

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

PHA Plans

5 Year Plan for Fiscal Years 2005 - 2009

Annual Plan for Fiscal Year 2007

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN
ACCORDANCE WITH INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

PHA Plan Agency Identification

PHA Name: Baytown Housing Authority **PHA Number:** TX012

PHA Fiscal Year Beginning: JULY 2007

PHA Programs Administered:

Public Housing and Section 8 **Section 8 Only** **Public Housing Only**
 Number of public housing units: Number of S8 units: Number of public housing units:
 Number of S8 units:

PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting: (select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government
- Public library
- PHA website
- Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA
- PHA development management offices
- Other (list below)

5-YEAR PLAN
PHA FISCAL YEARS 2005 - 2009
[24 CFR Part 903.5]

A. Mission

State the PHA's mission for serving the needs of low-income, very low income, and extremely low-income families in the PHA's jurisdiction. (select one of the choices below)

- The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.
- The PHA's mission is: (state mission here)

B. Goals

The goals and objectives listed below are derived from HUD's strategic Goals and Objectives and those emphasized in recent legislation. PHAs may select any of these goals and objectives as their own, or identify other goals and/or objectives. Whether selecting the HUD-suggested objectives or their own, **PHAS ARE STRONGLY ENCOURAGED TO IDENTIFY QUANTIFIABLE MEASURES OF SUCCESS IN REACHING THEIR OBJECTIVES OVER THE COURSE OF THE 5 YEARS.** (Quantifiable measures would include targets such as: numbers of families served or PHAS scores achieved.) PHAs should identify these measures in the spaces to the right of or below the stated objectives.

HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.

- PHA Goal: Expand the supply of assisted housing
Objectives:
- Apply for additional rental vouchers:
 - Reduce public housing vacancies:
 - Leverage private or other public funds to create additional housing opportunities:
 - Acquire or build units or developments
 - Other (list below)
- PHA Goal: Improve the quality of assisted housing
Objectives:
- Improve public housing management: (PHAS score) **67**
 - Improve voucher management: (SEMAP score) **62**
 - Increase customer satisfaction:
 - Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
 - Renovate or modernize public housing units:
 - Demolish or dispose of obsolete public housing:
 - Provide replacement public housing:
 - Provide replacement vouchers:

Other: (list below)

PHA Goal: Increase assisted housing choices

Objectives:

- Provide voucher mobility counseling:
- Conduct outreach efforts to potential voucher landlords
- Increase voucher payment standards
- Implement voucher homeownership program:
- Implement public housing or other homeownership programs:
- Implement public housing site-based waiting lists:
- Convert public housing to vouchers:
- Other: (list below)

HUD Strategic Goal: Improve community quality of life and economic vitality

PHA Goal: Provide an improved living environment

Objectives:

- Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments:
- Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
- Implement public housing security improvements: **Via Neighborhood Watch program**
- Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- Other: (list below)

HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals

PHA Goal: Promote self-sufficiency and asset development of assisted households

Objectives:

- Increase the number and percentage of employed persons in assisted families: **Via FSS, Homeownership, and Community Service**
- Provide or attract supportive services to improve assistance recipients' employability:
- Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- Other: (list below)

HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans

- PHA Goal: Ensure equal opportunity and affirmatively further fair housing
Objectives:
 - Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:
 - Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:
 - Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:
 - Other: (list below)

Other PHA Goals and Objectives: (list below)

Annual PHA Plan
PHA Fiscal Year 2007
[24 CFR Part 903.7]

i. Annual Plan Type:

Select which type of Annual Plan the PHA will submit.

- Standard Plan**
- Troubled Agency Plan**

ii. Executive Summary of the Annual PHA Plan

[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.

N/A

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

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Attachments

Indicate which attachments are provided by selecting all that apply. Provide the attachment’s name (A, B, etc.) in the space to the left of the name of the attachment. Note: If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

Required Attachments:

- Admissions Policy for De-concentration (Included with Section Eight Admin. Plan on display at BHA office)
- FY 2007 Capital Fund Program Annual Statement
- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)
- List of Resident Advisory Board Members **Note: BHA - All tenants are members of the Advisory Board.**
- List of Resident Board Member **Note: BHA - All tenants are members of the Board.**
- Community Service Description of Implementation
- Information on Pet Policy
- Section 8 Homeownership Capacity Statement, if applicable **Note: Homeownership program has not begun at this time.**
- Description of Homeownership Programs, if applicable N/A

Optional Attachments:

- PHA Management Organizational Chart - **Proposed**
- FY 2005 Capital Fund Program 5 Year Action Plan
- Public Housing Drug Elimination Program (PHDEP) Plan
- Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
- Other (List below, providing each attachment name)

Supporting Documents Available for Review

Indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
x	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
x	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working	5 Year and Annual Plans

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	
x	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
x	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
x	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
x	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
x	Public Housing De-concentration and Income Mixing Documentation: 1. PHA board certifications of compliance with de-concentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 2. Documentation of the required de-concentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
x	Public housing rent determination policies, including the methodology for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
x	Schedule of flat rents offered at each public housing development <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
x	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
x	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
x	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
x	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
x	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active	Annual Plan: Capital Needs

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	grant year	
x	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
x	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program <input type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
x	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
	The most recent Public Housing Drug Elimination Program (PHDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
x	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Rental Family Type	Overall	Affordability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	2027	5	3	5	1	3	4
Income >30% but <=50% of AMI	1270	5	3	3	1	3	3
Income >50% but <80% of AMI	2225	5	3	3	1	2	3
Elderly	592	5	3	3	4	3	4
Families with Disabilities	1731	5	3	3	5	3	3
Race/Ethnicity	n/a						
Race/Ethnicity	n/a						
Race/Ethnicity	n/a						
Race/Ethnicity	n/a						

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year: 2005
- U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

B. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

State the housing needs of the families on the PHA's waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input type="checkbox"/> Public Housing			
<input checked="" type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/sub jurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	784		50
Extremely low income <=30% AMI	636	81	
Very low income (>30% but <=50% AMI)	142	18	
Low income (>50% but <80% AMI)	6	1	
Families with children	661	84	
Elderly families	61	8	
Families with Disabilities	62	8	
Latin	141	18	
Black	463	59	
White	316	40	
Other / Mixed	4	1	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	45		

Housing Needs of Families on the Waiting List			
2 BR	94		
3 BR	120		
4 BR			
5 BR			
5+ BR			
Is the waiting list closed (select one)? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes: How long has it been closed (# of months)? 10/13/06 Does the PHA expect to reopen the list in the PHA Plan year? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			

C. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by:

Select all that apply

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development
- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program

- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
- Other (list below)

Strategy 2: Increase the number of affordable housing units by:

Select all that apply

- Apply for additional section 8 units should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance.
- Other: (list below)

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

Select all that apply

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

Select all that apply

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

Select all that apply

- Seek designation of public housing for the elderly

- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

Select all that apply

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

Select if applicable

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing

Select all that apply

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Market the section 8 program to owners outside of areas of poverty /minority concentrations
- Other: (list below)

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

- Funding constraints
- Staffing constraints

- Limited availability of sites for assisted housing
- Extent to which particular housing needs are met by other organizations in the community
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Influence of the housing market on PHA programs
- Community priorities regarding housing assistance
- Results of consultation with local or state government
- Results of consultation with residents and the Resident Advisory Board
- Results of consultation with advocacy groups
- Other: (list below)

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

List the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2006 grants)		
a) Public Housing Operating Fund	464,000	
b) Public Housing Capital Fund		
c) HOPE VI Revitalization	n/a	
d) HOPE VI Demolition	n/a	
e) Annual Contributions for Section 8 Tenant-Based Assistance	5,000,000	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	n/a	
g) Resident Opportunity and Self-Sufficiency Grants	none	
h) Community Development Block Grant	none	
i) HOME	none	
Other Federal Grants (list below)		
2. Prior Year Federal Grants (un-obligated funds only) (list below)		
FY 2005 Capital Fund	213,434	Public Housing

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
FY 2006 Capital Fund	200,126	Public Housing
3. Public Housing Dwelling Rental Income		
4. Other income (list below)		
DVP as of March 2007	157,733	Other HUD Programs
KDHAP as of February 2007	97,452	Other HUD Program
FEMA Administration Fees ~ Disaster Center	125,000	
4. Non-federal sources (list below)		
Total resources	6,257,745	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

- When families are within a certain number of being offered a unit: (state number)
- When families are within a certain time of being offered a unit: **(When Units are available)**
- Other: (describe)

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other (describe)

- c. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?
- d. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?
- e. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (Either directly or through an NCIC-authorized source)

(2)Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

- Community-wide list
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (One Waiting List for all PHA properties.)

b. Where may interested persons apply for admission to public housing?

- PHA main administrative office
- PHA development site management office
- Other (list below)

c. If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year?

2. Yes No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?

3. Yes No: May families be on more than one list simultaneously
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- PHA main administrative office
- All PHA development management offices
- Management offices at developments with site-based waiting lists
- At the development to which they would like to apply
- Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)

- One
- Two
- Three or More

b. Yes No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions? (list below)

- Emergencies
- Overhoused
- Underhoused
- Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other: (list below)

c. Preferences

1. Yes No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If “no” is selected, skip to subsection **(5) Occupancy**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing

- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

1 Date and Time

Former Federal preferences:

- 1 Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

- The PHA applies preferences within income tiers

- Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The PHA-resident lease
 The PHA's Admissions and (Continued) Occupancy policy
 PHA briefing seminars or written materials
 Other source (list)

b. How often must residents notify the PHA of changes in family composition? (select all that apply)

- At an annual reexamination and lease renewal
 Any time family composition changes
 At family request for revision
 Other (list)

(6) De-concentration and Income Mixing

a. Yes No: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote de-concentration of poverty or income mixing?

b. Yes No: Did the PHA adopt any changes to its **admissions policies** based on the results of the required analysis of the need to promote de-concentration of poverty or to assure income mixing?

c. If the answer to b was yes, what changes were adopted? (select all that apply)

- Adoption of site-based waiting lists
If selected, list targeted developments below:
- Employing waiting list "skipping" to achieve de-concentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:
- Employing new admission preferences at targeted developments
If selected, list targeted developments below:
- Other (list policies and developments targeted below)

d. Yes No: Did the PHA adopt any changes to **other** policies based on the results of the required analysis of the need for de-concentration of poverty and income mixing?

e. If the answer to d was yes, how would you describe these changes? (select all that apply)

- Additional affirmative marketing
- Actions to improve the marketability of certain developments
- Adoption or adjustment of ceiling rents for certain developments
- Adoption of rent incentives to encourage de-concentration of poverty and income-mixing
- Other (list below)

f. Based on the results of the required analysis, in which developments will the PHA make special efforts to attract or retain higher-income families? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below:

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below:

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
- Criminal and drug-related activity, more extensively than required by law or regulation
- More general screening than criminal and drug-related activity (list factors below)
- Other (list below)

b. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

- d. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)
- e. Indicate what kinds of information you share with prospective landlords? (select all that apply)
- Criminal or drug-related activity
- Other (describe below)

(2) Waiting List Organization

- a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)
- None
- Federal public housing
- Federal moderate rehabilitation
- Federal project-based certificate program
- Other federal or local program (list below)
- b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)
- PHA main administrative office
- Other (list below)

(3) Search Time

- a. Yes No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below:
Tenants have to request an extension in writing.

(4) Admissions Preferences

- a. Income targeting
- Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?
- b. Preferences
1. Yes No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

1 Date and Time

Former Federal preferences

- 1 Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs

- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- Date and time of application
- Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for “residents who live and/or work in the jurisdiction” (select one)

- This preference has previously been reviewed and approved by HUD
- The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)

- The Section 8 Administrative Plan
- Briefing sessions and written materials
- Other (list below)

b. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

- Through published notices
- Other (list below)

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies

Describe the PHA’s income based rent setting policy/ies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one)

- The PHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

- The PHA employs discretionary policies for determining income based rent (If selected, continue to question b.)

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

- \$0
 \$1-\$25
 \$26-\$50

2. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below:

c. Rents set at less than 30% than adjusted income

1. Yes No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

N/A

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

- For the earned income of a previously unemployed household member
 For increases in earned income
 Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

- Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

- For household heads
- For other family members
- For transportation expenses
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

- Yes for all developments
- Yes but only for some developments
- No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

- For all developments
- For all general occupancy developments (not elderly or disabled or elderly only)
- For specified general occupancy developments
- For certain parts of developments; e.g., the high-rise portion
- For certain size units; e.g., larger bedroom sizes
- Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- Market comparability study
- Fair market rents (FMR)
- 95th percentile rents
- 75 percent of operating costs
- 100 percent of operating costs for general occupancy (family) developments
- Operating costs plus debt service
- The "rental value" of the unit
- Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)

- Never
- At family option
- Any time the family experiences an income increase

- Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
- Other (list below)
- g. Yes No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year?

(2) Flat Rents

1. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)
- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other (list/describe below)

B. Section 8 Tenant-Based Assistance

Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component 4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards

Describe the voucher payment standards and policies.

- a. What is the PHA's payment standard? (select the category that best describes your standard)
- At or above 90% but below 100% of FMR
- 100% of FMR
- Above 100% but at or below 110% of FMR
- Above 110% of FMR (if HUD approved; describe circumstances below)
- b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)
- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
- The PHA has chosen to serve additional families by lowering the payment standard
- Reflects market or sub-market
- Other (list below)

- c. If the payment standard is higher than FMR, why has the PHA chosen this level?
(select all that apply)
- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
 - Reflects market or sub-market
 - To increase housing options for families
 - Other (list below)
- d. How often are payment standards reevaluated for adequacy? (select one)
- Annually
 - Other (list below)
- e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)
- Success rates of assisted families
 - Rent burdens of assisted families
 - Other (list below)

(2) Minimum Rent

- a. What amount best reflects the PHA's minimum rent? (select one)
- \$0
 - \$1-\$25
 - \$26-\$50
- b. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

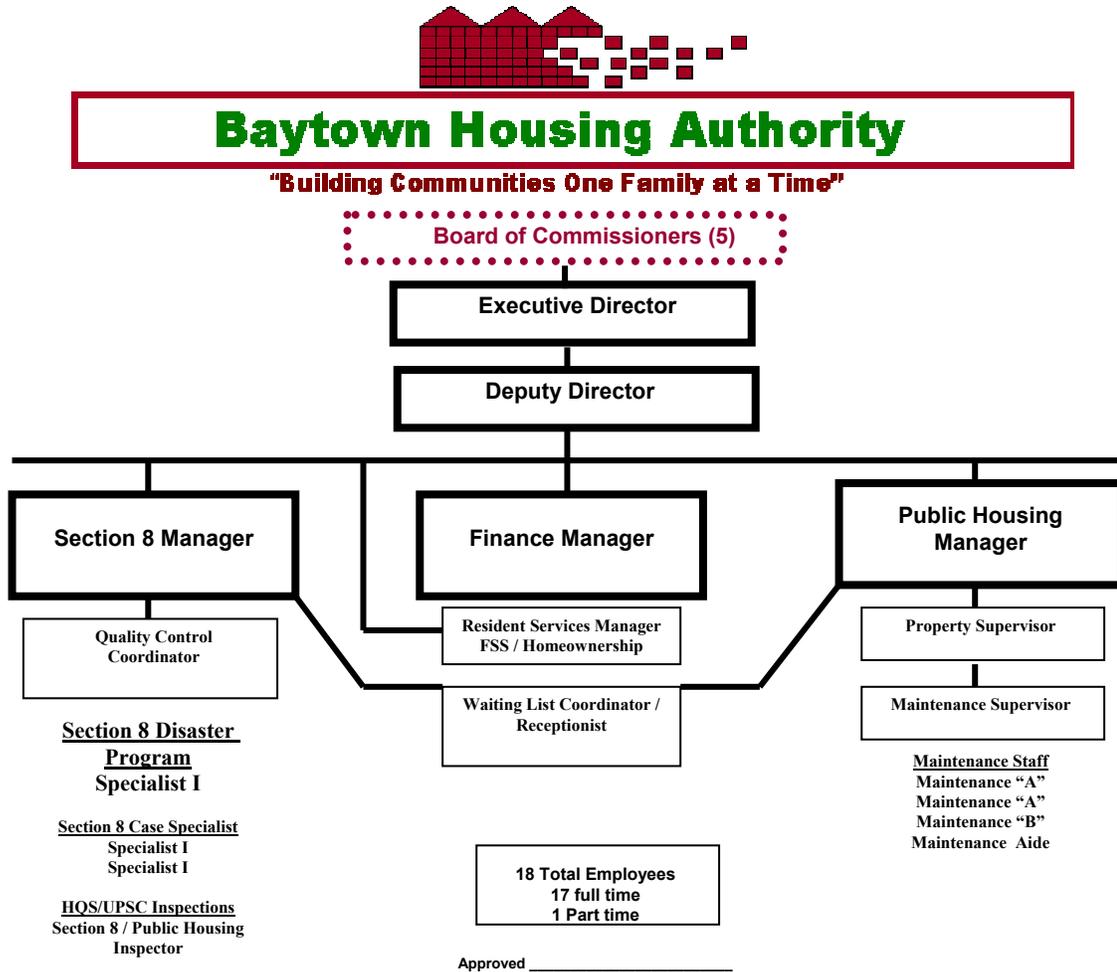
Exemptions from Component 5: High performing and small PHAs are not required to complete this section. Section 8 only PHAs must complete parts A, B, and C(2)

A. PHA Management Structure

Describe the PHA's management structure and organization.

