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| PHA 5-Year and Annual Plan | U.S. Department of Housing and Urban Development Office of Public and Indian Housing | OMB No. 2577-0226 Expires 4/30/2011 |
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|------------|---|----------|--------------------------------------|-------------------------------|------------------------------|-----|
| 1.0 | PHA Information PHA Name: Macclenny Housing Authority PHA Type: <input checked="" type="checkbox"/> Small <input type="checkbox"/> High Performing PHA Fiscal Year Beginning: (07/2010) PHA Code: FL065 <input type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) | | | | | |
| 2.0 | Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: 80 Number of HCV units: 0 | | | | | |
| 3.0 | Submission Type <input checked="" type="checkbox"/> 5-Year and Annual Plan <input type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only | | | | | |
| 4.0 | PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.) | | | | | |
| | Participating PHAs | PHA Code | Program(s) Included in the Consortia | Programs Not in the Consortia | No. of Units in Each Program | |
| | | | | | PH | HCV |
| | | | | | | |
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| 5.0 | 5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update. Note: Please see Attachment fl065a01 for information regarding Section 5.0 through 10.0 | | | | | |
| 5.1 | 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 for the next five years: See page 3 of Attachment fl065a01. | | | | | |
| 5.2 | Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. See page 3 of Attachment fl065a01. | | | | | |
| 6.0 | PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions. See pages 4 - 26 of Attachment fl065a01. | | | | | |
| 7.0 | Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i> See pages 26 - 27 of Attachment fl065a01. | | | | | |
| 8.0 | Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. See page 27 of Attachment fl065a01. | | | | | |
| 8.1 | Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing. See page 27 of Attachment fl065a01. | | | | | |
| 8.2 | Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i> , form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. See page 27 of Attachment fl065a01. | | | | | |

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| 8.3 | <p>Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p> <p>See page 27 of Attachment fl065a01.</p> |
| 9.0 | <p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>See page 28 of Attachment fl065a01.</p> |
| 9.1 | <p>Strategy for Addressing Housing 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. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p> <p>See page 29 of Attachment fl065a01.</p> |
| 10.0 | <p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>See page 30 of Attachment fl065a01.</p> |
| 11.0 | <p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p> |

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

9.1 Strategy for Addressing Housing Needs. Provide a 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. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.

MACCLENNY HOUSING AUTHORITY

FY2010-FY2014 FIVE-YEAR AGENCY PLAN AND FY2010 ANNUAL UPDATE

SECTION 5.0 THROUGH 10.0

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5.0 Five-Year Plan

5.1 Mission Statement

The aim of the Macclenny Housing Authority is to ensure safe, decent and affordable housing: encouraging higher quality family life for eligible residents, create opportunities for resident economic self-sufficiency, establish a drug and crime free environment, assure fiscal integrity in all programs administered without discrimination.

5.2 Goals and Objectives

Goal: Improve the quality of assisted housing

Objectives

- Improve public housing management: (PHAS score)
- Increase customer satisfaction:
- Renovate or modernize public housing units:

Goal: Provide an improved living environment

Objective

- Implement public housing security improvements:

Goal: Ensure equal opportunity and affirmatively further fair housing

Objective

- Continue to follow HUD regulations pertaining to the admissions and occupancy of the Public Housing Program.

6.0 PHA Plan Update

- (a) **Identify specifically which plan elements have been revised since the PHA's prior plan submission.**

The Housing Authority has revised all plan elements since the last submission.

- (b) **Identify where the 5-Year and Annual Plan may be obtained by the public.**

The FY2010 Agency Plan will be available for review during the 45-day Public Hearing Notice period at the Macclenny Housing Authority's Main Office which is located at 402 Stansell Avenue in Macclenny, Florida.

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures**

Eligibility

- I. The Housing Authority shall use the guidelines and procedures prescribed by HUD at the time of applicant processing to make a final determination of household eligibility.
- II. All families who are admitted to Public Housing must be individually determined eligible under the terms of this policy. In order to be determined eligible, an applicant family must meet ALL of the following requirements:
 - A. The applicant family must qualify as a family as defined by HUD.
 - B. The single person applicant must qualify as a single person as defined by HUD.
 - C. The applicant's Annual Income, as defined by HUD, must not exceed income limits established by the Department of Housing and Urban Development for Public Housing in the County of PHA jurisdiction.
 - D. The applicant family must conform to the Occupancy Standards contained in this policy regarding unit size and type.
 - E. The applicant must have a satisfactory record in meeting past financial obligations, especially in payment of rent. In situations where an unsatisfactory record is obtained the PHA shall take into consideration extenuating circumstances such as illness, or other incidents beyond the control of the applicant.
 - Applicants shall not have a history (over the past two years) of habitual late rent payments, as defined by eight (8) or more late payments during one calendar year;
 - Applicants shall not have been sued more than two (2) times over the past two (2) years for habitual late rent payments;

- Applicants shall not have been sued more than four (4) times during the entire tenancy for habitual late rent payments;
 - Applicants shall not have been evicted for non-payment of rent over the past two years.
- F. Section 214 of the Housing and Community Development Act of 1980, as amended, prohibits the Secretary of the Department of Housing and Urban Development (HUD) from making financial assistance available to persons who are other than United States Citizens, nationals, or certain categories of eligible non-citizens either applying to or residing in specified Section 214 covered programs. Section 214 programs include: Public Housing, Section 8 Rental Certificate Program and Section 8 Rental Voucher Program.
- G. Any tenant evicted from federally assisted housing by reason of drug-related criminal activity shall not be eligible for federally assisted housing during the 3-year period beginning from the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the Housing Authority, and/or if the circumstances leading to eviction no longer exist.
- H. The Housing Authority shall prohibit admission for any household member who the Housing Authority determines is illegally using a controlled substance, or determines that a household member's illegal use, or pattern of illegal use, of a controlled substance, or abuse, or pattern of abuse, of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. QWHRA further stipulates that individuals convicted of manufacturing or producing methamphetamine (speed) will be permanently denied admission to public housing and a current resident's tenancy will be immediately and permanently terminated if convicted of manufacturing or producing methamphetamine.

In determining whether to deny admission to the Housing Authority any household based on a pattern of abuse of alcohol by a household member, the Housing Authority may consider whether such a household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of controlled substance or abuse of alcohol (as applicable); or
3. Is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

- I. The Housing Authority shall prohibit admission for any applicant or member of the applicant's household who the Housing Authority determines is or was, during a reasonable time preceding the date when the applicant household would otherwise be selected for admission, engaged in any drug-related or violent criminal activity or other criminal activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents or Housing Authority staff.
- J. The Housing Authority shall prohibit admission of any applicant or member of the applicant's household who has been convicted of a felony.
- K. The Housing Authority shall prohibit admission for any applicant or member of the applicant's household that the Housing Authority determines is subject to a lifetime registration requirement under a state sex offender registration program.
- L. The applicant family must have no record of disturbance of neighbors, destruction of property, unsafe living habits, unsanitary housekeeping practices, substance abuse, or any other history which may be reasonably expected to adversely affect:
 - 1. The health, safety, or welfare of other residents;
 - 2. The peaceful enjoyment of the neighborhood by other residents; or
 - 3. The physical environment and fiscal stability of the neighborhood.
- M. The applicant family must not have a record of grossly unsanitary or hazardous housekeeping. This includes the creation of a fire hazard through acts such as the hoarding of rags and papers; severe damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage improperly; or serious neglect of the premises. In a case where a qualified agency is working with the applicant family to improve its housekeeping and the agency reports that the applicant family shows potential for improvement, decision as to eligibility shall be reached after referral to and recommendation by the Executive Director or his/her designee. This category does not include applicant families whose housekeeping is found to be superficially unclean or lacks orderliness, where such conditions do not create a problem for the neighbors.
- N. The applicant family must be able to demonstrate capacity to discharge all lease obligations. This determination shall be made on a case by case basis and shall not be used to exclude a particular group by age, handicap, etc. In determining the applicant family's capacity to discharge all lease

obligations the HA must consider the family's ability to secure outside assistance in meeting those obligations.

O. If the applicant is a former resident of public housing or Section 8 housing programs administered by an agency, the applicant family must have a satisfactory record in meeting financial and other lease obligations. A former resident who owes a move out balance to the Housing Authority will not be considered for re-admission until the account is paid in full and reasonable assurance is obtained of the applicant's ability to meet his or her rent obligations.

P. The applicant must not have a history of non-compliance with rental agreements including failure to comply with the terms of the rental agreements on prior residences, such as providing shelter to unauthorized persons, keeping pets or other acts in violation of rules and regulations, and painting or decorating without permission of the owner.

➤ Any applicant who has been evicted from a public housing program or terminated from a Section 8 Rental Program shall not be eligible to receive any type of housing assistance for 3 years.

Q. The applicant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition or any other information affecting eligibility, rent, unit size, neighborhood assignment, etc. will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the family may be subsequently evicted, even if the family meets current eligibility criteria at that time.

R. Other factors affecting a final determination of eligibility include:

1. Household has no outstanding indebtedness to the PHA or any other federal housing program;
2. Family will occupy unit as their sole place of residence.

III. Substance abuse as described in this policy and drug-related criminal activity as described in this policy shall include, but not be limited to, the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), and Section 428 of the FY 1999 HUD Appropriations Act).

IV. Sources of information for eligibility determination may include, but are not limited to, the applicant (by means of interviews or home visits), landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments where warranted by the particular circumstances. Information relative to the acceptance or rejection of an applicant shall be documented in accordance with Part C; Verification, and placed in the applicant's file. Such documentation may include reports of interviews, letters or written summaries of telephone conversations with reliable sources. At a

minimum, such reports shall indicate the date, the source of information, including the name and title of the individual contacted, and a summary of the information received.

