,000	\$38,939	
Balance Due	\$3,435,698	\$1,163,939	\$113,939	\$38,939	\$0	

* The HACL made a \$1,100,000 payment from non-federal funds to reduce the FY 2013 year end balance down to \$4,144,915

** Actual dollar amount of this item will be determined after completion of Financial Closing documents.

*** Actual dollar amount of this item will be determined after review and approval by HUD.

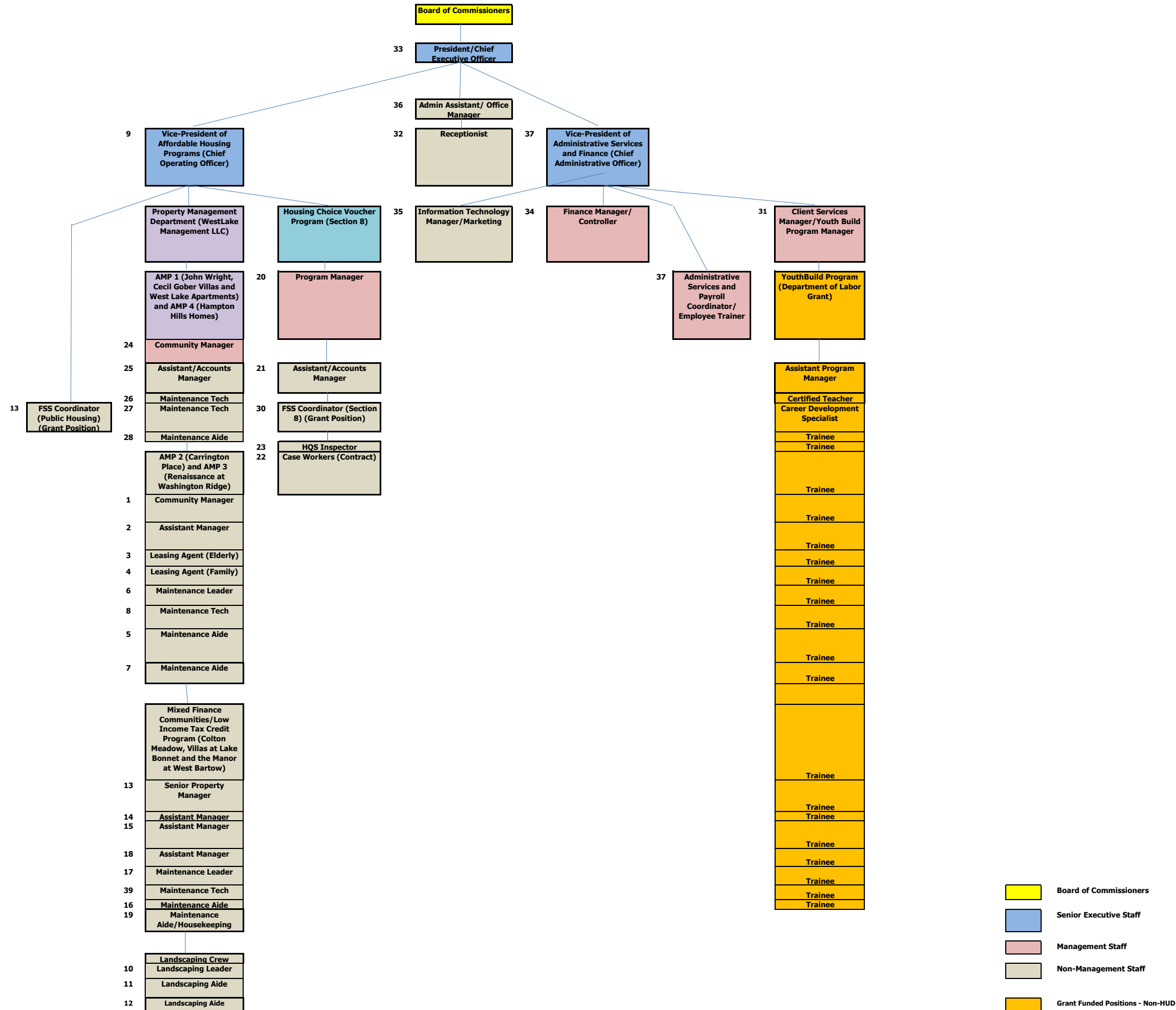
**** Amount may be adjusted annually dependent upon non-federal income generated by the HACL.

Exhibit B

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Organizational Chart The Housing Authority of the City of Lakeland

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- Board of Commissioners
- Senior Executive Staff
- Management Staff
- Non-Management Staff
- Grant Funded Positions - Non-HUD

Exhibit C

Hampton Hills (12)

12 Month Actual to Budget

2015

		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Budget Aug	Budget Sep	Budget Oct	Budget Nov	Budget Dec	Total 2015 Budget
2999-99-999	Revenue & Expenses													
3000-00-000	INCOME													
3100-00-000	TENANT INCOME													
3101-00-000	Rental Income													
3111-00-000	Tenant Rent	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	61,440.00
3119-00-000	Total Rental Income	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	5,120.00	61,440.00
3120-00-000	Other Tenant Income													
3120-04-000	Late and Admin Charges	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
3129-00-000	Total Other Tenant Income	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
3199-00-000	TOTAL TENANT INCOME	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
3400-00-000	GRANT INCOME													
3401-00-000	Government Subsidy Income	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	19,488.00
3499-00-000	TOTAL GRANT INCOME	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	1,624.00	19,488.00
3600-00-000	OTHER INCOME													
3610-00-000	Interest Income - Restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	0.08	0.08	0.08	0.12	0.44
3610-01-000	Interest Income - Unrestricted	0.20	0.19	0.23	0.24	0.25	0.19	0.00	0.17	0.17	0.17	0.17	0.13	2.11
3699-00-000	TOTAL OTHER INCOME	0.20	0.19	0.23	0.24	0.25	0.19	0.00	0.25	0.25	0.25	0.25	0.25	2.55
3999-00-000	TOTAL INCOME	6,794.20	6,794.19	6,794.23	6,794.24	6,794.25	6,794.19	6,794.00	6,794.25	6,794.25	6,794.25	6,794.25	6,794.25	81,530.55
4000-00-000	EXPENSES													
4100-00-000	ADMINISTRATIVE													
4100-99-000	Administrative Salaries													
4110-00-000	Administrative Salaries	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	7,384.56
4110-99-000	Total Administrative Salaries	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	7,384.56
4120-99-000	Total Admin. Salaries & Benefits	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	615.38	7,384.56
4130-00-000	Legal Expense													
4130-02-000	Criminal Background / Credit Che	120.00	50.00	25.00	25.00	25.00	25.00	25.00	20.00	20.00	20.00	20.00	20.00	395.00
4130-04-000	General Legal Expense	250.00	0.00	250.00	0.00	100.00	0.00	50.00	0.00	500.00	200.00	200.00	100.00	1,650.00
4131-00-000	Total Legal Expense	370.00	50.00	275.00	25.00	125.00	25.00	75.00	20.00	520.00	220.00	220.00	120.00	2,045.00
4139-00-000	Other Admin Expenses													
4182-00-000	Consultants	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
4189-00-000	Total Other Admin Expenses	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
4190-00-000	Miscellaneous Admin Expenses													
4190-01-000	Membership/Subscriptions/Fees	1,052.00	1,000.00	1,052.00	1,500.00	500.00	552.00	500.00	1,552.00	1,052.00	1,000.00	1,052.00	1,000.00	11,812.00
4190-07-000	Asset Management fees	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	528.00
4190-08-000	Postage	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
4190-20-000	Management fees	661.80	661.80	661.80	661.80	661.80	661.80	661.80	661.80	661.80	661.80	661.80	661.80	7,941.60
4190-20-100	Bank Fees - Unrestricted	12.76	19.10	19.82	19.77	18.47	18.40	20.00	20.83	20.83	20.83	20.83	20.87	232.51
4190-22-000	Other Misc Admin Expenses and s	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	720.00
4191-00-000	Total Miscellaneous Admin Expenses	1,855.56	1,809.90	1,862.62	2,310.57	1,309.27	1,361.20	1,310.80	2,363.63	1,863.63	1,811.63	1,863.63	1,811.67	21,534.11
4199-00-000	TOTAL ADMINISTRATIVE EXPENSES	2,940.94	2,575.28	2,853.00	3,050.95	2,149.65	2,101.58	2,101.18	3,099.01	3,099.01	2,747.01	2,799.01	2,647.05	32,163.67
4300-00-000	UTILITIES													
4310-00-000	Water	170.48	188.21	189.49	189.00	313.74	189.00	355.31	291.67	291.67	291.67	291.67	291.63	3,053.54
4320-00-000	Electricity	167.84	209.00	331.49	331.00	792.43	750.00	963.17	275.00	275.00	275.00	275.00	275.00	4,919.93
4340-00-000	Garbage/Trash Removal	138.00	138.00	138.00	138.00	276.00	276.00	242.22	242.00	242.00	242.00	242.00	242.00	2,556.22

Hampton Hills (12)

12 Month Actual to Budget

2015

		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Budget Aug	Budget Sep	Budget Oct	Budget Nov	Budget Dec	Total 2015 Budget
4390-00-000	Sewer	258.48	251.60	258.48	258.00	492.88	492.00	603.81	275.00	275.00	275.00	275.00	275.00	3,990.25
4399-00-000	TOTAL UTILITY EXPENSES	734.80	786.81	917.46	916.00	1,875.05	1,707.00	2,164.51	1,083.67	1,083.67	1,083.67	1,083.67	1,083.63	14,519.94
4400-00-000	MAINTENANCE AND OPERATIONS													
4400-99-000	General Maint Expense													
4410-00-000	Maintenance Salaries	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	11,076.84
4419-00-000	Total General Maint Expense	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	923.07	11,076.84
4420-00-000	Materials													
4420-01-000	Supplies-Grounds	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.56	26.52	318.68
4420-02-000	Supplies-Appliance Parts	156.16	156.16	156.16	156.16	156.16	156.16	156.16	156.16	156.16	156.16	156.16	156.16	1,873.92
4420-03-100	Hardware Doors/Windows/Locks	35.06	35.06	35.06	35.06	35.06	35.06	35.06	35.06	35.06	35.06	35.06	35.02	420.68
4420-04-000	Electrical - Supplies/Fixtures	160.33	160.33	160.33	160.33	160.33	160.33	160.33	160.33	160.33	160.33	160.33	160.33	1,923.96
4420-05-000	Supplies-Exterminating	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.01	60.56
4420-07-000	Repairs - Materials & Supplies	67.63	67.63	67.63	67.63	67.63	67.63	67.63	67.63	67.63	67.63	67.63	67.63	811.56
4420-09-000	Supplies- Tools Equipmt	5.99	5.99	5.99	5.99	5.99	5.99	5.99	5.99	5.99	5.99	5.99	5.95	71.84
4420-09-100	Security Equipment,Locks,Alarms	93.22	93.22	93.22	93.22	93.22	93.22	93.22	93.22	93.22	93.22	93.22	93.18	1,118.60
4429-00-000	Total Materials	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	549.80	6,599.80
4430-00-000	Contract Costs													
4430-03-000	Contract-Building Repairs - Exteri	65.40	65.40	65.40	65.40	65.40	65.40	65.40	65.40	65.40	65.40	65.40	65.40	784.80
4430-04-000	Contract-Carpet Cleaning	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	124.00	1,488.00
4430-07-000	Contract-Exterminating/Pest Cont	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.33	33.37	400.00
4430-11-000	Contract-Plumbing	37.82	37.82	37.82	37.82	37.82	37.82	37.82	37.82	37.82	37.82	37.82	37.78	453.80
4430-13-000	Contract-HVAC - Repairs & Maint	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
4430-13-400	Repairs/Maint - A/C Units	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	92.88
4430-18-000	Contract-Alarm Monitoring	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.37	2,500.00
4430-24-000	Contract -Grounds -Landscaping	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
4439-00-000	Total Contract Costs	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.66	19,219.48
4499-00-000	TOTAL MAINTENANCE EXPENSES	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.62	1,601.66	19,219.48
4500-00-000	GENERAL EXPENSES													
4510-00-000	Insurance -Property/Liability	915.30	908.46	901.63	894.80	887.97	881.14	874.31	874.31	874.31	874.31	874.31	874.31	10,635.16
4599-00-000	TOTAL GENERAL EXPENSES	915.30	908.46	901.63	894.80	887.97	881.14	874.31	874.31	874.31	874.31	874.31	874.31	10,635.16
5600-00-100	CAPITAL REPLACEMENT ITEMS													
5600-07-000	Grounds Improvements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5699-00-000	TOTAL CAPITAL REPLACEMENT EXP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8000-00-000	TOTAL EXPENSES	6,192.66	5,872.17	6,273.71	6,463.37	6,514.29	6,291.34	6,741.62	6,658.61	6,658.61	6,306.61	6,358.61	6,206.65	76,538.25
9000-00-000	NET INCOME	601.54	922.02	520.52	330.87	279.96	502.85	52.38	135.64	135.64	487.64	435.64	587.60	4,992.30

COCC (.cocc)														
12 Month Actual to Budget														
2015														
	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Budget Aug	Budget Sep	Budget Oct	Budget Nov	Budget Dec	Total 2015 Budget	
4300-00-000	UTILITIES													
4310-00-000	Water	56.84	54.48	57.48	0.00	176.37	37.88	60.28	58.33	58.33	58.33	58.33	58.37	735.02
4320-00-000	Electricity	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	1,440.00
4340-00-000	Garbage/Trash Removal	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	372.00
4390-00-000	Sewer	51.71	51.71	51.71	51.71	51.71	51.71	51.71	51.71	51.71	51.71	51.71	51.71	620.52
4395-80-000	Section 8 Utilities Alloc	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4399-00-000	TOTAL UTILITY EXPENSES	259.55	257.19	260.19	202.71	379.08	240.59	262.99	261.04	261.04	261.04	261.04	261.08	3,167.54
4400-00-000	MAINTENANCE AND OPERATIONS													
4400-99-000	General Maint Expense													
4411-00-000	Maintenance Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4413-00-000	Vehicle Repairs/Maint - Gas, Oil, Grease	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	6,827.28
4419-00-000	Total General Maint Expense	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	568.94	6,827.28
4420-00-000	Materials													
4420-06-000	Supplies-Janitorial/Cleaning	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	2,915.40
4420-07-000	Repairs - Materials & Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4420-10-000	Maint - Miscellaneous Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4420-11-000	Supplies- HVAC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4429-00-000	Total Materials	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	242.95	2,915.40
4430-00-000	Contract Costs													
4430-03-000	Contract-Building Repairs - Exterior	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
4430-07-000	Contract-Exterminating/Pest Control	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
4430-09-000	Contract-Other	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	240.00
4430-09-450	MISC. Operating Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4430-13-000	Contract-HVAC - Repairs & Maint	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
4430-18-000	Contract-Alarm Monitoring	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.37	2,500.00
4430-23-000	Contract-Consultants	0.00	0.00	0.00	375.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	375.00
4430-24-000	Contract -Grounds -Landscaping	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
4439-00-000	Total Contract Costs	378.33	378.33	378.33	753.33	378.33	378.33	378.33	378.33	378.33	378.33	378.33	378.37	4,915.00
4499-00-000	TOTAL MAINTENANCE EXPENSES	1,190.22	1,190.22	1,190.22	1,565.22	1,190.22	1,190.22	1,190.22	1,190.22	1,190.22	1,190.22	1,190.22	1,190.26	14,657.68
4500-00-000	GENERAL EXPENSES													
4510-00-000	Insurance -Property/Liability	826.84	819.26	876.90	803.77	796.19	788.60	781.02	781.02	781.02	781.02	781.02	781.02	9,597.68
4510-01-000	General Liability Insurance - Auto	327.00	324.00	317.93	317.11	314.93	311.93	308.93	308.93	308.93	308.93	308.93	308.93	3,766.48
4590-00-000	Other General Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	83.33	83.33	83.33	83.33	83.37	416.69
4599-00-000	TOTAL GENERAL EXPENSES	1,153.84	1,143.26	1,194.83	1,120.88	1,111.12	1,100.53	1,089.95	1,173.28	1,173.28	1,173.28	1,173.28	1,173.32	13,780.85
5000-00-000	NON-OPERATING ITEMS													
5100-01-000	Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5100-03-000	Depreciation -Furn,Equip,Machinery-Admin.	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	1,596.00
5199-00-000	TOTAL DEPRECIATION/AMORTIZATION	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	1,596.00
8000-00-000	TOTAL EXPENSES	62,805.74	62,092.80	62,992.33	62,390.94	62,882.55	62,033.47	62,804.29	62,439.17	62,939.17	62,439.17	63,139.17	62,439.33	751,398.16
9000-00-000	NET INCOME	1,801.76	2,514.70	1,615.17	2,216.56	1,724.95	2,574.03	1,803.21	2,168.33	1,668.33	2,168.33	1,468.33	2,168.17	23,891.84

Housing Choice Voucher Property = 80 81 82 portprop 83 84 portpay

12 Month Actual to Budget

2015

HOUSING CHOICE VOUCHER 2015 BUDGETS

HAP Budget 2015

Account Number	Account Name	2015 Budget Total	January	February	March	April	May	June	July	August	September	October	November	December
2999-99-999	Revenue & Expenses													
3000-00-000	INCOME													
3400-00-000	GRANT INCOME													
3410-01-000	Section 8 HAP Earned	8,030,115.96	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33	669,176.33
3410-06-000	Port In HAP Earned	420,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00
3499-00-000	TOTAL GRANT INCOME	8,450,115.96	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33
3600-00-000	OTHER INCOME													
3699-00-000	TOTAL OTHER INCOME													
4700-00-000	HOUSING ASSISTANCE PAYMENTS													
4715-00-000	Housing Assistance Payments	7,920,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00	660,000.00
4715-01-000	Tenant Utility Payments-S8	269,088.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00	22,424.00
4715-02-000	Portable Out HAP Payments	184,680.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00	15,390.00
4715-03-000	FSS Escrow Payments	75,912.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00	6,326.00
4799-00-000	TOTAL HOUSING ASSISTANCE PAYMENTS	8,449,680.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00
5000-00-000	NON-OPERATING ITEMS													
5100-01-000	Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5999-00-000	TOTAL DEPRECIATION/AMORTIZATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8000-00-000	TOTAL EXPENSES	8,449,680.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00	704,140.00
9000-00-000	NET INCOME	8,450,115.96	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33	704,176.33
	CASH FLOW	435.96	36.33	36.33	36.33	36.33	36.33	36.33	36.33	36.33	36.33	36.33	36.33	36.33

Administrative Budget 2015

Account Number	Account Name	2015 Budget Total	January	February	March	April	May	June	July	August	September	October	November	December
2999-99-999	Revenue & Expenses													
3000-00-000	INCOME													
3400-00-000	GRANT INCOME													
3410-02-000	Section 8 Admin. Fee Income	557,190.96	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58	46,432.58
3410-03-000	Section 8 FSS Grant Income	52,080.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00	4,340.00
3410-04-000	Section 8 Port-In Admin Fees	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
3499-00-000	TOTAL GRANT INCOME	669,270.96	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58	55,772.58

Housing Choice Voucher Property = 80 81 82 portprop 83 84 portpay

12 Month Actual to Budget

2015

4399-00-000	TOTAL UTILITY EXPENSES	8,670.00	753.50	753.50	753.50	753.50	753.50	753.50	753.50	753.50	753.50	753.50	753.50	753.50
4400-00-000	MAINTENANCE AND OPERATIONS													
4400-99-000	General Maint Expense													
4411-00-000	Inspector's Uniforms	900.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
4413-00-000	Vehicle Repairs/Maint - Gas, Oil, Grease	4,200.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
4419-00-000	Total General Maint Expense	5,100.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00
4420-00-000	Materials													
4420-06-000	Supplies-Janitorial/Cleaning	300.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
4420-07-000	Repairs - Materials & Supplies	50.00	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
4429-00-000	Total Materials	350.00	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17
4430-00-000	Contract Costs													
4430-18-000	Contract-Alarm Monitoring	800.00	66.67	66.67	66.67	66.67	66.67	66.67	66.67	66.67	66.67	66.67	66.67	66.67
4439-00-000	IT (Computer) Services	12,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
4499-00-000	TOTAL MAINTENANCE EXPENSES	17,450.00	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67	1,066.67
4500-00-000	GENERAL EXPENSES													
4510-00-000	Insurance -Property/Liability	64.00	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33
4510-01-000	General Liability Insurance - Auto	1,500.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00
4599-00-000	TOTAL GENERAL EXPENSES	1,564.00	130.33	130.33	130.33	130.33	130.33	130.33	130.33	130.33	130.33	130.33	130.33	130.33
8000-00-000	TOTAL EXPENSES	657,262.77	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40	54,415.40
9000-00-000	NET INCOME	12,118.19	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85
	CASH FLOW	12,118.19	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85	1,009.85

Exhibit D

Exhibit D

Uncollected Fees Due from Public Housing			
		Proforma	
Public Housing Program (PH) Description	Originally Reported	Restatement	Adjustment
2013			
Management Fees – COCC	\$ 96,877	\$ 119,652	\$ 22,775
Bookkeeping Fees – COCC	14,603	15,758	1,155
Asset Management Fees – COCC		36,240	36,240
CFP Management Fee – COCC		42,021	42,021
2012			
Management Fees – COCC	105,684	114,868	9,184
Bookkeeping Fees – COCC	15,930	15,128	(802)
Asset Management Fees – COCC		36,140	36,140
CFP Management Fee – COCC		28,019	28,019
Admin. Fee for Dev. Activities - COCC		1,200	1,200
2011			
Management Fees – COCC	163,925	159,829	(4,096)
Bookkeeping Fees – COCC	27,360	13,883	(13,477)
Asset Management Fees – COCC		34,120	34,120
CFP Management Fee – COCC		105,087	105,087
Fees for Service - COCC		4,096	4,096
Admin. Fee for Dev. Activities - COCC		18,175	18,175
2010			
Management Fees – COCC	416,854	174,381	(242,473)
Bookkeeping Fees – COCC		11,738	11,738
Asset Management Fees – COCC		34,320	34,320
CFP Management Fee – COCC		229,556	229,556
Fees for Service - COCC		211,896	211,896
Admin. Fee for Dev. Activities - COCC		32,780	32,780
2009			
Management Fees – COCC	309,844	154,956	(154,888)
Bookkeeping Fees – COCC		21,278	21,278
Asset Management Fees – COCC		54,368	54,368
CFP Management Fee – COCC		80,665	80,665
Fees for Service - COCC		94,722	94,722
2008			
Management Fees – COCC	237,734	180,779	(56,955)
Bookkeeping Fees – COCC	25,875	25,860	(15)
Asset Management Fees – COCC	54,360	54,360	
CFP Management Fee – COCC		77,975	77,975
Fees for Service - COCC	128,745	185,700	56,955
Total Adjustment			771,759

**FINANCIAL REPORT
AND
GRANT UPDATES**



TO: Lakeland Housing Authority Board of Commissioners

FROM: Joseph A. Murphy, CPA

DATE: October 20, 2014

RE: August 2014 Financial Statements

I have attached the Statements of Operations, Balance Sheets and Cash Flows for August 2014 for the following entities:

1. Central Office Cost Center (COCC)
2. Housing Choice Voucher Program (Section 8)
3. Public Housing Program (AMP 1)
4. Dakota Park Limited Partnership, LLLP
5. Renaissance at Washington Ridge, Ltd., LLLP
6. Colton Meadow, LLLP
7. Bonnet Shores, LLLP
8. West Bartow Partnership, Ltd., LLLP

These statements are unaudited and compiled from LHA Finance.