(select one)

- An organization chart showing the PHA's management structure and organization is attached.
- A brief description of the management structure and organization of the PHA follows: Currently the Baytown Housing Authority does not have all staff in place. However, the following is the proposed



B. HUD Programs Under PHA Management

List Federal programs administered by the PHA, number of families served at the beginning of the upcoming fiscal year, and expected turnover in each. (Use "NA" to indicate that the PHA does not operate any of the programs listed below.)

Program Name	Units or Families Served at Upcoming	Expected Turnover
--------------	--------------------------------------	-------------------

	Fiscal Year	
Public Housing	149	15
Section 8 Vouchers	727	35
Section 8 Certificates	n/a	n/a
Section 8 Mod Rehab	n/a	n/a
Special Purpose Section 8 Certificates/Vouchers (list individually)	n/a	n/a
Public Housing Drug Elimination Program (PHDEP)	n/a	n/a
Other Federal Programs(list individually)	n/a	n/a

C. Management and Maintenance Policies

List the PHA's public housing management and maintenance policy documents, manuals and handbooks that contain the Agency's rules, standards, and policies that govern maintenance and management of public housing, including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)

BHA Maintenance Plan

(2) Section 8 Management: (list below)

BHA Section 8 Administration Plan

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

Exemptions from component 6: High performing PHAs are not required to complete component 6. Section 8-Only PHAs are exempt from sub-component 6A.

A. Public Housing

1. Yes No: Has the PHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process? (select all that apply)
- PHA main administrative office
 - PHA development management offices
 - Other (list below)

B. Section 8 Tenant-Based Assistance

1. Yes No: Has the PHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:

2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)
- PHA main administrative office
 - Other (list below)

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

Exemptions from Component 7: Section 8 only PHAs are not required to complete this component and may skip to Component 8.

A. Capital Fund Activities

Exemptions from sub-component 7A: PHAs that will not participate in the Capital Fund Program may skip to component 7B. All other PHAs must complete 7A as instructed.

(1) Capital Fund Program Annual Statement

Using parts I, II, and III of the Annual Statement for the Capital Fund Program (CFP), identify capital activities the PHA is proposing for the upcoming year to ensure long-term physical and social viability of its public housing developments. This statement can be completed by using the CFP Annual Statement tables provided in the table library at the end of the PHA Plan template **OR**, at the PHA's option, by completing and attaching a properly updated HUD-52837.

Select one:

- The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at Attachment (FY2005, 2006, 2007) Capital Fund

-or-

- The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

(2) Optional 5-Year Action Plan

Agencies are encouraged to include a 5-Year Action Plan covering capital work items. This statement can be completed by using the 5 Year Action Plan table provided in the table library at the end of the PHA Plan template **OR** by completing and attaching a properly updated HUD-52834.

- a. Yes No: Is the PHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)
- b. If yes to question a, select one:
- The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan at Attachment (state name
-or-
- The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5 Year Action Plan from the Table Library and insert here)

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability of sub-component 7B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

- Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant: (select the statement that best describes the current status)
 - Revitalization Plan under development
 - Revitalization Plan submitted, pending approval
 - Revitalization Plan approved
 - Activities pursuant to an approved Revitalization Plan underway

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below: **Disposition of Archia Courts and development of new or existing affordable housing.**

Yes No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below: **Disposition of Archia Courts and development of new or existing affordable housing.**

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

Applicability of component 8: Section 8 only PHAs are not required to complete this section.

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to component 9; if “yes”, complete one activity description for each development.)

1. Initial Section 18 application submission.

2. Disposition of Archia Courts and relocation of tenants.

3. Development of new or existing affordable housing.

2. Activity Description

Yes No: Has the PHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 9. If “No”, complete the Activity Description table below.)

Demolition/Disposition Activity Description	
1a. Development name:	Archia Courts
1b. Development (project) number:	TX-03A
2. Activity type:	Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one)	Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission:	<u>FY 2007</u>
5. Number of units affected:	58
6. Coverage of action (select one)	<input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: FY 2008 b. Projected end date of activity: FY2009

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities

[24 CFR Part 903.7 9 (i)]

Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

1. Yes No: Has the PHA designated or applied for approval to designate or does the PHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If “No”, skip to component 10. If “yes”, complete one activity description for each development, unless the PHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions **may skip** to component 10.)

2. Activity Description

- Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If “yes”, skip to component 10. If “No”, complete the Activity Description table below.

Designation of Public Housing Activity Description	
1a. Development name:	
1b. Development (project) number:	
2. Designation type:	Occupancy by only the elderly <input type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/> Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one)	Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)	
5. If approved, will this designation constitute a (select one)	<input type="checkbox"/> New Designation Plan <input type="checkbox"/> Revision of a previously-approved Designation Plan?
6. Number of units affected:	
7. Coverage of action (select one)	<input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

Exemptions from Component 10; Section 8 only PHAs are not required to complete this section.

A. Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

1. Yes No: Have any of the PHA's developments or portions of developments been identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions **may skip** to component 11.)

2. Activity Description

- Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 11. If "No", complete the Activity Description table below.

Conversion of Public Housing Activity Description	
1a. Development name:	
1b. Development (project) number:	

2. What is the status of the required assessment?

Assessment underway

Assessment results submitted to HUD

Assessment results approved by HUD (if marked, proceed to next question)

Other (explain below)

3. Yes No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)

4. Status of Conversion Plan (select the statement that best describes the current status)

Conversion Plan in development

Conversion Plan submitted to HUD on: (DD/MM/YYYY)

Conversion Plan approved by HUD on: (DD/MM/YYYY)

Activities pursuant to HUD-approved Conversion Plan underway

5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)

Units addressed in a pending or approved demolition application (date submitted or approved: _____)

Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved: _____)

Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved: _____)

Requirements no longer applicable: vacancy rates are less than 10 percent

Requirements no longer applicable: site now has less than 300 units

Other: (describe below)

B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

1. Yes No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied

or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If “No”, skip to component 11B; if “yes”, complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 12. If “No”, complete the Activity Description table below.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: 1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the PHA’s Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to component 12; if “yes”, describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due to high performer status. **High performing PHAs** may skip to component 12.)

2. Program Description:

Utilize the Family Self Sufficiency Section 8 program participants who have demonstrated that they are ready for greater responsibility and have expressed a desire for homeownership.

Participants will use there escrow funds towards the required closing cost and fees.

All homeownership participants will be monitored and be required to participate in ongoing homeownership classes to assure compliance with the program and to assess arising concerns.

a. Size of Program

Yes No: Will the PHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

- 25 or fewer participants
- 26 - 50 participants
- 51 to 100 participants
- more than 100 participants

b. PHA-established eligibility criteria

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?

If yes, list criteria below:

The following is a listing of some criteria needed to participate in the program.

Must have been employed for more than a year and is currently employed.

Must earn sufficient income to cover minimal rent charged.

Must be able to acquire funding for financial lenders.

Must complete all homeownership classes.

Must be a Section 8 Tenant.

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

Yes No: Has the PHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive

services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?

If yes, what was the date that agreement was signed? DD/MM/YY

2. Other coordination efforts between the PHA and TANF agency (select all that apply)

- Client referrals
- Information sharing regarding mutual clients (for rent determinations and otherwise)
- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program
- Joint administration of other demonstration program
- Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

Which, if any of the following discretionary policies will the PHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas? (select all that apply)

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
- Preference/eligibility for public housing homeownership option participation
- Preference/eligibility for section 8 homeownership option participation
- Other policies (list below)

b. Economic and Social self-sufficiency programs

- Yes No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If “yes”, complete the following table; if “no” skip to sub-component 2, Family Self Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
<i>Referral Services, Computer Training, Job Search Service and Counseling</i>	<i>n/a</i>	<i>As needed</i>	<i>PHA Main Office, Lee College, Work source</i>	<i>Both Section 8 and Public Housing</i>

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2005 Estimate)	Actual Number of Participants (As of: 1-03)
Public Housing	n/a	n/a
Section 8	29	35

- b. Yes No: If the PHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the PHA plans to take to achieve at least the minimum program size?
If no, list steps the PHA will take below:

C. Welfare Benefit Reductions

1. The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by: (select all that apply)
- Adopting appropriate changes to the PHA's public housing rent determination policies and train staff to carry out those policies
 - Informing residents of new policy on admission and reexamination

- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies
- Other: (list below)

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937

13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

Exemptions from Component 13: High performing and small PHAs not participating in PHDEP and Section 8 Only PHAs may skip to component 15. High Performing and small PHAs that are participating in PHDEP and are submitting a PHDEP Plan with this PHA Plan may skip to sub-component D.

A. Need for measures to ensure the safety of public housing residents

1. Describe the need for measures to ensure the safety of public housing residents

(select all that apply)

- High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)

2. What information or data did the PHA used to determine the need for PHA actions to improve safety of residents (select all that apply).

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- PHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs

Other (describe below)

3. Which developments are most affected? (list below)

Listed in order of most affected: Olive Courts, Archia Courts, Edison Courts De Zavala Courts

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year

1. List the crime prevention activities the PHA has undertaken or plans to undertake: (select all that apply)

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)

2. Which developments are most affected? (list below)

Listed in order of most affected: Olive Courts, Archia Courts, Edison Courts De Zavala Courts

C. Coordination between PHA and the police

1. Describe the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services
- Other activities (Zero Tolerance Policy has been enacted for all of our Public Housing properties. The BHA has conducted weekly inspections of Public Housing Properties to insure that all tenant comply with maintaining there areas responsibility. BHA has enforced House keeping rules.

2. Which developments are most affected? (list below)

Listed in order of most affected: Olive Courts, Archia Courts, Edison Courts De Zavala Courts

D. Additional information as required by PHDEP/PHDEP Plan

PHAs eligible for FY 2005 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- Yes No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
- Yes No: Has the PHA included the PHDEP Plan for FY 2005 in this PHA Plan?
- Yes No: This PHDEP Plan is an Attachment. (Attachment Filename: ____)

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

Housing Authority of the City of Baytown Pet Policy

SECTION 1

Selection Criteria

A. Approval

Prior to allowing a resident to cohabitant with an approved house pet in any BHA property the resident must enter into an "Agreement." In addition, the pet owner must provide proof of the pet's good health weight and suitability under the standards set forth under "General Guidelines"

in the criteria. In addition, the resident must present a certificate of inoculation and vaccination along with proof of registration, spaying an or neutering during the annual housing rectification. Initial_____

General Guidelines:

The following types of animals may be allowed under compliance with this policy and city, county, state and federal ordinances.

Dogs

- Maximum number--two (2)
- Maximum weight—twenty (20) pounds
- Must be spayed or neutered by a licensed veterinarian
- Must be properly inoculated by a licensed veterinarian
- Must be licensed annually or for a three year period

Cats

- Maximum number—two (2)
- Must be spayed or neutered by a licensed veterinarian
- Must be properly inoculated by a licensed veterinarian
- Must be licensed annually or for a three year period
- Must be declawed

Birds

- Maximum number—two (2)
- Must not be more than 12 inches in height and 2 lbs. in weight
- Must be maintained inside of cage at all times

Fish

- Must be fresh water fish only
- Maximum aquarium size—twenty (20) gallons fresh water
- Must be supported by an approved stand for aquariums and weight

Resident residing on the premises of the Baytown Housing Authority may keep no other pets. Any resident acquiring a pet subsequent to the implementation date of these policies shall comply with these guidelines. Initials_____

SECTION 11 Pet fees & Security Deposits

- A pet fee of \$150.00 shall be required of all residents housing pets. Management reserves the right to change the deposit amount consistent with federal guidelines at any time. Upon BHA approval, pet fee can be broken into monthly payments.
- Resident's liability for damages caused by his/her pet is not limited to the amount of the fee or pet deposit. The resident will be required to reimburse for the real cost of any and all damages caused by his/her pet where they exceed the amount of the fee and or deposit.
- All units occupied by a dog or cat will be fumigated upon being vacated. It shall be the responsibility of the resident owning a pet which unit is infested by fleas ond or ticks to pay the cost of correcting the infestation. If during a housekeeping inspection or HQS inspection is discovered that a unit has become infested by fleas and or ticks the resident will also be

responsible for the cost of fumigation of the infested unit and other affective units and common areas.

Initial _____

SECTION 111 Pet Rules

Dogs and Cats

Dogs and Cats shall be maintained within the residents pet owner's unit. The patio, balcony or storage areas of such units will not be acceptable by BHA Management as a dwelling place for any animal. No alteration of any kind to the unit, patio, balcony or storage area shall be permitted for pet retention. Outdoors pet shelters are prohibited on all BHA communities. Pets will not be allowed to live outside (overnight). When outside the dog or cat shall be kept on a collar or harness attached by a leash made of leather or chain linked metal no longer than six-(6) feet and long which is able to retain the pet from breaking loose. The resident shall maintain control of the pet AT ALL TIMES. Under no circumstances shall any cat or dog be permitted to roam free in any common area. Pets must not interfere with BHA personnel or Emergency Response Teams conducting inspections or emergency response calls to the pet owner's unit.

The pet owner shall immediately pick up all animal waste and litter box matter, which will be disposed of in a sanitary manner. Disposal of such waste will be in a sealed plastic trash bag and placed in a trash receptacle. Cat litter shall not be disposed of by flushing down toilets or dropping in the building trashcans. The pet owner shall be charged and remit payment for unlogging toilets or clean up of common area due to pet nuisance. No pet owner shall permit his/her pet to commit a nuisance in any other part of the exterior or interior common area.

Pet owners shall keep their pets under control at all times. Pet owners shall assume sole responsibility for liability arising from any injury sustained by any person attributable to their pet and agree to hold the owner and management harmless in such proceedings.

Resident pet owners agree to control the noise of his/her pet such that it does not constitute a nuisance to other residents. Failure to control pet noise may result in the removal of the pet from the premises by Animal Control. ANY PET WHO CAUSES BODILY INJURY TO ANY RESIDENT, GUEST OR STAFF MEMBER SHALL BE IMMEDIATELY AND PERMANENTLY REMOVED FROM THE PREMISES WITHOUT PRIOR NOTIFICATION. No pet shall be left unattended in any unit for longer than consecutive 12 hours.

All resident pet owners shall provide adequate care, nutrition, exercise and medical attention for his/her pet. Pets which appear to be poorly cared for, or which are left unattended for longer than twelve (12) consecutive hours will be reported to the Animal Control. BHA Management will recommend the removal of the pet at the owner's expense.

Feeding of pets in common area is prohibited.