- V. In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct or to factors that might indicate a reasonable probability of favorable future conduct or financial prospects. For example:
 - A. Evidence of rehabilitation;
 - B. Evidence of the applicant family's participation or willingness to participate in social services or other appropriate counseling service programs and the availability of such programs;
 - C. Evidence of the applicant family's willingness to attempt to increase family income and the availability of training or employment programs in the locality;
 - D. In the case of applicants whose capacity for independent living and discharge of lease obligations is in question, the resources actually available in support of the family, such as visiting nurses, homemakers or live-in caretakers.
- VI. An otherwise ineligible handicapped applicant shall be eligible for admission if the problem resulting in the ineligibility can be addressed through reasonable accommodations.
- VII. Tenancy at properties for elderly and/or handicapped persons will be based upon the applicant's ability to live independently or to live independently with limited supportive services.
- VIII. The Housing Authority will not unnecessarily segregate individuals with handicaps to particular areas or developments. The Housing Authority will provide assistance to enable all individuals with handicaps to meet legal requirements; for example, the Housing Authority could provide interpreters, Braille or taped versions of leases, recertifications and other legal documents, whatever is appropriate.
- IX. In the event an individual is refused housing based on one or more of the above screening criteria, he/she may request an informal hearing or appeal to the Executive Director in writing.

Selection

I. Applicant Ranking

Applications will be filed and selected by unit type and size; by preference; and by date and time of application. If an applicant claims a preference, they are

considered to be a priority applicant. Applicants who claim no preference are considered to be non-priority applicants.

II. Preferences

- A. Involuntary Displacement
- B. Living under Substandard Housing Conditions
- C. Paying more than 50% of Adjusted Income for rent for at least 90 days.
- D. Denial of Preference

A preference shall not be given to an applicant if any member of the family is a person who has been evicted from housing assisted under a 1937 Housing Act program due to drug related criminal activity.

However, a preference may be given if:

1. The applicant or family member evicted has successfully completed a drug rehabilitation program; or,
2. The applicant or family member clearly did not participate in drug related criminal activity; or,
3. The Housing Authority determines that the applicant or family member no longer participates in any drug related criminal activity.

E. Weighting Preferences

The Macclenny Housing Authority makes no distinction within the categories as to superiority of one preference over another.

III. Waiting List

A. Housing Authority-Wide Waiting List

The Housing Authority-Wide Waiting List will be ordered as follows:

1. By unit type (regular, elderly, special handicapped) and in unit size by bedrooms.
2. By preference only.
3. Within the priorities above, by date and time of application.
4. Families who claim no preference will be notified by the Housing Authority that their names will be retained on the waiting list as non-priority applicants. If at some future time, their status

changes in regards to a preference, they will be entitled to claim the preference, and be added to the priority waiting list.

IV. Waiting List Skipping

The Housing Authority may skip a higher-income eligible applicant family to the top of the waiting list if a dwelling unit in a development becomes vacant and the development requires a lower income family to meet the Housing Authority's income targeting goals.

The Housing Authority may also skip a lower-income eligible applicant family to the top of the waiting list (either Authority-wide or site based waiting lists) if a dwelling unit in a development becomes vacant and the development requires a higher income family to meet the Housing Authority's income targeting goals.

V. Updating of the Waiting List

The Housing Authority shall update the waiting list every 12 months in order to maintain the most current information. Applicants will be requested to provide the Housing Authority with updated information through writing. Applicants who do not respond to the request to update shall be removed from the waiting list. If the applicant's failure to respond was due to the applicant's disability, the Housing Authority shall provide reasonable accommodations to give the applicant an opportunity to respond.

VI. Applicant Selection and Assignment

The PHA will select applicants for participation without discrimination based on race, color, sex, creed, or national origin nor deny any family or individuals the opportunity to apply for assistance under the Low-Rent Housing Program. Neither will the PHA discriminate because of religion, age, physical handicap, pregnancy, parenthood, nor marital or veteran status.

The selection of residents for occupancy of available units will be in conformance with all HUD guidelines and regulations and applicable Fair Housing and Equal Opportunity Requirements.

VII. Special Use Dwelling Units

A. When a unit that meets a specific need (e.g., a unit designed to accommodate a handicapped tenant requiring the use of a wheelchair) becomes available, that unit will be offered first to a current occupant of another unit managed by the Housing Authority having handicaps and requiring the accessibility features of the vacant unit. If no such occupant exists, the unit will be offered to the next eligible applicant on the waiting list requiring that special unit. If there are no applicants on the waiting list needing a specially designed unit, the unit will then be offered to those eligible qualified applicants in their normal sequence.

B. Elderly applicants will be given preference for units designed specifically for elderly occupancy. Near Elderly Single Persons will be given

preference over Non-Elderly Single Persons for units designed specifically for elderly occupancy.

VIII. Dwelling Unit Offers

One unit offer: The PHA can make a unit offer in any development. If this unit is rejected, the applicant goes to the bottom of the waiting list. However, the PHA can define "bottom of the waiting list".

When the applicant is matched to the specific unit, that dwelling unit becomes "unrentable" until the offer is made and accepted or rejected. In order to reduce vacancy loss, it is necessary that processing from this point move as quickly as possible. To that end, the following conditions shall apply to dwelling unit offers:

- A. As an applicant moves near the top of the waiting list, the Housing Authority will contact the applicant family to determine continued interest, to update the application for final processing, to alert the applicant that an offer is likely in the near future, and to inform the applicant about the requirements for move-in, such as utility deposits, security deposits, etc.
- B. Upon availability for occupancy, an applicant will be offered a unit.
- C. Upon offer of an apartment, the applicant shall have five (5) days to accept or reject the apartment. An additional business day may be granted if necessary to allow the applicant to inspect the apartment. Failure to give an answer within the prescribed time period shall be counted as rejection of the offer.
- D. Upon acceptance of the offer, the applicant will then be assigned a deadline for move-in. Before the end of this period, the applicant must complete all outstanding pre-occupancy requirements, such as joint UPCS unit inspection, establishment of utility services, leasing interview, and lease execution. Failure to complete move-in requirements within the assigned period will result in withdrawal of the offer and inactivation of the application.

IX. Unit Refusals

- A. Applicants will be made one (1) offer of a unit of appropriate size and type. Should the family reject the offer, the family will be placed at the bottom of the waiting list.
- B. Upon return to the top of the waiting list, such an applicant would be made an offer in accordance with the provisions of this policy. Upon refusal of one such offer, including any in neighborhoods previously refused, the application shall again be placed at the bottom of the waiting list.

- C. If a third unit offer is refused by an applicant, their application will be purged from the waiting list. Applicant will not be allowed to reapply for at least six (6) months.
- D. When an applicant refuses an offer of an apartment, his/her application shall be returned to the bottom of the waiting list, unless the applicant can document that a move at that time would create an undue hardship on the family which is NOT related to race, creed, sex, national origin, religion, handicap or familial status.
- E. Applicants not responding to an offer of housing by the PHA shall be ruled ineligible and their application will be removed to the inactive/ineligible file and so documented.
- F. An applicant will have five (5) working days to accept or reject an offer of housing after receipt of notice of unit availability. Failure to respond to a notice of unit availability will be treated as a no response.

Waiting List

All admissions to public housing shall be made on the basis of a personal interview where an application is completed by the applicant family and Housing Authority personnel. The Application for Admission shall constitute the basic legal record of each family applying for admission and shall support the Housing Authority's determinations of eligibility status, priority status, rent, and size of unit for which the applicant is qualified. All supplemental materials pertaining to eligibility shall be considered a part of the application record and carefully recorded. This includes verifications of income and family composition and such other data as may be required. The following conditions shall govern the taking and processing of applications:

- I. Applications for the public housing program will be completed during a one on one interview between the applicant family and Housing Authority personnel and shall be maintained on the Housing Authority's computer system. Applicants shall complete and sign the application and certify, subject to civil and criminal penalties, to the accuracy of all statements made therein. The Housing Authority reserves the right to require the signature of any or all adult members of the applicant household.
- II. Applicants will be required to submit verification documentation as part of the application process. Applicants will be given a list of required verifications at the time of their interview with designated PHA personnel for the purpose of determining eligibility.
- III. Should applicants fail to provide required verification documentation within the time frame established by the PHA, their case will be placed in an inactive status and the applicants will be required to reapply during the next enrollment period.
- IV. The Housing Authority reserves the right to suspend application taking when the current supply of completed full applications exceeds the number

of families that could be reasonably expected to be housed within the next twelve months.

- V. The Housing Authority will normally take applications from a central location which will allow for processing by staff persons knowledgeable of the rules and regulations governing resident selection and assignment, but reserves the right to establish satellite locations for application taking.
- VI. The Housing Authority reserves the right to establish times for taking applications, including by appointment. The Housing Authority staff may, at its discretion, provide for application interviews outside normal hours when necessary for hardship reasons.
- VII. Insofar as possible, application interviews shall be conducted in private.
- VIII. Applications shall be updated as applicants report changes in income and family circumstances. All modifications to applications shall be properly documented and the transaction initialed by the staff member making the change.
- IX. All active applications will be purged no less than once every 12 to 18 months. Notification shall be sent to each applicant informing him/her that unless he/she confirms his/her continued interest, his/her application will be retired from the active file. Returned notification will be attached to the respective application as evidence of unsuccessful effort to locate the applicant. All applicants will be instructed to notify the PHA whenever there is a change in family composition, income, address, and any other factors relative to their eligibility status. Applicants should notify the PHA if he/she no longer desires consideration for public housing.
- X. Applicants on waiting lists for any other type of assisted housing will have no special status with respect to the Low-Rent Public Housing Program. Applicants must submit separate applications for other programs. Applicants will not lose their place on any other PHA waiting list should they make an application for "Low-Rent" public housing. This right will be explained to each applicant who might have previously filed an application for a dwelling unit through any other PHA program.
- XI. The Housing Authority shall maintain such records as are necessary to document the disposition of all applications and to meet Department of Housing and Urban Development audit requirements.

2. Financial Resources

The table below lists the Macclenny Housing Authority's anticipated financial resources, such as PHA Operating, Capital and other anticipated Federal resources available to the Agency, as well as tenant rents and other income available to support public housing in Fiscal Year 2010.

| Funding Source | Amount | Use |
|------------------------------|------------------|---------------|
| FY2010 PH Operating Fund | \$300,000 | Operations |
| FY2010 Capital Fund Program | \$120,167 | Modernization |
| Public Housing Dwelling Rent | \$300,000 | Operations |
| Interest | \$5,000 | Operations |
| Other Income | \$10,000 | Operations |
| Total | \$735,167 | |

3. Rent Determination

Public Housing

- I. The first step in computing rent is to determine each family's Total Tenant Payment. Then, if the family is occupying a unit that has tenant-paid utilities, the Utility Allowance is subtracted from the Total Tenant Payment. The result of this computation, if a positive number, is the Tenant Rent. If the Total Tenant Payment less the Utility Allowance is a negative number, the result is the utility reimbursement, which may be paid to the tenant or, directly to the utility company by the PHA.

