

1.0	PHA Information PHA Name: <u>McDonough Housing Authority</u> PHA Code: <u>GA182</u> PHA Type: <input checked="" type="checkbox"/> Small <input type="checkbox"/> High Performing <input checked="" type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>04/2010</u>																										
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: <u>118</u> Number of HCV units: <u>0</u>																										
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.)																										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="width: 35%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 20%;">Program(s) Included in the Consortia</th> <th rowspan="2" style="width: 20%;">Programs Not in the Consortia</th> <th colspan="2" style="width: 15%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 5%;">PH</th> <th style="width: 5%;">HCV</th> </tr> </thead> <tbody> <tr> <td>PHA 1:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 2:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 3:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program		PH	HCV	PHA 1:						PHA 2:						PHA 3:					
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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 Attached																										
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 Attached																										
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 Attached																										
8.0	Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. See Attached																										
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.																										
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.																										
8.3	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.																										
9.0	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. See Attached																										

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>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested. See Attached</p> <ul style="list-style-type: none"> (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. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”
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> <ul style="list-style-type: none"> (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) (b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only) (c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only) (d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only) (e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only) (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. (g) Challenged Elements (h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only) (i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)

MCDONOUGH HOUSING AUTHORITY

**FY2010 FIVE-YEAR AGENCY PLAN AND
ANNUAL UPDATE INFORMATION**

5.0 Five-Year Plan

5.1 Mission Statement

To provide safe, decent and sanitary housing to low and very-low income families, in an environment that fosters self-sufficiency and community pride.

5.2 Goals and Objectives

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

- PHA Goal: Expand the supply of assisted housing
Objectives:
 - Apply for additional rental vouchers:
 - Reduce public housing vacancies:
 - Leverage private or other public funds to create additional housing opportunities:
 - Acquire or build units or developments
 - Other (list below)

- PHA Goal: Improve the quality of assisted housing
Objectives:
 - Improve public housing management: (PHAS score)
 - Improve voucher management: (SEMAP score)
 - Increase customer satisfaction:
 - Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
 - Renovate or modernize public housing units:
 - Demolish or dispose of obsolete public housing:
 - Provide replacement public housing:
 - Provide replacement vouchers:
 - Other: (list below)

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

- PHA Goal: Provide an improved living environment
- Objectives:
 - Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:
 - Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
 - Implement public housing security improvements:
 - Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
 - Other: (list below)

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

- PHA Goal: Promote self-sufficiency and asset development of assisted households
- Objectives:
 - Increase the number and percentage of employed persons in assisted families:
 - Provide or attract supportive services to improve assistance recipients' employability:
 - Provide or attract supportive services to increase independence for the elderly or families with disabilities.
 - Other: (list below)

Work with city/county organizations to use community space for programs geared to residents.

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

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

Continue to follow HUD prescribed guidelines in the admission to and occupancy of public housing.

6.0 PHA Plan Update

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

The Financial Resources and Fiscal Audit have been revised since the submission of the FY2009 Agency Plan.

All other PHA Plan elements are also readily available to the public.

- (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 McDonough Housing Authority Main Office which is located at 945 Simpson Street in McDonough, Georgia.

2. Financial Resources

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

Funding Source	Amount	Use
FY2010 PH Operating Fund	\$200,000	Operations
FY2010 Capital Fund Program	\$168,948	Modernization
FY2009 Capital Fund Program	\$168,948	Modernization
FY2009 ARRA Grant	\$214,977	Modernization
FY2008 Capital Fund Program	\$169,835	Modernization
Dwelling Rental	\$247,800	Operations
Other Tenant Income	\$20,000	Operations
Interest	\$2,250	Operations
Total	\$1,192,758	

10. Civil Rights

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

1. Consolidated Plan jurisdiction: State of Georgia
2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)
 - The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
 - The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
 - The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
 - Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)

 - Other: (list below)
3. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

The State of Georgia Consolidated Plan supports the McDonough Housing Authority's Agency Plan with the following Strategic Plan Priority:

To increase the number of Georgia's low and moderate-income households who have obtained affordable, rental housing free of overcrowded and structurally substandard conditions.

11. Fiscal Audit

The Fiscal Audit for the year ended December 31, 2008 will be on display with the Agency Plan.