Joseph A. Murphy, CPA

Joseph A. Murphy, CPA
Comptroller
Lakeland Housing Authority

**Lakeland Housing Authority
Central Office Cost Center
Statement of Operations
For the Current and Eight Months Ended August 31, 2014**

	<u>Current Month</u>			<u>Year to Date</u>			<u>Annual</u>
	Actual	Budget	\$ Variance	Actual	Budget	\$ Variance	Budget
Public Housing & Sec 8 Management Income	20,291	20,292	(1)	162,256	162,333	(77)	243,500
Non-Federal Overhead Allocation	16,667	5,667	11,000 ¹	28,000	45,333	(17,333)	68,000
Non-Federal Cash Contribution	-	46,165	(46,165)	200,000	369,323	(169,323)	553,984
Miscellaneous Income	-	-	-	349	-	349	-
Total Revenue	36,958	72,124	(35,166)	390,605	576,989	(186,384)	865,484
Administrative Expenses	70,117	67,116	3,001 ²	409,660	536,922	(127,262)	805,384
Utility Expense	2,351	1,429	922	14,067	11,433	2,634	17,150
Maintenance Expense	1,431	1,800	(369)	11,240	14,400	(3,160)	21,600
General Expenses	1,079	1,646	(566)	8,994	13,167	(4,172)	19,750
Total Expense before depreciation	74,978	71,991	2,988	443,961	575,922	(131,961)	863,884
Net Operating Income (Loss)	(38,020)	133	(38,153)	(53,356)	1,067	(54,423)	1,600
Depreciation	133	133	-	1,065	1,067	(2)	1,600
Total Expenses	75,111	72,124	2,988	445,026	576,989	(131,963)	865,484
Operating Income (Loss)	(38,153)	(0)	(38,153) ²	(54,421)	0	(54,422)	-

Comments

- ¹ Employee forfeited retirement contribution match
- ² Three payrolls in August-\$14,827; Audit fees-\$9,686

**Lakeland Housing Authority
Central Office Cost Center
Balance Sheet
August 31, 2014**

ASSETS

Unrestricted Cash	
Cash Operating 1	49,411
Total Unrestricted Cash	<u>49,411</u>
 TOTAL CASH	 49,411
 ACCOUNTS AND NOTES RECEIVABLE	
Due from Public Housing General	(37,828)
A/R - ROSS/HUD	25,711
Due from West Lake Management, LLC	35,549
A/R - 21st Century/DOE	77,321
Due from Youthbuild-DOL2011	14,432
A/R - Capital Fund Grants/HUD	32,741
Due from Villas at Lake Bonnet	405
Due from Development-General	(16,681)
Due from Section 8 HCV	41,653
TOTAL DUE FROM	<u>185,420</u>
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>173,303</u>
 OTHER CURRENT ASSETS	
Prepaid Expenses and Other Assets	852
Prepaid Insurance	3,176
Prepaid Software Licenses	3,967
TOTAL OTHER CURRENT ASSETS	<u>7,994</u>
TOTAL CURRENT ASSETS	<u>230,708</u>
 NONCURRENT ASSETS	
Furniture & Fixtures	11,186
Furn, Fixt, & Equip	22,583
Accum Depreciation- Misc FF&E	(7,071)
TOTAL NONCURRENT ASSETS	<u>26,697</u>
 TOTAL ASSETS	 <u><u>257,406</u></u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	2,200
FUTA Tax	1,696
State Unemployment Tax	4,987
Workers Compensation	24,977
401 Plan Payable	23,671
457 Plan Payable	3,309
Aflac Payable	1,803
Health Insurance Payable	(5,755)
Accrued Payroll & Payroll Taxes	24,061
Accrued Audit Fees	4,936
Due to Federal Master	2,802,695
Due to Polk County Developers, Inc.	200,000
Accrued Compensated Absences-Current	<u>20,502</u>
TOTAL CURRENT LIABILITIES	<u>3,109,083</u>
Accrued Compensated Absences-LT	<u>24,901</u>
 TOTAL LIABILITIES	 <u><u>3,133,983</u></u>
 EQUITY	
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	<u>(2,876,578)</u>
TOTAL RETAINED EARNINGS:	<u>(2,876,578)</u>
 TOTAL EQUITY	 <u><u>(2,876,578)</u></u>
 TOTAL LIABILITIES AND EQUITY	 <u><u>257,406</u></u>

Lakeland Housing Authority
Central Office Cost Center
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	111,276.52	49,411.00	-61,865.52
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash COCC Master	0.00	0.00	0.00
Total Cash	111,276.52	49,411.00	-61,865.52

Year to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	200,965.85	49,411.00	-151,554.85
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash COCC Master	0.00	0.00	0.00
Total Cash	200,965.85	49,411.00	-151,554.85

Lakeland Housing Authority
Section 8 Housing Choice Voucher Program
Statement of Operations - Program Administration
For the Current and Eight Months Ended August 31, 1014

	Current Month			Year to Date			Annual Budget
	Actual	Budget	\$ Variance	Actual	Budget	\$Variance	
Section 8 Admin Grant Revenue	61,825	54,340	7,485	416,995	434,720	(17,725)	652,080
Other Income	0	9	(9)	584	73	511	110
Total Revenue	61,825	54,349	7,476	417,579	434,793	(17,214)	652,190
Administrative Expenses	91,850	52,576	39,274	383,824	420,605	(36,782)	630,908
Utility Expense	456	587	(131)	1,911	4,698	(2,787)	7,047
Maintenance Expense	12,179	571	11,608	13,989	4,567	9,423	6,850
General Expenses (Insurance, etc.)	-	133	(133)	487	1,067	(580)	1,600
Total Expense before Depreciation	104,485	53,867	50,618	400,211	430,937	(30,726)	646,405
Operating Income (Loss) before Depreciation	(42,659)	482	(43,141)	17,369	3,857	13,512	5,785
Depreciation	350	350	-	2,800	2,800	-	4,200
Total Expense	104,835	54,217	50,618	403,011	433,737	(30,726)	650,605
Net Operating Income (Loss)	(43,009)	132	(43,141)	14,569	1,057	13,512	1,585

Lakeland Housing Authority
Section 8 Housing Choice Voucher Program
Statement of Operations - Housing Assistance Payments (HAP)
For the Current and Eight Months Ended August 31, 1014

	Current Month			Year to Date			Annual Budget
	Actual	Budget	\$ Variance	Actual	Budget	\$Variance	
Section 8 HAP Grant Revenue	674,857	716,000	(41,143)	4,425,674	5,728,000	(1,302,326)	8,592,000
Port In HAP Reimbursements Received	3,545	52,627	(49,082)	345,868	421,016	(75,148)	631,524
Other income	6.54	-	0	22,015	-	22,015	-
Total Revenue	678,409	768,627	(90,218)	4,771,542	6,149,016	(1,355,459)	9,223,524
Housing Assistance Payments	637,944	715,907	(77,963)	4,601,116	5,727,256	(1,126,140)	8,590,884
Tenant Utility Reimbursement	20,519	30,000	(9,481)	155,721	240,000	(84,279)	360,000
Port Out HAP Payments	4,494	18,220	(13,726)	101,562	145,760	(44,198)	218,640
FSS Escrow Payments	4,081	4,500	(419) ²	97,599	36,000	61,599	54,000
Total Expense	667,038	768,627	(101,589)	4,955,998	6,149,016	(1,193,018)	9,223,524
Net Operating Income (Loss)	11,371	-	11,371 ¹	(184,456)	-	(162,441)	-

Comments

- ¹ Income or loss are added or subtracted to the restricted reserve balance.
- ² July's FSS Escrow is \$5007 verses the budget of \$4,500. An additional \$64,725 was recorded from completed reconciliations.

This adjustment off-sets prior month forfeitures reported of \$32,179.

Lakeland Housing Authority
Section 8 Housing Choice Voucher Program
Balance Sheet
August 31, 2014

ASSETS

Unrestricted Cash	
Cash Operating 1	74,108
Cash Operating 2B	211,337
Cash Operating 3	343,958
Total Unrestricted Cash	<u>629,403</u>
Restricted Cash	
Cash Restricted - FSS Escrow	135,416
Total Restricted Cash	<u>135,416</u>
 TOTAL CASH	 <u>764,819</u>
 ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	(26,400)
Allowance for Doubtful Accounts-Tenants	(27,903)
AR-Formal Agreements	27,633
Allowance for Doubtful Accounts-Aff. Hsg. Subsidies	(32,080)
Due from Section 8 Mainstream	36,208
Due from Section 8 VASH	179,218
Due from The Manor at West Bartow	547,832
Due from Section 8 Tenant Protection Vouchers	147,314
Due from PortProp	441,295
TOTAL DUE FROM	1,351,867
A/R-Other Government	(1,901)
A/R - S8 overpayments	32,080
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>1,323,296</u>
 OTHER CURRENT ASSETS	
Prepaid Software Licenses	19,297
Rental Deposit	2,782
TOTAL OTHER CURRENT ASSETS	<u>22,079</u>
TOTAL CURRENT ASSETS	<u>2,110,194</u>
 NONCURRENT ASSETS	
Furniture & Fixtures	26,461
Accum Depreciation- Misc FF&E	(14,685)
Non-Dwelling Equipment	2,406
TOTAL NONCURRENT ASSETS	<u>14,182</u>
 TOTAL ASSETS	 <u>2,124,376</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	(31,993)
Tenant Security Deposits	300
Accrued Audit Fees	13,950
Due to Federal Master	345,744
Due to Section 8	1,351,867
Due to Central Office Cost Center	41,653
Tenant Prepaid Rents	73,203
State of FL Unclaimed Funds	33,225
Accrued Compensated Absences-Current	5,446
Accrued FSS Escrow Short Term	14,380
TOTAL CURRENT LIABILITIES	<u>1,847,774</u>
Accrued Compensated Absences-LT	10,113
FSS Due to Tenant Long Term	125,368
TOTAL LIABILITIES	<u>1,983,255</u>
 EQUITY	
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	107,593
Retained Earnings - Restricted Net Assets	33,528
TOTAL RETAINED EARNINGS:	<u>141,121</u>
 TOTAL EQUITY	 <u>141,121</u>
 TOTAL LIABILITIES AND EQUITY	 <u>2,124,376</u>

Lakeland Housing Authority
Section 8 Housing Choice Voucher Program
Changes in Cash
For the Current and Eight Months Ended August 31, 1014

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	11,540	74,109	62,569
Cash Operating 2	0	0	0
Cash Operating 2B	327,727	211,336	-116,391
Cash Operating 3	319,685	343,958	24,273
Negative Cash LHA Master	0	0	0
Negative Cash S8 Voucher	0	0	0
Cash Restricted - FSS Escrow	80,724	135,416	54,692
Total Cash	739,677	764,819	25,142

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	59,138	74,109	14,971
Cash Operating 2	0	0	0
Cash Operating 2B	402,250	211,336	-190,914
Cash Operating 3	138,156	343,958	205,802
Negative Cash LHA Master	0	0	0
Negative Cash S8 Voucher	0	0	0
Cash Restricted - FSS Escrow	91,362	135,416	44,054
Total Cash	690,906	764,819	73,913

**Lakeland Housing Authority
Public Housing (AMP 1)
Statement of Operations
For the Current and Eight Months Ended August 31, 2014**

	Current Month				Year to Date			Annual Budget
	Actual	Budget	\$ Variance		Actual	Budget	\$ Variance	
Rental Income	21,960	24,500	(2,540)	2	188,774	196,000	(7,226)	294,000
Other Tenant Income	-	610	(610)		2,643	5,147	(2,504)	7,720
Government Subsidy Income	58,645	62,120	(3,475)	1	469,294	496,959	(27,666)	745,439
Interest Income Restricted	2,818	2,824	(6)		22,556	22,589	(33)	33,884
Other Income	8	370	(361)		5,533	2,959	2,575	4,438
Total Revenue	83,431	90,423	(6,993)		688,800	723,654	(34,854)	1,085,481
Administrative Expenses	55,699	57,947	(2,248)	3	240,441	309,578	(69,137)	453,367
Tenant Services Expenses	287	583	(296)		2,464	4,667	(2,202)	7,000
Utility Expense	13,410	7,500	5,910		67,755	60,000	7,755	90,000
Maintenance and Development Expense	63,582	24,125	39,457	4	215,923	192,997	22,926	289,495
General Expenses	7,306	8,637	(1,331)		64,223	69,097	(4,874)	103,645
Housing Assistance Payments	5,935	1,458	4,477		42,295	11,667	30,628	17,500
Operating expense before Depreciation	146,219	100,251	45,969		633,101	648,005	(14,903)	961,007
Net Operating Income (Loss)	(62,788)	(9,827)	(52,961)		55,699	75,649	(19,951)	124,474
Depreciation	66,917	66,917	-		535,335	535,333	2	803,000
Total Expenses	213,136	167,167	45,969		1,168,436	1,183,338	(14,902)	1,764,007
Net Income (Loss)	(129,705)	(76,744)	(52,961)		(479,636)	(459,684)	(19,952)	(678,526)

Comments

- 1 HUD letter dated March 27, 2014, Operating Subsidy being paid at 89%.
- 2 Consists of 177 public housing units. (7 vacant units in August)
- 3 Three payrolls in August-\$5,900; Audit fees-\$22,000
- 4 Development consultant payment of \$41,200

Lakeland Housing Authority
Public Housing (AMP 1)
Balance Sheet
August 31, 2014

ASSETS		LIABILITIES & EQUITY	
Unrestricted Cash		CURRENT LIABILITIES	
Cash Operating 1	454,108	A/P Vendors and Contractors	8,068
Petty Cash	500	Tenant Security Deposits	49,413
Petty Cash Public Housing	300	Security Deposit Clearing Account	(650)
Total Unrestricted Cash	<u>454,908</u>	Security Deposit-Pet	1,500
Restricted Cash		401 Plan Payable	(17,917)
Cash Restricted - FSS Escrow	46,030	457 Plan Payable	(3,319)
Total Restricted Cash	<u>46,030</u>	Aflac Payable	(1,126)
		Employee Donations Payable	171
TOTAL CASH	<u>500,938</u>	Health Insurance Payable	2,452
		Accrued PILOT	24,660
ACCOUNTS AND NOTES RECEIVABLE		Accrued Audit Fees	42,215
A/R-Tenants	30,242	Due to Federal Master	(83,179)
Allowance for Doubtful Accounts-Tenants	(20,667)	YouthBuild Funds on Hand	62,064
AR-Formal Agreements	4,070	HOPE VI Funds on Hand	249,953
Due from Commercial Lot	1,406	Due to LPHC General	303,000
Due from West Lake	(11,535)	Due to Magnolia Pointe	155,870
Due from West Lake Addition	(41,280)	Due to Central Office Cost Center	(159,903)
Due from John Wright Homes	(7,028)	Hampton Hills Subsidy Payable	9,082
Due from Cecil Gober	(25,914)	Resident Participation Funds - LHA	(514)
Due from Arbor Manor	2,388	Tenant Prepaid Rents	7,737
A/R - ROSS/HUD	(26,633)	Accrued Compensated Absences-Current	5,079
Due from Hampton Hills	56,882	TOTAL CURRENT LIABILITIES	<u>636,491</u>
Due from West Lake Management, LLC	124,711		
A/R - 21st Century/DOE	131,473	NONCURRENT LIABILITIES	
Due from Youthbuild-DOL2011	7,169	Accrued Compensated Absences-LT	9,432
A/R - Capital Fund Grants/HUD	(49,529)	FSS Due to Tenant Long Term	49,076
A/R - Safety & Security Grant	233,906		
Due from Development-General	1,543,618	TOTAL LIABILITIES	<u>695,000</u>
Due from Section 8 HCV	345,744		
Due from Central Office Cost Center	<u>2,802,695</u>		
TOTAL DUE FROM	<u>5,139,787</u>		
Lakeridge Homes 3rd Mortgage	251,000		
Lakeridge Homes 2nd Mortgage	52,000		
Colton Meadow Mortgage	450,845		
Villas at Lake Bonnet Mortgage	1,009,877		
A/R Villas at Lake Bonnet Mort. Interest	75,741		
A/R-HUD	151,583		
A/R-TriParty	36,719		
Hampton Hills Operating Subsidy Receivable	<u>(9,082)</u>		
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>7,120,400</u>		
OTHER CURRENT ASSETS			
Prepaid Expenses and Other Assets	2,910		
Prepaid Insurance	40,647		
Prepaid Software Licenses	6,641		
Insurance Deposit	37,400		
Utility Deposit - Electric	2,600		
Tri-Party Contra	<u>36,719</u>		
TOTAL OTHER CURRENT ASSETS	<u>53,478</u>		
TOTAL CURRENT ASSETS	<u>7,674,816</u>		
NONCURRENT ASSETS		EQUITY	
Land	1,466,869	RETAINED EARNINGS	
Buildings	387,373	Invested in Capital Assets-Net of Debt	5,668,053
Machinery & Equipment	6,688	Retained Earnings-Unrestricted Net Assets	4,351,128
Automobiles	54,825	TOTAL RETAINED EARNINGS:	<u>10,019,181</u>
Site Improvement-Infrastructure	582,079		
Accum Depreciation-Buildings	(8,801,656)		
Accum Depreciation- Misc FF&E	(36,286)		
Accum Depreciation-Infrastructure	(582,079)		
Fees & Costs - Architect & Engineering	40,705		
Site Improvement	3,934,551		
Dwelling Structures	5,004,136		
Dwelling Equipment	13,626		
Non-Dwelling Structures	360,364		
Non-Dwelling Equipment	<u>608,169</u>		
TOTAL NONCURRENT ASSETS	<u>3,039,365</u>	TOTAL EQUITY	<u>10,019,181</u>
TOTAL ASSETS	<u>10,714,181</u>	TOTAL LIABILITIES AND EQUITY	<u>10,714,181</u>

Lakeland Housing Authority
Public Housing (AMP 1)
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	519,208	454,107	(65,101)
Cash Operating 2	-	-	-
Negative Cash LHA Master	-	-	-
Cash Restricted - FSS Escrow	46,026	46,026	-
Accrued FSS Escrow	-	-	-
Total Cash	565,234	500,133	(65,101)

Year to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	315,339	454,107	138,768
Cash Operating 2	-	-	-
Negative Cash LHA Master	-	-	-
Cash Restricted - FSS Escrow	32,020	46,026	14,006
Accrued FSS Escrow	-	-	-
Total Cash	347,358	500,133	152,774

**Lakeland Housing Authority
Dakota Park Limited Partnership, LLLP
d/b/a Carrington Place
Statement of Operations
For the Current and Eight Months Ended August 31, 2014**

	Current Month				Year to Date			Annual Budget
	Actual	Budget	\$ Variance		Actual	Budget	\$ Variance	
Rental Income	11,565	9,251	2,315	1	79,870	64,754	15,117	111,006
Other Tenant Income	30	433	(403)		2,374	3,028	(654)	5,190
Government Subsidy	8,612	7,675	937		60,434	53,726	6,708	92,102
Other Income	1	4	(2)		20,925	25	20,900	43
Total Revenue	20,208	17,362	2,847		163,603	121,532	42,071	208,341
Administrative Expenses	4,569	4,752	(183)	3	35,841	29,790	6,051	51,068
Tenant Services Expense	-	42	(42)		248	292	(44)	500
Utility Expense	1,751	1,817	(66)		11,070	12,717	(1,647)	21,800
Maintenance Expense	207	4,202	(3,995)	3	31,876	25,173	6,703	43,154
General Expenses	10,906	2,226	8,679	2	19,206	15,585	3,621	26,717
Housing Assistance Payments	562	2,000	(1,438)		9,032	10,267	(1,235)	17,600
Financing Expenses	2,571	7,590	(5,019)		22,351	53,127	(30,776)	91,074
Operating Expenses before Depreciation	20,566	22,629	(2,063)		129,624	146,949	(17,325)	251,913
Net Operating Income (Loss)	(357)	(5,267)	4,910		33,979	(25,417)	59,396	(43,572)
Depreciation & Amortization	13,363	2,199	-		15,391	15,391	-	26,385
Total Expense	33,929	24,828	(2,063)		145,015	162,341	(17,325)	278,298
Net Income (Loss)	(13,721)	(7,466)	4,910		18,588	(40,808)	59,396	(69,957)

Comments

- 1 Consists of 20 Low Income and 20 Tax Credit apartment units.
- 2 Includes bad debt expense of \$2,726.
- 3 A variable expense.