In the event of a pet owner's sudden incapacitating illness, the resident pet owner agrees that management shall have discretion with respect to the provision of care to the pet consistent with local and federal guidelines. The provision of care will be at the expense of the resident pet owner unless written instructions with respect to such area are provided in advance by the resident to the management site office and all care shall be at the resident's expense. In the event of death of a resident pet owner the owner agrees that management shall have discretion to dispose of the pet consistent with local and federal guidelines unless written instructions exist with respect to such disposition. In the event of a pet's death, the resident pet owner shall notify Animal Control to

dispose of the pet in a sanitary manner. The phone number for Animal Control is 281-422-7600. The resident shall also notify BHA so that arrangements can be made for unit fumigation at the resident's expense.

The pet owner shall provide a signed statement by a third party over the age eighteen (18) who agrees to act as an alternate pet caretaker. Unwillingness on the part of the named caretaker of a pet to assume custody of the pet shall relieve management of any requirement to adhere to any written instructions with respect to the care of disposal of a pet and shall be considered an authorization for management to exercise discretion in such regards consistent with federal guidelines.

Resident pet owners acknowledge that other residents may have chemical sensitivities or allergies related to pets or are easily frightened by such animals. The resident therefore agrees to exercise common sense and common courtesy with respect to such other resident's right to peaceful and quiet enjoyment of the premises. All residents' pet owners must maintain each pet responsibly and in accordance with applicable federal, state, and local public health, animal control and animal anti cruelty laws and regulations.

Any resident informing the BHA Management that they no longer have possession of a pet, must provide proof that the pet was turned over to a responsible party, died or was turned into an animal shelter.

Visitor, guests and relatives of residents are NOT ALLOWED to enter any BHA structure with an animal or allow his/her animal to roam the grounds of the property.

Initial____

MANAGEMENT MAY MOVE TO REQUIRE THE REMOVAL OF A PET FORM THE PREMISES ON A TEMPORARY OR PERMANENT BASIS FOR THE FOLLOWING CAUSES:

- Creation of a nuisance after proper notification consistence with Section 111 of these Pet Rules;
- Excessive pet noise or odor with proper notification;
- Unruly or dangerous behavior displayed by the pet;
- Excessive damage to the residents apartment unit and/or complex common area;
- Repeated problems with vermin or flea infestation;
- Failure of the resident to provide adequate care of his/her pet;
- Leaving a pet unattended for more than twelve (12) consecutive hours;
- Failure of the resident to provide adequate and appropriate inoculation of the pet;
- Resident's death and /or serious illness, and

- Failure to observe any other rule contained in this section and not here listed upon proper notification

Initial _____

Birds

- Must be kept in a cage designed for birds;
- Cage must have food and fresh water available for the bird at all times;
- Cage must be kept clean at all times;
- Waste must be disposed of in a sealed plastic trash bag and placed in a trash bin;
- Must not be a bird of prey;
- Wings must not be tied or locked in anyway;
- Excessive noise from within the apartment shall not be permitted.

Fish

- Fresh water fish only;
- Twenty (20) gallon aquarium maximum;
- Stand must be designed & manufactured for aquariums and weight of 20 gallons;
- Aquarium must be placed in a safe area and away from electrical services;
- Aquarium must be equipped with the proper filtering and oxygenation system;
- Water damage to walls or floors caused by spillage caused from the aquarium shall be the responsibility of the resident who shall be billed for repair cost as required.

Initial _____

SECTION IV Notification Policy

In the event that any pet owner violates these pet rules, management shall provide notice of such violation as follows:

- A. Creation of A Nuisance
 1. The owner of any pet which creates a nuisance upon the grounds or by excessive noise, odor or by excessive noise, odor or unruly behavior and/or viscous behavior shall be notified of such nuisance in writing by management and shall be given no more than 12 hours to correct the nuisance.
 2. Management shall take appropriate steps to remove a pet from the premises in the event that the pet owner fails to correct such a nuisance within the 12-hour period.

- A. Dangerous Behavior
 1. Any pet which physically threatens and /or harms a resident, guest, staff member, another pet or other authorized person presented upon the project grounds shall be reported to Animal Control and BHA and an investigation ordered.
 2. Management does not have the ability to provide reasonable accommodations to house any animal deemed dangerous by the Chief of Police. Therefore any animal registered, as a dangerous animal shall be removed form the premises permanently.

The resident's signature and initials upon these house rules shall constitute permission for BHA Management to take appropriate action consistent with local, state, and federal law.

Initial _____

SECTION V Affidavit

“ I have read and understand the above pet policies of the Baytown Housing Authority and agree to comply fully with their provisions. I understand that failure to comply may constitute reason for removal of my pet and/or cause for my eviction.”

Resident Pet Owner Signature

Pet Registration Number

Type of Pet and Pet name

Unit numbers

Date

Property Manager Date

Has your dog, cat, bird ever been confiscated by any local or national Animal Control or Chief of Police? Yes ___ No ___ If yes, when _____

City _____ State _____

Witness:

“The above named resident has read and signed these rules in my presence.”

Witness

Name _____ Title _____

Date _____

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

Civil rights certifications are included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit FY 2006

[24 CFR Part 903.7 9 (p)]

1. Yes No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))?
(If no, skip to component 17.)

2. Yes No: Was the most recent fiscal audit submitted to HUD?
3. Yes No: Were there any findings as the result of that audit?
4. Yes No: If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain? 3
5. Yes No: Have responses to any unresolved findings been submitted to HUD? Yes
If not, when are they due (state below)?

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

Exemptions from component 17: Section 8 Only PHAs are not required to complete this component. High performing and small PHAs are not required to complete this component.

1. Yes No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock , including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?
2. What types of asset management activities will the PHA undertake? (select all that apply)
 - Not applicable
 - Private management
 - Development-based accounting
 - Comprehensive stock assessment
 - Other: (list below)
3. Yes No: Has the PHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

1. Yes No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?
2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)
 - Attached at Attachment (File name)
 - Provided below:

3. In what manner did the PHA address those comments? (select all that apply)
- Considered comments, but determined that no changes to the PHA Plan were necessary.
 - The PHA changed portions of the PHA Plan in response to comments
List changes below:
 - Other: (list below)

B. Description of Election process for Residents on the PHA Board

- 1. Yes No: Does the PHA meet the exemption criteria provided section 2(b) (2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)
- 2. Yes No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

- a. Nomination of candidates for place on the ballot: (select all that apply)
- Candidates were nominated by resident and assisted family organizations
 - Candidates could be nominated by any adult recipient of PHA assistance
 - Self-nomination: Candidates registered with the PHA and requested a place on ballot
 - Other: (describe)

- b. Eligible candidates: (select one)
- Any recipient of PHA assistance
 - Any head of household receiving PHA assistance
 - Any adult recipient of PHA assistance
 - Any adult member of a resident or assisted family organization
 - Other (list)

- c. Eligible voters: (select all that apply)
- All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
 - Representatives of all PHA resident and assisted family organizations
 - Other (list)

C. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

- 1. Consolidated Plan jurisdiction: **(The City of Baytown)**

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)

Other: (list below)

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

Striving to provide safe decent and sanitary housing for Low income families.

D. Other Information Required by HUD

Use this section to provide any additional information requested by HUD.

Attachments

Use this section to provide any additional attachments referenced in the Plans.

Other (List below, providing each attachment name): (Page 47)

1. Community Service Implementation Plan (**Page 48**)
2. Capital Fund FY 2007 (**Page 56**)
3. Capital Fund FY 2006 (**Page 60**)
4. Capital Fund FY 2005(**Page 64**)
5. Capital Fund Five Year Plan FY 2005 (**Page 68**)

COMMUNITY SERVICE/SELF SUFFICIENCY POLICY

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all non-exempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes and other activities which help an individual toward self sufficiency and economic independence. This is a requirement of the Public Housing Lease.

B. Definitions

Community Service - volunteer work which includes, but is not limited to:

1. Work at a local school, hospital, or child care center
2. Work with youth organizations
3. Work at the Authority to help improve physical conditions
4. Work at the Authority to help with children's programs
5. Helping neighborhood groups with special projects
6. Working through resident organization to help other residents with problems

NOTE: Political activity is excluded.

Self Sufficiency Activities - activities which include, but are not limited to:

1. Job training programs
2. Substance abuse or mental health counseling
3. English proficiency or literacy (reading) classes
4. Budgeting and credit counseling
5. Any kind of class that helps a person toward economic independence

Exempt Adult - an adult member of the family who

1. Is 62 years of age or older
2. Has a disability that prevents him/her from being gainfully employed
3. Is the caretaker of a disabled person
4. Is working at least 20 hours per week
5. Is participating in a welfare to work program
6. Is receiving assistance from TANF and is in compliance with job training and work activities requirements of the program.

C. Requirements of the Program

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The Authority will make the determination of whether to allow or disallow a deviation from the schedule.
3. Activities must be performed within the community and not outside the jurisdictional area of the Authority.
4. Family obligations
 - a. At lease execution or re-examination after October 1, 1999, all adult members (18 or older) of a public housing resident family must
 - 1) provide documentation that they are exempt from Community Service requirement if they qualify for an exemption, and
 - 2) sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community Service requirement will result in nonrenewal of their lease.
 - b. At each annual re-examination, non-exempt family members must present a completed documentation form (to be provided by the Authority) of activities performed over the previous twelve (12) months. This form will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.
 - c. If a family member is found to be noncompliant at re-examination, he/she and the Head of Household will sign an agreement with the Authority to make up the deficient hours over the next twelve (12) month period.
 - d. Change in exempt status:
 - 1) If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the Authority and provide documentation of such.

- 2) If, during the twelve (12) month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to the Authority. The Authority will provide the person with the Recording/Certification documentation form and a list of agencies in the community that provide volunteer and/or training opportunities.
5. Authority obligations
- a. To the greatest extent possible and practicable, the Authority will
 - 1) provide names and contacts at agencies that can provide opportunities for residents, including disabled, to fulfill their Community Service obligations. *(According to the Quality Housing and Work Responsibility Act, a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement)*
 - 2) provide in-house opportunities for volunteer work or self sufficiency programs.
 - b. The Authority will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution
 - c. The Authority will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use the Authority's Grievance Procedure if they disagree with the Authority's determination.
 - d. Noncompliance of family member
 - 1) At least thirty (30) days prior to annual re-examination and/or lease expiration, the Authority will begin reviewing the exempt or non-exempt status and compliance of family members.
 - 2) If the Authority finds a family member to be noncompliant, the Authority will enter into an agreement with the noncompliant member and the Head of Household to make up the deficient hours over the next twelve (12) month period.
 - 3) If, at the next annual re-examination, the family member still

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is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit.

- 4) The family may use the Authority's Grievance Procedure to protest the lease termination.

Appendix 1
Community Service Exemption Certification

I certify that I am eligible for an exemption from the Community Service requirement for the following reason:

- I am 62 or older
- I have a disability which prevents me from working
(Certification of Disability Form will serve as documentation)
- I am working at least 20 hours per week
(Employment Verification form will serve as documentation)
- I am participating in a Welfare to Work Program
(Must provide verification letter from agency)
- I am receiving TANF and am participating in a required economic self sufficiency program or work activity
(Must provide verification from the funding agency that you are complying with job training or work requirements)

Resident

Date

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Appendix 2
Community Service Compliance Certification

I/We have received a copy of, have read and understand the contents of the Authority's Community Service/Self Sufficiency Policy.

I/We understand that this is a requirement of the Quality Housing and Work Responsibility Act of 1998 and that if we do not comply with this requirement, our lease will not be renewed.

Resident Date

Resident Date

Resident Date

Capital Fund Program 2007

Part One

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name: The Baytown Housing Authority	Grant Type and Number Capital Fund Program Grant No: TX24P01250107 Replacement Housing Factor Grant No:	Federal FY of Grant: 2007
---	--	--

- | | | |
|---|--|--|
| X Original Annual Statement
. Revised Annual Statement (revision no:)
. Performance and Evaluation Report for Period Ending: | . Reserved for Disasters/ Emergencies
. Final Performance and Evaluation Report | Revised Annual Plan Statement
(revision no:) |
|---|--|--|

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	25,000			
3	1408 Management Improvements	5,000			
4	1410 Administration	10,000			
5	1411 Audit	7,000			
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	42,800			
10	1460 Dwelling Structures	63,640			
11	1465.1 Dwelling Equipment—Nonexpendable	55,000			
12	1470 Nondwelling Structures	0			
13	1475 Nondwelling Equipment	3,000			
14	1485 Demolition (Archia Courts TX1202-03A)	5,000			
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	216,440	0	0	0
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				
27	collateralization Expenses or Debt Service				

Attachments

Capital Fund Program 2007

Part Two

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)

Part II: Supporting Pages

PHA Name: The Baytown Housing Authority	Grant Type and Number Capital Fund Program Grant No: TX24P01250107 Replacement Housing Factor Grant No:	Federal FY of Grant: 2007
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Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
PHA - Wide	Operations	1406		25,000				
"	Management Improvement	1408		5,000				
"	Administration	1410		10,000				
	Audit	1411		7,000				
PHA - Wide	Repair dripping faucets	1465.1	15	10,000				
	Exterminate all properties	1465.1	15	45,000				
	Totals			55,000	0	0	0	
Edison Courts TX12-05	Light fixtures and Lighting Repair	1460		13,000				
	Tree Trimming	1460		14,000				
	Repair Window Screens	1460		20,440				
	Repair Uneven Sidwalks	1460		12,000				
	Totals			59,440	0	0	0	

Attachments

Capital Fund Program 2007

Part Two Continued

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name: The Baytown Housing Authority		Grant Type and Number Capital Fund Program Grant No: TX24P01250107 Replacement Housing Factor Grant No:				Federal FY of Grant: 2007		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
Olive Courts TX12-04	Repair Lighing Fixtures	1460		1,200				
	Trim Trees	1460		3,000				
	Totals			4,200	0	0	0	
	Replace Drain line from Unit to Main Line	1450		15,000				
	Replace Tub Drain from tub to Main Drain Line	1450		8,000				
	Repair Sidewalks (UPCS) and Parking Lots	1450		4,800				
	Totals			27,800	0	0	0	
De Zavala CourtsTX12-03B	Repair Pot Holes in Parking lot	1450	7	15,000				
	Totals			15,000	0	0	0	
PHA - Wide	Non-Dwelling Equipment Rental	1475		3,000				
Archia Courts TX12- 03A	Demolition/Disposition	1485		5,000				
	Totals			216,440	0	0	0	

Capital Fund Program 2007

Part Three

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)

Part III: Implementation Schedule

PHA Name: The Baytown Housing Authority	Grant Type and Number Capital Fund Program Grant No: TX24P01250106 Replacement Housing Factor Grant No:	Federal FY of Grant: 2007
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Development Number/Name/HA-Wide Activities	All Fund Obligated(9/30/2008)			All Funds Expended (7/1/2008)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
1406 Operations: PHA Wide	9/30/2008						FY 05 & 06 not expended
1408 Management Improvement: PHA Wide	9/30/2008						FY 05 & 06 not expended
1410 Administration: PHA Wide	9/30/2008						FY 05 & 06 not expended
1411 Audit: PHA Wide	9/30/2008						FY 05 & 06 not expended
1465.1 Dwelling Equipment: PHA Wide	9/30/2008						FY 05 & 06 not expended
1460 Dwelling Structures: Edison Courts TX12-05	9/30/2008						FY 05 & 06 not expended
1460 Dwelling Structures: Olive Courts TX12-04	9/30/2008						FY 05 & 06 not expended
1450 Site Improvement: De Zavala Courts TX12-03B	9/30/2008						FY 05 & 06 not expended
1475 Non-dwelling Equipment: PHA Wide	9/30/2008						FY 05 & 06 not expended
1485 Demolition (Archia Courts TX1202-03A)	9/30/2008						FY 05 & 06 not expended