13. Violence Against Women Act (VAWA)

The McDonough 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. To be admitted to the program, the applicant must meet all other admission requirements.

Next, the Authority will not terminate 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.

The Housing Authority provides all applicants with information regarding the Violence Against Women 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

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

b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:

2. Development (project) number:

3. Status of grant: (select the statement that best describes the current status)

Revitalization Plan under development

Revitalization Plan submitted, pending approval

Revitalization Plan approved

Activities pursuant to an approved Revitalization Plan underway

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?

If yes, list development name/s below:

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?

If yes, list developments or activities below:

Yes No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?

If yes, list developments or activities below:

(b) Demolition and/or Disposition

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

2. Activity Description

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

Demolition/Disposition Activity Description
1a. Development name: 1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(DD/MM/YYYY)</u>
5. Number of units affected: 6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: 0/00/0000 b. Projected end date of activity: 00/00/0000

(c) **Conversion of Public Housing**

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

2. Activity Description

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

Conversion of Public Housing Activity Description

1a. Development name:

1b. Development (project) number:

2. What is the status of the required assessment?

- Assessment underway
- Assessment results submitted to HUD
- Assessment results approved by HUD (if marked, proceed to next question)
- Other (explain below)

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

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

- Conversion Plan in development
- Conversion Plan submitted to HUD on: (DD/MM/YYYY)
- Conversion Plan approved by HUD on: (DD/MM/YYYY)
- Activities pursuant to HUD-approved Conversion Plan underway

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

- Units addressed in a pending or approved demolition application (date submitted or approved:)
- Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved:)
- Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved:)
- Requirements no longer applicable: vacancy rates are less than 10 percent
- Requirements no longer applicable: site now has less than 300 units
- Other: (describe below)

(d) Homeownership

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

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

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

(e) Project-Based Vouchers

The McDonough Housing Authority does not operate a Tenant-Based Section 8 Program. Therefore, this section of the Agency Plan is not applicable.

8.0 Capital Improvements

8.1 Capital Fund Annual Statement/Performance and Evaluation Report

See attachments:

ga182a01 – FY2010 CFP Annual Statement
ga182c01 – FY2009 CFP Performance and Evaluation Report
ga182d01 – FY2008 CFP Performance and Evaluation Report
ga182e01 – FY2007 CFP Performance and Evaluation Report
ga182g01 – FY2009 ARRA Grant

8.2 Capital Fund Program Five-Year Plan

See attachment:

ga182b01 – FY2010-2014 CFP Five-Year Plan

8.3 Capital Fund Financing Program (CFFP)

At this time, the MHA has no plans to use the Capital Fund Financing Program.

9.0 Housing Needs

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

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

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford- ability	Supply	Quality	Access- ibility	Size	Loca- tion
Income <= 30% of AMI	200	5	5	5	3	4	3
Income >30% but <=50% of AMI	95	4	4	4	3	3	3
Income >50% but <80% of AMI	90	3	3	3	3	3	3
Elderly	60	4	4	4	3	2	3
Families with Disabilities	145	4	4	4	5	3	3
Black	250	4	4	3	3	3	3
White	155	3	3	3	3	3	3
Hispanic	30	3	3	4	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

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
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required

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.

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

Reasons for Selecting Strategies

- Funding constraints
- Staffing constraints

10.0 Additional Information

(a) Progress in Meeting Goals and Objectives

The McDonough Housing Authority has evaluated its Five-year Plan and found that it is on target with its goals and objectives.

- The Housing Authority has been able to maintain its mission to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through the utilization of previous funds and the proper application of our public housing policies.
- We are continuing to address public housing vacancies very aggressively and our PHAS scores indicate that other operational issues are being positively addressed. We have improved our most recent PHAS score to 87, and the McDonough Housing Authority is now considered a standard performer.
- Capital funds have been utilized to provide modernization of our properties and our FY2010 application will continue that effort.
- The Housing Authority's staff continually assesses ideas for improvement for the security of tenants.
- The Authority continues to allow admissions and occupancy of public housing based on HUD established guidelines and Federal Regulations.
- We are confident that the Authority will be able to continue to meet and accommodate all of our goals and objectives for FY2010.

(b) Significant Amendment and Substantial Deviation/Modification

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.