The Total Tenant Payment is the highest of:

- A. 30 percent of monthly Adjusted Income; or
- B. 10 percent of Monthly Income; but never less than the
- C. Minimum rent of \$50; and never more than the
- D. Flat Rent

Note: QHWRA established certain exceptions to the minimum rent requirements relating to hardship which are discussed in the Rent Collection Policy of this ACOP.

4. Operation and Management

PHA Management Structure

The Housing Authority operates 90 units of public housing. These units are located throughout the City of Macclenny. These units are provided to low-income families to help them with affordable housing. The Authority is funded by the U. S. Department of Housing and Urban Development (HUD) and is required to operate under Federal Regulations. An Admissions and Continued Occupancy Policy (ACOP), which provides applicants and residents with the program's rules and regulations has been adopted and is in place. The ACOP is available for review at the Authority's main office.

The Authority is required to maintain the units in a safe and sanitary manner. The Maintenance Department carries out this task. In addition to responding on a daily basis to work orders, the maintenance staff cleans, paints, and repairs units as needed after tenants move out.

Part of the Authority's maintenance plan is that all units be kept pest free. Once a month, an exterminator goes in all units and sprays to prevent pest infestation. If needed, additional treatments are scheduled between monthly visits.

5. Grievance Procedures

PURPOSE

This Grievance Procedure has been adopted to provide a forum and procedure for residents to seek the just, effective and efficient settlement of grievances against the Housing Authority (HA).

GOVERNING LAW

The law governing this Grievance Procedure is section 6(k) of the U.S. Housing Act of 1937 (42 U.S.C. sec. 1437d (k) and subpart B of 24 CFR part 966 (24 CFR secs. 966.50 - 966.57).

APPLICABILITY

In accordance with applicable federal regulations, this Grievance Procedure shall be applicable to all individual grievances (as defined in Section IV below) between a resident and the HA with the following two (2) exceptions:

- A. This Grievance Procedure is not applicable to disputes between residents not involving the HA, or to class grievances involving groups of residents. Also, this Grievance Procedure is not intended as a forum for initiating or negotiating policy changes between residents, or groups of residents, and the HA's Board of Commissioners.
- B. HUD has issued a due process determination that the law of the State of Florida requires that residents be given the opportunity for a hearing in court that provides the basic elements of due process (as defined in

Section IV below) before eviction from a dwelling unit. Therefore, the HA has elected to determine that this Grievance Procedure shall not be applicable to any termination of tenancy or eviction that involves:

1. Any activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of HA; or
2. Any drug-related criminal activity on or off such premises.

Any termination of tenancy or eviction that does fall into one of these two categories shall be handled within the confines of the Expedited Grievance Procedure, which is set forth in Section XII below.

DEFINITIONS

The following definitions of terms shall be applicable to this Grievance Procedure:

- A. **Grievance:** Any dispute which a resident may have with respect to an action or a failure to act by HA in accordance with the individual resident's lease or HA regulations, which adversely affects the individual resident's rights, duties, welfare, or status.
- B. **CFR:** The code of federal regulations that contains the federal regulation governing this Grievance Procedure.
- C. **Complainant:** Any resident (as defined in this section below) whose grievance is presented to the Central Office of the MHA, (402 Stansel Street, Macclenny, Florida 32063), in accordance with the requirements set forth in this procedure.
- D. **Drug-related criminal activity:** The illegal manufacture, sale, distribution, use or possession with intent to manufacture, sale, distribute, or use of a controlled substance as defined in sec. 102 of the Controlled Substances Act (21 U.S.C. sec 802), as from time to time amended.
- E. **HA or "Housing Authority":** The Housing Authority, a body corporate organized and existing under the laws of the State of Florida.
- F. **Elements of due process:** The following procedural safeguards are required to be followed in an eviction action or a termination of tenancy in a state or local court:
 1. Adequate notice to the resident of the grounds for terminating the tenancy and for eviction;
 2. Right of the resident to be represented by counsel;

3. Opportunity for the resident to refute the evidence presented by the HA, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the resident may have;
 4. A decision on the merits.
- G. **Hearing Officer:** An impartial person selected in accordance with 24 CFR Sec 966.55 and this Grievance Procedure to hear grievances and render decisions with respect thereto.
- H. **Hearing Panel:** A three-member panel composed of impartial persons, selected in accordance with 24 CFR Sec. 966.55 and this procedure to hear grievances and render decisions with respect thereto.
- I. **HUD:** The United States Department of Housing and Urban Development.
- J. **Notice:** As used herein, the term notice shall, unless otherwise specifically provided, mean written notice.
- K. **The “Regulations”:** The HUD regulations contained in subpart B of 24 CFR part 966.
- L. **Resident Organization:** An organization of residents, which includes any Resident Management Corporation and specifically includes the Resident Organization.
- M. **Resident:** The adult person (or persons) other than a live-in aide:
 1. Who resides in the unit and who executed the lease with the PHA as lessee of the dwelling unit, or, if no such person resides in the unit
 2. The person who resides in the unit and who is the remaining head of the household of the resident family residing in the dwelling unit.
- N. **Business Days:** Monday through Friday of each week, except for legal holidays recognized by the federal government.

INCORPORATION IN LEASES

This Grievance Procedure shall be incorporated by reference in all public housing dwelling leases between residents and the HA, whether or not so specifically provided in such leases.

INFORMAL SETTLEMENT OF GRIEVANCES

- A. **Initial Presentation.** Any grievance must be presented, in writing to the HA’s Central Office, (402 Stansel Street, Macclenny , Florida 32063),

within five (5) business days after the occurrence of the event giving rise to the grievance.

- B. **Informal Settlement Conference.** If the grievance is not determined by the HA to fall within one of the two exclusions mentioned in Section III B (1 and 2) above, then the HA shall, within five (5) business days after the initial presentation of the grievance to informally discuss the grievance with the complainant or his representative(s) in an attempt to settle the grievance without the necessity of a formal hearing. If the informal settlement conference cannot occur at the time the grievance is initially presented by the complainant, then the complainant shall be promptly notified in writing of the time and place for the informal settlement conference.
- C. **Written Summary.** Within five (5) business days after the informal settlement conference, a summary of the informal discussion shall be prepared by the HA and a copy thereof shall be provided to the complainant. The summary shall be in writing and shall specify the names of the participants in the discussion, the date of the discussion, the nature of the proposed disposition of the grievance, and the specific reasons for such disposition. This written summary shall also specify the procedures by which the complainant may obtain a formal hearing if not satisfied by the proposed disposition of the grievance. A copy of the written summary shall also be placed in complainant's file.

FORMAL GRIEVANCE HEARING

The following procedures apply to the request for a formal grievance hearing under this Grievance Procedure:

- A. **Request for Hearing:** If the complainant is not satisfied with the results of the informal settlement conference, the complainant must submit a written request for a formal hearing to HA's Central Office, (402 Stansel Street, Macclenny, Florida 32063), no later than five (5) business days after the date complainant receives the summary of discussion delivered as required under Section VI above.

Complainant's written request for a formal hearing must specify:

1. The reasons for the grievance;
2. The action or relief sought by the complainant; and
3. If the complainant so desires, a statement setting forth the times at which the complainant shall be available for a hearing during the next ten (10) business days;
4. Complainant's preference, if any, concerning whether the grievance should be heard by a single hearing officer or by a hearing panel;

5. If the complainant has failed to attend an informal discussion conference, a request that the hearing officer or panel waive this requirement.

B. **Failure to Request Hearing:** If the complainant fails to request a hearing within five (5) business days after receiving the written summary of the informal settlement conference, the HA's decision rendered at the informal hearing becomes final and the HA is not thereafter obligated to offer the complainant a formal hearing.

SELECTION OF HEARING OFFICER OR PANEL

All grievance hearings shall be conducted by an impartial person or persons appointed by the HA after consultation with resident organizations, in the manner described below:

- A. The permanent appointments of persons who shall serve as hearing officers and hearing panel members shall be governed by the following procedures:
 1. The HA shall nominate a slate of persons to sit as permanent hearing officers or hearing panel members. These persons may include, but shall not be necessarily limited to, members of the HA Board of Commissioners, HA staff members, residents, or other responsible persons in the community. No persons shall be listed on the slate of members unless such person has consented to serve as a hearing officer or on a hearing panel.
 2. The slate of potential appointees shall be submitted to the Resident Organization for written comments. Written comments from the resident organization shall be considered by the HA before appointments are finally made. Objection to the appointment of a person as a hearing officer or panelist must be considered but is not dispositive as to the proposed appointment with respect to which objection is made.
 3. On final appointment, the persons appointed and the Resident Organization shall be informed in writing of the appointments. A list of all qualified hearing officers and panelists shall be kept at the Central Office of the HA and be made available for public inspection at any time.

The persons who have agreed to serve as hearing panelists for grievances brought under this procedure are listed on Exhibit I attached hereto and hereby incorporated herein by reference. Additional appointments shall be made in the manner set forth in this section.

- B. The designation of hearing officers or panel members for particular grievance hearing shall be governed by the following provisions:
 1. All hearings shall be held before a single hearing officer unless the complainant (at the time of the initial request for the hearing)

or the HA requests that the grievance should be heard by a hearing panel.

2. Appointments to serve as a hearing officer or panelist with respect to a particular grievance shall be made by the HA in random order, subject to availability of the hearing officer or panelist to serve in each such case. The HA may employ any reasonable system for random order choice.
3. No member of the HA Board of Commissioners or staff may be appointed as hearing officer or panelist in connection with the grievance contesting an action which was either made or approved by proposed appointee, or which was made or approved by a person under whom the proposed appointee works or serves as a subordinate.
4. No person shall accept an appointment, or retain an appointment, once selected as a hearing officer or hearing panelist, if it becomes apparent that such person is not fully capable of impartiality. Persons who are designated to serve as hearing officers or panelists must disqualify themselves from hearing grievances that involve personal friends, relatives, persons with whom they have any business relationship, or grievances in which they have some personal interest. Further, such persons are expected to disqualify themselves if the circumstances are such that a significant perception of partiality exists and is reasonable under the circumstances. If a complainant fails to object to the designation of the hearing officer or panelists on the grounds of partiality, at the commencement or before the hearing, such objection is deemed to be waived, and may not thereafter be made.