Lakeland Housing Authority
Dakota Park Limited Partnership, LLLP
d/b/a Carrington Place
Balance Sheet
August 31, 2014

ASSETS

Unrestricted Cash	
Cash Operating 1	28,420
Total Unrestricted Cash	<u>28,420</u>
Restricted Cash	
Cash Restricted-Security Deposits	9,847
Cash Restricted - FSS Escrow	9,772
Cash Restricted-Reserve for Replacement	31,998
Total Restricted Cash	<u>51,617</u>
 TOTAL CASH	 <u>80,037</u>
 ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	15,310
Allowance for Doubtful Accounts-Tenants	(6,782)
Due from Dakota Park PH	6,214
Due from Dakota Park Non-ACC	(44,622)
Due from LPHC	550
A/R - Capital Fund Grants/HUD	17,500
 A/R Miscellaneous	 (299)
TOTAL ACCOUNTS AND NOTES RECEIVABLE	 <u>(12,129)</u>
 OTHER CURRENT ASSETS	
Prepaid Expenses and Other Assets	332
Prepaid Software Licenses	1,501
Utility Deposit	7,060
TOTAL OTHER CURRENT ASSETS	<u>8,892</u>
TOTAL CURRENT ASSETS	<u>76,801</u>
 NONCURRENT ASSETS	
Land	34,672
Buildings	892,048
Machinery & Equipment	280
Accum Depreciation-Buildings	(59,469)
Accum Depreciation- Misc FF&E	(75)
Intangible Assets	
Loan Costs	28,341
Compliance Fees	1,640
Monitoring Fees	41,744
AA Compliance Fees	(1,290)
AA Monitoring Fees	(22,729)
AA Loan Costs	(12,107)
TOTAL FIXED ASSETS (NET)	<u>35,599</u>
TOTAL NONCURRENT ASSETS	<u>903,055</u>
 TOTAL ASSETS	 <u>979,855</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	1,807
Tenant Security Deposits	9,847
Other Current Liabilities	(1,059)
Accrued Payable	17,500
Accrued Property Taxes	7,992
Accrued Interest - HOPE VI	393,698
Accrued - Developer Fee	149,860
Accrued Interest Payable	1,671
Accrued Audit Fees	7,067
Due to (13) Dakota Park Public Housing	(45,120)
Due to (16) Dakota Park Non-ACC	6,214
Due to West Lake Mgmt.	93,364
Tenant Prepaid Rents	(2,344)
Accrued Compensated Absences-Current	926
TOTAL CURRENT LIABILITIES	641,422
Accrued Compensated Absences-LT	1,719
FSS Due to Tenant Long Term	9,677
Due to Partner	19,034
Due to GP	84,778
Due to LP	21,142
Permanent Loan - HOPE VI	714,591
Permanent Loan - SunTrust	363,584
Permanent Loan - LHA	101,380
 TOTAL LIABILITIES	 <u>1,957,326</u>
 EQUITY	
CONTRIBUTED CAPITAL	
Capital - LP	(1,219,110)
Capital - GP2	240,496
TOTAL CONTRIBUTED CAPITAL	<u>(978,614)</u>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	1,143
TOTAL RETAINED EARNINGS:	1,143
 TOTAL EQUITY	 <u>(977,471)</u>
 TOTAL LIABILITIES AND EQUITY	 <u>979,855</u>

Lakeland Housing Authority
Dakota Park Limited Partnership, LLLP
d/b/a Carrington Place
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	36,761.58	28,419.00	-8,342.58
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	9,847.00	9,847.00	0.00
Cash Restricted - FSS Escrow	9,609.05	9,772.00	162.95
Cash Restricted-Reserve for Replacement	31,329.77	31,997.00	667.23
Cash Restricted - Escrow	0.00	0.00	0.00
Restricted Cash - Partnership Devmt	0.00	0.00	0.00
Dakota Working Cap Resv	0.00	0.00	0.00
Total Cash	87,547.40	80,035.00	-7,512.40

Year to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	23,685.45	28,419.00	4,733.55
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	9,015.00	9,847.00	832.00
Cash Restricted - FSS Escrow	26,069.45	9,772.00	-16,297.45
Cash Restricted-Reserve for Replacement	28,190.98	31,997.00	3,806.02
Cash Restricted - Escrow	0.00	0.00	0.00
Restricted Cash - Partnership Devmt	0.00	0.00	0.00
Dakota Working Cap Resv	0.00	0.00	0.00
Total Cash	86,960.88	80,035.00	-6,925.88

Lakeland Housing Authority
Renaissance at Washington Ridge Ltd., LLLP
Statement of Operations
For the Current and Eight Months Ended August 31, 2014

	Current Month			Year to Date			Annual Budget
	Actual	Budget	\$ Variance	Actual	Budget	\$ Variance	
Rental Income	57,292	56,167	1,125	406,348	449,333	(42,986)	674,000
Other Tenant Income	647	1,580	(932)	16,432	12,637	3,796	18,955
Government Subsidy	30,967	35,305	(4,339)	185,785	282,441	(96,656)	423,661
Other Income	12	383	(371)	35,958	3,067	32,891	4,600
Total Revenue	88,917	93,435	(4,517)	644,522	747,477	(102,955)	1,121,216
Administrative Expenses	22,260	24,768	(2,507)	173,079	198,141	(25,062)	297,212
Tenant Services	(4)	250	(254)	1,570	2,000	(430)	3,000
Utility Expense	7,237	6,363	875	45,646	50,900	(5,254)	76,350
Maintenance Expense	20,538	24,882	(4,344)	168,654	199,059	(30,405)	298,588
General Expenses	7,666	7,329	337	60,011	58,631	1,380	87,946
Housing Assistance Payments	20,685	2,667	18,018	32,010	21,333	10,677	32,000
Financing Expenses	13,509	13,171	338	94,222	105,368	(11,146)	158,052
Operating Expense before Depreciation	91,892	79,429	12,463	575,193	635,432	(60,239)	953,148
Net Operating Income (Loss)	(2,974)	14,006	(16,980)	69,330	112,045	(42,716)	168,068
Depreciation & Amortization	52,869	65,324	(12,455)	422,313	522,594	(100,281)	783,891
Total Expense	144,761	144,753	8	997,506	1,158,026	(160,520)	1,737,039
Net Income (Loss)	(55,843)	(51,319)	(4,525)	(352,983)	(410,549)	57,565	(615,823)

Comments

1 Consists of 109 low and moderate income family and senior apartment units and 87 Tax Credit units.

2 Includes bad debt expense of \$3,450.

Lakeland Housing Authority
Renaissance at Washington Ridge Ltd., LLLP
Balance Sheet
August 31, 2014

ASSETS		LIABILITIES & EQUITY	
Unrestricted Cash		CURRENT LIABILITIES	
Cash Operating 1	261,869	A/P Vendors and Contractors	11,299
Petty Cash	300	Tenant Security Deposits	44,368
Total Unrestricted Cash	<u>262,169</u>	Security Deposit-Pet	1,400
Restricted Cash		Accrued Interest - HOPE VI	312,115
Cash Restricted-Security Deposits	45,003	Accrued - Developer Fee	1,308,453
Cash Restricted - FSS Escrow	9,182	Accrued Audit Fees	8,300
Cash Restricted-Reserve for Replacement	151,755	Due to (14) Renaissance Family Public Housing	(27,810)
Restricted Cash - Partnership Devmt	1,189	Due to (15) Renaissance Senior Public Housing	(167,077)
Restricted Cash - OA Reserve	76,190	Due to (17) Renaissance Family Non-ACC	100
Restricted Cash - AA Reserve	46,962	Due to West Lake Mgmt.	11,249
Investment 1	254,248	HAP Overpayments	649
Investment 2	<u>253,669</u>	Tenant Prepaid Rents	3,684
Total Restricted Cash	<u>838,198</u>	Accrued Compensated Absences-Current	<u>4,519</u>
		TOTAL CURRENT LIABILITIES	<u>1,511,249</u>
TOTAL CASH	<u>1,100,367</u>	Accrued Compensated Absences-LT	8,393
		FSS Due to Tenant Long Term	9,247
ACCOUNTS AND NOTES RECEIVABLE		Notes Payable-LT	381,200
A/R-Tenants	34,590	Permanent Loan - HOPE VI	2,200,000
Allowance for Doubtful Accounts-Tenants	(26,086)	Permanent Loan - SunTrust	626,927
Due from Renaissance Fam PH	(81,770)		
Due from Renaissance Sr. PH	(24,645)	TOTAL LIABILITIES	<u>4,737,017</u>
Due from Renaissance FAM Non ACC	93,215		
Due from Renaissance Senior Non ACC	(181,588)		
Due from LPHC	<u>550</u>		
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>(185,734)</u>		
OTHER CURRENT ASSETS			
Prepaid Insurance	24,304		
Prepaid Software Licenses	7,354		
Utility Deposit - Electric	<u>20,500</u>		
TOTAL OTHER CURRENT ASSETS	<u>52,158</u>		
TOTAL CURRENT ASSETS	<u>966,792</u>		
NONCURRENT ASSETS		EQUITY	
Buildings	21,088,272	CONTRIBUTED CAPITAL	
Machinery & Equipment	150,483	Capital - LP	6,951,274
Furniture & Fixtures	596,259	Capital - GP2	<u>7,123,264</u>
Site Improvement-Infrastructure	2,382,356	TOTAL CONTRIBUTED CAPITAL	<u>14,074,538</u>
Accum Depreciation-Buildings	(5,474,112)		
Accum Depreciation- Misc FF&E	(723,416)	RETAINED EARNINGS	
Accum Depreciation-Infrastructure	(1,299,830)	Retained Earnings-Unrestricted Net Assets	<u>(1,060,962)</u>
Intangible Assets		TOTAL RETAINED EARNINGS:	<u>(1,060,962)</u>
Loan Costs	137,066		
Monitoring Fees	131,658		
AA Compliance Fees	(5,848)		
AA Monitoring Fees	(93,071)		
AA Loan Costs	<u>(106,016)</u>		
TOTAL FIXED ASSETS (NET)	<u>63,789</u>		
TOTAL NONCURRENT ASSETS	<u>16,783,801</u>	TOTAL EQUITY	<u>13,013,576</u>
TOTAL ASSETS	<u>17,750,593</u>	TOTAL LIABILITIES AND EQUITY	<u>17,750,593</u>

Lakeland Housing Authority
Renaissance at Washington Ridge Ltd., LLLP
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	257,113	261,869	4,756
Negative Cash LHA Master	-	-	-
Negative Cash - Partnership	-	-	-
Cash Restricted-Security Deposits	45,764	45,003	(761)
Cash Restricted - FSS Escrow	9,182	9,182	-
Cash Restricted-Reserve for Replacement	161,182	151,755	(9,427)
Restricted Cash - Partnership Devmt	1,189	1,189	-
Restricted Cash - OA Reserve	76,186	76,186	-
Restricted Cash - AA Reserve	46,960	46,960	-
Investment 1	254,248	254,248	-
Investment 2	253,669	253,669	-
Total Cash	1,105,493	1,100,061	(5,433)

Year to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	167,797	261,869	94,072
Negative Cash LHA Master	-	-	-
Negative Cash - Partnership	-	-	-
Cash Restricted-Security Deposits	43,654	45,003	1,349
Cash Restricted - FSS Escrow	21,371	9,182	(12,189)
Cash Restricted-Reserve for Replacement	143,855	151,755	7,900
Restricted Cash - Partnership Devmt	1,188	1,189	0
Restricted Cash - OA Reserve	76,164	76,186	22
Restricted Cash - AA Reserve	46,946	46,960	14
Investment 1	254,248	254,248	-
Investment 2	253,669	253,669	-
Total Cash	1,008,893	1,100,061	91,168

**Lakeland Housing Authority
Colton Meadow, LLLP
Statement of Operations
For the Current and Eight Months Ended August 31, 2014**

	Current Month				Year to Date			Annual Budget
	Actual	Budget	\$ Variance		Actual	Budget	\$ Variance	
Rental Income	43,703	43,687	16	1	351,328	349,493	1,835	524,240
Other Tenant Income	1,511	1,407	105		12,391	11,254	1,137	16,881
Other Income	30	3	27		165	27	138	40
Total Revenue	45,244	45,097	148		363,884	360,774	3,110	541,161
Administrative Expense	11,054	11,475	(421)	2	78,962	91,802	(12,840)	137,703
Tenant Services	-	150	(150)		44	1,200	(1,156)	1,800
Utility Expense	5,075	5,445	(370)		43,955	43,563	392	65,345
Maintenance Expense	10,506	9,193	1,313	2	70,719	73,545	(2,825)	110,317
General Expense	6,650	7,745	(1,094)		61,308	61,957	(648)	92,935
Financing Expense	3,989	7,349	(3,360)	3	33,249	58,789	(25,541)	88,184
Operating Expense before Depreciation	37,275	41,357	(4,082)		288,238	330,856	(42,618)	496,284
Net Operating Income (Loss)	7,970	3,740	4,230		75,647	29,918	45,729	44,877
Depreciation & Amortization Expense	39,013	38,937	76		312,104	311,498	606	467,247
Total Expense	76,288	80,294	(4,007)		600,342	642,354	(42,012)	963,531
Net Operating Income (Loss)	(31,043)	(35,198)	4,154		(236,457)	(281,580)	45,123	(422,370)

Comments

- 1** Consists of 72 Tax Credit apartment units.
- 2** Three payrolls in August-\$3,631
- 3** Over budgeted interest on mortgages

Lakeland Housing Authority
Colton Meadow, LLLP
Balance Sheet
August 31, 2014

ASSETS

Unrestricted Cash	
Cash Operating 1	202,650
Petty Cash	225
Total Unrestricted Cash	<u>202,875</u>
Restricted Cash	
Cash Restricted-Security Deposits	24,836
Cash Restricted-Operating Reserve	440,827
Cash Restricted-Reserve for Replacement	70,200
Cash-Tax & Insurance Escrow	49,939
Total Restricted Cash	<u>585,802</u>
TOTAL CASH	<u>788,678</u>
ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	12,169
Allowance for Doubtful Accounts-Tenants	(4,577)
Due from LPHC	550
Due from Colton Meadow GP, Inc.	101,152
TOTAL DUE FROM	<u>101,152</u>
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>109,294</u>
OTHER CURRENT ASSETS	
Prepaid Expenses and Other Assets	2,444
Prepaid Insurance	26,341
Prepaid Software Licenses	2,504
Utility Deposit	10,000
TOTAL OTHER CURRENT ASSETS	<u>41,289</u>
TOTAL CURRENT ASSETS	<u>939,260</u>
NONCURRENT ASSETS	
Land	300,000
Buildings	856,354
Building Acquisition	2,010,000
Building Improvements	5,802,500
Machinery & Equipment	67,970
Automobiles	15,485
Furniture & Fixtures	1,503,657
Site Improvement-Infrastructure	1,496,188
Accum Depreciation-Buildings	(1,663,856)
Intangible Assets	
Amortization Tax Credit Fees	51,011
Monitoring Fees	208,695
TOTAL FIXED ASSETS (NET)	<u>157,684</u>
Site Improvement	16,364
Non-Dwelling Structures	28,019
Non-Dwelling Equipment	60,262
TOTAL NONCURRENT ASSETS	<u>10,650,627</u>
TOTAL ASSETS	<u>11,589,888</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	5,534
Tenant Security Deposits	23,650
Security Deposit-Pet	800
Accrued Property Taxes	22,224
Accrued Interest Payable	9,918
Accrued Audit Fees	6,220
Due to West Lake Mgmt.	3,419
Due to Polk County Developers, Inc.	362,901
Tenant Prepaid Rents	114
Accrued Compensated Absences-Current	1,210
First Mortgage - TCAP	1,231,424
Tax Credit Exchange Program (TCEP)	8,040,171
HOME Funds	115,900
Mortgage Note Payable	450,845
TOTAL CURRENT LIABILITIES	<u>10,274,330</u>
Accrued Compensated Absences-LT	2,246
Developer Fee Payable - PCHD	346,026
TOTAL LIABILITIES	<u>10,622,603</u>
EQUITY	
CONTRIBUTED CAPITAL	
Capital - LP	1,205,286
GP Equity	46
TOTAL CONTRIBUTED CAPITAL	<u>1,205,332</u>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	(238,047)
TOTAL RETAINED EARNINGS:	<u>(238,047)</u>
TOTAL EQUITY	<u>967,285</u>
TOTAL LIABILITIES AND EQUITY	<u>11,589,888</u>

Lakeland Housing Authority
Colton Meadow, LLLP
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	210,882	202,650	(8,232)
Cash Operating 2	-	-	-
Cash Restricted-Security Deposits	24,350	24,836	486
Cash Restricted-Operating Reserve	440,827	440,827	-
Cash Restricted-Reserve for Replacement	68,400	70,200	1,800
Cash-Tax & Insurance Escrow	42,211	49,938	7,727
Total Cash	786,670	788,451	1,781

Year to Date	Beginning Balance	Ending Balance	Difference
Cash Operating 1	147,894	202,650	54,756
Cash Operating 2	-	-	-
Cash Restricted-Security Deposits	22,725	24,836	2,111
Cash Restricted-Operating Reserve	881,250	440,827	(440,423)
Cash Restricted-Reserve for Replacement	55,800	70,200	14,400
Cash-Tax & Insurance Escrow	42,514	49,938	7,424
Total Cash	1,150,183	788,451	(361,732)

Lakeland Housing Authority
Bonnet Shores, LLLP
Statement of Operations
For the Current and Eight Months Ended August 31, 2014

	Current Month				Year to Date			Annual Budget
	Actual	Budget	\$ Variance		Actual	Budget	\$ Variance	
Rental Income	49,290	48,426	864	1	398,072	387,409	10,663	581,113
Other Tenant Income	1,637	1,779	(142)		10,325	14,231	(3,906)	21,347
Other Income	-	1	(1)		10	8	2	12
Total Revenue	50,927	50,206	721		408,407	401,648	6,759	602,472
Administrative Expense	10,146	11,479	(1,333)	2	75,450	91,831	(16,381)	137,747
Tenant Services	-	208	(208)		94	1,667	(1,573)	2,500
Utility Expense	3,812	4,433	(621)		36,304	35,467	837	53,200
Maintenance Expense	10,386	7,869	2,516	2	68,010	62,953	5,056	94,430
General Expense	9,647	8,138	1,510		70,733	65,100	5,633	97,650
Financing Expense	9,658	7,570	2,089	3	81,141	60,558	20,583	90,837
Operating Expense before Depreciation	43,649	39,697	3,952		331,732	317,576	14,156	476,364
Net Operating Income (Loss)	7,278	10,509	(3,231)		76,675	84,072	(7,397)	126,108
Depreciation & Amortization Expense	47,465	47,465	-		379,720	379,719	-	569,578
Total Expense	91,114	87,162	3,952		711,452	697,295	14,156	1,045,942
Net Income (Loss)	(40,187)	(36,956)	(3,231)		(303,045)	(295,647)	(7,397)	(443,470)

Comments

- 1** 75 apartment units, Tax Credit and Section 8 Vouchers.
- 2** Three payrolls in August; Administrative Expenses minimized during month
- 3** July and August LHA Loan interestment payments