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 \$30,000 (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) Revisions of the PHA (ACOP)

The Violence Against Women Act (VAWA) information has been added to the ACOP and also included in the tenant lease.

11.0 Required Submission for HUD Field Office Review

(f) Resident Advisory Board (RAB) comments

There were no comments made by the Resident Advisory Board pertaining to the FY2010-FY2014 Five-Year Agency Plan and Annual Update.

(f) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

At this time, there are no challenges to any of the elements of the PHA’s FY2010-FY2014 Five-Year Agency Plan.

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.

Part I: Summary						
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06S18250109 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2009 FFY of Grant Approval: 2009	
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					
3	1408 Management Improvements					
4	1410 Administration (may not exceed 10% of line 21)					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs	\$15,500.00		\$0.00	\$0.00	
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures	\$199,477.00		\$0.00	\$0.00	
11	1465.1 Dwelling Equipment - Nonexpendable					
12	1470 Nondwelling Structures					
13	1475 Nondwelling Equipment					
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)	\$214,977.00		\$0.00	\$0.00	
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: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06S18250109 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2009 FFY of Grant Approval: 2009
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 undr 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: McDonough Housing Authority			Grant Type and Number Capital Fund Program Grant No: GA06S18250109 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2009		
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>Fees and Costs</u>							
PHA-Wide	Consulting services related to construction management	1430	LS	\$15,500.00		\$0.00	\$0.00	
	Subtotal 1430			\$15,500.00		\$0.00	\$0.00	
	<u>Dwelling Structures</u>							
GA182-001A	Install window security screens	1460	LS	\$14,477.00		\$0.00	\$0.00	
Louis Street	Replace exterior wood doors	1460	LS	\$61,000.00		\$0.00	\$0.00	
	Install heavy duty screen doors	1460	LS	\$39,000.00		\$0.00	\$0.00	
	Install new windows	1460	LS	\$85,000.00		\$0.00	\$0.00	
	Subtotal 1460			\$199,477.00		\$0.00	\$0.00	
	ARRA Total			\$214,977.00		\$0.00	\$0.00	

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 I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250107 Replacement Housing		FFY of Grant: 2007	
		Factor Grant No:		FFY of Grant Approval: 2007	
		Date of CFFP: _____:			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009		<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	\$11,607.00		\$11,607.00	\$11,607.00
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$18,000.00		\$3,001.44	\$3,001.44
8	1440 Site Acquisition				
9	1450 Site Improvement	\$10,000.00		\$0.00	\$0.00
10	1460 Dwelling Structures	\$133,864.00		\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
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)	\$173,471.00		\$14,608.44	\$14,608.44
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				

Part I: Summary						
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250107 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2007 FFY of Grant Approval: 2007	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009 <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	
25	Amount of Line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date		Signature of Public Housing Director		

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 undr 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: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250107 CFFP (Yes/No): Replacement Housing Factor Grant No:				Federal FY of Grant: 2007		
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>							
PHA Wide	Operating Fund	1406	LS	\$11,607.00		\$11,607.00	\$11,607.00	
	Subtotal 1406			\$11,607.00		\$11,607.00	\$11,607.00	
	<u>Fees and Costs</u>							
PHA Wide	Consulting Fees	1430	LS	\$10,000.00		\$3001.44	\$3001.44	
PHA Wide	Lead based paint and asbestos testing including monitoring air quality during AC installation	1430	LS	\$8,000.00		\$0.00	\$0.00	
	Subtotal 1430			\$18,000.00		\$3,001.44	\$3,001.44	
	<u>Site Improvements</u>							
PHA Wide	General Landscaping	1450	LS	\$10,000.00		\$0.00	\$0.00	
	Subtotal 1450			\$10,000.00		\$0.00	\$0.00	
	<u>Dwelling Structures</u>							
GA 182-2B	Install air conditioning and new forced air furnace using existing ductwork (Phase 3)	1460	23 units.	\$83,864.00		\$0.00	\$0.00	
GA 182-3B	Install additional attic insulation	1460	51 units	\$15,000.00		\$0.00	\$0.00	
PHA Wide	Replace roofing	1460	12 Bldgs	\$35,000.00		\$0.00	\$0.00	
	Subtotal 1460			\$133,864.00		\$0.00	\$0.00	
	Capital Fund Program Grant Total			\$173,471.00		\$173,471.00	\$44,109.02	