Attachments

**Capital Fund Program 2006
Part One**

Annual Statement/Performance and Evaluation Report					
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: The Baytown Housing Authority		Grant Type and Number Capital Fund Program Grant No: TX24P01250106 Replacement Housing Factor Grant No:			Federal FY of Grant: 2006
. Original Annual Statement		. Reserved for Disasters/ Emergencies		Revised Annual Plan Statement	
X Revised Annual Statement (revision no: 2)		. Final Performance and Evaluation Report		(revision no:)	
. Performance and Evaluation Report for Period Ending:					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	25,000			
3	1408 Management Improvements	5,000			
4	1410 Administration	10,000			
5	1411 Audit	7,000			
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	53,000			
10	1460 Dwelling Structures	74,140			
11	1465.1 Dwelling Equipment—Nonexpendable	19,000			
12	1470 Non-dwelling Structures	0			
13	1475 Non-dwelling Equipment	1,986			
14	1485 Demolition (Archia Courts TX1202-03A)	10,913			
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	206,039	0	0	0
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				
27	collateralization Expenses or Debt Service				

Capital Fund Program 2006

Part Two

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)

Part II: Supporting Pages

PHA Name: The Baytown Housing Authority		Grant Type and Number Capital Fund Program Grant No: TX24P01250106 Replacement Housing Factor Grant No:				Federal FY of Grant: 2006		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
PHA - Wide	Operations	1406		25,000				
"	Management Improvement	1408		5,000				
"	Administration	1410		10,000				
	Audit	1411		7,000				
PHA - Wide	Refrigerators	1465.1	15	5,985				
	30 inch Gas Ranges	1465.1	8	2,627				
	20 Inch Electric Ranges	1465.1	5	1,995				
	Window A/C Units	1465.1	6	4,193				
	Central Condenser Units	1465.1	6	4,200				
	Totals			19,000	0	0	0	
Edison Courts TX12-05	Exterior Repair and Cleaning	1460		13,000				
	Replace Rotten wood and bad vinyl siding	1460		14,000				
	Paint and Primer	1460		20,440				
	Totals			47,440	0	0	0	

Attachments

**Capital Fund Program 2006
Part Two Continued**

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: The Baytown Housing Authority			Grant Type and Number Capital Fund Program Grant No: TX24P01250106 Replacement Housing Factor Grant No:			Federal FY of Grant: 2006		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
Olive Courts TX12-04	Exterior Repair, Replacement and Cleaning	1460		20,000				
	Seven Foot Storm Doors on Units	1460	8	4,000				
	Paint and Primer	1460		2,700				
	Totals			26,700	0	0	0	
	Replace Drain line from Unit to Main Line	1450	6	15,000				
	Replace Tub Drain from tub to Main Drain Line	1450	4	8,000				
	Repair 3 Sidewalks / Install Handicap ramps	1450	3	4,800				
	Totals			27,800	0	0	0	
De Zavala Courts TX12-03B	Replace Drain Feed Lines	1450	7	20,000				
	100ft. Of sidewalk in fron of unit 2000 W. Texas	1450		5,200				
	Totals			25,200	0	0	0	
PHA - Wide	Non-Dwelling Equipment Rental	1475		1,986				
Archia Courts TX12-03A	Demolition/Disposition	1485		10,913				
	Totals			206,039	0	0	0	

Capital Fund Program 2006

Part Three

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)

Part III: Implementation Schedule

PHA Name: The Baytown Housing Authority	Grant Type and Number Capital Fund Program Grant No: TX24P01250106 Replacement Housing Factor Grant No:	Federal FY of Grant: 2006
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Development Number/Name/HA-Wide Activities	All Fund Obligated(9/30/2006)			All Funds Expended (7/1/2007)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
1406 Operations: PHA Wide	9/30/2006						
1408 Management Improvement: PHA Wide	9/30/2006						
1410 Administration: PHA Wide	9/30/2006						
1411 Audit: PHA Wide	9/30/2006						
1465.1 Dwelling Equipment: PHA Wide	9/30/2006						
1460 Dwelling Structures: Edison Courts TX12-05	9/30/2006						
1460 Dwelling Structures: Olive Courts TX12-04	9/30/2006						
1450 Site Improvement: De Zavala CourtsTX12-03B	9/30/2006						
1475 Non-dwelling Equipment: PHA Wide	9/30/2006						
1485 Demolition (Archia Courts TX1202-03A)	9/30/2006						

Attachments

Capital Fund Program 2005 Part One

Annual Statement/Performance and Evaluation Report					
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: The Baytown Housing Authority		Grant Type and Number Capital Fund Program Grant No: TX24P01250105 Replacement Housing Factor Grant No:			Federal FY of Grant: 2005
. Original Annual Statement . Revised Annual Statement (revision no:) x Performance and Evaluation Report for Period Ending:6/30/07		. Reserved for Disasters/ Emergencies . Final Performance and Evaluation Report		Revised Annual Plan Statement (revision no:)	
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	30,000		30,000	30,000
3	1408 Management Improvements	0		0	0
4	1410 Administration	30,000		30,000	30,000
5	1411 Audit	0		0	0
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	13,536		13,536	13,536
10	1460 Dwelling Structures	111,085		111,085	52,588
11	1465.1 Dwelling Equipment—Nonexpendable	7,965		7,965	7,965
12	1470 Non-dwelling Structures	0		0	0
13	1475 Non-dwelling Equipment	850		850	850
14	1485 Demolition (Archia Courts TX1202-03A)	20,000		20,000	0
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	213,436	0	213,436	134,939
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				

26	Amount of line 21 Related to Energy Conservation Measures				
27	Collateralization Expenses or Debt Service				

Capital Fund Program 2005 Part Two

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name:			Grant Type and Number			Federal FY of Grant:		
The Baytown Housing Authority			Capital Fund Program Grant No:		TX24P01250105	2005		
			Replacement Housing Factor Grant No:					
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
PHA - Wide	Operations	1406		30,000		30,000	30,000	Completed
"	Management Improvement	1408		0		0	0	
"	Administration	1410		30,000		30,000	30,000	Completed
"	Audit	1411		0		0	0	
Archia Courts TX12-03A	Sidewalk Replacement & Repair	1450	2	1,799		1,799	1,799	Completed
Edison Courts TX12-05	Replace Sewer Pump and Moter	1450	4	608		608	608	Completed
Olive Courts TX12-04	Replace Sewer Line	1450	3	2,919		2,919	2,919	Completed
De Zavala Courts TX12-03B	Replace Sewer Lines	1450	7	8,210		8,210	8,210	Completed
	Totals			13,536	0	13,536	13,536	
	1450 Grand Totals			13,536	0	13,536	13,536	
Archia Courts TX12-03A	Replace Back Door	1460		312		312	312	Completed
	Replace Water Heater Control Unit	1460	2	455		455	455	Completed
	Interior Rehab	1460	14	12,723		12,723	12,723	Completed
	Handicap Toilet Installation	1460		240		240	240	Completed
	Water Heater Replacement	1460	2	782		782	782	Completed
	Totals			14,512	0	14,512	14,512	

Edison Courts TX12-05	Interior Rehab	1460	15	12,929		12,929	12,929	Completed
	Roofing	1460		58,497		58,497	0	Completed
	Totals			71,426	0	71,426	12,929	

**Capital Fund Program 2005
Part Two Continued**

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name: The Baytown Housing Authority			Grant Type and Number Capital Fund Program Grant No: TX24P01250105 Replacement Housing Factor Grant No:			Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
De Zavala Courts TX12-03B	Install Handicap Ramp	1460		988		988	988	Completed
	Interior Rehab	1460	8	11,337		11,337	11,337	Completed
	Replace Kitchen Sink	1460		315		315	315	Completed
	Replace Water Heater	1460		369		369	369	Completed
	Totals			13,009	0	13,009	13,009	
Olive Courts TX12-04	Install Handicap Ramp	1460		935		935	935	Completed
	Interior Rehab	1460	9	9,662		9,662	9,662	Completed
	Replace Sheet Rock	1460	2	712		712	712	Completed
	Replace Water Heater	1460	2	829		829	829	Completed
	Totals			12,138	0	12,138	12,138	
	1460 Grand Totals			111,085	0	111,085	52,588	
PHA - Wide	Refrigerators	1465.1		4,411		4,411	4,411	Completed
	30 inch Gas Ranges	1465.1		1,658		1,658	1,658	Completed
	Window A/C Units	1465.1		1,896		1,896	1,896	Completed
	1465.1 Grand Totals			7,965	0	7,965	7,965	
PHA - Wide	Non-Dwelling Equipment Rental - Sewer Machine	1475		850		850	850	Completed

Archia Courts TX12-03A	Demolition/Disposition	1485		20,000	0	20,000	0	Pending
Totals				213,436	0	213,436	134,939	

**Capital Fund Program 2005
Part Three**

Annual Statement/Performance and Evaluation Report							
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)							
Part III: Implementation Schedule							
PHA Name:			Grant Type and Number				Federal FY of Grant:
The Baytown Housing Authority			Capital Fund Program Grant No:		TX24P01250105		2005
			Replacement Housing Factor Grant No:				
Development Number/Name/HA-Wide Activities	All Fund Obligated(9/30/2006)			All Funds Expended (7/1/2007)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
1406 Operations: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1408 Management Improvement: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1410 Administration: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1411 Audit: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1465.1 Dwelling Equipment: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1460 Dwelling Structures: Edison Courts TX12-05	9/30/2006			9/30/2006		9/30/2008	Funds not received
1460 Dwelling Structures: Olive Courts TX12-04	9/30/2006			9/30/2006		9/30/2006	
1450 Site Improvement: De Zavala Courts TX12-03B	9/30/2006			9/30/2006		9/30/2006	
1475 Non-dwelling Equipment: PHA Wide	9/30/2006			9/30/2006		9/30/2006	
1485 Demolition (Archia Courts TX1202-03A)	9/30/2006			9/30/2006		9/30/2008	Funds not received

**Capital Fund Program Five Year Action Plan
Part One**

Capital Fund Program Five-Year Action Plan Part I: Summary					
PHA Name The Baytown Housing Authority				Original 5-Year Plan Revision No:	
Part I: Summary HA-Wide	FY 2005	Work Statement for Year 2 FFY Grant: 2006 PHA FY: 2006	Work Statement for Year 3 FFY Grant: 2007 PHA FY: 2007	Work Statement for Year 4 FFY Grant: 2008 PHA FY: 2008	Work Statement for Year 5 FFY Grant: 2009 PHA FY: 2009
	Annual Statement				
Total non-CFP Funds					
1406 Operations		25,000	25,000		
1408 Management Improvements		5,000	5,000		
1410 Administration		10,000	10,000		
1411 Audit		7,000	7,000		
1415 Liquidated Damages					
1430 Fees and Costs					
1440 Site Acquisition					
1450 Site Improvement		53,000	42,800		
1460 Dwelling Structures		74,140	63,640		
1465.1 Dwelling Equipment—Nonexpendable		19,000	55,000		
1470 Non-dwelling Structures		0	0		
1475 Non-dwelling Equipment		1,986	3,000		
1485 Demolition (Archia Courts TX1202-03A)		10,913	5,000		
CFP Funds Listed for 5-year planning					
Replacement Housing Factor Funds					

Totals

0

206,039

216,440

0

0

Capital Fund Program Five Year Action Plan Part Two

Capital Fund Program Five-Year Action Plan

Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
	Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
See Annual Statement						
Total CFP Estimated Cost			0			0

Attachments



Other (List below, providing each attachment name): (Page 70)

6. Certification for a Drug Free Workplace **(Page 71)**
7. Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan. **(Page 72)**
8. PHA Certifications of Compliance with the PHA Plans and related Regulations Board Resolution to Accompany the PHA Plan **(Page 73)**
9. Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY) **(Page 74)**

Certification for a Drug Free Workplace

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

**PHA Certifications of Compliance with the PHA Plans and related Regulations
Board Resolution to Accompany the PHA Plan**

Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

	<u>Account</u>	149 Units <u>Low Rent</u>	PUM	30 Units <u>Lincoln Court</u>	PUM	28 Units <u>Sam Houston</u>	PUM	Secion 8	FEMA	DVP	Grand Total
RENTAL INCOME											
Dwelling Rental	3110	(227,200)	127.07	(62,500)	173.61	0	0.00	0	0	0	(289,700)
Excess Utilities	3120	(5,190)	-2.90	0	0.00	0	0.00	0	0	0	(5,190)
Total Rental Income:		(232,390)	129.97	(62,500)	173.61	0	0.00	0	0	0	(294,890)
OTHER INCOME											
Interest Income	3610	0	0.00	0	0.00	0	0.00	0	(3,160)	0	(3,160)
Other Income-tenants	3690	(12,000)	-6.71	(1,500)	-4.17	0	0.00	0		0	(13,500)
Transfers From Grant 1406	3690.01	0	0.00	0	0.00	0	0.00	0	0	0	0
Other Income-non-tenants	3690.1	(5,690)	-3.18	0	0.00	0	0.00	0		0	(5,690)
Maint. Cost Transfers From	3690.18	0	0.00	0	0.00	0	0.00	0		0	0
Admin Expense From 1410	3690.19	0	0.00	0	0.00	0	0.00	0		0	0
Admin Fees Earned	3100	0	0.00	0	0.00	0	0.00	(399,726)	(79,250)	(238,190)	(717,166)
Hard to House		0	0.00	0	0.00	0	0.00	0		0	0
Frist Time Fees										(13,500)	(13,500)
Portable Admin Fees		0	0.00	0	0.00	0	0.00	(22,000)		0	(22,000)
Portable Admin Fees Paid on Portables		0	0.00	0	0.00		0.00	500		0	500
Total Other Income:		(17,690)	-9.89	(1,500)	-4.17	0	0.00	(421,226)	(82,410)	(251,690)	(774,516)
Total Income:		(250,080)	139.87	(64,000)	177.78	0	0.00	(421,226)	(82,410)	(251,690)	(1,069,406)
OTHER RECEIPTS											
Operating Subsidy	8020	(381,575)	213.41	0	0.00	0	0.00	0	0	0	(381,575)
Operating Subsidy - Prior Year	8020	(117,938)									(117,938)
Total Other Receipts:		(499,513)	279.37	0	0.00	0	0.00	0	0	0	(499,513)
Total Operating Receipts:		(749,593)	419.24	(64,000)	177.78	0	0.00	(421,226)	(82,410)	(251,690)	(1,568,919)

ADMINISTRATIVE EXPENSE

Administrative Salaries	4110	60,000	33.56	2,600	7.22	0	0.00	188,750		30,000	281,350
Compensated Absences		0	0.00	0	0.00	0	0.00	0		0	0
Legal Expense	4130	1,050	0.59	0	0.00	0	0.00	0		0	1,050
Staff Training	4140	0	0.00	0	0.00	0	0.00	0		400	400
Travel	4150	110	0.06	0	0.00	0	0.00	4,500	250	552	5,412
Accounting Fees	4170	10,955	6.13	1,425	3.96	325	0.97	9,795	1,690	1,200	25,390
Audit Fees	4171	11,310	6.33	0	0.00	0	0.00	11,310		0	22,620
Office Utilities		0	0.00	0	0.00	0	0.00	17,065	2,540	0	19,605
Employee Benefit Contribution	4182	35,000	19.57	1,400	3.89	0	0.00	123,960		7,290	167,650
Sundry	4190	1,070	0.60	200	0.56	0	0.00	0		0	1,270
Publications	4190.11	425	0.24	0	0.00	0	0.00	700		0	1,125
Membership Dues and Fees	4190.12	1,215	0.68	0	0.00	10	0.03	0		0	1,225
Telephone	4190.13	17,200	9.62	0	0.00	0	0.00	12,000	7,435	0	36,635
Coll Agent Fees And Court	4190.15	1,200	0.67	0	0.00	0	0.00	0		0	1,200
Forms And Office Supplies	4190.17	6,250	3.50	0	0.00	0	0.00	8,500	1,115	0	15,865
Postage And Misc Sundry Expenses	4190.18	13,400	7.49	0	0.00	0	0.00	15,025	1,895	1,000	31,320
Administrative Contracts & Insurance	4190.19	17,380	9.72	6	0.02	0	0.00	73,460	51,810	0	142,656
Bank Maintenance on Investments	4190.2	0	0.00	0	0.00	0	0.00	0		0	0
Trustee Expense	4190.21	0	0.00	0	0.00	0	0.00	0		0	0
Administrative Maintenance Cost		0	0.00	0	0.00	0	0.00	24,025	1,672	0	25,697
Total Administrative Expense:		176,565	98.75	5,631	15.64	335	1.00	489,090	68,407	40,442	780,470