Lakeland Housing Authority
Bonnet Shores, LLLP
Balance Sheet
August 31, 2014

ASSETS

Unrestricted Cash	
Cash Operating 2	237,757
Petty Cash	225
Total Unrestricted Cash	<u>237,982</u>
Restricted Cash	
Cash Restricted-Security Deposits	24,100
Cash Restricted-Operating Reserve	460,095
Cash Restricted-Reserve for Replacement	88,125
Cash-Tax & Insurance Escrow	40,151
Total Restricted Cash	<u>612,471</u>
 TOTAL CASH	 <u>850,453</u>
 ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	18,348
Allowance for Doubtful Accounts-Tenants	(7,853)
Due from Bonnet Shores GP, Inc	7,062
Due from Development-General	112,103
TOTAL DUE FROM	<u>119,165</u>
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>129,660</u>
 OTHER CURRENT ASSETS	
Prepaid Expenses and Other Assets	2,212
Prepaid Insurance	36,661
Prepaid Software Licenses	2,563
Utility Deposit	5,000
TOTAL OTHER CURRENT ASSETS	<u>46,436</u>
TOTAL CURRENT ASSETS	<u>1,026,549</u>
 NONCURRENT ASSETS	
Land	300,000
Buildings	11,447,111
Automobiles	24,477
Furniture & Fixtures	423,153
Site Improvement-Infrastructure	679,255
Accum Depreciation-Buildings	(1,526,277)
Accum Depreciation- Misc FF&E	(328,252)
Accum Depreciation-Infrastructure	(166,048)
Intangible Assets	
Loan Costs	41,419
Amortization Loan Cost	7,602
Compliance Fees	246,589
Amortization Tax Credit Fees	60,278
TOTAL FIXED ASSETS (NET)	<u>220,128</u>
TOTAL NONCURRENT ASSETS	<u>11,073,547</u>
 TOTAL ASSETS	 <u>12,100,096</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	2,139
Tenant Security Deposits	22,975
Security Deposit-Pet	700
Accrued Property Taxes	27,936
Current Portion of LT Debt	38,193
Accrued Interest Payable	115,373
Accrued Audit Fees	6,220
Due to West Lake Mgmt.	3,089
Due to Central Office Cost Center	405
Tenant Prepaid Rents	311
Accrued Compensated Absences-Current	1,210
First Mortgage - TCAP	3,819,255
HOME Funds	131,028
Mortgage Note Payable	1,009,877
TOTAL CURRENT LIABILITIES	<u>5,178,710</u>
Accrued Compensated Absences-LT	2,246
Developer Fee Payable - PCHD	450,000
TOTAL LIABILITIES	<u>5,630,957</u>
 EQUITY	
CONTRIBUTED CAPITAL	
Capital - LP	6,812,347
GP Equity	(162)
Syndication Costs	(40,000)
TOTAL CONTRIBUTED CAPITAL	<u>6,772,185</u>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	(303,046)
TOTAL RETAINED EARNINGS:	<u>(303,046)</u>
TOTAL EQUITY	<u>6,469,139</u>
 TOTAL LIABILITIES AND EQUITY	 <u>12,100,096</u>

Lakeland Housing Authority
Bonnet Shores, LLLP
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	-	-	-
Cash Operating 2	228,440	237,757	9,317
Cash Operating 3	-	-	-
Negative Cash - Partnership	-	-	-
Cash Restricted-Security Deposits	23,525	24,100	575
Cash Restricted-Operating Reserve	460,095	460,095	-
Cash Restricted-Reserve for Replacement	86,250	88,125	1,875
Cash-Tax & Insurance Escrow	33,393	40,151	6,758
Total Cash	831,703	850,228	18,525

Year to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	-	-	-
Cash Operating 2	129,742	237,757	108,015
Cash Operating 3	-	-	-
Negative Cash - Partnership	-	-	-
Cash Restricted-Security Deposits	22,450	24,100	1,650
Cash Restricted-Operating Reserve	460,095	460,095	-
Cash Restricted-Reserve for Replacement	73,125	88,125	15,000
Cash-Tax & Insurance Escrow	32,556	40,151	7,595
Total Cash	717,967	850,228	132,261

Lakeland Housing Authority
West Bartow Partnership, Ltd., LLLP
Statement of Operations
For the Current and Eight Months Ended August 31, 2014

	Current Month				Year to Date			Annual Budget
	Actual	Budget	\$ Variance		Actual	Budget	\$ Variance	
Rental Income	71,324	66,542	4,782	1	568,965	532,333	36,631	798,500
Other Tenant Income	218	265	(47)		1,610	2,118	(508)	3,177
Other Income	87	86	1	3	8,778	685	8,093	1,027
Total Revenue	71,629	66,892	4,737		579,353	535,136	44,217	802,704
Administrative Expenses	20,612	15,526	5,086		116,984	124,209	(7,225)	186,313
Tenants Service Expenses	-	-	-		24	-	24	-
Utility Expense	8,798	9,038	(239)		68,267	72,303	(4,035)	108,454
Maintenance Expense	5,452	11,588	(6,136)		49,134	92,703	(43,569)	139,054
General Expenses	4,111	4,511	(399)		29,945	36,087	(6,141)	54,130
Financing Expenses	23,816	19,647	4,170	2	192,776	157,172	35,604	235,758
Operating expense before depreciation	62,790	60,309	2,481		457,131	482,473	(25,342)	723,709
Net Operating Income (Loss)	8,839	6,583	2,256		122,222	52,663	69,559	78,995
Depreciation & Amortization	41,940	41,940	-		335,520	335,520	-	503,280
Total Expense	104,730	102,249	2,481		792,651	817,993	(25,342)	1,226,989
Net Operating Income (Loss)	(33,101)	(35,357)	2,256		(213,298)	(282,857)	69,559	(424,285)

Comments

- 1** Consists of 100 Tax Credit and Section 8 Voucher units.
- 2** Budget omitted interest cost on deferred developer fee
- 3** YTD Includes insurance premium refund, \$8,046, resulting from a policy change.

Lakeland Housing Authority
West Bartow Partnership, Ltd., LLLP
Balance Sheet
August 31, 2014

ASSETS

Unrestricted Cash	
Cash Operating 1	217,408
Petty Cash	300
Total Unrestricted Cash	<u>217,708</u>
Restricted Cash	
Cash Restricted-Security Deposits	8,800
Cash Restricted-Operating Reserve	25,166
Cash Restricted-Reserve for Replacement	130,472
Cash-Tax & Insurance Escrow	24,112
Investment 1	227,542
Total Restricted Cash	<u>416,091</u>
 TOTAL CASH	 <u>633,799</u>
 ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	2,957
Allowance for Doubtful Accounts-Tenants	(730)
TOTAL ACCOUNTS AND NOTES RECEIVABLE	<u>2,226</u>
 OTHER CURRENT ASSETS	
Prepaid Expenses and Other Assets	5,208
Prepaid Insurance	29,645
Prepaid Software Licenses	3,057
Utility Deposit	85
TOTAL OTHER CURRENT ASSETS	<u>37,995</u>
TOTAL CURRENT ASSETS	<u>674,021</u>
 NONCURRENT ASSETS	
Land	432,717
Buildings	12,796,743
Furn, Fixt, & Equip	1,157,975
Accum Depreciation-Buildings	(1,652,916)
Accum Depreciation- Misc FF&E	(595,984)
Accum Depreciation-Infrastructure	(183,829)
Intangible Assets	
Loan Costs	335,121
Amortization Loan Cost	96,184
Compliance Fees	200,558
Amortization Tax Credit Fees	69,077
TOTAL FIXED ASSETS (NET)	370,418
Site Improvement	711,597
TOTAL NONCURRENT ASSETS	<u>13,036,721</u>
 TOTAL ASSETS	 <u>13,710,741</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES	
A/P Vendors and Contractors	39,233
Tenant Security Deposits	8,350
Security Deposit-Pet	500
Accrued Property Taxes	1,482
Accrued Interest NLP Loan	2,000
Accrued Audit Fees	7,380
Due to West Lake Mgmt.	5,749
HAP Overpayments	28
Tenant Prepaid Rents	323
Accrued Compensated Absences-Current	3,803
Mortgage Note Payable	3,197,591
Second Mortgage Payable	850,000
Third Mortgage Payable	383,370
Fourth Mortgage Payable	400,000
Note Payable-City of Bartow Impact Fees	564,621
Deferred Development Fee	1,560,218
TOTAL CURRENT LIABILITIES	<u>7,024,647</u>
Accrued Compensated Absences-LT	7,062
 TOTAL LIABILITIES	 <u>7,031,709</u>
 EQUITY	
CONTRIBUTED CAPITAL	
Capital Private Investors	6,936,810
GP Equity	(13)
Special LP Equity	(10)
Syndication Costs	(30,000)
TOTAL CONTRIBUTED CAPITAL	<u>6,906,787</u>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	(227,755)
TOTAL RETAINED EARNINGS:	<u>(227,755)</u>
 TOTAL EQUITY	 <u>6,679,032</u>
 TOTAL LIABILITIES AND EQUITY	 <u>13,710,741</u>

Lakeland Housing Authority
West Bartow Partnership, Ltd., LLLP
Changes in Cash
For the Current and Eight Months Ended August 31, 2014

Period to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	182,153	217,408	35,255
Cash Restricted-Security Deposits	8,050	8,800	750
Cash Restricted-Operating Reserve	25,176	25,165	(11)
Cash Restricted-Reserve for Replacement	127,972	130,471	2,499
Cash-Tax & Insurance Escrow	30,508	24,111	(6,397)
Investment 1	227,455	227,541	86
Total Cash	601,313	633,496	32,183

Year to Date	Beginning Balance	Ending Balance	Change
Cash Operating 1	126,119	217,408	56,034
Cash Restricted-Security Deposits	8,300	8,800	(250)
Cash Restricted-Operating Reserve	25,246	25,165	(70)
Cash Restricted-Reserve for Replacement	110,888	130,471	17,083
Cash-Tax & Insurance Escrow	42,667	24,111	(12,160)
Investment 1	226,861	227,541	594
Total Cash	540,082	633,496	61,231

LAKELAND HOUSING AUTHORITY
Updated as of August 31, 2014

		START DATE	OBLIGATION END DATE	DISTRIBUTION END DATE	AUTHORIZED	OBLIGATION 90% THRESHHOLD	OBLIGATED AMOUNT	DISBURSED	AVAILABLE BALANCE
Capital Fund Program	(HUD)								
CFP - 2011		07-15-11	08-03-13	08-02-15	562,980.00	506,682.00	532,317.00	503,394.00	59,586.00
CFP - 2012		03-12-12	03-11-14	03-11-16	327,414.00	294,672.60	297,414.00	204,807.00	122,607.00
CFP - 2013		08-09-13	09-08-15	09-08-17	251,538.00	226,384.20	102,655.00	95,051.00	156,487.00
CFP - 2014					341,004.00	306,903.60	43,586.00	43,586.00	297,418.00
				CFP Subtotal:	1,482,936.00	1,334,642.40	975,972.00	846,838.00	636,098.00
Replacement Housing Factor	(HUD)								
RHF - 2009(a)		09-15-09	10-29-15	07-27-17	282,108.00	253,897.20	0.00	0.00	282,108.00
RHF - 2009(b)		04-02-10	10-29-15	10-29-17	149,804.00	134,823.60	0.00	0.00	149,804.00
RHF - 2010		07-15-10	10-29-15	10-29-17	441,385.00	397,246.50	0.00	0.00	441,385.00
RHF - 2011		08-03-11	10-29-15	10-29-17	380,321.00	342,288.90	0.00	0.00	380,321.00
RHF - 2012(a)		03-12-12	10-29-15	10-29-17	185,485.00	166,936.50	0.00	0.00	185,485.00
RHF - 2012(b)		03-12-12	10-29-15	10-29-17	70,661.00	63,594.90	0.00	0.00	70,661.00
RHF - 2013		08-09-13	09-08-15	09-08-17	271,433.00	244,289.70	0.00	0.00	271,433.00
				RHF Subtotal:	1,781,197.00	1,358,787.60	0.00	0.00	1,781,197.00
HOPE VI	(HUD)	04-05-00		12-31-17	21,842,801.00	19,658,520.90	19,908,767.13	19,908,767.13	1,934,033.87
Safety & Security Grant	(HUD)	03-20-13	03-19-14	03-19-15	250,000.00	225,000.00	225,283.00	239,067.00	10,933.00
			Safety & Security Subtotal:		250,000.00	225,000.00	225,283.00	239,067.00	10,933.00
Resident Opportunities and Self Sufficiency	(HUD)								
ROSS - Family Self Sufficiency 2013		07-01-13	07-01-14		52,084.00	46,875.60	52252	52,252.00	-168.00
ROSS - Service Coordinator 2011		09-22-11	09-29-14		140,838.00	126,754.20	140838	140,838.00	0.00
			ROSS Subtotal:		192,922.00	173,629.80	193,090.00	140,838.00	-168.00
YouthBuild	(DOL)	06-01-11	05-31-15		997,492.00	897,742.80	997492	849,211.00	148,281.00
			YouthBuild Subtotal:		997,492.00	897,742.80	997,492.00	849,211.00	148,281.00
21st Century	(DOE)	08-01-13	07-31-14		324,331.00	291,897.90	324331	324,331.00	0.00
			21st Century Subtotal:		324,331.00	291,897.90	324,331.00	324,331.00	0.00

HOUSING REPORT

Housing Management

Board Report October meeting 2014

- **Public Housing (PH), Housing Choice Voucher (HCV) and West Lake Management Communities Reports**
 - Housing communities reports
 1. West Lake
 2. West Lake Addition
 3. Cecil Gober
 4. John Wright Homes
 5. Carrington Place (Formerly known as Dakota Apartments)
 6. Renaissance/Washington Ridge
 7. Villas at Lake Bonnet
 8. Colton Meadow
 9. The Manor at West Bartow
 - Housing Choice Voucher Program
 1. Intake & Occupancy Report
 2. Housing Choice Voucher report

Updates for the month of August:

- The LHA website includes many new features that are now available at the www.lakelandhousing.org.

The Housing staff is continuously working with other departments specifically with the Resident Services Department staff to continue our successful resident programs to continue to meet our LURA requirements.

Public Housing PIC Reporting Percentage

All Housing Authorities are required to submit information to HUD through the PIH Information Center (PIC). All transactions processed on the Public Housing Program are submitted on a monthly basis to PIC. HUD requires a monthly reporting rate of 95%. Below is our current reporting rate for the Public Housing program:

Effective Date	Public Housing	Date Collected
09/30/2014	96.63%	10/14/2014

Housing Choice Voucher Program Report

- **Tenant-Based Waitlist**

As of September 30, 2014, the Housing Choice Voucher tenant based waiting list contained seventy seven (77) applicants. A total of 119 families were selected from the waiting list for determination of final eligibility.

- **VASH Waitlist**

As of September 30, 2014, the Veteran Affairs Supportive Housing waiting list contained three (3) applicants.

- **Project-Based Waitlist – The Manor at West Bartow**

As of September 30, 2014, Lakeland Housing Authority project-based waiting list for the Manor at West Bartow contained seventeen (17) applicants.

- **Project-Based Waitlist – Villas at Lake Bonnet**

As of September 30, 2014, Lakeland Housing Authority project-based waiting list for the Villas at Lake Bonnet contained one hundred eleven (111) applicants.

- **Project-Based Waitlist - Habitat for Humanity**

As of September 30, 2014, Lakeland Housing Authority project-based waiting list for Habitat for Humanity contained one (1) applicant.

Port Outs

LHA currently has twenty one (21) port-outs in the month of September. Port outs are clients that use their voucher in another jurisdiction.

- **Port Ins**

LHA currently has four (4) port-ins for the month of September. Port-ins are participants that transferred from another housing agency that we are billing for HAP and administrative fees.

- **Lease-up & Movers**

As of September 30, 2014, Lakeland Housing Authority issued thirteen (13) vouchers to movers. We received seventeen (17) Requests for Tenancy Approvals during the month of September. We processed eighteen (18) unit transfers, four (4) initial move-in, and five (5) port-in.

- **Active Clients**

As of September 30, 2014, LHA is servicing 1,175 families on the Housing Choice Voucher program. These families include 890 regular Housing Choice Voucher holders, 42 Mainstream Disabled Housing Vouchers, 55 VASH, 115 Project-Based Vouchers, 69 Tenant Protection Program (TenPro) and 4 Port Ins.

- **EOP – End of Participation**

LHA processed eight (8) EOP's with a date effective the month of September 2014. Below are the reasons for leaving the program:

Reason	Number
Termination – Criminal	0
Termination – Unreported income and/or family composition	1
Left w/out notice	1
No longer need S/8 Assistance	5
Deceased	0
Landlord Eviction	0
Lease and/or Program Violations non-curable	1
Voucher Expired	0

- **PIC Reporting Percentage**

All Housing Authorities are required to submit information to HUD through the PIH Information Center (PIC). All transactions processed on the Housing Choice Voucher Program are submitted on a monthly basis to PIC. HUD requires a monthly reporting rate of 95%. Below is our current reporting rate for the Housing Choice Voucher program:

Effective Date	HCV	Date Collected
09/30/2014	99.13%	10/14/2014

- **General information and activities for the month of September 2014**

- The Housing Choice Voucher Department processed one hundred twelve (112) annual certifications and sixty-seven (67) interim certifications.
- A total of one hundred eleven (111) Housing Quality Standards (HQS) inspections were conducted during this month.

RECEPTION MONTHLY REPORT 2014

	VISITOR'S COUNT	RFTA	REQUEST TO LIST PROPERTY	INTERIM CHANGE	STAMPED MAIL
January	287	8	23	23	2068
February	445	15	24	54	2140
March	363	9	3	52	2472
April	394	18	5	70	2054
May	330	24	7	55	1620
June	357	3	5	10	N/A
July	403	15	10	30	1886
August	331	27	10	49	2046



Reports from the Communities

Communities

1. West Lake
2. West Lake Addition
3. Cecil Gober
4. John Wright Homes
5. Carrington Place (Formerly known as Dakota Apartments)
6. Renaissance/Washington Ridge
7. Villas at Lake Bonnet
8. Colton Meadow
9. The Manor at West Bartow

Item	WestLake	WestLake Addition	Cecil Gober	John Wright	Carrington Place	Renaissance	Villas Lake Bonnet	Colton Meadow	Manor at West Bartow
Occupancy 99% averaged	100%	98%	100%	100%	100%	98%	96%	100%	99%
Vacant units	2	1	0	0	0	4	3	0	1
Current rents:									
1 bedroom	387	425	481	N/A	N/A	613	N/A	N/A	699
2 bedrooms	443	508	N/A	526	736	736	627	627	801
3 bedrooms	543	576	N/A	579	850	850	709	709	N/A
4 bedrooms	581	N/A	N/A	N/A	949	949	N/A	780	N/A
5 bedrooms	N/A	N/A	N/A	N/A	1047	N/A	N/A	N/A	N/A
Unit inspections	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building inspections	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Security issues (Insurance claims)	No	No	No	No	No	No	No	No	No
Number of Annual Certifications done	2	7	6	6	11	31	4	5	25
Newsletter distributed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Community Manager's Name	Vanessa C. Johnson	Vanessa C. Johnson	Vanessa C. Johnson	Vanessa C. Johnson	Lovett Johnson	Lovett Johnson	Jennifer Robinson	Jennifer Robinson	Jennifer Robinson

Monthly residents meeting and community yard sale, bingo daily, Field trip, craft and movie night and Dinner and brunch.
Monthly residents meetings and Tutoring: Weekly; each Wednesday from 4pm to 6pm. Health Fair.
Monthly residents meetings and Tutoring: Weekly; each Wednesday from 4pm to 6pm
Health Screenings, movie day, birthday celebrations, resident meetings and daily feeding. Filed trip, and art classes for kids.
Monthly resident meeting, weekly activities for children and a senior outing. Trip to Peltz Shoe store in Brandon for children.
Monthly residents meeting and free tax returns.
Monthly residents meeting, Health Fair and movie day. Trip to the Flea market for the residents.
Monthly residents meeting.
Monthly residents meeting. Tobacco free seminar.
Comments

By: Carlos R. Pizarro, Director of Housing

DEVELOPMENT REPORT

RESIDENT SERVICES REPORT

Resident Services September 2014 Board Report

- **Resident Services**

For the past fourteen years, under the leadership of Earl W. Haynes, Resident Services Director, the Lakeland Housing Authority has provided avenues for numerous supportive services grant-funded programs to assist public housing residents (youth, young adults, family, elderly, and disabled) in their goal to become self-sufficient. The provision of these services has offered opportunities for the improvement of the quality of life for program participants. A network of supportive community partners helped to make these grant-funded programs a success. To date, two grant-funded, self-sufficiency programs remain under the Resident Services umbrella: YouthBuild-Lakeland and Public Housing Self-Sufficiency.

- **YouthBuild-Lakeland**

Academics and Recruiting

Students continue to visit the center to receive academic assistance, and tutoring with post-secondary work. The academic staff remains vigilant in its efforts to provide the best educational and follow-up services to the graduates of Cycle 10. The shift to recruitment has been put into overdrive. Flyers are being distributed throughout Lakeland, and staff continues to seek out new partnerships within the community to spread the word. New applications are arriving daily, and the application and recruiting process is in full swing. The next orientation starts on January 5, 2014.