In the event that a hearing officer or panel member fails to disqualify himself or herself as required in this Grievance Procedure, the HA shall remove the panel member or officer from the list of persons appointed for such purposes, invalidate the results of the grievance hearing in which such person should have, but did not, disqualify himself or herself, and schedule a new hearing with a new hearing panel or officer.

SCHEDULING OF HEARINGS

A. **Hearing Prerequisites:** A complainant does not have a right to a grievance hearing unless the complainant has satisfied the following prerequisites to such a hearing:

1. The complainant has requested a hearing in writing.
2. The complainant has completed the informal settlement conference procedure or has requested a waiver for good cause.
3. If the matter involves the amount of rent which the HA claims is due under the complainant's lease, the complainant shall have

paid to the HA an amount equal to the amount due and payable as of the first of the month preceding the month in which the complained of act or failure to act took place. And, in the case of situations in which hearings are, for any reason delayed, the complainant shall thereafter, deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer or hearing panel. Unless waived by the HA in writing, no waiver shall be given by the HA except in cases of extreme and undue hardship to the complainant, determined in the sole and absolute discretion of the HA.

B. Time, Place, Notice

1. Upon complainant's compliance with the prerequisites to a hearing set forth above, a hearing shall be scheduled by the hearing officer or hearing panel promptly for a time and place reasonably convenient to both the complainant and the HA, no later than the tenth (10th) business day after complainant has completed such compliance. (In the case of a panel, if all three appointed members of the panel are not able to agree upon a date and time convenient to all panelists, on or before the last date before the hearing permitted under this procedure, they shall immediately so inform the HA. If two panelists can agree upon a date and time, the HA shall reappoint a third panelist who shall be available at the time agreed upon by two who can agree. If none of the panelists can agree upon a time, a new panel shall be appointed).
2. A written notification specifying the time, place, and the procedures governing the hearing shall be delivered to the complainant and the appropriate HA official, who, unless otherwise designated, shall be the Executive Director.

PROCEDURES GOVERNING HEARINGS

A. Fair Hearings

The hearings shall be held before a hearing officer or hearing panel as directed above in Section VIII. The complainant shall be afforded a fair hearing, which shall include:

1. The opportunity to examine before the hearing any HA documents, including records and regulations that are directly relevant to the hearing.

The complainant shall be allowed to copy any such document at the complainant's expense. If the HA does not make the document available for examination upon request by the complainant, the HA may not rely on such document at the grievance hearing.

2. The right to be represented by counsel or other person chosen as the complainant's representative and to have such person make statements on the complainant's behalf.
3. The right to a private hearing unless the complainant requests a public hearing. The right to present evidence and arguments in support of the complainant's complaint, to controvert evidence relied on by the HA and to confront and cross-examine all witnesses upon whose testimony or information the HA or its management relies.
4. A decision solely and exclusively upon the facts presented at the hearing.

B. Prior Decision in Same Matter

The hearing panel or officer may render a decision without proceeding with the hearing if they determine that the issue has been previously decided in another proceeding.

C. Failure to Appear

If the complainant or the HA fails to appear at a scheduled hearing, the hearing officer or hearing panel may make a determination to postpone the hearing for a period not to exceed five (5) business days, or may make a determination that the party failing to attend has waived the right to a hearing. In such event, the hearing officer or hearing panel shall notify the complainant and the HA of the determination.

The failure to attend a grievance hearing shall not constitute a waiver of any right for which the complainant may have to contest HA's disposition of the grievance in an appropriate judicial proceeding.

D. Required Showing of Entitlement to Relief

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the HA must sustain the burden of justifying HA's action or failure to act against which the complainant is directed.

E. Informality of Hearing

The hearing shall be conducted informally by the hearing officer or hearing panel, and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceeding.

F. Orderly Conduct Required

The hearing officer or hearing panel shall require the HA, the complainant, counsel, and other participants or spectators, to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer or hearing

panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.

G. Transcript of Hearing

The complainant or the HA may arrange in advance, and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

H. Accommodation to Handicapped Persons

The HA must provide reasonable accommodations for persons with disabilities to participate in grievance hearings. Reasonable accommodations may include qualified sign language interpreters, readers, accessible locations, or attendants.

DECISION OF THE HEARING OFFICER OR HEARING PANEL

At or subsequent to the completion of the grievance hearing, the hearing officer or panel shall make a determination as to the merits of the grievance and the following provisions shall govern:

A. Written Decision

The hearing panel or officer shall prepare a written decision, together with the reasons for the decision within ten (10) business days after the completion of hearing.

1. A copy of the decision shall be sent to the complainant and the HA. The HA shall retain a copy of the decision in the complainant's file.
2. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the HA and made available for inspection by any prospective complainant, his representative, or the hearing panel or hearing officer.

B. Binding Effect

The written decision of the hearing officer or hearing panel shall be binding upon the HA, which shall take all actions, or refrain from any actions, necessary to carry out the decision unless HA's Board of Commissioners determines, within ten (10) business days, and properly notifies the complainant of its determination, that:

1. the grievance does not concern HA action or failure to act in accordance or involving the complainant's lease, or HA's regulations, which adversely affect the complainant's rights, duties, welfare or status, or

2. the decision of the hearing officer or hearing panel is contrary to applicable Federal, State, or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the HA.

C. Continuing Right of Complainant to Judicial Proceedings

A decision by the hearing panel or officer or Board of Commissioners in favor of the HA or which denies the relief requested by the complainant, in whole or in part, shall not constitute a waiver of, nor affect in any way the rights of the complainant to a trial or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

NOTICES

All notices under this Grievance Procedure shall be deemed delivered:

1. upon personal service thereof upon the complainant or an adult member of the complainant's household;
2. upon the date receipted for or refused by the addressee, in the case of certified or registered U.S. Mail; or
3. on the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service, if mailed by first class mail other than certified or registered mail.

If a resident is visually impaired, any notice hereunder delivered to such resident shall be in an accessible format.

MODIFICATION

This Grievance Procedure may not be amended or modified except by approval of a majority of the Board of Commissioners of the HA, present at a regular meeting or a special meeting called for such purposes. Further, in addition to the foregoing, any changes proposed to be made to this Grievance Procedure must provide for at least thirty (30) days advance notice to residents and resident organizations, setting forth the proposed changes and providing an opportunity to present written comments. The comments submitted shall be considered by the HA, before final adoption of any amendments hereto.

MISCELLANEOUS

- A. **Captions:** Captions or paragraph headings set forth in this Grievance Procedure are for convenience of reference only and shall not be construed or interpreted to affect the substance of the paragraphs or sections so captioned.
- B. **Concurrent Notice:** If a resident has filed a request for a grievance hearing hereunder in a case involving HA's notice of termination of tenancy, the complainant should be aware that the state law notice to vacate and the notice of

termination of tenancy required under Federal law run concurrently. Therefore, if the hearing officer or hearing panel upholds HA's action to terminate the tenancy, the HA may commence an eviction action in court upon the sooner of the expiration of the date for termination of tenancy and vacation of premises stated in the notice of termination delivered to complainant, or the delivery of the report of decision of the hearing officer or panel to the complainant.

6. Designated Housing for Elderly and Disabled Families

The Housing Authority has not designated nor plans to apply for designation for any units to be occupancy by elderly and disabled families only.

7. Community Service and Self-Sufficiency

Due to the limited size of the staff, the Authority does not operate any resident programs which help residents become self-sufficient.

In accordance with Federal Regulations, the Authority has implemented the Community Service Requirement for public housing residents. The requirement states that any person 18 years old or older who is not employed on a full-time basis will perform eight (8) hours of community service each month until they become fully employed. All elderly and disabled residents are exempt from the requirement.

8. Safety and Crime Prevention

At this time, there are no major safety and/or crime issues at any of the Housing Authority's sites. The Executive Director monitors each site very closely and any issues are addressed immediately.

9. Pets

The Authority has adopted a Pet Policy which outlines the rules and regulations to owning a pet in public housing. The full policy is available at the Authority's main office.

10. Civil Rights

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

11. Fiscal Audit

The Fiscal Audit for the Year ended June 30, 2008 is provided as an attachment to the Agency Plan Annual Update. There were no findings.

12. Asset Management

Based on the small number of public housing units, the Authority was not required to convert to Asset Management. To plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs, the Authority contracted with an outside firm to conduct a physical needs assessment on all properties.

13. Violence Against Women Act

The Macclenny Housing Authority is striving to fully comply with all requirements of the Violence Against Women Act (VAWA).

First, the Authority will not deny admission to an applicant who has been a victim of domestic violence, dating violence, or stalking. The applicant must comply with all other admission requirements.

Also, the Authority will not terminate the assistance to a victim of domestic violence, dating violence, or stalking based solely on an incident or threat of such activity. The Authority still retains the right to terminate assistance for other criminal activity or good cause.

All information provided by an applicant or tenant regarding VAWA will be held in strict confidence and will not be shared with any other parties, unless required by law.

At this time, the Housing Authority does not intend to put a victim of domestic violence admissions preference in place. The Executive Director will periodically review the need for such preference and may add an admissions preference for victim of domestic violence if a need is determined.

To make sure all applicants are aware of the Violence Against Women Act, the Housing Authority notifies all applicants of the information included in the Act during the application process.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-Based Vouchers

(a) Hope VI or Mixed Finance Modernization or Development

The Housing Authority does not plan to apply for a Hope VI or Mixed Finance Modernization or Development Grant in the upcoming Fiscal Year.

(b) Demolition and/or Disposition

The Housing Authority does not plan to demolish any public housing or dispose of any public housing property in the upcoming Fiscal Year.

(c) Conversion of Public Housing

The Housing Authority does not plan to convert any public housing to tenant-based assistance (Section 8) in the upcoming Fiscal Year.

(d) Homeownership

Public Housing

The Housing Authority does not plan to offer any public housing for home ownership in the upcoming Fiscal Year.

(e) Project-Based Vouchers

The Housing Authority does not does not operate a tenant-based Section 8 Program.

8.0 Capital Improvements

8.1 Capital Fund Annual Statement/Performance and Evaluation Report

The CFP Annual Statement for FY2010 is provided as an attachment to the Plan. All prior CFPs have been obligated and expended at this time.