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 III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: McDonough Housing Authority					Federal FFY of Grant: 2007
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
PHA Wide	9/12/2009		9/12/2011		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Part I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250108 Factor Grant No: Date of CFFP: _____:		Replacement Housing	FFY of Grant: 2008 FFY of Grant Approval: 2008
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009 <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	\$8,775.00		\$0.00	\$0.00
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	\$116,725.00		\$0.00	\$0.00
10	1460 Dwelling Structures	\$43,064.00		\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	\$1,271.00		\$0.00	\$0.00
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)	\$169,835.00		\$0.00	\$0.00
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				

Part I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250108 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2008 FFY of Grant Approval: 2008
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009 <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
25	Amount of Line 20 Related to Energy Conservation Measures				
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 undr 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: McDonough Housing Authority			Grant Type and Number Capital Fund Program Grant No: GA06P18250108 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2008		
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>							
PHA Wide	Operating Fund	1406	LS	\$8,775.00		\$0.00	\$0.00	
	Subtotal 1406			\$8,775.00		\$0.00	\$0.00	
	<u>Site Improvements</u>							
GA 182-2B	Replace tot lot	1450	1 Sys	\$17,615.00		\$0.00	\$0.00	
	Install metal/brick fencing	1450	900 LF	\$38,500.00		\$0.00	\$0.00	
GA 182-3B	Replace tot lot	1450	1 Sys	\$17,610.00		\$0.00	\$0.00	
	Install metal brick fencing	1450	900 LF	\$43,000.00		\$0.00	\$0.00	
	Subtotal 1450			\$116,725.00		\$0.00	\$0.00	
	<u>Dwelling Structures</u>							
GA 182-2B	Replace furnaces	1460	23 units.	\$19,700.00		\$0.00	\$0.00	
GA 182-3B	Install additional attic insulation	1460	23 units	\$14,000.00		\$0.00	\$0.00	
PHA Wide	Replace water heaters	1460	5 Each	\$1,364.00		\$0.00	\$0.00	
PHA Wide	Replace roofing	1460	3 Bldgs.	\$8,000.00		\$0.00	\$0.00	
	Subtotal 1460			\$43,064.00		\$0.00	\$0.00	
	<u>Non-dwelling Equipment</u>							
PHA Wide	Replace maintenance equipment	1475	LS	\$1,271.00		\$0.00	\$0.00	
	Subtotal 1475			\$1,271.00		\$0.00	\$0.00	

Part I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250109 Replacement Housing		FFY of Grant: 2009	
		Factor Grant No:		FFY of Grant Approval: 2009	
		Date of CFFP: _____:			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009		<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	\$7,948.00		\$0.00	\$0.00
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$15,000.00		\$0.00	\$0.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$12,500.00		\$0.00	\$0.00
10	1460 Dwelling Structures	\$133,500.00		\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
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)	\$168,948.00		\$0.00	\$0.00
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				

Part I: Summary						
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250109 Replacement Housing Factor Grant No: Date of CFFP: _____:			FFY of Grant: 2009 FFY of Grant Approval: 2009	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6/30/2009 <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	
25	Amount of Line 20 Related to Energy Conservation Measures					
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 undr 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: McDonough Housing Authority			Grant Type and Number Capital Fund Program Grant No: GA06P18250109 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FY of Grant: 2009		
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>							
PHA Wide	Operations	1406	LS	\$7,948.00		\$0.00	\$0.00	
	Subtotal 1406			\$7,948.00		\$0.00	\$0.00	
	<u>Fees and Costs</u>							
PHA Wide	Consulting services		LS	\$15,000.00		\$0.00	\$0.00	
	Subtotal 1430			\$15,000.00		\$0.00	\$0.00	
	<u>Site Improvements</u>							
PHA Wide	General Landscaping	1450	LS	\$12,500.00		\$0.00	\$0.00	
	Subtotal 1450			\$12,500.00		\$0.00	\$0.00	
	<u>Dwelling Structures</u>							
PHA Wide	Interior painting	1460	LS	\$1,000.00		\$0.00	\$0.00	
	Replace exterior wood doors (Phase 1)	1460	LS	\$40,000.00		\$0.00	\$0.00	
	Install heavy duty screen doors (Phase 1)	1460	LS	\$35,000.00		\$0.00	\$0.00	
	Install new windows (Phase 1)	1460	LS	\$57,500.00		\$0.00	\$0.00	
	Subtotal 1460			\$133,500.00		\$0.00	\$0.00	
	Capital Fund Program Grant Total			\$168,948.00		\$0.00	\$0.00	