Graduation

The Lakeland Housing Authority's YouthBuild Lakeland program continues to make great strides in helping young people in the community. On September 22, 2014, after successful completion of YouthBuild program requirements, the accomplishments of YouthBuild-Lakeland Cycle 10 graduates Ruben Andrews, Justin Collins, Priscilla Kinnard, Ja'Marco Lattimore, Jennifer Liceaga, Marland Martin, Styles Reyes, Joshua Rich, Matt Rodriguez, Michelle Stanis and Jacob Whiteshield were recognized during a graduation ceremony that was held at Lakeland's Coleman-Bush Center. The keynote speaker of the evening was Dr. Earl Brown, Life Coach and Trainer who delivered a powerful and uplifting message of encouragement to the graduates and their guests. Numerous family members and friends of the graduates were in attendance. Special guests were City of Lakeland officials: Mayor R. Howard Wiggs, Commissioner Don Selvage, and Commissioner Phillip Walker. Bambridge made a special presentation of a memorial plaque to Frank and Sheri Duke, the parents of Houston Duke who passed away on September 2, 2014. Duke successfully completed the six-month cycle, on August 22nd. "Duke was a remarkable young man. A scholarship in remembrance of Houston Duke will be presented to YouthBuild-Lakeland students who exhibit perfect attendance and the positive character traits that Duke did for six-months."

Congratulations, YouthBuild-Lakeland Class of 2014!



YOUTHBUILD-LAKELAND CLASS OF 2014: *Front Row (l-r):* Dr. Earl Brown-Guest Speaker, Benjamin Stevenson-Executive Director LHA, Graduates: Justin Collins, Matthew Rodriguez, Jennifer Liceaga, Janiene Bambridge-Program Manager, Don Selvage-Commissioner. *Second Row (l-r):* Rick Mooneyham- Academic Instructor, Graduates: Ruben Andrews, Joshua Rich. *Third Row (l-r):* John Roberts-Construction Manager, Cynthia Zorn Shaw-Career Development Specialist, and Graduates Styles Reyes and Ja'Marco Lattimore.

Placement News

Congratulations to the following YouthBuild-Lakeland Cycle 10 participants:

- Ruben Andrews: Employed at GC Services
- Michelle Stanis: Employed at GC Services
- Jacob Whiteshield: Self-employed at J.W.'s Animal Removal Services
- Styles Reyes: Employed at G-Tech
- Cristian Rodriguez: Employed at FYE Music
- Justin Jones: Employed at Five Guy's Burgers

Grant Funding



On September 22, 2014, during the Class of 2014 YouthBuild-Lakeland graduation ceremony, representatives of Travelers presented YouthBuild-Lakeland with a check in the amount of \$12,000.00. This grant helps to support the efforts of YouthBuild-Lakeland.



Benjamin Stevenson accepted the check from Travelers representatives.

On September 23, 2014, YouthBuild-Lakeland showcased its program at the 2014 Travelers Employee Giving Campaign. Cynthia Zorn-Shaw and Nick Dozier, a YouthBuild-Lakeland graduate shared information about YouthBuild-Lakeland with prospective volunteers and donors.



Cynthia Zorn-Shaw and Nick Dozier at the 2014 Travelers Employee Giving Campaign

- **Public Housing/Family Self-Sufficiency Program (PH/FSS)**

September 2014	# FSS Tenants	# with Escrow	% with Escrow	Escrow Amount (\$)
Public Housing (02,04) (05)	32	15	47	38,749.00
Dakota Park (13)	06	02	34	9,745.00
Renaissance (14)	12	03	25	9,312.00
Hampton Hill (12)	01	01	01	1,812.00
Totals	51	21	42*	\$59,618.00

*The percentage using the total number of FSS clients and total number of clients with escrow.

Public Housing FSS Waiting List: Zero (0).

The Coordinator continues to meet with residents, by walking the sites and having one-on-one meetings. Each resident is given information on the available supportive services in the community.

New Enrollment: Zero (0)

Termination/Forfeiture/Transfer/Disbursement: One (01)

Final Disbursement: Zero (0)

Community Involvement: During the month of September, the PHFSS Coordinator attended the following meetings and/or events:

- September 2nd Agency Connection Network meeting
- September 5th & 19th Residents field trip
- September 8th Peace River meeting
- September 17th Gober Villa residents meeting
- September 22nd YouthBuild Graduation Ceremony
- September 25th Traviss Center's 50th Anniversary
- September 25th Polk Psychosocial Luncheon (Human Trafficking)

Congratulations!

Congratulations, to Ms. Jenny Lopez (*pictured below*) who enrolled in the Public Housing Family Self-Sufficiency Program in 2009. Ms. Lopez had numerous goals that she wanted to complete within the five- years of her individual training and services plan. She enrolled at a technical school, obtained full-time employment, and successfully completed Money Smart. Ms. Lopez received her escrow check during the month of September.



JENNY LOPEZ

Earl W. Haynes
Resident Services Director

Janiene Bambridge
YouthBuild Program Manager

Linda Willis
PH/FSS Coordinator

RESOLUTIONS

**The Housing Authority of the City of Lakeland
Request for Board Action**

1. Describe Board Action requested and why it is necessary:

Re: Resolution # 14-1391

The Board of Commissioners is requested to approve the 2015 Annual Budget as presented by staff.

2. Who is making request:

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: Approving the 2015 Annual Budget
- C. Originator: Carlos Pizarro

3. Cost Estimate:

N/A

Narrative:

The Board of Commissioners provides oversight and direction to the Housing Authority of the City of Lakeland. Annually, the Board reviews, comments, and when satisfied, approves the Annual Budget for: the Central Office Cost Center; the Section 8 program; and the Public Housing program which includes AMP 1 and AMP 4. This resolution provides for approval of the 2015 Annual Budget.

RESOLUTION NO. 14-1391

APPROVAL OF THE 2015 ANNUAL BUDGET

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Lakeland, Florida has reviewed the proposed 2015 Annual Budget for: the Central Office Cost Center; the Section 8 program; and the Public Housing program which includes AMP 1 and AMP 4; and

WHEREAS, the Board of Commissioners has determined that the proposed expenditures are necessary for the efficient and effective operation of the Housing Authority of the City of Lakeland for the purpose of providing affordable housing to low-income families; and

WHEREAS, the proposed expenditures will be consistent with the provisions of law and the Annual Contributions Contract;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Lakeland hereby approves the 2015 Annual Budget as presented by staff.

CERTIFICATE OF COMPLIANCE

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted this Resolution No. 14-1391 dated October 20, 2014.

Attested by:

Benjamin Stevenson, Secretary

Michael A. Pimentel, Chair

The Housing Authority of the City of Lakeland Request for Board Action

1. Describe Board Action Requested and why it is necessary:

Re: Resolution # 14-1392

The Board of Commissioners is requested to authorize that the current (Calendar Year 2014) utility allowance schedules for the Public Housing and the Housing Choice Voucher programs be continued for Calendar Year 2015.

2. Who is making request:

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: Implement the Calendar Year 2015 utility allowance schedules effective January 01, 2015.
- C. Originator: Carlos Pizarro

3. Cost Estimate:

N/A

Narrative:

The U.S. Department of Housing and Urban Development requires a housing authority to review its utility allowances annually. This review must include all changes in circumstances including completion of modernization and/or other energy conservation measures implemented by a housing authority which would lead to a change in reasonable consumption requirements and changes in utility rates.

The *utility allowance survey* method is the preferred method of obtaining current utility rates and charges for the Public Housing and the Housing Choice Voucher programs. The outcomes of this study enable a housing authority to update, as necessary, its current utility allowance schedules.

For this survey, the Lakeland Housing Authority selected *Housing Authority Services* as the consulting firm to conduct the study. *Housing Authority Services* has over twenty years' experience in federal, state, and local government consulting services in the following areas:

- Financial Management and Capital Fund Program
- Agency Plans and Policies
- PHAS
- SEMAP
- HQS
- Family Self Sufficiency
- Reasonable Rent Determination

- Utility Allowances
- Energy Audits
- Physical Needs Assessments

OBJECTIVES

This survey is to update the utility allowances relative to the current utility suppliers' rates and charges for electricity, natural gas, water, and sewer from the City, County, and other jurisdictions. The methodology used to analyze the current utility allowances includes a review of: monthly consumption allowances; rate information gathering; computation of consumption costs; submission of Public Housing and Section 8 HUD forms as well as other supporting documentation. Implementation of the allowances must occur within 90 days after approval by the Board.

RESULTS OF THE STUDY

Based on the *Housing Authority Services* survey, the Lakeland Housing Authority's current (Calendar Year 2014) utility allowances do not require any modifications since any variance is within the Department of Housing and Urban Development guidelines (see attached HUD-52667 forms).

OUTCOME

By approving this resolution, the Lakeland Housing Authority will demonstrate that it has complied with the Department of Housing and Urban Development mandated utility allowance regulation at 24 CFR 965.507(b) in that a review of its Calendar Year 2014 utility allowances determined that there is no need to revise the allowances for the 2015 Calendar Year.

WHO BENEFITS

The Public Housing and the Housing Choice Voucher program participants of the Lakeland Housing Authority will benefit.

RESOLUTION NO. 14-1392

APPROVAL OF UTILITY ALLOWANCE SCHEDULES

WHEREAS, the Housing Authority of the City of Lakeland is required by the United States Department of Housing and Urban Development to ensure that its Public Housing program and its Housing Choice Voucher (Section 8) program review and, if necessary, update the utility allowances for program participants on an annual basis; and

WHEREAS, after a study was performed to review the Housing Authority of the City of Lakeland's utility allowances for Calendar Year 2014, it was determined that no adjustments are necessary; and

WHEREAS, the proposed utility allowances for Calendar Year 2015 have been posted for thirty days to allow for public review and comment;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Lakeland hereby approves the continuation of the Calendar Year 2014 utility allowances for Calendar Year 2015 effective January 01, 2015.

CERTIFICATE OF COMPLIANCE

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted Resolution No. 14-1392 dated October 20, 2014.

Attested by:

Benjamin Stevenson, Secretary

Michael A. Pimentel, Chairman

AMP 1 Utility Allowance Schedule

Effective 01/01/2015

Bedroom Size	West Lake	West Lake Addition	John Wright	Cecil Gober
1	98	98	-	54
2	115	115	112	-
3	143	143	139	-
4	162	-	-	-

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality Lakeland Housing Authority	Unit Type Low Rise/High Rise/Garden/Walk-Up	Date (mm/dd/yyyy) 01/01/2015
-----------------------------------------------	-------------------------------------------------------	----------------------------------------

Utility or Service	Monthly Dollar Allowances						
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	4	7	7	9	10	11
	b. Bottle Gas	17	30	30	38	43	47
	c. Oil / Electric	6	7	8	9	10	10
	d. Heat Pump	3	3	3	4	4	4
Cooking	a. Natural Gas	4	5	8	9	11	12
	b. Bottle Gas	17	22	35	39	48	52
	c. Oil / Electric	6	8	10	12	14	17
	d. Coal / Other						
Other Electric	16	24	32	40	48	56	
Air Conditioning/Heat Pump	18	21	31	42	52	63	
Water Heating	a. Natural Gas	7	10	13	16	20	24
	b. Bottle Gas	31	44	57	70	87	105
	c. Oil / Electric	10	15	20	25	31	36
	d. Coal / Other						
Water	16	17	20	23	26	30	
Sewer	26	26	31	36	42	47	
Trash Collection	17	17	17	17	17	17	
Range/Microwave	12	12	12	12	12	12	
Refrigerator	13	13	13	13	13	13	
Natural Gas Flat Fee	12	12	12	12	12	12	
Electric Flat Fee	8	8	8	8	8	8	

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.	Utility or Service	per month cost
	Heating	\$
Name of Family	Cooking	
	Other Electric	
	Air Conditioning	
	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Range/Microwave	
	Refrigerator	
	Other	
Address of Unit	Total	\$
Number of Bedrooms		

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
(exp. 4/30/2014)

OMB Approval No. 2577-0169

Locality Lakeland Housing Authority	Unit Type Row House/Town House/Semi-Detached Duplex	Date (mm/dd/yyyy) 01/01/2015
-----------------------------------------------	--------------------------------------------------------	----------------------------------------

Utility or Service	Monthly Dollar Allowances						
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	7	9	10	12	14	15
	b. Bottle Gas	21	30	34	43	47	51
	c. Oil / Electric	7	8	9	10	11	12
	d. Heat Pump	3	3	4	4	4	5
Cooking	a. Natural Gas	4	5	8	9	11	12
	b. Bottle Gas	17	22	35	39	48	52
	c. Oil / Electric	6	8	10	12	14	17
	d. Coal / Other						
Other Electric	16	26	36	50	60	70	
Air Conditioning/Heat Pump	19	22	33	44	56	67	
Water Heating	a. Natural Gas	7	10	13	16	20	24
	b. Bottle Gas	31	44	57	70	87	105
	c. Oil / Electric	10	15	20	25	31	36
	d. Coal / Other						
Water	16	17	20	23	26	30	
Sewer	26	26	31	36	42	47	
Trash Collection	17	17	17	17	17	17	
Range/Microwave	12	12	12	12	12	12	
Refrigerator	13	13	13	13	13	13	
Natural Gas Flat Fee	12	12	12	12	12	12	
Electric Flat Fee	8	8	8	8	8	8	

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.	Utility or Service	per month cost
	Heating	\$
Name of Family	Cooking	
	Other Electric	
	Air Conditioning	
	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Range/Microwave	
	Refrigerator	
	Other	
Address of Unit	Total	\$
Number of Bedrooms		

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality Lakeland Housing Authority – City of Lakeland	Unit Type Single Family & Mobile Home	Date (mm/dd/yyyy) 01/01/2015
------------------------------------------------------------------	-----------------------------------------------------	----------------------------------------

Utility or Service	Monthly Dollar Allowances						
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	7	9	10	12	14	15
	b. Bottle Gas	30	38	43	51	60	64
	c. Oil / Electric	9	10	11	13	14	15
	d. Heat Pump	4	4	4	5	6	6
Cooking	a. Natural Gas	4	5	8	9	11	12
	b. Bottle Gas	17	22	35	39	48	52
	c. Oil / Electric	6	8	10	12	14	17
	d. Coal / Other						
Other Electric	23	34	44	59	69	80	
Air Conditioning/Heat Pump	22	24	37	49	62	75	
Water Heating	a. Natural Gas	7	10	13	16	20	24
	b. Bottle Gas	31	44	57	70	87	105
	c. Oil / Electric	10	15	20	25	31	36
	d. Coal / Other						
Water	20	22	24	28	31	35	
Sewer	28	28	33	39	44	49	
Trash Collection	17	17	17	17	17	17	
Range/Microwave	12	12	12	12	12	12	
Refrigerator	13	13	13	13	13	13	
Natural Gas Flat Fee	12	12	12	12	12	12	
Electric Flat Fee	8	8	8	8	8	8	

Actual Family Allowances To be used by the family to compute allowance.
Complete below for the actual unit rented.

Name of Family	Utility or Service	per month cost	
	Heating	\$	
	Cooking		
	Other Electric		
	Air Conditioning		
	Address of Unit	Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms	Refrigerator		
	Other		
	Total	\$	

**The Housing Authority of the City of Lakeland
Request for Board Action**

1. Describe Board Action Requested and why it is necessary:

Re: Resolution # 14-1393

The Board of Commissioners is requested to authorize the Executive Director to enter into a contract with *Annettie Machuca and Associates, Inc.* to provide *Housing Choice Voucher and Public Housing Recertification Services*.

2. Who is making request:

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: *Housing Choice Voucher and Public Housing Recertification Services*
- C. Originator: Carlos Pizarro

3. Cost Estimate:

Not-to-exceed \$123,000.00

Narrative:

The Housing Authority's staff determined that it would be in the best interest of the organization to have a third-party firm provide Housing Choice Voucher Recertification Services for approximately 1,100 families. These services would include: reviewing information provided by the participants and/or collecting and verifying any missing information regarding the household and its income; digital imaging of all documents; calculating rent shares and utility allowances; determining rent reasonableness; completing all required data entry; notifying tenants and owners of the new rent rates; and submitting all required documents, reports, and PIH Information Center submissions to the U.S. Department of Housing and Urban Development. Due to the population to be served, the successful respondent would also be required to provide bi-lingual (English/Spanish) services.

A Request for Proposals (RFP) was issued on August 28, 2014. The RFP was emailed to thirteen professional firms. Notice of the RFP was advertised in the *Lakeland Ledger*. It was also posted on the *Lakeland Housing Authority* web site, on the *FAHRO* (Florida Association of Housing and Redevelopment Officials) web site, on the *RFP Data Base* web site, as well as with the *Central Florida Business Diversity Council* and with one bid referral ("plan house") service.

Five responses to the RFP were received prior to the September 16, 2014 deadline. Each response was independently reviewed and evaluated by a three-member team. The results

of these evaluations were presented at a public meeting on September 30th. (A copy of the scoring matrix is attached to the *Resolution*.) At the conclusion of the review committee's meeting, the team decided to meet with the highest-scoring respondent, *Annettie Machuca and Associates, Inc.*, on October 3rd to negotiate a possible agreement.

As a result of these negotiations between the Housing Authority staff and *Annettie Machuca and Associates*, the projected number of annual recertifications was increased from 1,100 families to 1,700 families (that number includes an additional 318 Public Housing families) at the same total cost offered in original proposal.

Based on the above selection process, staff is recommending that the Board of Commissioners, at its October 20, 2014 meeting, approve contracting with *Annettie Machuca and Associates, Inc.* for an initial one-year period at a not-to-exceed contract value of \$123,000.00.

RESOLUTION NO. 14-1393

**APPROVING THE AWARD OF CONTRACT TO PROVIDE
HOUSING CHOICE VOUCHER AND PUBLIC HOUSING
RECERTIFICATION SERVICES**

WHEREAS, the Housing Authority of the City of Lakeland determined that it would be in the best interest of the organization to have a third-party firm provide Housing Choice Voucher Recertification Services; and

WHEREAS, on August 28, 2014, the staff of the Housing Authority of the City of Lakeland issued a Request for Proposals to procure the desired recertification services; and

WHEREAS, on September 16, 2014, responses were received from five professional firms interested in providing the requested services; and

WHEREAS, after ranking these five responses (see attached matrix), the highest-ranked firm was invited to negotiate with the staff review committee; and

WHEREAS, as a result of the negotiations between the Housing Authority and the highest-ranked firm, the projected number of annual recertifications to be completed was increased from 1,100 families to 1,700 families (that number includes an additional 318 Public Housing families) at the same total cost offered in original proposal; and

WHEREAS, the Housing Authority staff is recommending that the highest-ranked firm, *Annettie Machuca and Associates, Inc.*, be awarded the contract for these services;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of Housing Authority of the City of Lakeland hereby approves the award of a contract for the provision of *Housing Choice Voucher and Public Housing Recertification Services* to *Annettie Machuca and Associates, Inc.*, effective November 03, 2014 and ending November 02, 2015 with a not-to-exceed value of \$123,000 with the right to renew the contract for an additional one-year period.

CERTIFICATE OF COMPLIANCE

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted this Resolution No. 14-1393 dated October 20, 2014.