8.2 Capital Fund Program Five-Year Plan

The CFP Five-Year Plan for FY2010 is provided as an attachment to the Plan.

8.3 Capital Fund Financing Program (CFFP)

The Macclenny Housing Authority does not plan to use the Capital Fund Financing Program in the upcoming fiscal year.

9.0 Housing Needs

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 | | | | | | | |
|---|---------|----------------|--------|---------|----------------|------|-----------|
| Family Type | Overall | Afford-ability | Supply | Quality | Access-ibility | Size | Loca-tion |
| Income <= 30% of AMI | 82 | 5 | 4 | 4 | 5 | 3 | 3 |
| Income >30% but <=50% of AMI | 28 | 4 | 4 | 4 | 4 | 3 | 3 |
| Income >50% but <80% of AMI | 25 | 3 | 3 | 3 | 3 | 3 | 3 |
| Elderly | 24 | 4 | 3 | 3 | 4 | 2 | 4 |
| Families with Disabilities | 5 | 3 | 4 | 3 | 5 | 3 | 3 |
| White | 130 | 3 | 3 | 3 | 3 | 3 | 3 |
| Black | 25 | 3 | 3 | 3 | 3 | 3 | 3 |
| Hispanic | 4 | 3 | 3 | 3 | 3 | 3 | 3 |

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:
- 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)

9.1 Strategy for Addressing Housing Needs

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:

- 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

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

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

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing

Reasons for Selecting Strategies

- Funding constraints
- Staffing constraints

10.0 Additional Information

(a) Progress in Meeting Goals and Objectives

The Housing Authority's most recent PHAS score is 83 out of 100. The Authority is currently rated as a Standard Performer.

On an on-going basis, the Housing Authority uses funds from the Capital Fund Program to renovate units.

On a periodic basis, the Housing Authority assesses the need for improvements to security.

The Housing Authority continues to follow HUD guidelines pertaining to admissions and occupancy of public housing.

(b) Significant Amendment and Substantial Deviation/Modification

A. Substantial Deviation from the 5-year Plan:

A "Substantial Deviation" from the 5-Year Plan is an overall change in the direction of the Authority pertaining to the Authority's Goals and Objectives. This includes changing the Authority's Goals and Objectives.

B. Significant Amendment or Modification to the Annual Plan:

A "Significant Amendment or Modification" to the Annual Plan is a change in a policy or policies pertaining to the operation of the Authority. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list.
- Additions of non-emergency work items over \$20,000 (items not included in the current Annual Statement or 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund.
- Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

(c) Memorandum of Agreement

The Macclenny Housing Authority does not have a Memorandum of Agreement with the U. S. Department of Housing and Urban Development at this time.

(d) Resident Advisory Board Comments

Other than general support for the contents of the Plan, there were no specific comments on the FY2010 Agency Plan from the Resident Advisory Board.

(e) Challenged Elements

No elements of the FY2010 Agency Plan were challenged.

| Part I: Summary | | | | | | |
|---|--|---|----------------------|--------------------------------|---|--|
| PHA Name: Macclenny Housing Authority | | Grant Type and Number Capital Fund Program Grant No: FL29P06550110 Replacement Housing Factor Grant No: Date of CFFP: _____: | | | FFY of Grant: 2010 FFY of Grant Approval: 2010 | |
| Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report | | | | | | |
| Line | Summary by Development Account | Total Estimated Cost | | Total Actual Cost ¹ | | |
| | | Original | Revised ² | Obligated | Expended | |
| 1 | Total non-CFP Funds | | | | | |
| 2 | 1406 Operations (may not exceed 20% of line 21) ³ | \$10,000.00 | | | | |
| 3 | 1408 Management Improvements | | | | | |
| 4 | 1410 Administration (may not exceed 10% of line 21) | \$10,000.00 | | | | |
| 5 | 1411 Audit | | | | | |
| 6 | 1415 Liquidated Damages | | | | | |
| 7 | 1430 Fees and Costs | | | | | |
| 8 | 1440 Site Acquisition | | | | | |
| 9 | 1450 Site Improvement | \$20,167.00 | | | | |
| 10 | 1460 Dwelling Structures | \$70,000.00 | | | | |
| 11 | 1465.1 Dwelling Equipment - Nonexpendable | \$5,000.00 | | | | |
| 12 | 1470 Nondwelling Structures | | | | | |
| 13 | 1475 Nondwelling Equipment | \$5,000.00 | | | | |
| 14 | 1485 Demolition | | | | | |
| 15 | 1492 Moving to Work Demonstration | | | | | |
| 16 | 1495.1 Relocation Costs | | | | | |
| 17 | 1499 Development Activities ⁴ | | | | | |
| 18a | 1501 Collateralization or Debt Service paid by the PHA | | | | | |
| 18b | 9000 Collateralization or Debt Service paid Via System of Direct Payment | | | | | |
| 19 | 1502 Contingency (may not exceed 8% of line 20) | | | | | |
| 20 | Amount of Annual Grant: (sum of line 2- 19) | \$120,167.00 | | | | |
| 21 | Amount of Line 20 Related to LBP Activities | | | | | |
| 22 | Amount of Line 20 Related to Section 504 Activities | | | | | |
| 23 | Amount of Line 20 Related to Security - Soft Costs | | | | | |
| 24 | Amount of Line 20 Related to Security - Hard Costs | | | | | |
| 25 | Amount of Line 20 Related to Energy Conservation Measures | | | | | |

| | | | | | |
|--|--|--|-----------------------------|---|---|
| Part I: Summary | | | | | |
| PHA Name: Macclenny Housing Authority | | Grant Type and Number Capital Fund Program Grant No: FL29P06550110 Replacement Housing Factor Grant No: Date of CFFP: _____: | | | FFY of Grant: 2010 FFY of Grant Approval: 2010 |
| Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report | | | | | |
| Line | Summary by Development Account | Total Estimated Cost | | Total Actual Cost ¹ | |
| | | Original | Revised ² | Obligated | Expended |
| | | | | | |
| | | | | | |
| | Signature of Executive Director | Date | | Signature of Public Housing Director | Date |

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

| Part II: Supporting Pages | | | | | | | | |
|---|---|-------------------------|---|----------------------|----------------------|----------------------------------|-----------------------------|----------------|
| PHA Name: Macclenny Housing Authority | | | Grant Type and Number Capital Fund Program Grant No: FL29P06550110 CFFP (Yes/No): N Replacement Housing Factor Grant No: | | | Federal FY of Grant: 2010 | | |
| Development Number Name/HA-Wide Activities | General Description of Major Work Categories | Development Account No. | Quantity | Total Estimated Cost | | Total Actual Cost | | Status of Work |
| | | | | Original | Revised ¹ | Funds Obligated ² | Funds Expended ² | |
| | <u>Operations</u> | | | | | | | |
| FL 65-1 | Operations | 1406 | LS | \$10,000.00 | | | | |
| | Subtotal 1406 | | | \$10,000.00 | | | | |
| | <u>Administration</u> | | | | | | | |
| FL 65-1 | Costs related to the administration of the CFP | 1410 | LS | \$10,000.00 | | | | |
| | Subtotal 1410 | | | \$10,000.00 | | | | |
| | <u>Site Improvements</u> | | | | | | | |
| FL 65-1 | Install drainage system behind main office located on Stansell Ave. | 1460 | LS | \$20,167.00 | | | | |
| | Subtotal 1450 | | | \$20,167.00 | | | | |
| | <u>Dwelling Structures</u> | | | | | | | |
| FL 65-1 | Remove existing kitchen countertops; replace with new | 1460 | 80 units | \$70,000.00 | | | | |
| | Subtotal 1460 | | | \$70,000.00 | | | | |

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

| Part II: Supporting Pages | | | | | | | | |
|---|---|-------------------------|---|----------------------|----------------------|----------------------------------|-----------------------------|----------------|
| PHA Name: Macclenny Housing Authority | | | Grant Type and Number Capital Fund Program Grant No: FL29P06550110 CFFP (Yes/No): N Replacement Housing Factor Grant No: | | | Federal FY of Grant: 2010 | | |
| Development Number Name/HA-Wide Activities | General Description of Major Work Categories | Development Account No. | Quantity | Total Estimated Cost | | Total Actual Cost | | Status of Work |
| | | | | Original | Revised ¹ | Funds Obligated ² | Funds Expended ² | |
| | | | | | | | | |
| | <u>Dwelling Equipment</u> | | | | | | | |
| FL 65-1 | Replace appliances – refrigerators and ranges | 1465.1 | 10 | \$5,000.00 | | | | |
| | Subtotal 1465.1 | | | \$5,000.00 | | | | |
| | <u>Non-Dwelling Equipment</u> | | | | | | | |
| FL 65-1 | Update office equipment | 1475 | LS | \$5,000.00 | | | | |
| | Subtotal 1475 | | | \$5,000.00 | | | | |
| | | | | | | | | |
| | CFP Total | | | \$120,167.00 | | | | |
| | | | | | | | | |
| | | | | | | | | |

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement

² To be completed for the Performance and Evaluation Report

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

| Part I: Summary | | | | | | |
|--------------------------------------|--|---|---------------------------------------|---------------------------------------|--|---------------------------------------|
| PHA Name/Number: Macclenny, FL/FL065 | | Locality (Macclenny/Baker Co., Florida) | | | <input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No: | |
| A. | Development Number and Name | Work Statement for Year 1 FFY 2010 | Work Statement for Year 2 FFY 2011 | Work Statement for Year 3 FFY 2012 | Work Statement for Year 4 FFY 2013 | Work Statement for Year 5 FFY 2014 |
| B. | Physical Improvements Subtotal | Annual Statement | \$115,167.00 | \$115,167.00 | \$75,000.00 | \$92,500.00 |
| C. | Management Improvements | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| D. | PHA-Wide Non-dwelling Structures and Equipment | | \$0.00 | \$0.00 | \$40,167.00 | \$25,167.00 |
| E. | Administration | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| F. | Other | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| G. | Operations | | \$5,000.00 | \$5,000.00 | \$5,000.00 | \$2,500.00 |
| H. | Demolition | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| I. | Development | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| J. | Capital Fund Financing – Debt Service | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| K. | Total CFP Funds | | \$120,167.00 | \$120,167.00 | \$120,167.00 | \$120,167.00 |
| L. | Total Non-CFP Funds | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| M. | Grand Total | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2008

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MALCOLM JOHNSON & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 530848

210 N. Highway 17-92

DeBary, Florida 32753-0848

Phone (386) 668-6464 Fax (386) 668-6463

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Macclenny Housing Authority
Macclenny, Florida

HUD, Jacksonville Area Office
Office of Public Housing
301 W. Bay Street, Suite 2200
Jacksonville, Florida 32202

We have audited the basic financial statements of the Macclenny Housing Authority ("the Authority") as of and for the year ended June 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Authority'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 basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2008, and the 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2009, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

The Macclenny Housing Authority has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to supplement, although not be a part of, the basic financial statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Authority. The supplemental information as listed in the table of contents are presented for purposes of additional analysis and are 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.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 31, 2009

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

As management of Macclenny Housing Authority (the Authority), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

Financial Highlights

- The assets of the Authority exceeded its liabilities as of June 30, 2008 by \$1,613,029 (net assets).
- The Authority's unrestricted net assets as of June 30, 2008 were \$80,348.
- The Authority's total operating revenue was \$560,203, which primarily consisted of operating grant revenue received from the United States Department of Housing and Urban Development in the amount of \$280,700, tenant revenue of \$276,317.