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 4/30/20011

Part I: Summary						
PHA Name/Number: McDonough Housing Authority / GA182		Locality (McDonough/Henry Co.: Georgia)			<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	\$149,000.00	\$146,500.00	\$145,500.00	\$144,000.00
C.	Management Improvements		\$0.00	\$0.00	\$0.00	\$0.00
D.	PHA-Wide Non-dwelling Structures and Equipment		\$0.00	\$0.00	\$0.00	\$0.00
E.	Administration		\$0.00	\$0.00	\$0.00	\$0.00
F.	Other		\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
G.	Operations		\$4,948.00	\$7,448.00	\$8,448.00	\$9,948.00
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		\$168,948.00	\$168,948.00	\$168,948.00	\$168,948.00
L.	Total Non-CFP Funds		\$0.00	\$0.00	\$0.00	\$0.00
M.	Grand Total		\$168,948.00	\$168,948.00	\$168,948.00	\$168,948.00

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 (Continuation)						
PHA Name/Number McDonough Housing Authority / GA182		Locality (McDonough/Henry Co.: Georgia)			<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
	PHA Wide	Annual Statement	\$168,948.00	\$22,448.00	\$168,948.00	\$168,948.00
	GA182-1A					
	GA182-1B			\$121,500.00		
	GA182-2					
	GA182-2A					
	GA182-3A					
	GA182-3B			\$25,000.00		

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year 2 FFY 2011			Work Statement for Year: 3 FFY 2012		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual Statement	<u>Operations – 1406/PHA-Wide</u>			<u>Operations – 1406/PHA-Wide</u>		
	Operations	LS	\$4,948.00	Operations	LS	\$7,448.00
	Subtotal 1406		\$4,948.00	Subtotal 1406		\$7,448.00
	<u>Fees and Costs – 1430/PHA-Wide</u>			<u>Fees and Costs – 1430/PHA-Wide</u>		
	Consulting services	LS	\$15,000.00	Consulting services	LS	\$15,000.00
	Subtotal 1430		\$15,000.00	Subtotal 1430		\$15,000.00
	<u>Site Improvements – 1450/PHA-Wide</u>			<u>Site Improvements – 1450/GA182-3B</u>		
	General Landscaping	LS	\$10,000.00	Install Playground Equipment	LS	\$25,000.00
	Subtotal 1450		\$10,000.00	Subtotal 1450		\$25,000.00
	<u>Dwelling Structures – 1460/PHA-Wide</u>			<u>Dwelling Structures – 1460/GA182-1B</u>		
	Interior painting		\$5,000.00	Replace HVAC		\$81,500.00
	Replace exterior wood doors (Phase 2)		\$40,000.00			
	Install heavy duty screen doors (Phase 2)		\$35,000.00	<u>Dwelling Structures – 1460/PHA-Wide</u>		
	Install new windows (Phase 2)		\$54,000.00	Install additional attic insulation		\$40,000.00
	Install exhaust fans in bath		\$15,000.00	Subtotal 1460		\$121,500.00
	Subtotal 1460		\$139,000.00			
	Subtotal of Estimated Cost		\$168,948.00	Subtotal of Estimated Cost		\$168,948.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2009	Work Statement for Year 4 FFY 2013			Work Statement for Year: 5 FFY 2014		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual Statement	<u>Operations – 1406/PHA-Wide</u>			<u>Operations – 1406/PHA-Wide</u>		
	Operations	LS	\$8,448.00	Operations	LS	\$9,948.00
	Subtotal 1406		\$8,448.00	Subtotal 1406		\$9,948.00
	<u>Fees and Costs – 1430/PHA-Wide</u>			<u>Fees and Costs – 1430/PHA-Wide</u>		
	Consulting Fees		\$15,000.00	Consulting Fees		\$15,000.00
	Subtotal 1430	LS	\$15,000.00	Subtotal 1430	LS	\$15,000.00
	<u>Site Improvements – 1450/PHA-Wide</u>			<u>Site Improvements – 1450/PHA-Wide</u>		
	Landscaping including erosion control and removing trees	LS	\$12,500.00	Landscaping including erosion control and removing trees	LS	\$12,500.00
	Subtotal 1450		\$12,500.00	Subtotal 1450		\$12,500.00
	<u>Dwelling Structures – 1460/PHA-Wide</u>			<u>Dwelling Structures – 1460/PHA-Wide</u>		
	Interior painting	LS	\$5,000.00	Interior painting	LS	\$5,000.00
	Replace Domestic Water Heaters	75 units	\$45,000.00	Replace Domestic Water Heaters	100 units	\$55,000.00
	Substantial renovation of kitchens and bathrooms	10 units	\$83,000.00	Install utility meters at Hooton St.	28 units	\$44,500.00
	Subtotal 1460		\$133,000.00	Subtotal 1460		\$104,500.00
				<u>Dwelling Equipment – 1465.1/PHA-Wide</u>		
				Replace refrigerators		\$15,000.00
				Replace ranges		\$12,000.00
				Subtotal 1465.1		\$27,000.00
	Subtotal of Estimated Cost		\$168,948.00	Subtotal of Estimated Cost		\$168,948.00