Attested by:

Benjamin Stevenson, Secretary

Michael A. Pimentel, Chair

PROPOSAL RATING SHEET

HOUSING CHOICE VOUCHER RECERTIFICATION SERVICES

CRITERIA	RATER	PROPOSER				
		Annette Machuca & Associates	CVR Associates	Housing Authority Services *	Multifamily Housing Solutions	Nelson & Associates
<p><i>Letter of Transmittal</i></p> <p><i>Letter of Transmittal</i> (No points to be awarded) Yes/No Did the respondent “Include a letter of transmittal bearing the signature of an authorized representative of the respondent and the name and email address of the individual authorized to negotiate services and costs with LHA?”</p>	n/a	Yes	Yes	--	Yes	Yes
<p><i>Information requested under Tab 1 – Vendor Information</i> (Possible 0 to 5 points)</p> <ul style="list-style-type: none"> ▪ <u>Provide general information that best represents the respondent’s company.</u> ▪ <u>Describe those factors that differentiate the respondent’s service from other such vendors.</u> 	A	5	5	--	4	5
	B	3	3	--	4	3
	C	5	5	--	3	4
<p><i>Information requested under Tab 2 – Capacity to Provide Professional Services in a Timely Manner</i> (Possible 0 to 30 points)</p> <ul style="list-style-type: none"> ▪ Describe the methodology that the respondent proposes to provide the services described in the <i>Scope of Services</i> (above). Include information on proposed 	A	30	25	--	10	25
	B	30	25	--	15	25

<p>staffing and the equipment that will be applied to provide these services.</p> <ul style="list-style-type: none"> Describe the specific deliverables that the respondent will provide supported by a timeline for providing these deliverables. 	C	30	23	--	7	20
<p>Information requested under Tab 3—Staff Experience and Organization (Possible 0 to 25 points)</p> <ul style="list-style-type: none"> Show the experience of the key personnel anticipated to be assigned to this project relative to projects of similar size and nature. (Experience with public housing authorities is essential.) Specifically, show the experience that these key personnel have working with each other on previous projects. Provide a staffing plan of who will be responsible for the specific tasks identified the <i>Scope of Services</i>. 	A	20	20	--	10	23
	B	23	25	--	12	25
	C	25	19	--	5	20
<p>Information requested under Tab 4—Organizational Experience (Possible 0 to 20 points)</p> <p>Demonstrate the respondent's experience in projects similar in scope and complexity as described in this solicitation within the last five years. (Experience with public housing authorities is essential.)</p>	A	20	20	--	10	20
	B	20	20	--	15	20
	C	18	19	--	11	18
<p>Information requested under Tab 5—Costs and Fees--(Possible 0 to 20 points)</p> <p>Provide a detailed fee schedule which includes information on: e.g., hourly rates, travel costs, per diem, fees, and other miscellaneous cost. Reasonableness and comparison of costs offered will be considered by the evaluation team.</p> <p><i>(Note: All pricing and proposed services are subject to later negotiation.)</i></p>	A	20	2	--	0	5
	B	15	10	--	0	10
	C	20	1	--	1	3

<p>Information requested under Tab 5--Submission of Required Documents (No points to be awarded)</p> <p>Provide:</p> <ul style="list-style-type: none"> ▪ At least, five references for the recent projects--particularly with public sector entities--that are similar to the services requested in this RFP. Provide name of point of contact, entity, telephone number, and title of references. ▪ Completed HUD Form 5369-C ▪ Completed HUD Form 50070 ▪ Completed Section 3 Business Form ▪ Completed Non-Collusion Certification ▪ Completed Public Entity Crime Statement 	n/a	Yes	Yes	--	Yes	Yes
Total		284	222	--	107	226
Average		94.67	74.00	--	35.67	75.33
RANK		1 st	3rd	--	4th	2nd

*The submitted proposal was not organized in the format indicated in item **3.0 PROPOSALS** of the Request for Proposals; therefore, it was rejected by the reviewers as *non-responsive* to this Request for Proposals as per item **13.0 LHA'S RESERVATION OF RIGHTS**.

SECRETARY'S REPORT

**Secretary's Report
October 2014**

HOPE VI Funds Expenditure

HUD would like for LHA to obligate the HOPE VI funds as quickly as possible. Staff submitted a Development Proposal to use the HOPE VI funds to construct some affordable rental housing units on the vacant lots at the HOPE VI site. Since that time, staff has had follow-up conversations with HUD-Miami regarding the unexpended HOPE VI funds. Staff has provided responses to their follow-up questions. We are waiting on HUD approval of the proposal. Details will be provided for the Board at a later date.

At this time, staff has withdrawn a request to HUD for approval of approximately \$847,000 in HOPE VI expenses that were paid out of the Magnolia Point sales proceeds. During the HUD site visit, staff discussed this option and another option with HUD staff. LHA is now considering submitting a request to HUD to use the sales proceeds from the sale of a vacant commercial lot on the HOPE VI site to be applied towards the public housing debt. This request will be included in the Recovery Plan submitted to HUD. The LHA is in the process of making a request to use the remaining HOPE VI funds and some unobligated RHF funds to construct some new housing units at the HOPE VI site. The request should be submitted within the next 30 days.

Annual Budget/Agency Update

The proposed 2015 Agency Budget was given to the Board at the September 15, 2014 Special Board meeting. Each commissioner was given a copy of the budget for their review. The budget was discussed at the September 29th Board meeting.

A copy of the Corrective Action Plan is submitted to the HUD-Miami office for review and comment on a monthly basis. HUD has approved the Corrective Action Plan and recommended acceptance by the LHA Board. The Board provided acceptance at the January 2013 meeting. Periodic updates on the status of items in the Corrective Action Plan are given to the Board on a minimum quarterly basis. A copy of the most recently updated Corrective Action Plan is included with this month's report. The update was also submitted to HUD-Miami.

The LHA Recovery Plan update is a standard part of the Board agenda.

Section 3 and M/WBE Policy

The Section 3 and Minority/Women Business Enterprise Policy for LHA was approved at the November 2012 Board meeting. The policy provides statements regarding required Section 3 language for all LHA contracts, minimum percentages of contract dollar amounts for contractors to subcontract to M/WBEs and Section 3 business concerns, and forms for reporting compliance with the Section 3 and M/WBE policy.

**Secretary's Report
October 2014**

LHA held a "How To Do Business with LHA" meeting in 2013. The meeting was open to the public and invites were sent to all firms on the LHA vendor's list. The Section 3 and M/WBE policies were discussed in detail at the meeting. A question and answer session was also a part of the program.

Agency Plan

LHA staff has started work on the Agency Plan that will be submitted to HUD in October 2014. The Plan must be approved by the LHA Board of Commissioners prior to the October 2014 Board meeting. Copies of the Plan will be made available for review and public comment for a forty-five (45) day period. Copies of the Plan were also provided for the Resident Advisory Board, the City of Lakeland, local neighborhood associations, and the NAACP as well as placed in public libraries. Public meetings on the Plan were held in August and September in addition to a Public Hearing at the LHA central office. LHA staff also held two (2) public meetings with the Resident Advisory Board regarding the Plan prior to the public hearing. After completion of the public process, the Plan was submitted to the U.S. Department of Housing and Urban Development Miami Field Office for review and approval.

Meetings and Activity

The HUD-Miami office was in town to discuss the draft Recovery Plan. HUD staff was given a copy of the Plan to review prior to the meeting. After the meeting, revisions discussed were incorporated into the Plan. The draft document was re-submitted for review to the Field Office. Staff will present the Recovery Plan to the LHA Board of Commissioners at the October board meeting.

Other Activities

I attended two meetings of the Leadership Lakeland Alumni. The first meeting was at the Lakeland Center where Sun N' Fun and other local aviation programs were discussed. The second meeting was at the Grasslands Golf and Country Club. The topic was Politics in Florida.

Respectfully submitted,

Benjamin Stevenson

Secretary

OTHER BUSINESS



**BOARD OF
COMMISSIONERS**

Michael A. Pimentel
Chairman

Rev. Richard Richardson
Vice Chairman

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Commissioner

Eddie Hall
Commissioner

Lorenzo Robinson
Commissioner

Dorothy Sanders
Commissioner

Gary Smith
Commissioner

Benjamin J. Stevenson
Executive Director

430 Hartsell Ave
Lakeland, FL 33815

MAIN OFFICE

Phone: (863) 687-2911
Fax: (863) 413-2976

www.LakelandHousing.org

October 9, 2014

Victor Rocher
Acting Director
U.S. Department of Housing and Urban Development
Office of Public Housing
Brickell Plaza Federal Building
909 SE First Avenue, Room 500
Miami, FL 33131-3042

RE: Updated Corrective Action Plan

Dear Mr. Rocher:

Enclosed for your review is the Corrective Action Plan (CAP) for the Lakeland Housing Authority (LHA). As you are aware, LHA has had some changes in staff. So, the CAP has been updated with the name of a new Finance staff that will taking over that role. The revisions are highlighted in bold print on pages 2, 7, 11, 15, and 16.

Please do not hesitate to have staff contact Valerie Brown if you have questions or require additional information. Ms. Brown can be reached at (863) 687-2911, x216.

Sincerely,

A handwritten signature in blue ink, appearing to be "B. Stevenson", with a long horizontal flourish extending to the right.

Benjamin J. Stevenson
Executive Director

Cc: Valerie Brown
Project Files

Enclosure

**LAKELAND HOUSING AUTHORITY
CORRECTIVE ACTION PLAN**

In May 2012, representatives from the Miami Field Office, Office of Public Housing (OPH) conducted a Limited Financial Management Review (LFMR) of the Lakeland Housing Authority (LHA). The LFMR resulted in three (3) findings and three (3) observations. Due to the nature of the Findings, OPH recommended that LHA engage a third party firm to conduct a forensic audit. LHA used a competitive Request for Proposals process to procure forensic audit services from NKA Contractors, LLC (NKA). NKA issued their findings on September 3, 2012. The special forensic audit procedures identified 22 findings and nine (9) weaknesses throughout various LHA departments. Additionally, LHA is in receipt of seven (7) findings from the Independent

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
1	Forensic Audit Report	No Classification Listed	The Rushing file involves a family of two. The family filed the litigation and negotiated a settlement with LHA, but did not fulfill the terms of the agreement.	It is recommended that LHA have its attorneys take appropriate action to ensure that the pendency of this case is terminated by the court.	The case has been settled. Case is now closed. The participant in this case was issued a Voucher but did not submit a Request For Tenancy Approval and is no longer participating in the program.	9/30/2012	Complete	C. Pizarro w/ Housing	LITIGATION
2	Independent Auditor's Report	Finding 11-7	We reviewed abatement logs prepared by the Authority, as well as supporting HAP check registers. We noted numerous instances in which HAP to landlords for units with uncorrected HQS deficiencies were not abated in a timely manner.	We recommend that the Authority develop proper procedures and strengthen internal controls relating to enforcement of HQS requirements through HAP abatement. A list of failed re-inspections should be reviewed regularly by a dedicated staff person, and management should perform monthly reviews of the inspection logs to ensure that all failed inspections are re-inspected within the required time frame and that all HAP abatements are handled properly per the Authority's administrative plan and HUD rules.	The Authority will review its current system of controls and implement policies and procedures to ensure Section 8 Housing Choice Voucher Program HQS Enforcement is performed timely. All failed inspections will be re-inspected within the required time frame to ensure HAP abatements are in compliance with HUD requirements and the Authority's administrative plan. The corrections will be made immediately under the supervision of Carlos Pizarro, Director of Housing, and improved policies will be implemented.	3/31/2013 4/30/2013	Complete	C. Pizarro w/ Housing	ABATEMENTS
3	Limited Financial Management Review	Finding 3	According to the monthly HAP expense reports, HAP abatements are routinely paid to landlords.	All paid abatements within the 2012 CY must be repaid back to the program. The LHA must calculate all paid abatements in CY 2012, contact the affected landlords and either reduce subsequent payments or collect the amounts directly. Evidence of this procedure and subsequent collections must be submitted to this office within 30 days of the date of this letter.				C. Pizarro w/ Housing	ABATEMENTS

**LAKELAND HOUSING AUTHORITY
CORRECTIVE ACTION PLAN**

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
4	Forensic Audit Report	Finding 7	The authority's September 7, 2011 corrective action plan asserts corrective actions were implemented prior to the release of the final independent audit report that includes a reference to the Management Letter dated September 8, 2011. There are no outstanding corrective action plans based on independent audit report findings, or HUD monitoring reports.	The authority must be proactive and document its plans to accept or reject the independent auditor's September 28, 2011 management letter comments and recommendations for improvement in its' operations.	The Corrective Action Plan currently being written is based upon the most current independent audit report and third party reviews.	11/30/2012	Complete	E. Hall w/Finance	AUDIT
5	Forensic Audit Report	Finding 2	Board of Commissioners Meeting Minutes are not signed by the Chairman and attested to by the Secretary. Minutes are not certified, nor is the agency seal affixed to authenticate the documents as true copies.	Board of Commissioners Secretary, or a designee, should secure the appropriate signatures on all approved Resolutions. All minutes should be certified and sealed. Agency seal should be kept under lock and key to avoid unauthorized use.	LHA staff is now ensuring that the appropriate signatures are secured for all approved Resolutions. Additionally, all minutes are now being certified and sealed. The agency seal is also being kept under lock and key.	Complete	On-Going Oversight	K. Davis w/Executive Office B. Goodman w/Executive Office	BOC
6	Forensic Audit Report	Finding 6	The financial statements do not include the Statement of Cash Flows for LHA and its Affiliates. The absence of the report is an incomplete presentation of financial condition.	The cash position must be assessed to ensure the continuation of operations and eliminate service disruptions. The Finance Department must generate the Yardi report for presentation to the Executive Director and Board on a monthly or quarterly basis.	Cash flow statements will be included in the monthly financial statements beginning with the December 31, 2013 financials prepared for the Authority's next Board of Commissioners Meeting.	Complete	On-Going Oversight	E. Hall w/Finance	CASH POSITION
7	Forensic Audit Report	Finding 9	The authority has not followed its' policy to transfer outstanding checks to a liability account after 120 days. The face of the check states "Void after 120 days." The June 2012 bank reconciliation listed outstanding checks from the year 2011.	The outstanding checks should be voided or an entry made to account for the Unclaimed Funds. If past history supports longer timeframes for cashing checks, a policy modification may be warranted.	The Authority will ensure the policies regarding old outstanding checks are followed. Outstanding amounts will be identified and classified as Unclaimed Funds.	Complete	On-Going	E. Hall w/Finance	CHECKS
8	Limited Financial Management Review	Observation 1	Current bank statement reconciliations contain several checks over six months' old, many in excess of one year.	The LHA must adopt policies and procedures for aged checks and should attempt to contact vendors with invalid checks and issue new payments if appropriate. Any checks more than one year old should be voided and written off or re-issue the check as needed.				E. Hall w/Finance	CHECKS

**LAKELAND HOUSING AUTHORITY
CORRECTIVE ACTION PLAN**

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
9	Forensic Audit Report	Finding 18	LHA has been receiving RHF Funding in amounts shown in Attachment 18 totaling \$2,992,124. The use of these funds pre-date the scope of this assignment and the LHA staff indicated that HUD has approved all RHF activities.	The use of these funds should be reviewed in light of the information provided above to insure that all RHF Funds have been properly expended.	LHA staff is in the process of reviewing RHF expenditures as outlined by Attachment 18 to ensure that the funds were properly expended.	8/1/2013 12/31/13	In Progress	V. Brown w/ Development	COMPLIANCE
10	Forensic Audit Report	Finding 11	The bank signature update forms were part of the bank reconciliation files. The bank forms include confidential personal information for each signer. This includes a mixture of social security and driver license numbers, and at all times this data must be stored in a secure location to prevent misuse or identity theft.	The bank signature update forms must not become part of the bank reconciliation files, and immediately removed from the files. The Finance Department should have one central file for each financial institution to store the signature update forms. They must be kept in a locked secure cabinet.	Bank signature forms have been removed from the bank reconciliation files and filed separately.		Complete	E. Hall w/Finance	CONFIDENTIAL INFORMATION
11	Forensic Audit Report	Weakness 9	The random selection of five (5) employee files for comparison to ADP pay rates resulted in no issues with four (4) files. The human resource (HR) office file for one (1) employee could not be located.	The files must have a 100% accounting for all staff. The HR manager must implement a procedure for "sign-out and sign-in" of staff files to ensure confidentiality.	The HR manager is in the process of implementing procedures for "sign-out and sign-in" of staff files.	Complete	On-Going Oversight	P. Roberts w/Human Resources	CONFIDENTIAL INFORMATION
12	Forensic Audit Report	Finding 10	The bank reconciliation listed deposits dated the beginning of the month that was not recorded by the bank. Based on technology and banking clearinghouse procedures the funds would be available within 24 hours to seven (7) business days.	This unusual transaction should be researched and the authority records must present the steps taken to correct this process breakdown. The authority assets must be safeguarded, immediately deposited in a federally insured financial institution, and recorded in the general ledger to prevent theft, kiting, and misappropriation. This unusual transaction could indicate undetected systemic fraud in the organization.	This situation occurred because a property manager did not deposit checks on a daily basis. Staff has been advised of Authority's policy requiring daily deposits and compliance will be reviewed during bank reconciliations.		Complete	E. Hall w/Finance	DEPOSITS

**LAKELAND HOUSING AUTHORITY
CORRECTIVE ACTION PLAN**

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
13	Limited Financial Management Review	Observation 3	Tenant file deficiencies and income discrepancies from EIV totaled 138 participants.	Provide updates for all participants in process or under review. Files must be documented with criminal background checks and sexual offender registrations, if applicable. Third party verification of income and assets is required. Bank statements or other source documents should be obtained to verify participant deposits and expenses. Additional Recommendations: Zero income participants are not required to come to the Office for an interview. These families should be required to meet at least annually with the housing counselor and provide a written statement certifying to zero income. Funds considered excluded contributions for zero income families	LHA staff is interviewing all 0 income tenants on a monthly basis to calculate income.	11/1/2012	HUD considers this item to still be open.	C. Pizarro w/ Housing	EIV
14	Independent Auditor's Report	Finding 11-1 (iii)	The Authority's general ledger commingles activity for certain public housing units, which fall under the HUD Annual Contributions Contracts ("ACC") with activity of other subsidized units at mixed-finance projects which are not included in the Authority's reporting entity. The activity of the public housing units in the general ledger could not easily be traced to amounts isolated for presentation in the FDS. This commingling presents the possibility of inaccurate reporting of the financial information related to the public housing units.	The Authority should segregate the activity related to the public housing units at mixed-finance projects from the activity of the other subsidize units and general partnership activity in the general ledger.	The Authority will review its current system of controls and implement procedures necessary to ensure all financial information is reported accurately, timely and in accordance with GAAP. To ensure compliance with GAAP and grant requirements, the Authority will provide training for the accounting staff so they have the necessary competencies required to account for the Authority's varied programs and activities. The general ledger will be adjusted to ensure mixed-finance project activity is not commingled with the activity of the other subsidized units and general partnership activity in the general ledger. The review and necessary actions are in progress under the supervision of Eva Hall, Director of Finance.	3/31/2013 5/31/2013	Complete	E. Hall w/Finance	FDS

**LAKELAND HOUSING AUTHORITY
CORRECTIVE ACTION PLAN**

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
15	Forensic Audit Report	Weakness 2	The Finance Department creates the required LHA and its Affiliates financial statements for presentation and approval by the Executive Director and Board of Commissioners. Review of the board packages for the audit period indicates the Yardi generated financial statements are converted to Microsoft Excel reports.	The Yardi financial statements converted to excel could be manipulated, create unintentional errors, and inaccurately present the results of operations. The Comptroller/Finance Director must present Yardi generated financial statements to the Executive Director for review and approval. This preliminary board package can include excel formatted reports based on criteria or special requests of the Executive Director or Board of Commissioners. This approach will ensure the BOC's legal and fiduciary responsibility is not compromised by decision making based on inaccurate reporting.	The Authority's monthly financial statements are prepared using Excel in order to comply with requests from the Board of Commissioners and Finance Committee for presentation and format of the information. Programming changes to the Yardi software are cost-prohibitive at this time. The Authority will consider the potential for inaccurate reporting and devise review procedures to mitigate the risk.	12/31/2012	Complete	E. Hall w/Finance	FINANCIAL STATEMENTS
16	Forensic Audit Report	Weakness 3	The COCC chart of accounts (COA) properly presents the major and sub accounts for HUD reporting purposes, and generally accepted accounting principles (GAAP) compliance. The COA for the public housing units Asset Management Projects (AMP) summary or general accounts should be analyzed to ensure accurate presentation of legal ownership.	The Comptroller/Finance Director must analyze the account rollups to improve the reliability of the financial statements. As noted in recent board minutes, the tenant security deposits were incorrectly classified in Cash and were appropriately reclassified as a separate financial statement line item. Other instances of misclassification should be resolved prior to issuance of Executive Director and Board of Commissioners reports.	The new Finance Director is experienced in the preparation of financial statements and will ensure the proper classification of accounts in the Authority's financial reports.	12/31/2012	Complete	E. Hall w/Finance	FINANCIAL STATEMENTS
17	Forensic Audit Report	Finding 19	Effective on October 1, 2011, LHA increased its FMR to 105% of the published HUD standard for 2012. LHA Section 8 staff has indicated that HUD has requested that the authority return to using the HUD FMR standards. From the comparison above it is clear that rents in the Lakeland market are changing rapidly.	LHA should conduct a Rent Comparability Study (RCS) pursuant to HUD Guidelines if it intends to maintain its Payment Standards at 105% of FMR. LHA, as one of the largest Section 8 landlords in the Lakeland market should proactively evaluate the impact of changes to its Payment Standards on its mixed-finance properties.	Rent comparison study is in progress. A rent comparison study is no longer necessary. LHA is in the process of lowering its payment standard to 90% FMR.	3/31/2013	Complete	C. Pizarro w/Housing	FMR