Overview of Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Assets** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Assets** – the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded. It also provides an explanation of the change in net assets from the previous fiscal year end to the current fiscal year end.
- **Statement of Cash Flows** – reports the Authority's cash flows in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The **Notes to Basic Financial Statements** also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The attached analysis of entity wide net assets, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Our analysis of the Authority as a whole begins on the next page.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net assets, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net assets analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net assets are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

Overview of Financial Statements (Continued)

At FYE 2008, total assets were \$1,532,681; total current assets were \$120,028.

In addition, total liabilities were \$39,680; total current liabilities were \$29,439, the liability related to security deposits were \$8,165; and total long-term (noncurrent) liabilities were \$2,076 at the end of FYE 2008.

Net Assets – The difference between an organization's assets and its liabilities equals its net assets. There are three categories in which to classify Net assets and they are the following:

Invested in capital assets, net of related debt – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets:

Restricted – net assets whose use is subject to constraints imposed by law or agreement;

Unrestricted – net assets that are not invested in capital assets subject to restrictions.

Comparative Financial Information

Assets, Liabilities and Net Assets:

| | <u>2007</u> | <u>2008</u> |
|--|----------------------------|----------------------------|
| ASSETS | | |
| Current Assets | \$ 114,708 | \$ 120,028 |
| Net Capital Assets | 1,640,371 | 1,532,681 |
| Total Assets | <u>1,755,079</u> | <u>1,652,709</u> |
| LIABILITIES | | |
| Current Liabilities | 31,976 | 29,439 |
| Current Liabilities Payable From Restricted Assets | - | 8,165 |
| Noncurrent Liabilities | 9,949 | 2,076 |
| Total Liabilities | <u>41,925</u> | <u>39,680</u> |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | 1,640,371 | 1,532,681 |
| Unrestricted net assets | 72,783 | 80,348 |
| Total Net Assets | <u>1,713,154</u> | <u>1,613,029</u> |
| Total Liabilities and Net Assets | <u>\$ 1,755,079</u> | <u>\$ 1,652,709</u> |

Cash held at June 30, 2008 was \$99,044 and the related liability for tenant security deposits was \$8,165. Cash and investments increased by \$5,487 representing a 6% increase from the prior fiscal year. Receivables increased by \$346, this includes a net increase in tenant accounts receivable of \$947 and a decrease of \$601 from other government programs.

MACCLENNY HOUSING AUTHORITY
Maccleddy, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

Total liabilities decreased \$2,245 over the prior year primarily related to a decrease in accounts payable of \$3,443 and long term compensated absences of \$7,873; increases to payroll tax payable of \$888, current compensated absences of \$4,615, and deferred revenue of \$1,161, tenant security deposits of \$880 and accounts payable other government of \$1,527.

There was a decrease in net assets of \$100,125 as a result of having a net loss for the year which is explained below.

Revenue, Expenses and Changes in Net Assets:

| | <u>2007</u> | <u>2008</u> |
|---|-----------------------------------|-----------------------------------|
| Operating Revenue | | |
| Tenant Rent | 226,624 | 276,317 |
| HUD Grants | 227,590 | 280,700 |
| Other Revenue | 39,578 | 3,186 |
| Total Operating Revenue | <u>493,792</u> | <u>560,203</u> |
| Operating Expenses | | |
| Administrative | 127,916 | 157,148 |
| Tenant Services | 1,570 | - |
| Utilities | 152,505 | 148,576 |
| Ordinary maintenance and operation | 145,886 | 183,985 |
| Insurance | 33,692 | 34,648 |
| General expenses | 20,320 | 32,342 |
| Depreciation expense | 151,766 | 152,414 |
| Total Operating Expenses | <u>633,655</u> | <u>709,113</u> |
| Operating Loss | <u>(139,863)</u> | <u>(148,910)</u> |
| Nonoperating Revenue | | |
| Investment income - unrestricted | 4,150 | 4,060 |
| Capital Grants | - | 96,773 |
| Total Nonoperating Revenue | <u>4,150</u> | <u>100,833</u> |
| Net Loss | <u>(135,713)</u> | <u>\$ (48,077)</u> |
| Net Assets, beginning of year | | |
| Net Assets, beginning of year, restated | <u>1,848,867</u> | <u>1,661,106</u> |
| Net Assets, end of year | <u><u>\$ 1,713,154</u></u> | <u><u>\$ 1,613,029</u></u> |

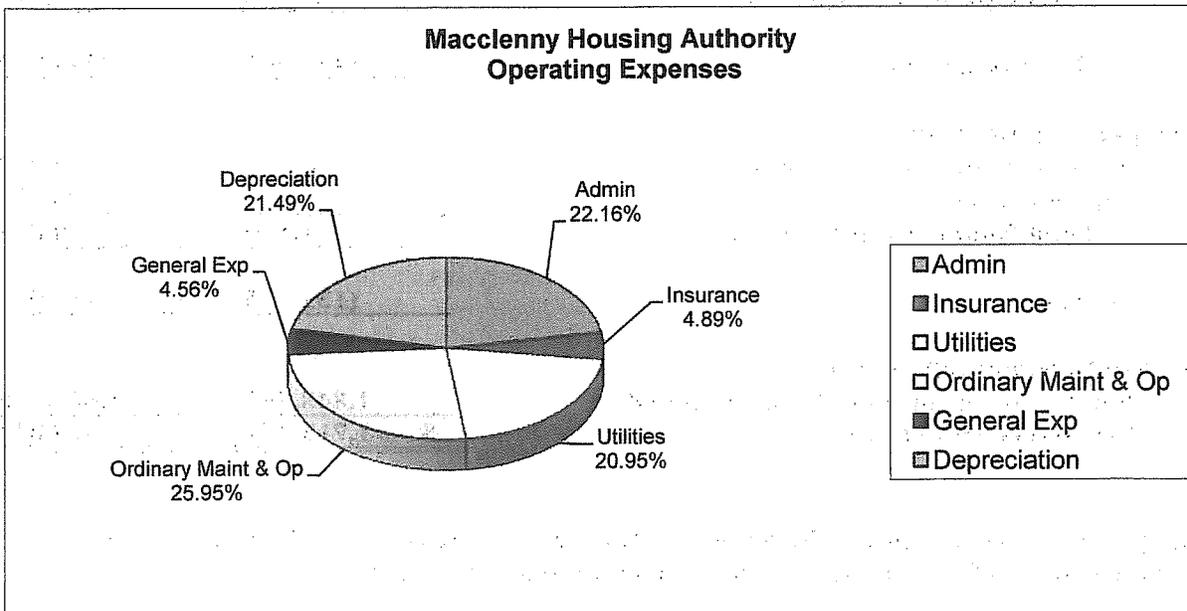
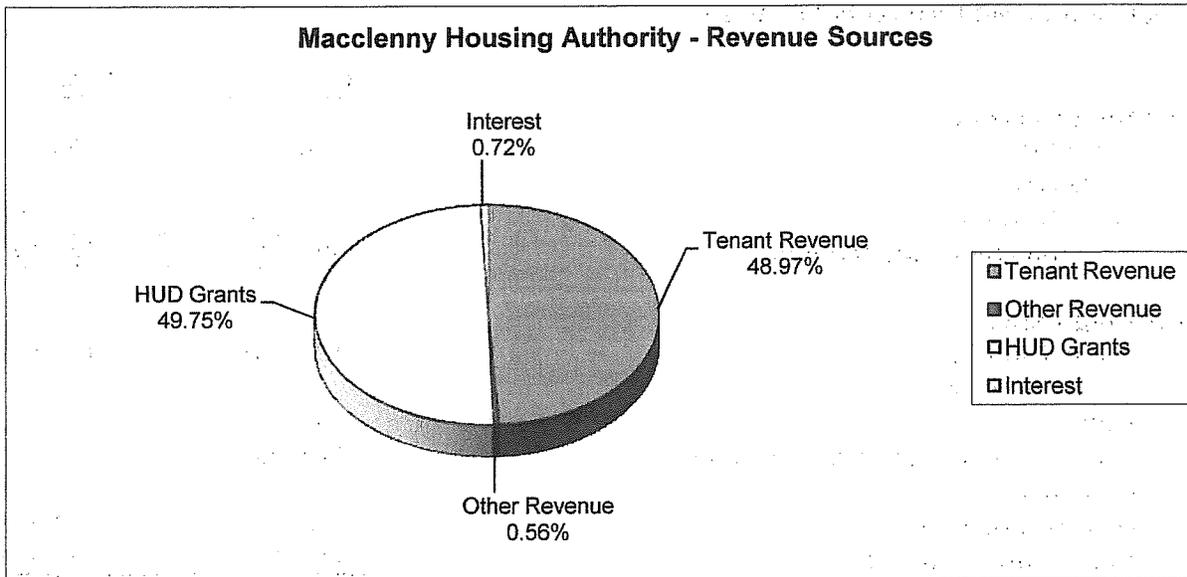
Overall operating revenue increased by \$66,411. There was an increase in HUD operating grants of \$53,110; and tenant rent of \$49,693. There was a decrease in other revenue of \$36,392.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

The over all cost of general operations increased by \$75,458 due mainly to increases in administrative expenses of \$29,232; ordinary maintenance of \$38,099, insurance of \$956, general expenses of \$12,022 and depreciation of \$648; decreases were to tenant services of \$1,570 and utilities of \$3,929.