Part I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250110 Factor Grant No: Date of CFFP: _____:		Replacement Housing	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	\$7,948.00			
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$15,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	\$12,500.00			
10	1460 Dwelling Structures	\$136,000.00			
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
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)	\$168,948.00			
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				

Part I: Summary					
PHA Name: McDonough Housing Authority		Grant Type and Number Capital Fund Program Grant No: GA06P18250110 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
25	Amount of Line 20 Related to Energy Conservation Measures				
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 undr 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: McDonough Housing Authority			Grant Type and Number Capital Fund Program Grant No: GA06P18250110 CFFP (Yes/No): 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>							
PHA Wide	Operations	1406	LS	\$7,948.00				
	Subtotal 1406			\$7,948.00				
	<u>Fees and Costs</u>							
PHA Wide	Consulting services	1430	LS	\$15,000.00				
	Subtotal 1430			\$15,000.00				
	<u>Site Improvements</u>							
PHA Wide	General Landscaping	1450	LS	\$10,000.00				
	Subtotal 1450			\$10,000.00				
	<u>Dwelling Structures</u>							
PHA Wide	Replace roofs	1460	27 bldgs.	\$136,000.00				
	Subtotal 1460			\$136,000.00				
	Capital Fund Program Grant Total			\$168,948.00				

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

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

AUDIT REPORT

For the Year Ended December 31, 2008

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Kendall L. Davis, P.C.

Certified Public Accountant

39 N. Tallahassee Street

Hazlehurst, Georgia 31539

(Ph 912-375-6077 Fax 912-375-6078)

Independent Auditor's Report

Board of Commissioners
Housing Authority of the City of McDonough
McDonough, Georgia

I have audited the accompanying basic financial statements of the Housing Authority of the City of McDonough as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of McDonough's management. My responsibility is to express an opinion on these financial statements based on my audit.

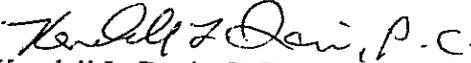
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of McDonough as of December 31, 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, I have also issued my report dated September 11, 2009 on my consideration of the Housing Authority of the City of McDonough's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my 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 my audit.

The management's discussion and analysis on pages 3 through 9 are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the financial statements of Housing Authority of the City of McDonough, taken as a whole. The accompanying financial information listed in the Table of Contents as Supplementary Information and the Financial Data Schedule are presented for purposes of additional analysis and are not a required part of the financial statements. Also, the accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such Supplementary Information and schedules have been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.


Kendall L. Davis, P.C.
Certified Public Accountant

Hazlehurst, Georgia
September 11, 2009

**HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
MCDONOUGH, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

Management's Discussion and Analysis

The management of Housing Authority of the City of McDonough offers the readers of the Authority's financial statements this narrative overview and analysis of the Authority's financial activities for the year ended December 31, 2008. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual fund issues or concerns. Readers should consider the information presented here in conjunction with the Authority's financial statements to obtain a full understanding of its financial position.