TENANT SERVICES

		0	0.00	0	0.00	0	0.00	0	0	0	0
Total Tenant Service:		0	0.00	0	0.00	0	0.00	0	0	0	0

UTILITIES EXPENSE

Water	4310	42,250	23.63	11,500	31.94	0	0.00	0	0	0	53,750
Electricity	4320	75,360	42.15	2,050	5.69	1,535	4.57	0	0	0	78,945
Electricity - Security	4320.9	0	0.00	0	0.00	0	0.00	0	0	0	0
Gas	4330	29,750	16.64	3,900	10.83	0	0.00	0	0	0	33,650
Other Utility Expense	4390	41,420	23.17	4,900	13.61	0	0.00	0	0	0	46,320
Total Utilities Expense		188,780	105.58	22,350	62.08	1,535	4.57	0	0	0	212,665

ORDINARY MAINT AND OPERATION

Labor	4410	96,200	53.80	0	0.00	0	0.00	0	0	0	96,200
Materials	4420	57,000	31.88	25	0.07	0	0.00	0	0	0	57,025
Contract Costs	4430	110,100	61.58	8,900	24.72	280	0.83	0	0	0	119,280
Garbage Removal	4431	27,500	15.38	3,500	9.72	220	0.65	0	0	0	31,220
Employee Benefit	4433	61,600	34.45	0	0.00	0	0.00	0	0	0	61,600
Total Ord. Maint. & Operations:		352,400	197.09	12,425	34.51	500	1.49	0	0	0	365,325

PROTECTIVE SERVICES

Protective Services - Con	4480	900	0.50	0	0.00	0	0.00	0	0	0	900
Total Protective Services:		900	0.50	0	0.00	0	0.00	0	0	0	900

GENERAL EXPENSES

Insurance	4510	27,900	15.60	4,590	12.75	4,590	13.66	0	0	0	37,080
Collection Losses	4570	13,500	7.55	6,100	16.94	36,450	108.48	0	0	0	56,050
Int Admin and Sundry Notes		0	0.00	0	0.00	0	0.00	0	0	0	0
Compensated Absences	4120	0	0.00	0	0.00	0	0.00	0	0	0	0
Total General Expense:		41,400	23.15	10,690	29.69	41,040	122.14	0	0	0	93,130

Total Routine Expense: 760,045 425.08 51,096 141.93 43,410 129.20 489,090 68,407 40,442 1,452,490

Total Operating Expenditures,			0.00		0.00		0.00				0
Including Prior Year Adj.			0.00		0.00		0.00				0
And Other Deductions:		760,045	425.08	51,096	141.93	43,410	129.20	489,090	68,407	40,442	1,452,490

Deficit or (Residual Receipts) 10,452 5.85 (12,904) -35.84 43,410 129.20 67,864 (14,003) (211,248) (116,429)
Before Depreciation

HOUSING AUTHORITY OF THE CITY OF BAYTOWN

REPORT ON FINANCIAL STATEMENTS

(With Supplemental Material)

FOR THE YEAR ENDED JUNE 30, 2006

BREEDLOVE & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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BREEDLOVE & CO., P.C.

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RICHARD W. BREEDLOVE, CPA
President

INDEPENDENT AUDITORS' REPORT

March 22, 2007

The Board of Commissioners
Housing Authority of the City of Baytown
Baytown, Texas

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Baytown, as of and for the year ended June 30, 2006, which collectively comprise the PHA's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the PHA's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Baytown, as of June 30, 2006, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2007, on our consideration of the Housing Authority of the City of Baytown's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Housing Authority of the City of Baytown taken as a whole. The accompanying financial data schedule and the other supplemental information, as well as the accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis or as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Breedlove & Co., P.C.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Introduction

Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments issued June, 1999.

Our discussion and analysis of the financial performance for the Housing Authority of the City of Baytown, Texas, provides an overview of the financial activities for the fiscal year ended June 30, 2006. Please read the MD&A in conjunction with the Housing Authority’s financial statements.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities similarly to those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Financial Highlights

The total assets of the Housing Authority decreased to \$5,105,429 at June 30, 2006, from \$7,198,388 at June 30, 2005, a decrease of \$2,092,959. Current assets increased \$802,903, capital assets decreased \$2,872,270, and non-current assets decreased \$23,592.

Total liabilities at June 30, 2006, were \$1,790,192, which is a decrease of \$2,079,424 from June 30, 2005. Current liabilities increased \$873,237, while non-current liabilities decreased \$2,952,661.

Total revenues of the Housing Authority were \$9,889,101 for the fiscal year ended June 30, 2006, and \$7,478,614 for the fiscal year ended June 30, 2005, an increase of \$2,410,487. Most of the increase was in government grants because in 2006, the Housing Authority received grants from the Federal Emergency Management Agency (FEMA) in the amount of \$2,086,037. The grant money received was to assist displaced victims of the 2005 hurricanes and flooding.

Total expenses were \$9,902,636 in 2006 and \$7,430,817 in 2005, an increase of \$2,471,819. As in revenues, the overall increase was caused by the addition of the FEMA program, which reported total expenses of \$2,181,311 and the loss attributable to the bankruptcy, which approximated \$704,828. Of the \$2,181,311 of total expenses reported by the FEMA Program, \$2,086,037 was in housing assistance payments.

Overview of the Financial Statements

This annual report includes this Management Discussion and Analysis report, the Basic Financial Statements, and the Notes to the Financial Statements. This annual report also contains the Financial Data Schedule (FDS) as referenced in the section of Supplemental Information required by HUD. The financial statements are presented as fund level financial statements because the Housing Authority only has proprietary funds.

The financial statements of the Housing Authority report information using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Housing Authority’s activities. The Statement of Net Assets includes all the Housing Authority’s assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of the Housing Authority and for assessing its liquidity and financial flexibility.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

All of the fiscal year's revenues and expenses are accounted for in the Statement of Changes in Net Assets. This statement measures the success of the Housing Authority's operations over the past year and can be used to determine whether the Housing Authority has successfully recovered all its costs through its user fees and other charges, and its profitability and credit-worthiness.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities. It provides answers to such questions as: Where did cash come from? What was cash used for? What was the change in the cash balance during the year?

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section Supplemental Information Required by HUD contains the Financial Data Schedule (FDS). The U.S. Department of Housing and Urban Development (HUD) has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2006.

Financial Analysis

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority, as a whole, better off or worse off, as a result of the achievements of the reported fiscal year?" The information presented in this Management Discussion and Analysis is intended to assist the reader in answering this question.

The Housing Authority's basic financial statements are the Statement of Net Assets and the Statement of Changes in Net Assets. The Statement of Net Assets provides a summary of the Housing Authority's assets and liabilities at June 30, 2006. The Statement of Changes in Net Assets summarizes the revenues and sources of those revenues generated and the expenses incurred in operating the Housing Authority for the year ended June 30, 2006.

The Housing Authority accounts for its activities in several different programs including Low Rent Public Housing, Public Housing Capital Fund Program, and Housing Choice Vouchers. Also, the Housing Authority owns and operates other rental apartment complexes that are reported together on the FDS as Component Units. Low Rent Public Housing provides housing for qualified tenants in HUD-owned rental complexes, and Public Housing Capital Fund Program funds improvements to low rent property and management. Housing Choice Vouchers subsidizes rent and other housing assistance payments for qualified individuals and families to live in non-HUD-owned rental property. During 2006, three new programs were added that were related to relief efforts for victims of the 2005 hurricanes: (1) Federal Assistance to Individuals and Households (FEMA), (2) Disaster Voucher Program (DVP), and (3) Katrina Disaster Housing Assistance Payments (KDHAP). KDHAP is reported as Other Federal Program 1 on the FDS. Also in 2006, the Housing Authority discontinued New Construction Substantial Rehabilitation Section 8 Programs. Please note that the following analysis focuses on the net assets and the change in net assets of the Housing Authority as a whole, and not on the individual programs.

**HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Net Assets				Increase
June 30,				(Decrease)
	<u>2006</u>	<u>2005</u>		
Current Assets, Net of Interprogram	\$ 2,110,398	\$ 1,307,495	\$ 802,903	
Capital Assets, Net	2,995,031	5,867,301	(2,872,270)	
Non-current Assets	<u>0</u>	<u>23,592</u>	<u>(23,592)</u>	
Total Assets	<u>\$ 5,105,429</u>	<u>\$ 7,198,388</u>	<u>\$ (2,092,959)</u>	
Current Liabilities, Net of Interprogram	\$ 1,201,911	\$ 328,674	\$ 873,237	
Noncurrent Liabilities	<u>588,281</u>	<u>3,540,942</u>	<u>(2,952,661)</u>	
Total Liabilities	<u>\$ 1,790,192</u>	<u>\$ 3,869,616</u>	<u>\$ (2,079,424)</u>	
Net Assets:				
Invested in Capital Assets, Net of Debt	\$ 2,484,604	\$ 2,903,826	\$ (419,222)	
Restricted Assets	51,627	32,137	19,490	
Unrestricted Assets	<u>779,006</u>	<u>392,809</u>	<u>386,197</u>	
Total Net Assets	<u>\$ 3,315,237</u>	<u>\$ 3,328,772</u>	<u>\$ (13,535)</u>	
Expendable Fund Balance	<u>\$ 873,487</u>	<u>\$ 978,821</u>	<u>\$ (105,334)</u>	
Number of Months of Expendable Fund Balance	<u>1.14</u>	<u>1.58</u>	<u>(0.44)</u>	

Assets

Assets of the Housing Authority are reported as either current assets or non-current assets. Current assets are resources that are reasonably expected, based upon the plans and intentions of management, to be converted into cash or cash equivalents during the current operating cycle (twelve months).

The current assets of the Housing Authority were \$2,110,398 at June 30, 2006, and \$1,307,495 at June 30, 2005, an increase of \$802,903. Much of this increase was in Housing Choice Vouchers, which, in 2006, had excess of operating revenues over expenses of \$1,019,939.

Non-current assets include long-term assets obtained as a result of past transactions, events, or circumstances. Non-current assets of the Housing Authority of Baytown include both capital assets and other assets. Capital assets, which are reported net of accumulated depreciation, include land, buildings, furniture, equipment, and machinery, leasehold improvements, and construction-in-progress.

The capital assets of the Housing Authority decreased \$2,872,270 during the fiscal year ended June 30, 2006, down to \$2,995,031 at June 30, 2006, from \$5,867,301 at June 30, 2005. Capital assets decreased due to the bankruptcy and write off of the Baytown Properties and Forest View Apartments component units in fiscal year June 30, 2006.

**HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

The Housing Authority had non-tangible acquisition costs net of accumulated amortization reported as other non-current assets in the amount of \$0 and \$23,592 at June 30, 2006 and 2005, respectively. The non-current assets decreased due to the aforementioned bankruptcy.

Liabilities

Liabilities of the Housing Authority are reported as either current or non-current liabilities. Current liabilities are debts owed that are due within the next operating cycle (twelve months). Accordingly it is expected that current liabilities will consume current financial resources in order to satisfy the debt. Current liabilities consist of bank overdrafts, accounts payable and accrued wages, salaries, and payroll taxes payable, the current portion of accrued compensated absences, tenant security deposits, deferred revenues, the current portion of long-term debts (including both mortgages payable and operating borrowings), and other current liabilities, such as over-deposits of funds. Accrued compensated absences are amounts owed to employees for vested paid leave (vacation and sick leave) earned by the employee but not yet taken.

Current liabilities of the Housing Authority of the City of Baytown were \$1,201,911 at June 30, 2006, which is an increase of \$873,237 over June 30, 2005, when current liabilities were \$328,674. Most of the increase in current liabilities was in deferred revenues, which increased to \$313,736 at June 30, 2006 from \$46,526 at June 30, 2005.

Non-current liabilities are debts owed that are not due to be paid within the next operating cycle (nine months) and therefore will not consume current resources of the Housing Authority in order to satisfy them. Non-current liabilities include the long-term debts, net of current portions, the non-current portion of accrued compensated absences, and amounts held in escrow for participants in the Family Self-sufficiency program administered as part of Housing Choice Vouchers.

Total non-current liabilities of the Housing Authority were \$588,281 at June 30, 2006, and \$3,540,942 at June 30, 2005, which constitutes a decrease of \$2,952,661. Non-current liabilities decreased mostly because of normal principal payments made on long-term debt throughout the fiscal year according to conventional amortization schedules.

Net Assets

At June 30, 2006, the Housing Authority had \$3,615,237 in net assets. Of this amount, \$51,627 was in restricted net assets, and \$779,006 was in unrestricted net assets, which are available to meet the Authority's ongoing expenses and obligations. The remainder, \$2,484,604, is the amount, net of accumulated depreciation and debt, invested in capital assets such as land, buildings, furniture, equipment, and machinery, leasehold improvements, and construction-in-progress.

Expendable Fund Balance

The expendable fund balance of a Housing Authority is a measure of its liquidity. If all the Authority's current assets (not including materials inventory) were converted to cash, and the Authority were to then pay all its current liabilities, the amount of cash remaining would be the expendable fund balance.

The expendable fund balance of the Housing Authority of the City of Baytown was \$873,487 at June 30, 2006, an decrease of \$105,334. The expendable fund balance decreased because total operating expenses increased over fiscal year 2005.

**HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Number of Months of Expendable Fund Balance

The number of months of expendable fund balance is a measure of how many months a Housing Authority could operate under current conditions without any further income. It is calculated by, first, dividing the total operating expenses for the year by twelve (months) in order to arrive at the average monthly expenses. The expendable fund balance above is then divided by the average monthly expenses to arrive at the number of months of expendable fund balance.

The number of months of expendable fund balance decreased to 1.14 months at June 30, 2006, down from 1.58 month at June 30, 2005. The number of months of expendable funds balance decreased due to the increase in operating expenses over fiscal year 2005.

Changes in Net Assets
For the Year Ended June 30,

	<u>2006</u>	<u>2005</u>	<u>Increase (Decrease)</u>
Revenue:			
Tenant Revenue	\$ 1,058,172	\$ 1,218,881	\$ (160,709)
Government Grants and Subsidies	8,754,621	6,207,291	2,547,330
Investment Income	17,717	6,235	11,482
Other Income	<u>58,591</u>	<u>46,207</u>	<u>12,384</u>
Total Revenue	\$ <u>9,889,101</u>	\$ <u>7,478,614</u>	\$ <u>2,410,487</u>
Expenses:			
Administrative	\$ 1,214,616	\$ 957,651	\$ 256,965
Tenant Services	86	960	(874)
Utilities	312,224	357,261	(45,037)
Routine Maintenance	582,468	644,917	(62,449)
Protective Services	65	1,294	(1,229)
General Expenses	83,127	382,718	(299,591)
Housing Assistance Payments (HAP)	6,711,291	4,794,529	1,916,762
Depreciation	293,931	291,487	2,444
Bankruptcy Loss	<u>704,828</u>	<u>0</u>	<u>704,828</u>
Total Operating Expenses	\$ <u>9,902,636</u>	\$ <u>7,430,817</u>	\$ <u>2,471,819</u>
Increase (Decrease) in Net Assets	\$ <u>(13,535)</u>	\$ <u>47,797</u>	\$ <u>(61,332)</u>

**HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Revenues

The Housing Authority has two basic sources of revenues: (1) rents and other tenant charges, and (2) funds received from government agencies in the form of grants and subsidies. Total revenues of the Housing Authority increased to \$9,889,103 for the fiscal year ended June 30, 2006, from \$7,478,614 for 2005. Although tenant revenue was down 13% from the prior year, total revenue increased because of an increase in government grants, mostly because of hurricane relief revenue.

Expenses

Total operating expenses of the Housing Authority also increased during 2006. Total expenses for 2006 were \$9,902,636, a \$2,471,819 increase from 2005, when total operating expenses were \$7,430,817. Most of this increase was in housing assistance payments and the bankruptcy loss. Administrative expenses increased approximately 27% during 2006. Areas of administrative expense that increased were salaries and miscellaneous administrative expenses. These administrative expenses increased more than normal because of the increased effort required in administering the hurricane relief aid.