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18	Forensic Audit Report	Finding 12	The Authority does not have required General Depository Agreements (GDA) at financial institutions to protect authority assets originating from federal housing funds.	There are approximately nine (9) financial institutions with 46 different accounts for LHA and its" Affiliates. The review of bank reconciliations demonstrates appropriate segregation of funds has occurred. The authority should determine the Affiliate accounts that must have GDA's based on the level of federal housing subsidy provided to the Affiliate. The subsidized tenants and corresponding assets must be protected to ensure LHA is not liable for financial events beyond the control of LHA.	The Authority is in the process of collecting current GDA forms from the two banks holding the Authority's deposits. All the banks are on the government's list of approved Public Depositories.	11/30/2012	Complete	E. Hall w/Finance	GDA
19	Forensic Audit Report	Finding 20	LHA currently has a Section 8 HAP Budget shortfall due to an inaccurate estimate of its Section 8 funding surplus, recent increase of the authority's Section 8 Payment Standard to 105% of the HUD FMR, and failure to establish and maintain effective control of its Section 8 Budget. LHA is attempting to mitigate this problem by reducing the number of outstanding Vouchers. Additionally, LHA staff indicated that the authority is letting Vouchers expire, not issuing new Vouchers and borrowing from future HUD HAP funding. The precise amount of this shortfall is unknown at this time.	The authority should work with its audit firm to determine the extend of the shortfall. Once the amount of the shortfall is known a plan to eliminate this shortfall within one year must be implemented.	Any budget shortfall in the HCV program will be paid with existing cash deposits and supplemented with LHA unrestricted funds if necessary. As the 2013 budget is prepared, adjustments to expenditures will be made and budget overages will not be permitted. The Authority is not borrowing from future HUD HAP funding. LHA does not have a HAP shortfall for 3013.		Complete	C. Pizarro w/Housing	HAP BUDGET

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20	Independent Auditor's Report	Finding 11-1 (i)	Authority's unaudited Financial Data Schedule ("FDS") included balances for net assets and current year housing assistance payments ("HAP") expense of the Housing Choice Voucher program ("HCV"), as well as total capital assets, that did not agree to and could not be reconciled to the Authority's general ledger. Further, the Authority could not provide sufficient evidence in order to support the fair presentation of the balances in accordance with accounting principles generally accepted in the United States of America ("GAAP").	Capital Assets - the Authority should perform a complete inventory of its capital assets annually to ensure that recorded capital assets exists and that the balances reported in the financial records are accurate and complete. Further, the Authority should also analyze the remaining useful lives of existing assets annually, as well as any potential impairment of capital assets, and make adjustments to depreciation records as necessary. It should be noted that the financial records of the Authority should not include capital assets that belong to the partnerships involved in the mixed-finance projects even if the funding sources are provided by the Authority. These assets do not belong to the Authority and, therefore,	<i>The Authority is in the process of establishing procedures for an annual physical inventory of capital assets to ensure their existence and evaluate their condition and remaining useful lives. These procedures will address properly excluding assets which are not directly owned by the Authority and ensure that such assets are properly recorded in the capital asset records of their respective owners. The inventory is in progress under the supervision of Carlos Pizarro, Director of Housing, and will be complete for the December 31, 2012 FDS submission.</i>	Complete	On-Going Oversight	E. Hall w/Finance and J. Murphy w/Finance and V Brown w/ Development	INVENTORY
21	Forensic Audit Report	Finding 3	LHA policy governing physical inventory is not in compliance with current HUD policies. The 2006 policy which references "the Central Warehouse" is outdated and does not conform to the "just-in-time" inventory system currently in use for materials used for maintenance replacements and repairs.	Revise inventory policy to conform to LHA's site-based Asset Management system.				V. Brown w/ Development	INVENTORY
22	Forensic Audit Report	Finding 4	LHA does not conduct an annual physical inventory of dwelling/non-dwelling equipment, furniture, and other expendable supplies and record fixed assets in accordance with HUD PIH Low-Rent Technical Accounting Guide Book 7510.1.	Establish and implement procedures for conducting an annual physical inventory of all material assets in accordance with HUD requirements.				V. Brown w/ Development	INVENTORY
23	Forensic Audit Report	Finding 22	The Finance Department does not have a Board of Commissioners approved investment strategy policy. The 2006 Casterline SOP guidance is outdated and does not address LHA complexities.	The finance department should develop an investment strategy and corresponding policy recommendation for Executive Director and Board of Commissioners approval.	LHA's Board of Commissioners approved the investment policy as part of their August 2014 meeting.	3/30/2013 8/1/2013 12/31/13 8/18/2014	Complete	E. Hall w/Finance B. Stevenson w/Executive Office	INVESTMENT POLICY

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24	Forensic Audit Report	Weakness 6	The 46 (forty-six) accounts under LHA management should be considered for a "sweep account" agreement to generate or improve the return on cash.	On December 31, 2012 the FDIC unlimited coverage on non-interest bearing accounts expires. The analysis of account balances and ownership should be completed to determine which accounts can be leveraged to improve the return on cash. The results of the analysis must comply with HUD regulations for PHA's Instrumentalities.	Limited Partnership properties managed by the Authority are required to have separate accounts for security deposits, reserves and escrow accounts. In addition, It is the Authority's desire to separate federal funds from non-federal funds. Staff has been advised that HUD does not favor sweep accounts.		Complete	E. Hall w/ Finance	INVESTMENT POLICY
25	Forensic Audit Report	Weakness 4	The review of Yardi system journal entries demonstrate a high incidence of reversing entries due to incorrect entering of transactions.	The staff must receive additional accounting and Yardi Systems training. The database relationships must be accurately defined to provide minimum user interface or processing of manual entries. Yardi systems is a robust software that can be utilized to improve financial and operational reporting, create efficiencies, and streamline department processes.	There are numerous journal entries in Yardi with the description "Reclass". This is not a correction or reversal of a previous entry, but an allocation of an expense between entities. The entries are required because Yardi does not process inter-fund transactions to the satisfaction of staff. Staff will be afforded the opportunity for training to enhance skills and efficiency.		Complete	E. Hall w/Finance	JOURNAL ENTRIES
26	Forensic Audit Report	Weakness 7	The LHA Board of Commissioners have legal and fiduciary responsibility for some the LHA Affiliates. The financial impact of the GAAP and International Financial Reporting Standards (IFRS) reporting requirement for Leases and Capital Assets must be completed before year end.	The Comptroller/Finance Director should review all leases to project one to five year results of operations, and develop strategic plans to best utilize limited authority and partnership resources.	The Authority has short-term, cancellable operating leases with several vendors. There are no leases which meet the requirements for capitalization.		Complete	E. Hall w/Finance	LEASES AND CAPITAL ASSETS
27	Limited Financial Management Review	Finding 1	The LHA's reported actual available NRA for operations is significantly less than the HUD review team's calculated amount for CYE 12/31/2011.	Due to the discrepancy between the reported FDS Balance Sheet numbers and the actual cash available in the HCV program accounts a forensic audit is highly recommended to identify where the missing funds are inappropriately held in other program accounts or are actually missing from the LHA.	The Authority has engaged a team of consultants to reconcile VMS reports to the general ledger and determine NRA and UNA. Actual cash held by the Authority is higher than amounts reported on the VMS. This reconciliation will correct the 2011 and 2012 VMS reported amounts. All amounts will be corrected for the March 31, 2013 reporting period. The consultants have	4/1/2013	Complete	E. Hall w/ Finance	NRA

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28	Limited Financial Management Review	Finding 1a	FDS CY 2010 line number 125: "Accounts Receivable-Miscellaneous" \$458,839 . . . and line number 347: "Inter-Program-Due to" \$627,006. If the \$458,839 was never collected or collections were not reported correctly in CY 2011, this would explain approximately the \$629,000 calculated shortage.	Provide detail explaining the receivable and entries that reduced this amount to \$25,441 on the CY 2011 FDS. The same detail is required for the "Inter-Program Due to" amount. This information is due within seven business days.	been engaged to address all findings included in HUD's Limited Financial Management Review letter. The procedures will be complete for the March 31, 2013 reporting period.			E. Hall w/Finance	NRA
29	Limited Financial Management Review	Finding 1b	The CY ending 12/31/2010 FDS had a balance of \$387,406 in Fraud Recovery and the CY 2011 FDS balance was \$56,331, indicating a subsequent write-off of approximately \$331,075 in 2011. The monthly HAP expense worksheet used to report HAP expenses on the VMS shows a CY 2011 write off of fraud recoveries of \$75,000, not \$331,075 as reported. This \$75,000 also reduced the reported FDS NRA balance by the same amount.	Detail must be provided explaining what comprises the receivable and the entries that reduced this amount to \$56,331 on the 2011 FDS. In addition, GL entries that recorded the Fraud A/Rs as revenue are required to be submitted to this office within seven days of the date of this letter.				E. Hall w/Finance	NRA
30	Limited Financial Management Review	Finding 1c	The VMS reported CY 2011 monthly HCV HAP expenses varied significantly (approximately \$337,500 in total) from the calculated amounts on the monthly HAP Registers provided to the HUD review team by the Finance Director. Unit Months' Leased also varied from the number of tenants listed on the HAP registers, though the variance was not as significant. A total of 76 additional UMLs were reported on the CYE 2011 FDS Balance Sheet compared to the monthly HAP registers. In addition, based upon the variances noted between reports, VASH revenues and expenses appeared to be double counted on the FDS, included in both the HCV totals and again, separately, under the VASH accounts.	Detailed monthly reports and entries explaining CYE 2011 FDS through June 2012 and reported HCV HAP expenses and UMLs are required within 30 days of the date of this letter.				E. Hall w/Finance	NRA

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31	Limited Financial Management Review	Finding 1d	The Finance Director's monthly expense report used for VMS reporting included port-in expenditures with the regular monthly HAP expenses thereby improperly increasing the VMS reported HAP expenses.	The PHA must correct the VMS and the general ledger 30 days.				E. Hall w/Finance	NRA
32	Limited Financial Management Review	Finding 1e	Several "Due to" and "Due From" accounts were noted on the HCV trial balance, most of which appeared to cancel out except for the "Due to Master" account. Some of these were not explained in detail to the review team. In addition, HAP funds cannot be loaned to other funds. This is a severe program violation.	A detailed explanation is required for the "Due from LPCH", "Due from Colton Meadow, LLP", "Due From Mainstream", "Due from the Manor at West Bartow", and the "Due from PortProp" accounts. In addition, the following specific entry requires further explanation: December 20, 2011: Debit-Cash Operating 1 \$100,000.00 Credit-Due to Colton Meadow, LLP \$100,000.00				E. Hall w/Finance	NRA
33	Limited Financial Management Review	Finding 1f	Several adjusting entries made to the general ledger were not clearly documented. May appear to be transfers of funds between projects.	The PHA must maintain supporting documentation for any deposit or transfer of funds. Also, any transfer of funds between accounts must have the Executive Director's approval. Monthly quality control procedures must be established for accounts receivable, payables, and journal entries. Please provide verification for the transfer.	The Authority will enforce its policy of requiring approval of proper documentation before journal entries are posted.		Complete	E. Hall w/Finance	NRA
34	Forensic Audit Report	Weakness 7a	LHA appears to have placed its Operating Surplus at risk of recapture. The authority would be able to mitigate this risk by using the Operating Fund Financing Program (OFFP) to borrow working capital for its development activities and committing its Operating Surplus to repay those loans as permitted by HUD.	Our general recommendation is that LHA staff familiarizes themselves with the OFFP.	LHA staff will review the OFFP.		Complete	Authority-Wide/ Executive Team	OFFP

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35	Independent Auditor's Report	Finding 11-2	Adequate controls are not in place over cash disbursements. During the audit we noted i.) Inconsistencies in practice in the use of purchase orders and level of approvals as required by the Authority's procurement and cash disbursement policies. ii.) Inadequate segregation of duties over the set-up of the required approvals in the accounting software and the actual approval of transactions, as well as between the recording of transactions in the general ledger and the approval of transactions in certain cases. iii.) A lack of monitoring controls over total disbursements to vendors under contract.	Management should analyze the cash disbursement process in conjunction with procurement policies and document the required procedures. Specifically, the Authority should implement the required approval thresholds and better define the staff positions that should be involved in the processing of cash disbursements. Further, the Authority should implement proper segregation of duties over monitoring controls over total vendor payments made under contracts. The Authority should also provide training to all staff on relevant rules and regulations and the internal policies relating to cash disbursements and procurement.	The Authority will review its current system of controls and implement policies and procedures to ensure cash disbursements and procurements have proper approval. Policies regarding approvals, approval thresholds and monitoring by procurement staff will be enforced. Staff will be trained on the Authority's policies and the relevant rules and regulations related to cash disbursements and procurement. The review and necessary actions are in progress under the supervision of Eva Hall, Director of Finance Joe Murphy, Finance Manager/Comptroller.	3/31/2013 8/1/2013 3/31/14	On-Going Oversight	E. Hall J. Murphy w/Finance and V Brown w/ Development	PURCHASING
36	Independent Auditor's Report	Finding 11-3	Several contracts with a vendor, as well as invoices for work performed, were not procured in accordance with the Authority's policies and HUD rules and regulations. Contracts with the vendor were not signed even though costs were incurred and payments were made for services. Management overrode certain controls over cash disbursements and procurement of vendors that existed and did not obtain proper Board approval of the contracts.	The Authority should analyze existing internal controls over procurement to ensure that all contracts with vendors are properly procured in accordance with its policies. Also recommend that the Authority implement new monitoring controls with procurement staff to ensure that any cash disbursements to vendors are supported by properly procured contracts and that total payments to vendors do not exceed contracted amounts. Further, a record of all procurement actions should be maintained on a centralized listing and should be numbered in sequential order to ensure that there is an audit trail relating to all vendors procured by the Authority.	The Authority will review its current system of controls and implement policies and procedures to ensure procurement activities meet the Authority's policies and the relevant rules and regulations. Procedures and controls will be established to ensure activities are supported by proper documentation and adhere to approved amounts. Implemented policies will ensure an audit trail exists for the Authority's procurement activities. The review and necessary actions are in progress under the supervision of Eva Hall, Director of Finance.	3/31/2013 8/1/2013 6/17/2013 Complete	On-Going Oversight	V. Brown w/ Development	PURCHASING

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37	Forensic Audit Report	Finding 13	The contract for DSM.net, Inc. has continued to be paid beyond the initial contract period and contract value of \$70,000. As of December 31, 2011, the COCC Purchase Order Directory records payments of \$138,280 and the Vendor Total Worksheet records payments of \$111,991.55. This is a major discrepancy. It was also reported that payments have continued into 2012.	LHA must justify and clarify inconsistencies in service costs paid to DSM.net, Inc. LHA should discontinue services of DSM.net, Inc. and consider bringing the service in-house, which would be more cost effective and responsive to staff needs on a full-time basis. The costs of this service far exceeds the company's annual estimates and cost analysis for outside IT services when compared to in-house services.	LHA staff has discontinued services for DSM.net.	10/31/2012	Complete	V. Brown w/ Development	PURCHASING
38	Forensic Audit Report	Finding 14	LHA has ten (10) entertainment magazine subscriptions that have no relevance to the housing industry or standard business interest/practices of the agency.	LHA should cancel all non-housing industry or business publications.	Non-industry publications are purchased for the waiting rooms used by LHA clients and prospective clients. The Authority will ensure these publications are paid for with non-federal funds.		Complete	V. Brown w/ Development	PURCHASING
39	Forensic Audit Report	Finding 15	Procurement contract files are absent of invoices, payments, and correspondence needed to complete the files by documenting the history of transactions.	The LHA Finance Department should provide the Procurement Manager with copies of invoices, payments, payment schedules, and correspondence to compile a history of transactions associated with the procurement.	The Authority will establish SOPs for the provision of supporting documentation between departments.	3/31/2013 3/31/2014	Complete	E. Hall w/Finance	PURCHASING
40	Forensic Audit Report	Finding 16	The engagement letter (contract) between LHA and its auditor, Berman and Hopkins, is not a valid HUD agreement and it lacks the clauses required by the HUD Procurement Handbook including Termination for Convenience and other required language.	All of the additional contracts reviewed lacked the standard clauses required by HUD whether they were for capital projects or operating expenses. The authority contracts must be amended to include the required HUD language and documents.	Per review of the independent auditor's engagement letter, it appears all HUD requirements are satisfied. The audit firm specializes in audits of public housing authorities and uses a standard engagement letter for its public housing clients.		Complete	V. Brown w/ Development	PURCHASING
41	Forensic Audit Report	Finding 17	A review of the authority's Regulatory and Operating Agreements with its partnerships and affiliates are dated and do not conform to the current HUD standard in accordance with 24 CFR 85.36(b)(3).	While it is not a requirement of HUD to modify these agreements it may be a good business practice.	LHA staff is in the process of reviewing all Regulatory and Operating Agreements with its partners to determine whether or not modifications will be required to conform with HUD standards in accordance with 24 CFR 85.36(b)(3).	12/31/2012	Complete	V. Brown w/ Development	PURCHASING

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Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
42	Limited Financial Management Review	Observation 2	The LHA is not effectively enforcing repayment agreements.	The PHA should take immediate action to enforce repayment agreements and should terminate assistance for failure to comply with the terms. Repayment amounts total approximately \$45,000 as of the date of the review.	The LHA staff has begun enforcing non payment of repayments Agreements.	On Going	HUD considers this item to still be open.	C. Pizarro w/ Housing	REPAYMENTS
43	Forensic Audit Report	Finding 21	The August 1, 2011 version of the LHA Administrative Plan generally follows the current HUD model, but lacks some of the language required by HUD. Additionally, no attempt was made by the forensic audit team to verify that the appropriate requirements for advertising, publication and public comment on this Administrative Plan were met.	LHA should review and revise the Section 8 Administrative Plan to incorporate current HUD guidelines and regulations.	A new Section 8 administrative plan was submitted to HUD on 10-31-2012.	10/31/2012	Complete	C. Pizarro w/ Housing	S8 ADMIN PLAN
44	Forensic Audit Report	Weakness 5	The salary allocation basis is not supported by employee time records. The salary allocation tables are manually calculated and entered by the Finance Manager.	Develop salary allocation tables in the Yardi database to accurately prorate direct and indirect labor costs. Only substantive labor changes would require manual salary allocation journal entries.	The Authority does not utilize Yardi for payroll processing. Payroll is outsourced to ADP and the Authority does not anticipate bringing payroll in-house in the near future. Currently, the Authority has only six employees whose salaries are allocated to more than one program.		Complete	P. Roberts w/Human Resources and E. Hall w/Finance	SALARIES
45	Independent Auditor's Report	Finding 11-5 (i)	Indicator 1 - Waiting List: The Authority did not maintain documentation to support the reported score for Indicator 1, including the quality control samples utilized or testing performed to satisfy this indicator.	We recommend that the Authority correct the reporting deficiencies and resubmit its SEMAP to HUD.	The Authority will correct the reporting deficiencies and resubmit its SEMAP to HUD.		Complete	C. Pizarro w/ Housing	SEMAP

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46	Independent Auditor's Report	Finding 11-5 (ii)	Indicator 3 - Determination of Adjusted Income: The Authority indicated that 80 - 89% of their quality control sample for Indicator 3 of the self-assessment showed that income determinations were performed properly as required by 24 CFR 985. However, the documentation maintained to support the reported score did not support the self-assessed score. Further, the results of our eligibility testing indicated numerous issues as noted in Finding 11-4. Therefore, it appears that the Authority should have indicated in the self assessment that a lower percentage of files included in the quality control sample showed that LHA determined adjusted income properly.	We recommend that quality control samples for all indicators be drawn in accordance with regulations contained in 24 CFR 985.3. In addition, we recommend that the Authority pull the samples throughout the year, both for SEMAP and internal review purposes, and that any needed corrective action be taken immediately to prevent program noncompliance.	The Authority will implement a system of quality control reviews to ensure compliance with all program requirements. LHA staff is currently performing a 100% file review.	2/1/2013	Complete	C. Pizarro w/ Housing	SEMAP
47	Independent Auditor's Report	Finding 11-5 (iii)	Indicator 6 - HQS Enforcement: The Authority indicated that greater than 98% of their quality control sample for Indicator 6 of the self-assessment showed that if HQS deficiencies were not corrected within the required timeframe, the Authority stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt action to enforce the family obligations. However, the documentation did not support this assessment and the lead sheet did not assess the time frames for proper SEMAP reporting for this indicator. Additionally, the Authority did not abate housing assistance payments made to landlords in a timely manner when an inspection failed and was not properly corrected within the required timeframe (see Finding 11-7).	We recommend that the Authority verify controls are in place in order to ensure accurate SEMAP reporting, including an independent review of the SEMAP documentation and reported results by upper management.	The Authority will implement policies and procedures to ensure accurate SEMAP reporting including review by upper management. The Authority will implement policies and procedures to ensure the SEMAP is supported by adequate documentation of procedures performed and results determined for each indicator.	2/1/2013	Complete	C. Pizarro w/ Housing	SEMAP