In FYE 2008, total operating revenue was \$560,203 and non operating revenue was \$100,833, while total operating expenses were \$709,113. This resulted in a \$48,077 net loss. Capital improvements are paid directly through the Capital Fund Program rather than from operating accounts.



MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

Fund Accounting

Many of the funds maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Authority's Funds

- PHA Owned Housing – Low Rent Public Housing (CFDA #14.850a)
- Public Housing Capital Fund Program (CFDA #14.872)

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development,
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income,
- Inflationary pressure on utility rates, supplies and other costs.
- Hurricane related damages and hurricane impact upon the rental market.

Capital Asset And Debt Activity

There were additions to building due to capital improvements of \$96,773. Total net capital assets decreased by \$107,690 mainly due to depreciation for the year of \$204,463, which includes a prior year adjustment of \$52,048.

Long-Term Debt

The Authority does not have any long-term debt.

Contacting The Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Dave Manning – Executive Director, Macclenny Housing Authority, 402 Stansell Avenue, P.O. Box 977, Macclenny, Florida 32063 at telephone number (904) 259-6881.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

STATEMENT OF NET ASSETS
JUNE 30, 2008

ASSETS

Current assets

| | | |
|---|----|-----------------------|
| Cash and cash equivalents, unrestricted | \$ | 90,879 |
| Cash and cash equivalents, restricted | | 8,165 |
| Accounts receivable | | 2,589 |
| Due from other governments | | 939 |
| Inventories | | 9,060 |
| Prepaid items | | 8,396 |
| Total current assets | | <u>120,028</u> |

Noncurrent assets

Capital assets

| | | |
|----------------------------------|--|-------------------------|
| Not being depreciated | | 500,000 |
| Depreciable, net | | 1,032,681 |
| Total capital assets, net | | <u>1,532,681</u> |

Total assets

1,652,709

LIABILITIES

Current liabilities

| | | |
|----------------------------------|--|----------------------|
| Vendors and contractors payable | | 9,754 |
| Accrued wages/taxes payable | | 888 |
| Accrued compensated absences | | 5,720 |
| Due to City of Macclenny (PILOT) | | 11,231 |
| Deferred revenues | | 1,846 |
| Total current liabilities | | <u>29,439</u> |

Current liabilities payable from restricted assets

| | | |
|----------------------------|--|-------|
| Resident security deposits | | 8,165 |
|----------------------------|--|-------|

Noncurrent liabilities

| | | |
|------------------------------|--|-------|
| Accrued compensated absences | | 2,076 |
|------------------------------|--|-------|

Total liabilities

39,680

NET ASSETS

| | | |
|----------------------------|-----------|-------------------------|
| Invested in capital assets | | 1,532,681 |
| Unrestricted | | 80,348 |
| Total net assets | \$ | <u>1,613,029</u> |

The accompanying notes are an integral part of these basic financial statements.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

| | | |
|--|-----------|-------------------------|
| Operating revenues | | |
| Rental revenue | \$ | 239,238 |
| Other revenue | | 37,079 |
| Total operating revenues | | <u>276,317</u> |
| Operating expenses | | |
| Administrative | | 157,148 |
| Utilities | | 148,576 |
| Ordinary maintenance & operation | | 183,985 |
| Insurance | | 34,648 |
| General expenses | | 32,342 |
| Depreciation | | 152,414 |
| Total operating expenses | | <u>709,113</u> |
| Operating loss | | <u>(432,796)</u> |
| Nonoperating revenues | | |
| HUD grants | | 280,700 |
| Interest revenue, unrestricted | | 4,060 |
| Other revenue | | 3,186 |
| Total nonoperating revenues | | <u>287,946</u> |
| Loss before contributions | | <u>(144,850)</u> |
| Capital contributions | | <u>96,773</u> |
| Decrease in net assets | | <u>(48,077)</u> |
| Net assets, beginning of year, restated | | <u>1,661,106</u> |
| Net assets, end of year | \$ | <u><u>1,613,029</u></u> |

The accompanying notes are an integral part of these basic financial statements.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

| | |
|---|-------------------------|
| Cash Flows From Operating Activities | |
| Receipts from dwelling rentals | \$ 239,171 |
| Other receipts | 42,111 |
| Payments to employees and suppliers | (562,684) |
| Net cash used by operating activities | <u>(281,402)</u> |
| Cash Flows From Noncapital Financing Activities | |
| Operating grants | <u>282,828</u> |
| Cash Flows From Capital and Related Financing Activities | |
| Capital contributions | 96,773 |
| Purchases of capital assets | (96,772) |
| Net cash used by capital and related financing activities | <u>1</u> |
| Cash Flows From Investing Activities | |
| Interest | <u>4,060</u> |
| Net cash provided by investing activities | <u>4,060</u> |
| Net increase in cash and cash equivalents | 5,487 |
| Balance - beginning of the year | <u>93,557</u> |
| Balance - end of the year | <u><u>\$ 99,044</u></u> |
| Reconciliation of Cash Flows to Statement of Net Assets | |
| Cash and cash equivalents, unrestricted | \$ 90,879 |
| Cash and cash equivalents, restricted | 8,165 |
| | <u><u>\$ 99,044</u></u> |

There are no non-cash transactions.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(Continued)

Reconciliation of Net Operating Loss to
Net Cash Used By Operating Activities

| | |
|---|----------------------------|
| Operating loss | \$ (432,796) |
| Adjustments to reconcile net operating loss to net cash used by operating activities: | |
| Depreciation elimination | 152,414 |
| Increase in accounts receivable | (947) |
| Increase in inventory | (6) |
| Increase in prepaid expenses | 519 |
| Decrease in security deposits | 880 |
| Decrease in accounts payable | (3,443) |
| Decrease in accrued wages | 888 |
| Decrease in compensated absences | (3,258) |
| Decrease in accrued liabilities | (685) |
| Decrease in deferred credits | 1,846 |
| Fraud recovery, other revenue, other expense and transfers to other entities reported as nonoperating | 3,186 |
| Net cash used by operating activities | <u>\$ (281,402)</u> |

The accompanying notes are an integral part of these basic financial statements.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

A - Summary of Significant Accounting Policies and Organization:

1. **Organization:** Macclenny Housing Authority ("the Authority") is a public body corporate and politic pursuant to Chapter 421, Laws of the State of Florida which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U. S. Department of Housing and Urban Development (HUD) and other Federal Agencies.
2. **Reporting Entity:** In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14, (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has no component units.

The basic financial statements of the Macclenny Housing Authority consist primarily of Low Rent Public Housing under Annual Contributions Contract A-2974.

3. **Summary of HUD Programs:** The accompanying basic financial statements consist of the activities of the housing programs subsidized by HUD. A summary of each of these programs and the related contracts with HUD is provided below.
 - a. **Annual Contributions Contract A-2974**
 - 1) **Low Rent Public Housing:** This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.
 - 2) **Modernization and Development:** Substantially all additions to land, buildings, and equipment are accomplished through the Capital Fund Program. This program adds to, replaces or materially upgrades deteriorated portions of the Authority's housing units. Funding is provided through this program established by HUD.
4. **Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the basic financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP).

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

4. Basis of Presentation and Accounting: (Continued)

Based upon compelling reasons offered by HUD, the Authority reports its basic financial statements as a special purpose government engaged solely in business-type activities, which is similar to the governmental proprietary fund type (enterprise fund), which uses the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. Pursuant to the election option made available by *GASB Statement No. 20, Pronouncements of the Financial Accounting Standards Board (FASB)* issued after November 30, 1989 are applied in the preparation of the basic financial statements, unless those pronouncements conflict with or contradicts GASB pronouncements.

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net asset categories:

Invested in Capital Assets, Net of Related Debt – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted - Net assets whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or the expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

Unrestricted – Net assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

- 5. Budgets:** Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a “project length” basis. Budgets are not, however, legally adopted nor legally required for basic financial statement presentation.
- 6. Cash and Cash Equivalents:** For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents.
- 7. Interprogram Receivables and Payables:** Interprogram receivables/payables, when present, are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all interprogram balances net zero. Offsetting due to/due from balances are eliminated for the basic financial statement presentation.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

- 8. Investments:** Investments, when present, are recorded at fair value. Investment instruments consist only of items specifically approved for public housing agencies by HUD. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name. It is the Authority's policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Florida.
- 9. Inventories:** Inventories (consisting of materials and supplies) are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, the Authority establishes an allowance for obsolete inventory. In accordance with the consumption method, inventory is expensed when items are actually placed in service.
- 10. Prepaid Items:** Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid items.
- 11. Use of Estimates:** The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- 12. Fair Value of Financial Instruments:** The carrying amount of the Authority's financial instruments at June 30, 2008 including cash, investments, accounts receivable, and accounts payable closely approximates fair value.
- 13. Capital Assets:**

 - a. Book Value:** All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentation.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

13. Capital Assets: (Continued)

- b. **Depreciation:** The cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year following completion.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

| | |
|-------------------------|----------|
| Buildings | 40 years |
| Building modernization | 10 years |
| Furniture and Equipment | 5 years |

- c. **Maintenance and Repairs Expenditures:** Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$100 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

14. **Compensated Absences:** Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with *GASB Statement No. 16*. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.

15. **Annual Contribution Contracts:** Annual Contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

16. **Risk Management:** The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for certain risks of loss, including fidelity bond, and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

16. Risk Management: (Continued)

The Authority participates in public entity risk pool (Housing Authority Risk Retention Group) for all risks of loss, including workers' compensation, general liability, fire and extended coverage, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded risk pool coverage in any of the past three fiscal years. Rights and responsibilities of the Authority and the pool are contained within the pool agreement and the scope of coverage documents.

17. Use of Restricted Assets: It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

18. Operating Revenues and Expenses: The principal operating revenues of the Authority's enterprise fund are charges to customers for rents and services. Operating expenses for the Authority's enterprise fund include the cost of providing housing and services, administrative expenses and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

B - Deposits and Investments: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable certificates of deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

1. HUD Deposit and Investment Restrictions

HUD requires authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

2. Risk Disclosures

a. Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the Authority's investment portfolio to maturities not to exceed two years at time of purchase.