The largest increase in expenses, as noted above was in housing assistance payments, which climbed to \$6,711,291, an increase of \$1,916,762 from the prior year. Housing assistance payments in DVP, KDHAP, and FEMA were \$374,119, \$329,831, and \$2,086,037, respectively. However, at the same time, housing assistance payments in Housing Choice Vouchers were down markedly to only \$3,921,304 in 2006 from \$4,469,995 in 2005, a decrease of \$548,691. Housing Choice Vouchers were “under leased” during the 2006 fiscal year. “Under leased” means that not enough housing unit months were assisted (“leased”) in relation to the estimated number of housing unit months that could be leased based upon the amount of funding provided. As a result of this under leased condition, it is anticipated that the excess housing assistance payments revenue received in Housing Choice Vouchers will be recaptured or re-programmed by HUD.

Capital Assets

At June 30, 2006, the Housing Authority had \$2,995,031 capital assets. This amount represents a net decrease of \$2,872,270.

Capital Assets at Year End
(Net of Accumulated Depreciation)
June 30,

	<u>2006</u>	<u>2005</u>	Increase (Decrease)
Land	\$ 116,227	\$ 416,227	\$ (300,000)
Buildings	7,369,205	9,896,660	(2,527,455)
Furniture, Equipment and Machinery-Dwellings	84,564	84,564	0
Furniture, Equipment and Machinery-Admin.	271,550	262,387	9,163
Leasehold Improvements	1,389,811	1,365,048	24,763
Construction in Progress	<u>119,220</u>	<u>227,907</u>	<u>(108,687)</u>
Subtotal	\$ 9,350,577	\$ 12,252,793	\$ (2,902,216)
Accumulated Depreciation	<u>(6,679,424)</u>	<u>(6,385,492)</u>	<u>29,946</u>
Net Capital Assets	<u>\$ 2,995,031</u>	<u>\$ 5,867,301</u>	<u>\$ (2,872,270)</u>

**HOUSING AUTHORITY OF THE CITY OF BAYTOWN, TEXAS
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Capital Grants

At June 30, 2006, the Housing Authority still had \$15,064 available in Public Housing Capital Fund Program money to draw down and spend in the future.

Debt

Long-term debt consists of the following:

Note payable to the Texas Department of Housing and Community Assistance (TDHCA). Payments of \$ 2,917 are due monthly until the unpaid balance reaches \$ 400,000 at which time note is subject to be forgiven.

Note payable to Amegy Bank of Texas in the amount of \$69,507 due in monthly installments of approximately \$5,800 including interest at 6.75%. This note is unsecured.

Other non-current liabilities include the non-current portion of accrued compensated absences, and the amounts held in escrow for participants in the Family Self-sufficiency program administered as part of Housing Choice Vouchers.

Economic Factors

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2007 federal budget.

Office of Inspector General Audit

The Office of Inspector General (OIG) conducted an audit of the Baytown Housing Authority in late 2005 and issued their report dated December 13, 2005. The OIG found that the Authority violated its contract with HUD by inappropriately advancing, transferring, and encumbering public housing funds to support its non-HUD related entities. Further, the OIG found that for some of the transfers, the Authority's former executive director knowingly altered transfer documentation. The report states that improper conveyances occurred because the Authority ignored its contract requirements and its former Board of Commissioners did not establish sufficient controls.

The current Board of Commissioners believe that as of March 29, 2007, responses and actions to resolve all issues and findings in the OIG report have been made and corrective actions initiated.

Bankruptcy

On June 4, 2006, one of the Authority's component units (Baytown Properties which owned Forest View Apartments) filed for protection under Chapter 7 of the bankruptcy laws. As a result, all assets of that component unit were seized by a bankruptcy trustee to satisfy creditors. As of December 15, 2006, the trustee had sold all assets and was working on final settlements with creditors. Management believes that these financial statements reflect all expected financial implications from these events.

Indemnification Documents

A Release of Liability related to a Purchase and Sale Agreement for certain real estate was signed by a representative of San Jacinto Methodist Hospital on December 6, 2006. The document released the Authority on any and all obligations related to the agreement.

Contacting the Housing Authority's Financial Management

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the Executive Director, at the Housing Authority of the City of Baytown, Texas, 805 W Nazro St., Baytown, TX, 77520, telephone (281) 427-6686.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
STATEMENT OF NET ASSETS
JUNE 30, 2006

ASSETS	Housing Enterprise Fund	Component Unit	Total
Current Assets			
Cash and cash equivalents - Unrestricted	\$ 1 359 892	\$ 1 555	\$ 1 361 447
Cash and cash equivalents - Restricted	71 221	899	72 120
Accounts receivable - tenants (net of allowance for doubtful accounts of \$4,879)	13 359	42 883	56 242
Accounts receivable - HUD	249 795	-	249 795
Accounts receivable - other	2 837	-	2 837
Investments-restricted	51 627	-	51 627
Prepaid expenses	-	-	-
Inventories	16 708	-	16 708
Due from component unit	299 622	-	299 622
Due from Baytown Properties and Forest View	950 677	-	950 677
Allowance for bad debt for Baytown Properties and Forest View	(950 677)	-	(950 677)
Total Current Assets	<u>2 065 061</u>	<u>45 337</u>	<u>2 110 398</u>
Noncurrent Assets			
Fixed assets net of accumulated depreciation of \$6,355,546	2 164 257	830 774	2 995 031
Other assets	-	-	-
Total Noncurrent Assets	<u>2 164 257</u>	<u>830 774</u>	<u>2 995 031</u>
Total Assets	<u>\$ 4 229 318</u>	<u>\$ 876 111</u>	<u>\$ 5 105 429</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	\$ 70 245	\$ 425 000	\$ 495 245
Accrued compensated absences	2 914	-	2 914
Tenant security deposits	19 594	899	20 493
Accrued PILOT	-	-	-
Deferred revenues	308 533	5 202	313 735
Current portion of long-term debt	69 507	35 000	104 507
Other current liabilities	-	395	395
Due to Housing Enterprise fund	-	299 622	299 622
Total Current Liabilities	<u>470 793</u>	<u>766 118</u>	<u>1 236 911</u>
Noncurrent liabilities			
Long-term debt, net of current	-	475 427	475 427
Accrued compensated absences-non-current	26 222	-	26 222
Other noncurrent liabilities	51 632	-	51 632
Total Noncurrent Liabilities	<u>77,854</u>	<u>475 427</u>	<u>553 281</u>
Net Assets			
Invested in capital assets, net of related debt	2 164 257	320 347	2 484 604
Restricted	51 627	-	51 627
Unrestricted	1 464 787	(685 781)	779 006
Total Equity	<u>3 680 671</u>	<u>(365 434)</u>	<u>3 315 237</u>
Total Liabilities and Net Assets	<u>\$ 4 229 318</u>	<u>\$ 876 111</u>	<u>\$ 5 105 429</u>

See the Accompanying Summary of Accounting Policies and Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Housing Enterprise Fund</u>	<u>Component Unit</u>	<u>Total</u>
Operating Revenues			
Dwelling rental	\$ 212 732	\$ 823 316	\$ 1 036 048
Tenant other charges	6 954	15 170	22 124
Operating grants-HUD	8 702 907	-	8 702 907
Soft costs grants-HUD	40 638	-	40 638
Other revenues	49 782	8 809	58 591
Total Operating Revenues	<u>9 013 013</u>	<u>847 295</u>	<u>9 860 308</u>
Operating Expenses			
Administrative	848 500	366 116	1 214 616
Tenant services	-	86	86
Utilities	126 715	185 509	312 224
Maintenance	282 253	300 215	582 468
Protective services	65	-	65
General	20 752	62 375	83 127
Housing assistance payments	6 711 291	-	6 711 291
Depreciation	208 118	85 814	293 932
Total Operating Expenses	<u>8 197 694</u>	<u>1 000 115</u>	<u>9 197 809</u>
Net Income (Loss) from Operations	<u>815 319</u>	<u>(152 820)</u>	<u>662 499</u>
Non-operating revenues (expenses)			
Interest income-Unrestricted	-	8 688	8 688
Interest income-Restricted	-	9 029	9 029
Capital grants-HUD	11 077	-	11 077
Total Non-operating revenues (expenses)	<u>11 077</u>	<u>17 717</u>	<u>28 794</u>
Discontinued operations			
Loss from bankruptcy of Baytown Properties	950 677	(245 849)	704 828
Total loss from discontinued operations	<u>950 677</u>	<u>(245 849)</u>	<u>704 828</u>
Change in Net Assets	(124 281)	110 746	(13 535)
Total Net Assets - Beginning of Period	2 878 241	450 531	3 328 772
Transfers	-	-	-
Equity Transfers	926 711	(926 711)	-
Total Net Assets - End of Period	<u>\$ 3 680 671</u>	<u>\$ (365 434)</u>	<u>\$ 3 315 237</u>

See the Accompanying Summary of Accounting Policies and Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Enterprise Funds</u>	<u>Component Unit</u>	<u>Totals Reporting Entity (memo only)</u>
Cash Flows from Operating Activities:			
Operating grants	\$ 8 743 545	\$ -	\$ 8 743 545
Receipts from customers	211 360	936 123	1 147 483
Payments to suppliers	(7,320,714)	(982 420)	(8 303 134)
Payments to employees	<u>(572 977)</u>	<u>(191 531)</u>	<u>(764 508)</u>
Net cash used by operating activities	<u>1 061 214</u>	<u>(237 828)</u>	<u>823 386</u>
Cash Flow from Capital and Related Financing Activities:			
Increase/(Reduction) of LTD	69 507	(2 977 984)	(2 908 477)
Reduction in restricted investments	-	-	-
Fixed asset additions/dispositions	(14 976)	2 593 315	2 578 339
Capital grants	<u>11 077</u>	<u>-</u>	<u>11 077</u>
Net cash used for capital & related financing activities	<u>65 608</u>	<u>(384 669)</u>	<u>(319 061)</u>
Cash Flow From Noncapital Financing Activities:			
Loss from discontinued operations	-	-	-
Noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flow From Investing Activities			
Interest income-Unrestricted	-	8 688	8 688
Interest income-Restricted	<u>-</u>	<u>9 029</u>	<u>9 029</u>
Net cash provided by investing activities	<u>-</u>	<u>17 717</u>	<u>17 717</u>
Net Increase (Decrease) In Cash and Cash Equivalents	1 126 822	(604 780)	522 042
Cash and Cash Equivalents At Beginning of Year	<u>355 919</u>	<u>607 234</u>	<u>963 153</u>
Cash and Cash Equivalents At End of Year	<u>\$ 1 482 741</u>	<u>\$ 2 454</u>	<u>\$ 1 485 195</u>

See the Accompanying Summary of Accounting Policies and Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
STATEMENT OF CASH FLOWS – CONTINUED
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Enterprise Funds</u>	<u>Component Unit</u>	<u>Totals Reporting Entity (memo only)</u>
Reconciliation of Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities			
Net Income (Loss) from Operations	\$ 815 319	\$ (152 820)	\$ 662 499
Noncash Changes to Income:			
Depreciation	208 117	(238 063)	(29 946)
Changes in Assets and Liabilities:			
Net (Increase) Decrease in Assets:			
Accounts receivable-net	(459 073)	100 824	(358 249)
Prepaid expenses	-	3 740	3 740
Inventories	-	-	-
Buildings	-	-	-
Net Increase (Decrease) in Liabilities:			
Accounts payable	130 783	35 145	165 928
Tenant security deposits	3 793	(11 685)	(7 892)
Accrued compensated absences	2 110	(10 364)	(8 254)
Other current liabilities	360 165	35 395	395 560
Net Cash Provided (Used) by Operating Activities	<u>\$ 1 061 214</u>	<u>\$ (237 828)</u>	<u>\$ 823 386</u>

See the Accompanying Summary of Accounting Policies and Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The PHA is a non-profit governmental organization with a five-member board of directors which was organized under the laws of the State to provide housing for qualified individuals in accordance with the rules and regulations prescribed by HUD. It is located in Baytown, Texas, at 805 W. Nazro Street. The following is a summary of the more significant accounting policies.

A. Reporting Entity – The PHA’s financial statements include all of the housing authority’s operations under one Housing Enterprise Fund. Included under this one umbrella are three component units – Baytown Properties, Lincoln Courts and Sam Houston Courts. In addition, Baytown Properties owns Forest View Apartments. The component units are reported as if they were part of the primary government because their sole purpose is to work in conjunction with the PHA to provide housing for low and moderate income individuals and families. The component units are shown in the financial data schedules in the component unit column. The Authority’s operations receive funding from the following federal grant sources through HUD:

- Low Rent Public Housing Subsidy – CFDA # 14.850
- Section 8 Housing Choice Voucher Program – CFDA # 14.871
- Capital Funding Program – CFDA # 14.872

For the fiscal year ended June 30, 2006 the PHA also received additional funding under the Katrina Disaster Housing Assistance Program and the Disaster Voucher Program.

B. Basis of Presentation – Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The PHA’s activities are business-type in nature and does not engage in any governmental type activities. As a result, government-wide financial statements which distinguish between governmental and business-type activities are not required. Accordingly, the basic financial statements and required supplementary information (RSI) of the Authority consist of Management’s Discussion and Analysis (MD&A), Statement of Net Assets, Statement of Revenues, Expenses and Change in Net Assets, Statement of Cash Flows and Notes to the Financial Statements.

For financial reporting purposes, all activities of the PHA other than its component unit are accounted for in one housing enterprise fund.

C. Measurement Focus and Basis of Accounting - The PHA uses the Proprietary Fund method of accounting as prescribed by GASB. The Proprietary Fund method uses the economic resources measurement focus. The accounting objectives are the determination of operating income, changes in net assets, financial position and cash flows. All assets and liabilities associated with the Proprietary Fund’s activities are included on the balance sheet. Proprietary net assets are segregated into Invested in Capital Assets Net of Related Debt, Restricted Net Assets, and Unrestricted Net Assets.

The accrual basis of accounting is used in proprietary fund types. The accrual basis of accounting recognizes revenues when earned. Expenses are recognized in the period incurred. Operating revenues and expenses generally result from providing services and delivering goods in connection with a Proprietary Fund’s ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The principal operating revenues of the Authority are tenant revenues and the moneys provided by the U.S. Department of Housing and Urban Development (HUD). The operating expenses of the Authority consist primarily of administrative costs, utilities, maintenance and general expenses for the public housing program and Housing Assistance Payments (HAP) and related administrative costs for the HUD Section 8 programs.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The PHA applies all applicable GASB pronouncements. The PHA has elected not to apply FASB Statements of Interpretations issued after November 30, 1989.

D. Cash and Investments – The proprietary fund types consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Liquid investments with a maturity of over three months when purchased are considered to be investments. The PHA invests in instruments whose values are not subject to market fluctuations and are carried at cost plus accrued interest.

E. Inventories – Inventories are recorded at the lower of cost or market on a first-in, first-out basis.

F. Compensated Absences - Employees are granted vacation and sick leave benefits depending on tenure with the PHA. Vacation and sick leave can be accrued to a maximum of 240 hours. Generally, after one year of service, employees are entitled to their accrued vacation leave and 50% of their accrued sick leave upon termination. This amount is charged to expense and a corresponding liability is established when earned.

G. Fixed Assets and Depreciation - Land, structures and equipment are stated at historical cost. Individual assets that exceed a Board approved threshold limit are capitalized and depreciated while smaller assets are expensed as consumable supplies. Donated assets are stated at their fair market value on the date donated. Depreciation is computed using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

Site improvements	15 years
Buildings	30 to 40 years
Building improvements	15 years
Non-dwelling structures	30 to 40 years
Equipment	5 to 10 years

H. Budgetary Data - The Authority is required by its HUD Annual Contributions Contract to adopt an annual budget for the Low-Rent Housing Program. The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no overruns of the total operating expenditures, then HUD does not require budget revisions other than when there are substantial additions to non-routine expenditures. Budgeted amounts are as originally adopted or as amended by the Board.