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48	Independent Auditor's Report	Finding 11-5 (iv)	Documentation: The SEMAP data collected for the year end reporting lacked key documentation to support the Authority's overall self-assessed score for each indicator, including calculations of reported results, definitions of the populations for which quality control samples were selected, calculations of minimum required sample sizes, and certain supporting documents from which the results were derived.	We recommend that the SEMAP documentation maintained by the Authority clearly define the population from which each required sample is drawn, indicate how the required sample size was determined, and how the quality control samples are selected in an unbiased manner and how they are representative of the population. Furthermore, the SEMAP score reported to HUD for each indicator should clearly trace back to the testing sheet for each SEMAP indicator, including results of each item in a sample and the overall results corresponding with the reported score.	The corrections will be made immediately under the supervision of Carlos Pizarro, Director of Housing, and policies and procedures will be put in place.	2/1/2013	Complete	C. Pizarro w/ Housing	SEMAP
49	Forensic Audit Report	Finding 1	The Finance Department procedures should be updated to reflect day-to-day operations. The organizational workflow and procedures were originally modified with the 2010 implementation of: the Yardi Systems accounting software; the HUD Asset Based Management model; and more importantly the General Partner accounting model. The June 1, 2006 Casterline Associates, P.C. "Standard Operating Procedure for Critical Financial Functions" provides the accounting procedures structure for financial activities. The Casterline Standard Operating Procedures ("SOP") appear to be a standard template for public housing authorities modified to include updates for LHA vendor names and service providers. Audit team found no evidence of executed resolutions by the Board of Commissioners ("BOC")	Immediately update SOP to differentiate between Central Office Cost Center (COCC), public housing, and the fee for services accounting procedures models. The Finance Department's designated Yardi system "super users" should be able to assist in the creation and implementation of new operating procedures. Present the new SOP to BOC for approval prior to organization wide implementation.	The Finance Director is currently assessing operating procedures and an updated SOP will be produced.	3/31/2013 12/31/2013 3/31/14	In Progress	E. Hall J. Murphy w/ Finance	SOP

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50	Forensic Audit Report	Finding 5	The accounting department did not present evidence of documented work processes and workflow to make it possible to determine if controls exist to safeguard authority assets. Finance Manager did not have a Finance Department organization chart with corresponding responsibilities. The current five person department includes a new Comptroller, Finance Manager, three Accounting Clerks along with one part time clerk. In a small organization segregation of duties is critical to prevent fraud, theft, and asset misappropriation.	Internal controls must go beyond Yardi's automated processes. There are several approaches to developing documented control process. The new Finance Manager/Comptroller should be tasked with creating the internal and financial control model for the organization, to verify the existence of adequate controls, and to implement process improvements. The organization is over-reliant on the Yardi position control model to identify and reject unauthorized activities.	The Authority is committed to implementing and enforcing an effective system of internal controls. The internal controls are being evaluated and adjusted in conjunction with the update of SOPs.	3/31/2013 6/30/2013 8/1/2013 3/31/14	In Progress	E. Hall J. Murphy w/ Finance	SOP
51	Forensic Audit Report	Weakness 1	The petty cash Imprest procedure is not consistently applied to transactions. The site petty cash fund replenishment request included original receipts that were not "marked" to prevent reuse by staff.	The authority policy states "supporting documentation will be permanently marked in a manner to prevent re-use". The policy must be consistently applied to all petty cash reimbursement requests.	The Finance Department staff will review the policies with the petty cash custodians to ensure original receipts are marked "paid" when cash is disbursed.	10/31/2013 Complete	Ongoing Oversight	E. Hall w/Finance	SOP
52	Independent Auditor's Report	Finding 11-4	Out of a total tenant population of approximately 1,300, we tested 25 files and the following deficiencies were noted: 1.) 4 files improperly verified or calculated tenants' adjusted income; 2.) 2 files utilized incorrect payment standards; 3.) 1 file incorrectly calculated utility allowances; 4.) 2 files did not obtain signed U.S. citizenship declarations for all tenants; and 5.) 1 file did not have an annual HQS inspection performed on the unit.	The Authority should correct the deficiencies noted in the tested files. In addition, the Authority should establish quality control review procedures to ensure proper compliance with the requirements related to tenant eligibility. In order to provide a greater level of oversight to identify deficiencies in a timely manner, we recommend that the Authority perform independent monthly tenant file reviews. The review monthly quality control review sample should include tenant files processed by all housing specialists, and the reviewer should test for compliance with all tenant file management requirements as established by the Authority's administrative plan. Ongoing staff training and timely management	All deficiencies noted by the auditors will be corrected. The Authority will implement a system of monthly tenant file reviews to ensure the Section 8 Housing Choice Voucher Program files are in compliance with HUD requirements and the Authority's administrative plan. Training will be provided to ensure the Section 8 staff has the competencies necessary to maintain complete and accurate tenant files. The corrections will be made immediately under the supervision of Carlos Pizarro, Director of Housing.	2/1/2013	Complete	C. Pizarro w/ Housing	TENANT FILES

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53	Forensic Audit Report	Weakness 8	The new Comptroller's HUD regulations learning curve. This intellectual capital short term issue is compounded by the current Finance Department staff complement that performs routine tasks with minimum errors, but the incorrect processing of extraordinary or non-routine financial events are noted findings by the independent auditor's.	Procure training for staff on mixed finance guidelines, HUD regulations, asset based management, etc. to improve competencies, reduce attrition, and attain stellar performance in the finance organization. This could provide revenue generating opportunities for LHA by marketing financial services to other private, county and state landlords.	The Finance Director has attended numerous training conferences and has scheduled future training to ensure competency and compliance with HUD public housing requirements. The learning curve is mitigated by the Finance Director's 22 years of experience in federal regulations and compliance with funding requirements and financial reporting.		Complete	E. Hall w/Finance	TRAINING
54	Independent Auditor's Report	Finding 11-1 (ii)	The Authority's unaudited FDS required numerous material adjustments, including significant prior period adjustments (see Notes to the financial statements), to be fairly stated in accordance with GAAP, with the exception of the balances noted above which are not fairly presented. These prior period adjustments related primarily to developer fees earned by the Authority and were required to correctly reflect ending balances in developer fees receivable and to recognize revenue in the proper period. These adjustments should have been detected by the Authority staff while performing their normal duties of processing and recording financial information.	The auditors recommend that the Authority review the established system of controls, including responsibilities at each staff level, for adequate safeguards to facilitate accurate and timely processing of financial information under all circumstances. Also, the Authority should provide additional training to staff in the accounting department, particularly related to the development activity of the Authority, to ensure an accurate and timely system of financial reporting at all times. The Authority needs to ensure that the books and records are closed timely and accurately without relying on audit adjustments, considering that the external auditors are independent of the internal control	The Authority has scheduled the services of a consultant who will assist in the reconciliation of HAP expense, Net Restricted Assets and Unrestricted Net Assets per the Authority's general ledger to the amounts reported to HUD in the Voucher Management System ("VMS") and make all necessary adjustments to the general ledger balances and the VMS reported amounts. Review procedures will be established to ensure all future transactions are properly recorded and reconciled so the VMS will be correct. The reconciliation is being performed under the supervision of Eva Hall, Director of Finance, and will be complete for the March 31, 2013 reporting period.	4/1/2013	Complete	E. Hall w/Finance	VMS
55	Forensic Audit Report	Observation 1	More than half of the files reviewed had small errors on the 50058 Forms submitted to HUD including wrong bedroom count, wrong rent (FMR) for the units, HQS inspections that are not timely.	The Section 8 staff should take advantage of any training available in the area with the goal of improving file accuracy and attention to detail. Training should be prioritized based on QC review of each of the caseworkers' files.	In 2012 we provided income calculation and HQS training for all Section 8 employees. Continuous training will be on going.	3/31/2013 Complete	On-Going	C. Pizarro w/Housing	VMS
56	Forensic Audit Report	Observation 2	Each file contained excellent checklists, but they were often not filled out completely.	Careful use of existing Checklist will improve accuracy. The staff should continue their efforts to purge old or duplicate data from the files.	LHA will continue to implement a file review of all files completed in the Section 8 program.	On-Going	On-Going	C. Pizarro w/Housing	VMS

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57	Forensic Audit Report	Observation 3	Some files, while complete, contained draft or incomplete forms.	The Section 8 staff should take advantage of any training available in the area with the goal of improving file accuracy and attention to detail.	In 2012 we provided income calculation and HQS training for all Section 8 employees. All staff were certified at the time of training.	3/31/2013 Complete	On-Going	C. Pizarro w/ Housing	VMS
58	Forensic Audit Report	Observation 4	While Quality Control Checklists were observed in some files, the level of accuracy in the files is not acceptable.	Careful use of existing Checklist will improve accuracy. The staff should continue their efforts to purge old or duplicate data from the files.	LHA will continue to implement a file review of all files completed in the Section 8 program.	4/1/2013	On-Going	C. Pizarro w/ Housing	VMS
59	Forensic Audit Report	Observation 5	In all but one case the rent appeared to be calculated correctly.	While the Section 8 files reviewed were in generally good condition, the transmission of inaccurate 50058 Forms will eventually lead to a reduction in the authority's SEMAP score as HUD's monitoring capability increases. Also, several firms market software that monitors the accuracy of 50058 data submitted to HUD which may be of some help to LHA's Section 8 staff.	LHA Section 8 staff will be reviewing files for accuracy and completeness.	On-Going	On-Going	C. Pizarro w/ Housing	VMS
60	Forensic Audit Report	Observation 6	When the unit failed an HQS inspection they were re-inspected within 30 days and passed.	No corresponding comment was listed.	LHA procedures were implemented to ensure the timeliness of re-inspections.	On-Going	On-Going	C. Pizarro w/ Housing	VMS
61	Forensic Audit Report	Observation 7	Most re-certifications were performed after the lease renewal date.	No corresponding comment was listed.	LHA Section 8 staff is now working 60 days in advance on annuals and will move to 120 days in advance.	On-Going	On-Going	C. Pizarro w/ Housing	VMS

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62	Independent Auditor's Report	Finding 11-6	We noted material differences between the HAP expense recorded in the general ledger and reported on the FDS. In addition, neither of these amounts agreed with the HAP expense reported to HUD in VMS. In addition, the Authority could not provide supporting documentation to reconcile the information reported in VMS or on the FDS for unit months leased. Further, as noted in Financial Statements Finding 11-1-i, the Authority could not provide adequate documentation to support the HAP expense recorded in the general ledger; therefore, we could not determine that HAP expense and, therefore, HAP equity are fairly stated in accordance with GAAP.	The Authority should implement internal control procedures to ensure that data submitted to HUD in VMS and the REAC agrees to the general ledger and other supporting documentation. We recommend that management designate an individual to review supporting documentation for VMS data and reconcile the information to data recorded in the general ledger and other management information systems prior to submission to HUD. Further, we recommend that management reconcile internal HAP registers to expenses recorded in the general ledger during each HAP check run to ensure that amounts are properly recorded and paid to landlords.	The Authority has scheduled the services of a consultant who will assist in the reconciliation of HAP expense, Net Restricted Assets and Unrestricted Net Assets per the Authority's general ledger and the amounts reported to HUD in the Voucher Management System ("VMS") and make all necessary adjustments to the general ledger balances and the VMS reported amounts. Review procedures will be established to ensure all future transactions are properly recorded and reconciled so the VMS will be correct. This will include reconciling Section 8 tenant and landlord registers with the general ledger. Under the supervision of Eva Hall, Director of Finance, and Carlos Pizarro, Director of Housing, the VMS reports were reconciled to the general ledger and corrections were made for the March 31, 2013 reporting period.	Complete	On-Going Oversight	C. Pizarro w/ Housing and E. Hall/ Finance	VMS-PIC
63	Limited Financial Management Review	Finding 2	Significant reporting errors and/or omissions were noted in VMS and PIC reporting.	The LHA must verify the HCV HAP expenses and UMLs for CY 2011 and the first six months of CY 2012 and submit within 30 days. If these reports contradict the HAP register used by the HUD review team's NRA calculation, reasons and backup must be provided.				C. Pizarro w/ Housing	VMS-PIC
64	Limited Financial Management Review	Finding 2a	Significant reporting errors and/or omissions were noted in VMS and PIC reporting.	Correct the CY 2011 and 2012 VMS.				C. Pizarro w/ Housing	VMS-PIC
65	Limited Financial Management Review	Finding 2b	Significant reporting errors and/or omissions were noted in VMS and PIC reporting.	Correct PIC data and properly maintain the data once corrected.				C. Pizarro w/ Housing	VMS-PIC
66	Limited Financial Management Review	Finding 2c	Significant reporting errors and/or omissions were noted in VMS and PIC reporting.	Establish policies and procedures, including quality controls, to ensure accurate VMS data is being reported.				C. Pizarro w/ Housing	VMS-PIC
67	Limited Financial Management Review	Finding 2d	Significant reporting errors and/or omissions were noted in VMS and PIC reporting.	LHA's HCV and Finance Department must review VMS data monthly before finalizing the information in VMS.				C. Pizarro w/ Housing and E. Hall w/ Finance	VMS-PIC

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68	Forensic Audit Report	Finding 8	The authority does not have documented bank wire transfer procedures. The Finance Manager responded to process description questions, and did not believe the absence of the SOP was an issue based on the small number of wire transfers.	The Finance Department must develop procedures for outgoing wire transfers. The absence of clearly delineated internal control procedures that includes levels of authority, signatures, checks and balances, verification of data, paper trail, financial institution manual or automated authorization procedures, etc. could expose the authority to significant financial losses.	The Finance Department is updating its SOPs and will include written procedures for bank wire transfers. Although there is not a written procedure, strict procedures are required by the banking institutions and all transfers must have approval by authorized staff and/or Commissioners.	3/31/2013 12/31/2013 3/31/14 8/18/2014	Complete	E. Hall w/Finance B. Stevenson w/Executive Office	WIRES
69	LHA Audited Financials for 2012	Finding 2012-001 Financial Reporting	During our audit of the Authority's financial statements, we detected certain deficiencies in internal control over financial reporting as described below which are identified as a material weakness in internal control over financial reporting in accordance with Statement on Auditing Standards No. 115 ("SAS 115"). The Authority's unaudited FDS required numerous material adjustments, including certain prior period adjustments (see the notes to the financial statements), to be fairly stated in accordance with U.S. generally accepted accounting principals ("GAAP"). These prior period adjustments should have been detected by the Authority staff while performing their normal duties of processing and recording financial information.	Management should determine proper staffing needs given the size and complexity of the Authority, including related parties and component units, for proper financial reporting. As of December 31, 2012, the Authority had eight related parties, in addition to the Authority's eleven blended component units.	The Authority is in the process of reviewing its organizational chart to delineate responsibilities and accountability among departments. To ensure compliance with GAAP and grant requirements, the Authority will provide training for staff so they have the necessary competencies required to account for the Authority's varied programs and activities. The review and necessary actions are in progress under the supervision of Eva Hall, Director of Finance, and Carlos Pizarro, Director of Housing, and will be complete within 90 days.	12/31/2013 Complete	Ongoing Oversight	E. Hall w/ Finance and C. Pizarro w/Housing	INTERNAL CONTROLS

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70	LHA Audited Financials for 2012	Finding 2012-002 Allowable Costs & Adequate Controls Over Disbursements	Adequate controls are not in place over cash disbursements. During the audit we noted inconsistencies in practice in the use of purchase orders and level of approvals as required by the Authority's procurement and cash disbursement policies. We noted inadequate segregation of duties over the set-up of the required approvals in the accounting software and the actual approval of transactions, as well as between the recording of transactions in the general ledger and the approval of transactions in certain cases. Further, we noted a lack of monitoring controls over total disbursements to vendors under contract. NOTE: Finding for all major programs is also same as Financial Statements Audit Finding.	We recommend that management analyze the cash disbursement process in conjunction with procurement policies and document the required procedures. Specifically, the Authority should identify the required approval thresholds and better define the relevant staff that should be involved in the processing of cash disbursements. Further, the Authority should implement proper segregation of duties over recording, authorizing and reconciling cash disbursements and should implement monitoring controls of total vendor payments under contract be procurement staff. The Authority should also provide training to all staff on relevant rules and regulations and internal policies relating	The Authority is in the process of documenting and improving its current system of controls and implementing procedures to monitor and ensure compliance. Certain departments have developed policies and procedures to ensure cash disbursements and procurements have approval. These procedures will be implemented for the entire Authority. Staff will be trained on the Authority's policies and the relevant rules and regulations related to cash disbursements and procurement. The review and necessary actions are in progress under the supervision of Eva Hall, Director of Finance, and Carlos Pizarro, Director of Housing, and will be complete within 90 days.	12/31/2013 Complete	Ongoing Oversight	E. Hall w/Finance and C. Pizarro w/Housing	DISBURSEMENTS
71	LHA Audited Financials for 2012	Finding 2012-003 Interprogram Activity and Pooled Cash Account	The Authority utilizes a pooled cash account that resides in AMP 1. On December 31, 2012, AMP 1 had \$137,775 of unrestricted cash, as well as an \$3,847,180 of interprogram receivable.	We recommend that the pooled cash account be relocated in the general ledger to the COCC (Central Office Cost Center) and be reconciled and settled up. Despite the location of the pooled cash account, programs and AMPs should be running operations without having to borrow from other programs. Any internal borrowings should be short term in nature and due to the centralized bank account paying for common costs to prevent multiple checks being needed. It should not be utilized to cover operational shortfalls.	The Authority has moved its pooled cash account to the COCC general ledger. The necessary actions will be performed under the supervision of Eva Hall, Director of Finance, and will be completed within 90 days. The Authority is currently analyzing pooled cash account activity to developing a realistic methodology to settle internal borrowings and prevent future commingling of program funds. Under the supervision of Eva Hall, Director of Finance, a plan was formalized and goals established based upon this research. The Authority acknowledges the gravity of this situation and the long term nature of the solution.	Complete	Ongoing oversight	E. Hall w/Finance	ACCOUNTS

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72	LHA Audited Financials for 2012	Finding 2012-004 Eligibility	Low Rent Public Housing, CFDA Number 14.850 Condition: Out of total ACC unit population of approximately 250, we tested 25 files and the following deficiencies were noted: 7 files lacked a signed HUD Form 9886 for adult members in the household; 5 files did not obtain signed U.S. citizenship declarations for all tenants; 5 files lacked proper identification; 1 file had an incorrect income calculation; and 9 files lacked annual inspections.	The Authority should correct the deficiencies noted in the tested files. In addition, the Authority should establish quality control review procedures, including public housing units in the mixed finance properties, to ensure proper compliance with the requirements related to tenant eligibility.	All deficiencies noted by the auditors will be corrected. The Authority will implement a system of tenant file reviews to ensure the Low Rent Public Housing Program files (including mixed finance properties that have units under ACC) are in compliance with HUD requirements and the Authority's ACOP - Admissions and Continued Occupancy Plan. Training will be provided to ensure staff has the competencies necessary to maintain complete and accurate tenant files. The corrections will be made immediately under the supervision of Carlos Pizarro, Director of Housing, and training will be provided within 90 days.	12/31/2013	Complete	C. Pizarro w/Housing	TENANT FILES
73	LHA Audited Financials for 2012	2012-005 Special Tests and Provisions - General Depository Agreement	Low Rent Public Housing, CFDA Number 14.850 Housing Voucher Cluster Condition: During our audit of the Authority's accounts with financial institutions, we noted that the Authority had failed to enter into depository agreements with every financial institution handling accounts containing federal monies.	The Authority must execute Form HUD-51999 with all financial institutions where the Authority has funds and monitor the collateral levels for compliance with the General Depository Agreement on a least a monthly basis to ensure that the Authority's deposits are fully protected as required.	The forms have been completed. LHA has an executed depository agreement with each financial institution handling accounts containing federal monies. During the NRA review that occurred April 22-24, 2014, the auditors outlined that the Depository Agreements that LHA has on file for HCVP are not acceptable. The agreements are signed but not dated. Additionally, the auditors expressed concerns in reference to the bank fees. On June 17, 2014, Wells Fargo sent LHA the executed form HUD-51999 for the Public Housing Master Account and Section 8. Staff continues to negotiate with the banks to eliminate the fees and obtain agreements that are acceptable to HUD.	1/15/2014 6/2/2014	Complete In Progress	E. Hall w/Finance V. Brown w/Development and Ray Coury w/IFH Solutions	GDA

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Summary of Terms

- 1.) Finding: A deficiency that represents a violation of statutory or regulatory requirements, for which sanctions or other corrective actions are authorized, and which, therefore, necessitates immediate remedial action.
- 2.) Observation: Maybe a general comment, or may be a deficiency in program performance, which does not result in a violation of statutory or regulatory requirement, but which could, if not addressed, result later in a finding.
AMP = Asset Management
- 3.) Projects
BOC = Board of
- 4.) Commissioners
5.) COA = Chart of Accounts
COCC = Central Office Cost
- 6.) Center
7.) CYE = Calendar Year End
EIV = Enterprise Income
- 8.) Verification

FDS = Financial Data System or
- 9.) Financial Data Schedule
10.) FMR = Fair Market Rents
GAAP = Generally Accepted
- 11.) Accounting Principles
GAAS = Generally Accepted
- 12.) Audited Standards
GDA = General Depository
- 13.) Agreements
14.) GL = General Ledger
HCV = Housing Choice
- 15.) Voucher

IFRS = International Financial
- 16.) Reporting Standards
17.) NRA = Net Restricted Asset
- 18.) OPH = Office of Public Housing
OFFP = Operating Fund
- 19.) Financing Program
- 20.) PIC = PIH Information Center
- 21.) PIH = Public and Indian Housing
- 22.) RCS = Rent Comparability Study
- 23.) SAS = Statement on Audit Standards
- 24.) SOP = Standard Operating Procedures
- 25.) TARs = Tenant Account Receivables
- 26.) UMLs = Unit Months Leased
- 27.) VASH = Veterans Affairs Support of Housing
- 28.) VMS = Voucher Management System