At June 30, 2008, the Authority's deposits and investments were not limited and all of which are either available on demand or have maturities of less than two years.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

B - Deposits and Investments: (Continued)

2. Risk Disclosures (Continued)

- b. **Credit Risk:** This is risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority's investment policy is that none of its total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and instrumentalities.
- c. **Custodial Credit Risk:** This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All of the Authority's investments in securities are held in the name of the Authority. The Authority's custodial agreement policy prohibits counterparties holding securities not in the Authority's name.

The carrying amounts of the Authority's cash deposits were \$99,044 at June 30, 2008. Bank balances before reconciling items were \$116,517 at that date, the total amount of which was collateralized or insured with securities held by an unaffiliated banking institution in the Authority's name.

C - Accounts Receivable:

Dwelling rents (net of allowance for doubtful accounts of \$288) \$ 2,589

D - Due From Other Governments:

Baker County Housing Assistance Payment Program \$ 939

E - Land, Buildings and Equipment:

| | Balance June 30, 2007 | Adjustment to restate Beginning Balance | Adjusted Beginning Balance | Additions | Deletions | Balance June 30, 2008 |
|---|-----------------------------|--|----------------------------------|--------------------|-------------|-----------------------------|
| Not being depreciated: | | | | | | |
| Land | \$ 500,000 | \$ - | \$ 500,000 | \$ - | \$ - | \$ 500,000 |
| Total not being depreciated | 500,000 | - | 500,000 | - | - | 500,000 |
| Depreciable: | | | | | | |
| Buildings & improvements | 2,563,379 | - | 2,563,379 | 96,773 | - | 2,660,152 |
| Accumulated depreciation | (1,537,887) | - | (1,537,887) | (122,894) | - | (1,660,781) |
| Net buildings & improvements | 1,025,492 | - | 1,025,492 | (26,121) | - | 999,371 |
| Equipment | 261,698 | - | 261,698 | - | (708) | 260,990 |
| Accumulated depreciation | (146,819) | (52,048) | (198,867) | (29,521) | 708 | (227,680) |
| Net equipment | 114,879 | (52,048) | 62,831 | (29,521) | - | 33,310 |
| Net depreciable assets | 1,140,371 | (52,048) | 1,088,323 | (55,642) | - | 1,032,681 |
| TOTAL | \$ 1,640,371 | \$ (52,048) | \$ 1,588,323 | \$ (55,642) | \$ - | \$ 1,532,681 |

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

F - Schedule of Changes in Noncurrent Liabilities:

| | <u>June 30, 2007</u> | | <u>Additions</u> | <u>Payments</u> | <u>June 30, 2008</u> | |
|----------------------|------------------------|--------------------------|------------------|-----------------|------------------------|--------------------------|
| | <u>Current Portion</u> | <u>Long-Term Portion</u> | | | <u>Current Portion</u> | <u>Long-Term Portion</u> |
| Compensated absences | <u>\$ 1,105</u> | <u>\$ 9,949</u> | <u>\$</u> | <u>\$ 3,258</u> | <u>\$ 5,720</u> | <u>\$ 2,076</u> |

G - Due To Other Governments:

| | |
|---------------------------|-----------------|
| City of Macclenny (PILOT) | <u>\$11,231</u> |
|---------------------------|-----------------|

H - Annual Contributions by Federal Agencies:

Annual Contributions Contract A-2974 - Pursuant to the Annual Contributions Contract, HUD contributes an operating subsidy approved in the operating budget under the Annual Contributions Contract. HUD operating subsidy contributions for the year ended June 30, 2008 were \$186,739 HUD also contributed additional funds for modernization and operations in the amount of \$190,734 for the year ended June 30, 2008.

I - Retirement Commitments:

a. Plan Description: The Authority contributes to the Florida Retirement System (FRS) since FYE 2000, a cost-sharing multiple-employer defined benefit pension plan administered by the State. FRS provides retirement, disability and survivor benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by State Statute per Chapter 112 of the Florida Code. The Florida Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to Division of Retirement, Cedars Executive Center, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399-1560.

b. Funding Policy: The Florida Statutes Code provides statutory authority for employer contributions. The 2008 employer contribution rate for local government employer units was 9.85% of covered payroll. The Authority's contribution and covered payroll for the current and past three years are as follows:

| <u>June 30,</u> | <u>Percentage</u> | <u>Covered Payroll</u> | <u>Contributions</u> |
|-----------------|-------------------|------------------------|----------------------|
| 2008 | 9.85% | \$ 89,500 | \$ 8,798 |
| 2007 | 9.00% | 83,771 | 7,523 |
| 2006 | 7.50% | 86,143 | 6,453 |

c. Disability Benefits: There are two types of disability retirement under the FRS: in-line-of-duty disability and regular disability. To qualify, a member must be totally and permanently disabled to the extent he or she is unable to work. A member is eligible to apply for in-line-of-duty disability on the first day of employment. To be eligible to apply for regular disability, a member must complete ten years of creditable service: unless he had completed five years of creditable service as of July 1, 1980 or he was a member on July 1, 1980, completes five years of creditable service and is not fully insured for Social Security benefits. The minimum option 1 benefit under disability retirement is 42% of AFC for in-line-of-duty disability and 25% of AFC for regular disability.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

I - Retirement Commitments: (Continued)

- d. Survivor Benefits:** If death occurs in the line-of-duty, a member's spouse will receive a monthly benefit of one-half the member's monthly salary at death, payable for his or her lifetime. If the spouse dies, the benefit will continue to the member's children until the youngest child reaches age 18 or is married, if earlier.

If employment is terminated by death other than in-line-of-duty before becoming vested, the designated beneficiary will receive a refund of any member-paid retirement contributions. If a member dies within 1 year of vesting, a joint annuitant may be eligible to purchase enough service credit to vest the deceased member and receive monthly benefits.

If the member was vested at death, the beneficiary may receive a refund of contributions paid by the member or, if the beneficiary qualifies as a joint annuitant, a lifetime monthly benefit calculated as though the member had retired on the date of death and had chosen option 3, unless the joint annuitant is the member's child or other dependent for whom the member has guardianship, in which case, effective January 1, 1996, he or she will receive the member's maximum benefit only until age 25, or, if disabled, until he or she is no longer disabled.

- J - Defined Contribution Pension Plan:** The Authority provides pension benefits for certain of its full-time employees through a defined contribution plan entitled "Macclenny Housing Pension Plan". The plan is administered by Metropolitan Life Insurance Company. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Board of Commissioners for the Authority is authorized to establish and amend plan benefits. Employees are eligible to from the date of employment. The Authority contributes 6.75% of the employee's base salary each month. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after five (5) years of continuous service, or until age 65, whichever is first. Authority contributions for, and interest forfeited by, employees who leave employment before vesting are used to reduce the Authority's current-period contribution requirement.

The Authority's total payroll in fiscal year 2008 was \$58,500. The Authority's and employee's contributions were calculated using the same amount. The Authority made the required contributions amounting to \$3,775.

- K - Economic Dependency:** The Authority receives approximately 46% of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's reserves could be adversely affected.
- L - Contingencies:** The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. There was no such examination for the year ended June 30, 2008.
- M - Conduit Type Debt:** Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by HUD. There is no debt or pledge of faith and credit on part of the Authority. Accordingly, this debt has not been recorded in the basic financial statements of the Authority. Additionally, HUD no longer provides debt service information to the Authority.

MACCLENNY HOUSING AUTHORITY
Macclenny, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2008
(Continued)

N - Leasing Activities (as Lessor): The Authority is the lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Revenues associated with these leases are recorded in the financial statements and schedules as "Rental Revenue". Rental Revenue per dwelling unit generally remains consistent from year to year, but is affected by general economic conditions which impact personal income and local job availability.

O - Interprogram Transfers: The Authority will make cash transfers between its various programs as outlined in the Federal Regulations and authorized and approved by the Authority's Board of Commissioners. There were transfers of \$10,000 from the Capital Fund Program to Low Rent Public Housing during the year ended June 30, 2008.

P - Decrease in Net Assets – Current Year: The net loss for the current year will be absorbed through operations in subsequent fiscal years, assisted by transfers from Capital Fund Programs. No deficit is expected as a result of the current year loss.

Q - Schedule of Changes in Net Assets:

| | Invested in Capital Assets - Net of Related Debt | Unrestricted Net Assets | Total |
|---|---|----------------------------|---------------------|
| Balance - beginning of year | \$ 1,640,371 | \$ 72,783 | \$ 1,713,154 |
| Adjustments to restate beginning balance | - | (52,048) | (52,048) |
| Balance - beginning of year, restated | 1,640,371 | 20,735 | 1,661,106 |
| Increase in unrestricted net assets | - | 59,613 | 59,613 |
| Decrease in investment in capital assets | (107,690) | - | (107,690) |
| Balance - end of year | <u>\$ 1,532,681</u> | <u>\$ 80,348</u> | <u>\$ 1,613,029</u> |
| Adjustments to restate beginning balance: | | | |
| Prior year correction - depreciation | \$ - | \$ (52,048) | \$ (52,048) |
| Net adjustments to restate beginning balance | <u>\$ -</u> | <u>\$ (52,048)</u> | <u>\$ (52,048)</u> |

SUPPLEMENTAL INFORMATION

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CERTIFIED PUBLIC ACCOUNTANTS
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Phone (386) 668-6464 Fax (386) 668-6463

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

Board of Commissioners
Macclenny Housing Authority
Macclenny, Florida

HUD, Jacksonville Area Office
Office of Public Housing
301 W. Bay Street, Suite 2200
Jacksonville, Florida 32202

We have audited the basic financial statements of the Macclenny Housing Authority ("the Authority") as of and for the year ended June 30, 2008, and have issued our report thereon dated March 31, 2009. 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 Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

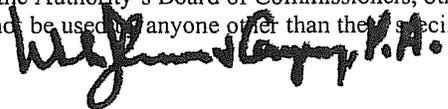
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the basic financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provision of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Authority's management, the Authority's Board of Commissioners, others within the entity, and the U.S. Department of HUD and is not intended to be and should not be used by anyone other than the specified parties.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
March 31, 2009

**MACCLENNY HOUSING AUTHORITY
Macclenny, Florida**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2008**

FINDINGS AND RESPONSES

There were no Findings.

PRIOR AUDIT FINDINGS

There were no non A-133 Findings in the prior year.