I. Tenant Receivables - Receivables for rentals and service charges are reported net of allowance for doubtful accounts.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE (2) DEPOSITS AND INVESTMENTS

The Housing Enterprise Fund had a total of \$1,482,740 and the Component Units had a total of \$2,454 in cash and cash equivalents at June 30, 2006. These funds were secured by FDIC coverage and by pledged collateral held by the contracted bank in the Housing Authority's name.

The PHA's deposits are categorized at year end to give an indication of the level of risk assumed by the PHA at year end. These categories are described as follows:

- Category 1 – Insured or collateralized with securities held by the PHA or by its agent in the PHA's name.
- Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the PHA's name.
- Category 3 – Uncollateralized.

Total Deposits and Investments	Category 1	Category 2	Category 3
\$ 1 485 194	\$ 100 000	\$ 1 385 194	\$ -

NOTE (3) LAND, STRUCTURES AND EQUIPMENT

Land, structures and equipment reported in the PHA are as follows:

	Balances Beginning of Year	Additions (Dispositions)	Depreciation	Balances End of Year
Land	\$ 416 227	\$ (300 000)		\$ 116 227
Buildings & Improvements	11 261 708	(2 502 692)		8 759 016
Furniture & Equipment	346 951	9 163		356 114
Construction in Progress	227 907	(108 687)		119 220
Accumulated Depreciation	(6 385 492)	-	(293 932)	(6 355 546)
Totals	<u>\$ 5 867 301</u>	<u>\$ (2 902 216)</u>	<u>\$ (293 932)</u>	<u>\$ 2 995 031</u>

All land, buildings and improvements are encumbered by a declaration of trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government. All land, buildings and improvements are secured by a lien in favor of HUD.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE (4) FEDERAL GRANTS

In the normal course of operations, the PHA receives grant funds from various governmental agencies. These grant programs are subject to audit by agents of the granting agency. The purpose of which is to ensure compliance with the provisions of the granting agency. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE (5) ESTIMATES

Generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE (6) RETIREMENT PLAN

The PHA participates in a defined contribution plan administered by ADP Retirement Services. The plan complies with IRS regulations and can be amended by the Board pursuant to applicable IRS guidelines.

The PHA and the participants are required to contribute 7.5% and 5.5% of annual covered payroll, respectively. For the fiscal year, actual contributions by the PHA and the participants were \$55,250 and \$40,515, respectively.

Employees vest as follows:

After one year of service	20%
After two years of service	40%
After three years of service	60%
After four years of service	80%
After five years of service	100%

NOTE (7) RESULTS OF OFFICE OF INSPECTOR GENERAL AUDIT

The Office of Inspector General (OIG) conducted an audit of Baytown Housing Authority at the request of U.S. Department of Housing and Urban Development (HUD) to determine if the PHA (1) advanced, transferred, or encumbered resources subject to the annual contributions contract (ACC) to the benefit of other entities without HUD approval and (2) equitably distributed salary costs between the PHA's HUD and non-HUD activities in accordance with federal requirements.

In its report (Number 2006-FW-1002) dated December 13, 2005, the OIG found that Baytown Housing Authority violated its contract with HUD by inappropriately advancing, transferring and encumbering public housing funds to support its nonprofit and related entities. From April 2002 to March 2005, the PHA advanced \$2,049,766 to its nonprofit and related entities, receiving only \$1,952,406 in return, a discrepancy of \$97,360. In addition, the PHA transferred \$795,000 to its nonprofit and related entities. The former Executive Director knowingly altered the documentation in several transfers and in one case had no evidence to support another transfer. HUD funds were inappropriately encumbered as collateral for a bank loan with Amegy Bank that later went into default. Amegy Bank subsequently seized those funds which were held in a Certificate of Deposit at the bank.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE (7) RESULTS OF OFFICE OF INSPECTOR GENERAL AUDIT (Continued)

These actions put the PHA's operations and ability to serve its low-income residents at risk of loss, potentially displacing all the families and individuals Baytown Housing Authority serves with the help from HUD funding.

In addition, the OIG audit determined that the PHA had not implemented a proper salary cost allocation plan as required by federal regulations. Although a plan had been drawn up, the specifics of salary allocation between the PHA's various programs were not documented. Thus, some programs may have paid a disproportionate share of the salary costs. It has been recommended that the PHA have a justifiable method to support salary allocations between programs, such as daily activity reports prepared by each employee.

Adjustments totaling \$927,191 were made to the PHA's low-Rent program and four component units to correct the issues. Additionally, \$950,677 is held as allowance for bad debt due to the bankruptcy proceedings. The allowance is composed of \$852,045 of OIG adjustments, \$69,507 note payable to Amegy Bank, and \$29,125 previously due to the low-rent program by the bankrupt component unit.

NOTE (8) NOTES PAYABLE

Note payable to the Texas Department of Housing and Community Assistance (TDHCA). Payments of \$2,917 are due monthly until the unpaid balance reaches \$400,000 at which time note is subject to be forgiven. The note is secured by the assets of Lincoln Courts. The balance at fiscal year end June 30, 2006 is \$510,427, with \$35,000 classified as current and \$475,427 as non-current. The principal maturities over the next five years are as follows:

Year 2007	\$ 35 000
Year 2008	\$ 35 000
Year 2009	\$ 35 000
Year 2010	\$ 35 000
Year 2011	\$ 35 000
Thereafter	\$ 335 427

Note payable to Amegy Bank of Texas. The bank offset pledged certificates of deposit that were originally held to secure the note. The effect of the offset was to pay down the outstanding loan balance. The balance at fiscal year end June 30, 2006 is \$69,507. The full amount of the note is due in one year, thus all of it is current.

NOTE (9) CAPITAL FUNDING PROGRAM

As of June 30, 2006, the U.S. Department of Housing and Urban Development (HUD) has placed a freeze on the PHA's capital funding program funds. The balance of \$210,089 will remain frozen until the PHA has complied with HUD requirements.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE (10) INTER-PROGRAM RECEIVABLES AND PAYABLES

Inter-program receivables and payables have been offset in the basic financial statements in accordance with Generally Accepted Accounting Principles and consist of the following:

<u>Program</u>	<u>Receivables</u>	<u>Payables</u>
Low Rent	\$ 509 711	\$ 547 900
Capital Fund	-	210 089
Section 8 Voucher	547 900	2 542
KDHAP	2 542	-
Component unit	-	299 622
Totals	<u>\$ 1 060 153</u>	<u>\$ 1 060 153</u>

The \$425,000 included in Component Unit under accounts payable as of June 30, 2006, represents funds paid to Sam Houston Courts in the amount of \$95,000 and to Lincoln Courts in the amount of \$330,000 from Baytown Properties. The status of these funds is currently unknown due to the bankruptcy of Baytown Properties.

NOTE (11) DEFERRED REVENUE

Deferred revenues as of June 30, 2006 totaled \$313,735 and consisted of the following items. The Federal Emergency Management Agency's (FEMA) balance is \$248,954, The Disaster Voucher Program's balance is \$36,665, the Low Rent program's balance is \$22,914 and the remaining \$5,202 is with the component units.

NOTE (12) DISCONTINUED OPERATIONS AND CHAPTER 7 BANKRUPTCY ON PORTION OF COMPONENT UNIT

On June 1, 2006, the PHA officially discontinued operations on Baytown Properties and Forest View Apartments, one of the three component units held within Baytown Housing Authority. Baytown Properties and Forest View Apartments had losses from operations of \$2,558 and \$63,727, respectively, for the fiscal year ended June 30, 2006. Chapter 7 bankruptcy was filed on June 4, 2006 and all assets were seized in bankruptcy to satisfy the creditors. As of December 14, 2006, the bankruptcy trustee has sold all assets and is currently holding the monies until a full list of the Authority's debtors step forward and make their claims. The losses of discontinuing operations for Baytown properties and Forest View Apartments totaled \$704,800.

NOTE (13) SUBSEQUENT EVENTS

The Baytown Housing Authority entered into an agreement with San Jacinto Methodist Hospital to buy their old site located on Decker Drive in Baytown, Texas with the intent to renovate the building and use it for low-rent apartment space for families and senior citizens. The project has been called off and as of December 6, 2006, the Hospital has released the Authority of any obligation.

The U.S. Department of Housing and Urban Development (HUD) has requested that all funds due, \$927,191, to the Low-Rent and Section 8 programs be paid immediately or journal entries must be made showing that monies are owed to the Low Rent and Section 8 programs from the component units. Also, security liens must be filed against the remaining properties, Lincoln Courts and Sam Houston Courts. All required journal entries have been reflected in these financial statements and actions initiated to place available liens on non-HUD properties to the benefit of HUD.

BREEDLOVE & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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RICHARD W. BREEDLOVE, CPA
President

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

March 22, 2007

Board of Commissioners
Housing Authority of the City of Baytown
Baytown, Texas

We have audited the general purpose financial statements of the Housing Authority of the City of Baytown as of and for the year ended June 30, 2006, and have issued our report thereon dated March 22, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Baytown's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Housing Authority of the City of Baytown's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We consider Items 1, 2, 3 and 5 to be material weaknesses.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management, others within the organization, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Sreedhar & Co., P.C.

BREEDLOVE & CO., P.C.

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

March 22, 2007

Board of Commissioners
Housing Authority of the City of Baytown
Baytown, Texas

Compliance

We have audited the compliance of the Housing Authority of the City of Baytown with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The Housing Authority of the City of Baytown's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the City of Baytown's management. Our responsibility is to express an opinion of their compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Baytown's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the City of Baytown's compliance with those requirements.

In our opinion, the Housing Authority of the City of Baytown did not comply with certain requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006. The results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs.

Internal Control over Compliance

The management of the Housing Authority of the City of Baytown is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the City of Baytown's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Housing Authority of the City of Baytown's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider Items 1, 2, 3 and 5 in the schedule of findings and questioned costs to be material weaknesses.

This report is intended for the information of management, the Board of Commissioners and federal awarding agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

Sreedhar & Co., P.C.

SUPPLEMENTAL SCHEDULES

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2006

SUMMARY OF AUDITORS RESULTS

1. We issued an unqualified opinion on the financial statements for the fiscal year ended June 30, 2006.
2. Required Supplementary Information for presentation with this audit – the Budgetary to Actual Comparison – could not be prepared as the executive director did not prepare a budget for the fiscal year ended June 30, 2006.
3. There are several reportable conditions in internal control that are disclosed by our audit of the financial statements that are considered material weaknesses.
4. Our audit found issues of noncompliance that are material to the financial statements.
5. Our audit disclosed findings required to be reported by Section 510(a) of OMB Circular A-133. We issued an Unqualified opinion on the A-133 audit as the findings were not material and were corrected in short order.
6. The Low Rent Housing Program, the Capital Funding Program, and the Housing Voucher Program were identified as major programs.
7. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
8. The auditee is a high-risk auditee.

STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

1. Subsequent to fiscal year end June 30, 2005, the Office of Inspector General (OIG) conducted an audit of the PHA. Findings included material noncompliance relating to transfers from HUD programs to nonprofit and related entities and inappropriately allocated salary expenses between programs. The PHA was told that funds should not be transferred and a justifiable salary allocation schedule should be created and used.
Status: The former executive director never entered into discussions with OIG, then resigned a few months thereafter. OIG issued its final audit.
2. At fiscal year end June 30, 2005, the PHA's component units had a combined negative unreserved surplus of \$128,034 and that the PHA was in default on the Forest View mortgage bonds.
Status: Forest View Apartments was part of the Chapter 7 Bankruptcy as it was unable to continue operating profitably. See also Footnote 12.
3. At fiscal year end June 30, 2005, the PHA's low rent program had a negative operating reserve of \$10,587.
Status: HUD has issued a letter dated February 7, 2007, clearing the PHA of this finding.
4. For fiscal year end June 30, 2005, required environmental assessments for the PHA's Capital Fund program, CFDA #14.872, had not been performed, thus the PHA was unable to requisition funds.
Status: The environmental assessments were completed prior to issuance of the June 30, 2005 audit and noted as such in the report.
5. At fiscal year end June 30, 2005, the PHA had over-requisitioned voucher program funds in the amount of \$425,748. The PHA should monitor its voucher requisitions during the year so as not to exceed 105% of its needs.
Status: Voucher requisitions are now monitored under the interim executive director. HUD has issued a letter dated February 7, 2007, clearing the PHA of this finding.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2006
(Continued)

STATUS OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS (Continued)

6. At fiscal year end June 30, 2005, the PHA had not printed out a hard copy of its work order log as support for its MASS report.
Status: All MASS requirements were met subsequent to the issue date of the audit. HUD has issued a letter dated February 7, 2007, clearing the PHA of this finding.
7. At fiscal year end June 30, 2005, the PHA's low rent program had advanced monies to its non-HUD programs that were not repaid in the next month.
Status: The funds were not fully repaid. Many of the HUD funds were written off due to Chapter 7 Bankruptcy that affected Baytown Properties and Forest View Apartments.

CURRENT AUDIT FINDINGS AND QUESTIONED COSTS

1. During fiscal year June 30, 2006, expenses and other disbursements were authorized by Mr. Eiland, Executive Director and the checks were also signed by him only.
Effect – No controls over disbursements increases internal control problems, and potentially allows for fraud and theft of HUD funds meant for low-income individuals and families.
Recommendation – All invoices should be approved by the Executive Director and one Board Member. All checks should be required to have dual-signatures, one PHA employee and one Board Member.
2. There was no budget prepared for fiscal year June 30, 2006, and none was made for the fiscal years before.
Effect – (1) An approved budget is Required Supplementary Information for the PHA's audit. Without it, points will be taken off of the PHA's final score with HUD. (2) Spending was not compared to the budget on a monthly basis, thus controls of expenditures broke down during the year.
Recommendation – The Executive Director should prepare a budget in April/May of each year for review and approval by the Board for the following fiscal year. Any budget revisions during the year should also be Board approved.
3. Monthly financial statements were not presented at Board Meetings during fiscal year June 30, 2006.
Effect – The Board of Directors is not kept up-to-date on the financial health of the PHA.
Recommendation – Financial statements as prepared by the fee accountant, Lindsey & Co., should be presented at monthly board meetings and approved by the Board.
4. The Office of Inspector General (OIG) issued their audit on Baytown Housing Authority December 13, 2005. The Authority has yet to have their exit conference with OIG and respond to all the audit findings.
Effect – Findings need to be resolved so the PHA can move beyond this hurdle and get back on their feet.
Recommendation – The Authority needs to resolve all findings with OIG.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2006
(Continued)

CURRENT AUDIT FINDINGS AND QUESTIONED COSTS (Continued)

5. At fiscal year end June 30, 2006, the PHA's low rent program had advanced monies to its non-HUD programs that were not repaid in the subsequent months.

Effect – Low rent funds advanced to other programs keep HUD monies earmarked for low income individuals and families tied up and unavailable for their living and support.

Recommendation – The PHA should repay those amounts.

HOUSING AUTHORITY OF THE CITY OF BAYTOWN
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2006

	CFDA #	FEDERAL EXPENDITURES
U.S. Department of Housing and Urban Development:		
Low Rent Public Housing Subsidy		
Operating	14.850(a)	\$ 321 551
Housing Choice Vouchers	14.871	5 405 376
Housing Choice Vouchers-Disaster Voucher Program	14.871	460 198
Housing Choice Vouchers-Katrina Disaster Housing Assistance Program	14.871	429 745
Capital Fund Program	14.852	51 715
Federal Assistance to Individuals and Households	FEMA	2 086 037
		8 754 622
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 8 754 622

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2006

NOTE (1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Baytown and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Housing Authority of the City of Baytown
Financial Data Schedule-Balance Sheet
June 30, 2006

Line Item #		N/C S/R Section 8 Programs 14.182	Low Rent 14.850a	Housing Choice Vouchers 14.871	CFP 14.872	Federal Assistance to Individuals and Housholds_Dis aster Housin Oper	Other Federal Program (KDHP)	DVP 14.DVP	Component Units	TOTAL
Cash:										
111	Cash - unrestricted	-	11,692	967,979	-	200,906	56,641	122,675	1,555	1,361,448
112	Cash - restricted - modernization and development	-	-	-	-	-	-	-	-	-
113	Cash - other restricted	-	-	51,627	-	-	-	-	-	51,627
114	Cash - tenant security deposits	-	19,594	-	-	-	-	-	899	20,493
115	Cash - restricted for payment of current liability	-	-	-	-	-	-	-	-	-
100	Total cash	-	31,286	1,019,606	-	200,906	56,641	122,675	2,454	1,433,568
Accounts and notes receivables:										
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	-	-	-	210,089	-	39,706	-	-	249,795
124	Accounts receivable - other government	-	-	-	-	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	2,837	-	-	-	-	-	-	2,837
126	Accounts receivable- tenants - dwelling rents	-	17,818	-	-	-	-	-	43,303	61,121
126.1	Allowance for doubtful accounts - dwelling rents	-	(4,459)	-	-	-	-	-	(420)	(4,879)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-	-
127	Notes, loans & mortgages receivable - current	-	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	-	16,196	-	210,089	-	39,706	-	42,883	308,874
131	Investments - unrestricted	-	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	51,627	-	-	-	-	-	51,627
135	Investments -restricted for payment of current liability	-	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	-	-	-	-	-	-
143	Inventories	-	16,707	-	-	-	-	-	-	16,707
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-	-
144	Interprogram - due from	-	509,711	547,900	-	-	2,542	-	-	1,060,153
145	Assets held for sale	-	-	-	-	-	-	-	-	-
146	Amounts to be provided	-	-	-	-	-	-	-	-	-
150	Total Current Assets	-	573,900	1,619,133	210,089	200,906	98,889	122,675	45,337	2,870,929
Fixed assets:										
161	Land	-	85,593	-	-	-	-	-	30,634	116,227
162	Buildings	-	5,247,568	-	-	-	-	-	2,121,637	7,369,205
163	Furniture, equipment & machinery - dwellings	-	58,903	-	-	-	-	-	25,661	84,564
164	Furniture, equipment & machinery - administration	-	219,434	32,449	19,667	-	-	-	-	271,550
165	Leasehold improvements	-	1,244,006	-	-	-	-	-	145,805	1,389,811
168	Infrastructure	-	-	-	-	-	-	-	-	-
166	Accumulated depreciation	-	(4,830,022)	(29,062)	(3,499)	-	-	-	(1,492,963)	(6,355,546)
167	Construction in progress	-	-	-	119,220	-	-	-	-	119,220
160	Total fixed assets, net of accumulated depreciation	-	2,025,482	3,387	135,388	-	-	-	830,774	2,995,031
Other Non Current Assets										
171	Notes, loans & mortgages receivable - non current	-	-	-	-	-	-	-	-	-
172	Notes, loans & mortgages receivable - non current -past due	-	-	-	-	-	-	-	-	-
173	Grants Receivable - non current	-	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-	-	-	-	-
180	Total Noncurrent Assets	-	2,025,482	3,387	135,388	-	-	-	830,774	2,995,031
190	Total Assets	-	2,599,382	1,622,520	345,477	200,906	98,889	122,675	876,111	5,865,960

See the accompanying Independent Auditor's Report on Other Supplemental Information

Housing Authority of the City of Baytown
Financial Data Schedule-Revenue and Expenses
June 30, 2006

		N/C S/R Section 8 Programs 14.182	Low Rent 14.850a	Housing Choice Vouchers 14.871	CFP 14.872	Federal Assistance to Individuals and Housholds_Dis aster Housin Oper	Other Federal Program (KDHAP)	DVP 14.DVP	Component Units	TOTAL
311	Bank overdraft	-	-	-	-	-	-	-	-	-
312	Accounts payable ≤ 90 days	-	23,019	-	-	47,226	-	-	425,000	495,245
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	-	-	-	-	-	-	-	-	-
322	Accrued compensated absences - current portion	-	1,208	1,706	-	-	-	-	-	2,914
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-	-	-
332	Accounts Payable - PHA Projects	-	-	-	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	-	19,594	-	-	-	-	-	899	20,493
342	Deferred revenues	-	22,914	-	-	248,954	-	36,665	5,202	313,735
343	Current portion of Long-Term debt - capital projects/mortgage revenue bonds	-	-	-	-	-	-	-	35,000	35,000
344	Current portion of Long-Term debt - operating borrowings	-	69,507	-	-	-	-	-	-	69,507
345	Other current liabilities	-	-	-	-	-	-	-	395	395
346	Accrued liabilities - other	-	-	-	-	-	-	-	-	-
347	Inter-program - due to	-	547,900	2,542	210,089	-	-	-	299,622	1,060,153
348	Loan Liability - current	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	-	684,142	4,248	210,089	296,180	-	36,665	766,118	1,997,442
351	Long-term debt, net of current- capital projects/ mortgage revenue bonds	-	-	-	-	-	-	-	475,427	475,427
352	Long-term debt, net of current- operating borrowings	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities- other	-	-	51,632	-	-	-	-	-	51,632
354	Accrued Compensated Absences - non current	-	10,871	15,351	-	-	-	-	-	26,222
355	Loan Liability - non current	-	-	-	-	-	-	-	-	-
350	Total Noncurrent Liabilities	-	10,871	66,983	-	-	-	-	475,427	553,281
300	Total Liabilities	-	695,013	71,231	210,089	296,180	-	36,665	1,241,545	2,550,723
501	Investment in general fixed assets	-	-	-	-	-	-	-	-	-
502	Project notes (HUD)	-	-	-	-	-	-	-	-	-
503	Long-term debt - HUD guaranteed	-	-	-	-	-	-	-	-	-
504	Net HUD PHA contributions	-	-	-	-	-	-	-	-	-
505	Other HUD contributions	-	-	-	-	-	-	-	-	-
507	Other contributions	-	-	-	-	-	-	-	-	-
508	Total Contributed Capital	-	-	-	-	-	-	-	-	-
508.1	Invested in Capital Assets, Net of related Debt	-	2,025,482	3,387	135,388	-	-	-	320,347	2,484,604
509	Reserved for operating activities	-	-	-	-	-	-	-	-	-
510	Reserved for capital activities	-	-	-	-	-	-	-	-	-
511	Total Reserved Fund Balance	-	-	-	-	-	-	-	-	-
511.1	Restricted Net Assets	-	-	51,627	-	-	-	-	-	51,627
512	Undesignated fund balance/retained earnings	-	-	-	-	-	-	-	-	-
512.1	Unrestricted Net Assets	-	(121,113)	1,496,275	-	(95,274)	98,889	86,010	(685,781)	779,006
513	Total Equity/Net Assets	-	1,904,369	1,551,289	135,388	(95,274)	98,889	86,010	(365,434)	3,315,237
600	Total Liabilities and Equity/Net Assets	-	2,599,382	1,622,520	345,477	200,906	98,889	122,675	876,111	5,865,960

See the accompanying Independent Auditor's Report on Other Supplemental Information

Housing Authority of the City of Baytown
Financial Data Schedule-Revenue and Expenses
June 30, 2006

Account Description	N/C S/R Section 8 Programs 14.182	Low Rent 14.850a	Housing Choice Vouchers 14.871	CFP 14.872	Assistance to Individuals and Housholds_Di saster Housin	Other Federal Program (KDHAP)	DVP 14.DVP	Component Units	TOTAL
REVENUE:									
703 Net tenant rental revenue	-	212,732	-	-	-	-	-	823,316	1,036,048
704 Tenant revenue - other	-	6,954	-	-	-	-	-	15,170	22,124
705 Total tenant revenue	-	219,686	-	-	-	-	-	838,486	1,058,172
706 HUD PHA operating grants	-	321,551	5,405,376	40,638	2,086,037	429,745	460,198	-	8,743,545
706.1 Capital Grants	-	-	-	11,077	-	-	-	-	11,077
708 Other government grants	-	-	-	-	-	-	-	-	-
711 Investment income - unrestricted	-	-	-	-	-	-	-	8,688	8,688
712 Mortgage interest income	-	-	-	-	-	-	-	-	-
713 Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-
713.1 Cost of sale of assets	-	-	-	-	-	-	-	-	-
714 Fraud recovery	-	-	-	-	-	-	-	-	-
715 Other revenue	-	12,541	37,241	-	-	-	-	8,809	58,591
716 Gain or loss on the sale of fixed assets	-	-	-	-	-	-	-	-	-
720 Investment income - restricted	-	-	-	-	-	-	-	9,029	9,029
700 TOTAL REVENUE	-	553,778	5,442,617	51,715	2,086,037	429,745	460,198	865,012	9,889,102
EXPENSES:									
Administrative									
911 Administrative salaries	-	155,886	321,184	-	-	-	-	129,752	606,822
912 Auditing fees	-	218	218	-	-	-	-	-	436
913 Outside management fees	-	-	-	-	-	-	-	-	-
914 Compensated absences	-	(3,287)	5,397	-	-	-	-	(3,266)	(1,156)
915 Employee benefit contributions- administrative	-	70,130	102,609	-	-	-	-	50,639	223,378
916 Other operating- administrative	-	47,991	63,139	-	83,921	1,025	69	188,991	385,136
Subtotal	-	270,938	492,547	-	83,921	1,025	69	366,116	1,214,616
Tenant services									
921 Tenant services - salaries	-	-	-	-	-	-	-	-	-
922 Relocation costs	-	-	-	-	-	-	-	-	-
923 Employee benefit contributions- tenant services	-	-	-	-	-	-	-	-	-
924 Tenant services - other	-	-	-	-	-	-	-	86	86
Subtotal	-	-	-	-	-	-	-	86	86
Utilities									
931 Water	-	23,505	-	-	-	-	-	58,246	81,751
932 Electricity	-	43,226	-	-	-	-	-	29,125	72,351
933 Gas	-	35,282	-	-	-	-	-	42,074	77,356
934 Fuel	-	-	-	-	-	-	-	-	-
935 Labor	-	-	-	-	-	-	-	-	-
937 Employee benefit contributions- utilities	-	-	-	-	-	-	-	-	-
938 Other utilities expense	-	24,702	-	-	-	-	-	56,064	80,766
Subtotal	-	126,715	-	-	-	-	-	185,509	312,224
Ordinary maintenance & operation									
941 Ordinary maintenance and operations - labor	-	93,732	-	-	-	-	-	51,415	145,147
942 Ordinary maintenance and operations - materials & other	-	36,262	6,034	-	11,353	-	-	59,385	113,034
943 Ordinary maintenance and operations - contract costs	-	105,960	-	-	-	-	-	173,038	278,998
945 Employee benefit contributions- ordinary maintenance	-	28,912	-	-	-	-	-	16,377	45,289
Subtotal	-	264,866	6,034	-	11,353	-	-	300,215	582,468

See the accompanying Independent Auditor's Report on Other Supplemental Information

Housing Authority of the City of Baytown
 Financial Data Schedule-Revenue and Expenses
 June 30, 2006

Account Description	N/C S/R Section 8 Programs 14.182	Low Rent 14.850a	Housing Choice Vouchers 14.871	CFP 14.872	Assistance to Individuals and Housholds_Di saster Housin	Other Federal Program (KDHAP)	DVP 14.DVP	Component Units	TOTAL
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Housing Authority of the City of Baytown
Financial Data Schedule-Revenue and Expenses
June 30, 2006

	Protective services									
951	Protective services - labor	-	65	-	-	-	-	-	-	65
952	Protective services- other contract costs	-	-	-	-	-	-	-	-	-
953	Protective services - other	-	-	-	-	-	-	-	-	-
955	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-	-
	Subtotal	-	65	-	-	-	-	-	-	65
	General expenses									
961	Insurance premiums	-	20,306	-	-	-	-	-	35,845	56,151
962	Other General Expenses	-	-	2,280	-	-	-	-	-	2,280
963	Payments in lieu of taxes	-	-	-	-	-	-	-	-	-
964	Bad debt - tenant rents	-	(1,834)	-	-	-	-	-	-	(1,834)
965	Bad debt- mortgages	-	-	-	-	-	-	-	-	-
966	Bad debt - other	-	-	-	-	-	-	-	-	-
967	Interest expense	-	-	-	-	-	-	-	26,530	26,530
968	Severance expense	-	-	-	-	-	-	-	-	-
	Subtotal	-	18,472	2,280	-	-	-	-	62,375	83,127
969	TOTAL OPERATING EXPENSES	-	681,056	500,861	-	95,274	1,025	69	914,301	2,192,586
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	-	(127,278)	4,941,756	51,715	1,990,763	428,720	460,129	(49,289)	7,696,516
971	Extraordinary maintenance	-	-	-	-	-	-	-	-	-
972	Casualty losses - non-capitalized	-	-	-	-	-	-	-	-	-
973	Housing assistance payments	-	-	3,921,304	-	2,086,037	329,831	374,119	-	6,711,291
974	Depreciation expense	-	205,092	513	2,513	-	-	-	85,814	293,932
975	Fraud losses	-	-	-	-	-	-	-	-	-
976	Capital outlays- governmental funds	-	-	-	-	-	-	-	-	-
977	Debt principal payment- governmental funds	-	-	-	-	-	-	-	-	-
978	Dwelling units rent expense	-	-	-	-	-	-	-	-	-
900	TOTAL EXPENSES	-	886,148	4,422,678	2,513	2,181,311	330,856	374,188	1,000,115	9,197,809
	OTHER FINANCING SOURCES (USES)									
1001	Operating transfers in	-	40,638	-	(40,638)	-	-	-	-	-
1002	Operating transfers out	-	-	-	-	-	-	-	-	-
1003	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-
1004	Prior Period Adjustments, Equity/Net Assets	-	-	-	-	-	-	-	-	-
1005	Proceeds from notes, loans and bonds	-	-	-	-	-	-	-	-	-
1006	Proceeds from property sales	-	-	-	-	-	-	-	-	-
1007	Extraordinary Items (net gain/loss)	-	-	-	-	-	-	-	-	-
1008	Special Items (net gain/loss)	-	(950,677)	-	-	-	-	-	245,849	(704,828)
1010	TOTAL OTHER FINANCING SOURCES (USES)	-	(910,039)	-	(40,638)	-	-	-	245,849	(704,828)
1000	EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXP	-	(1,242,409)	1,019,939	8,564	(95,274)	98,889	86,010	110,746	(13,535)
	MEMO account information									
1101	Capital contributions	-	-	-	-	-	-	-	-	-
1102	Debt principal payments- enterprise funds	-	-	-	-	-	-	-	-	-
1103	Beginning equity	80	2,099,166	531,350	247,645	-	-	-	450,531	3,328,772
1104	Prior period adjustments, equity transfers and correction of errors	(80)	1,047,612	-	(120,821)	-	-	-	(926,711)	-
1105	Changes in compensated absence liability balance (in the GLTDAG)	-	-	-	-	-	-	-	-	-
1106	Changes in contingent liability balance (in the GLTDAG)	-	-	-	-	-	-	-	-	-
1107	Changes in unrecognized pension transition liability (in the GLTDAG)	-	-	-	-	-	-	-	-	-
1108	Changes in special term/severance benefits liability (in the GLTDAG)	-	-	-	-	-	-	-	-	-
1109	Changes in allowance for doubtful accounts - dwelling rents	-	-	-	-	-	-	-	-	-
1110	Changes in allowance for doubtful accounts - other	-	-	-	-	-	-	-	-	-
1112	Depreciation "add back"	-	-	-	-	-	-	-	-	-
1113	Maximum annual contributions commitment (per ACC)	-	-	5,405,376	-	-	-	-	-	5,405,376
1114	Prorata maximum annual contributions applicable to a period < 12 months	-	-	-	-	-	-	-	-	-
1115	Contingency reserve, ACC program reserve	-	-	-	-	-	-	-	-	-
1116	Total annual contributions available	-	-	-	-	-	-	-	-	-
1120	Unit months available	-	1,776	7,244	-	3,598	350	546	2,039	15,553
1121	Number of unit months leased	-	1,685	7,244	-	3,598	350	546	1,886	15,309

Housing Authority of the City of Baytown
Financial Data Schedule-Revenue and Expenses
June 30, 2006