This Management's Discussion and Analysis is presented in accordance with the requirements of the Governmental Accounting Standards Board Statement No. 34 (GASB 34). We have made every effort to provide data that allows the reader to gain an adequate understanding of the Authority's annual operating results and financial position as of December 31, 2008.

Questions concerning the information provided in this discussion or requests for additional information should be addressed to the Authority's Executive Director.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$ 1,859,127 (net assets) as opposed to \$ 1,680,312 for the prior fiscal year.
- The Authority's cash and investments balance as of December 31, 2008 was \$285,583 representing an increase of \$ 169,389 from December 31, 2007.
- The Authority had total revenues of \$ 859,975 and total expenses of \$ 661,228 for the year ended December 31, 2008.
- The Authority operates 118 units of conventional public housing in the city of McDonough, Georgia.

Overview of the Financial Reports

The following outline describes the integral parts of this financial presentation and is a guideline for understanding its components:

- I. Management's Discussion and Analysis
Serves as an introduction to the Authority's basic financial statements
- II. Basic Financial Statements
Financial Statements
Notes to financial statements
- III. Other Required Supplementary Information

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

- Statement of Net Assets (Balance Sheet) – presents information about the Authority's assets and liabilities and is similar to a balance sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Assets," formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year), and "non-current." Increases or decreases in net assets will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- Statement of Revenues, Expenses and Changes in Fund Net Assets – reports the authority's revenues by source and type and its expenses by category to substantiate the change in net assets for the fiscal year.
- Statement of Cash Flows – discloses net cash provided by, or used for operating activities, non-capital financing activities, capital and related financing activities, and investing activities.

Our analysis of the Authority as a whole follows with the most important question, "Has the Authority's financial health improved or worsened as a result of the year's activities?" The following analysis of entity-wide net assets, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual method of accounting, which recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

Analysis of Authority-Wide Net Assets (Statement of Net Assets)

	<u>2008</u>	<u>2007</u>	<u>Change</u>
ASSETS			
Cash and Investments	285,583	116,194	169,389
Other Current Assets	85,107	36,573	48,534
Capital Assets - Net	1,526,867	1,574,743	(47,876)
Total Assets	1,897,557	1,727,510	170,047
LIABILITIES			
Current Liabilities	38,430	47,198	(8,768)
Noncurrent Liabilities	0	0	0
Total Liabilities	38,430	47,198	(8,768)
NET ASSETS			
Investment in Capital Assets, Net of Related Debt	1,526,867	1,574,743	(47,876)
Unrestricted Assets	332,260	105,569	226,691
Total Net Assets	1,859,127	1,680,312	178,815
Total Liabilities and Net Assets	1,897,557	1,727,510	170,047

Cash and Investments increased \$169,389 which was created by an increase in HUD Operating Grants and the net effect of operations for the year ended December 31, 2008.

Other Current Assets increased based on the following activity for the year:

Increase in HUD receivable for Capital Fund	\$ 50,239
Decrease in tenant accounts receivable / other	(18,992)
Increase in accrued interest receivable	1,627
Increase in prepaid expenses / material inventory	<u>15,660</u>
Total	<u>\$ 48,534</u>

The HUD receivable for Capital Grants was received subsequent to December 31, 2008.

Capital Assets - Net decreased based on capital expenditures of \$57,569 less depreciation expense of \$ 105,445 for the year.

Current Liabilities decreased based on the accrual of accounts payable at December 31, 2008.

Net Assets increased by \$ 178,815 which is outlined in detail on the Statement of Revenues, Expenses and Changes in Fund Net Assets.

Analysis of Entity-Wide Revenue and Expenses (Statement of Revenues, Expenses and Changes in Fund Net Assets)

The federal government continued its historic under-funding of operating grants during the current period ended December 31, 2008. With no signs of improvement in federal funding or economic conditions in the foreseeable future, the Authority is now using proactive measures to control expenses in future years by adopting a plan to review staff responsibilities and implementing cost management strategies. The Authority continuously looks for new ways to improve operations, control costs, maximize effectiveness, and demonstrate accountability.

The following table illustrates changes in revenue from 2007 to 2008.

	<u>2008</u>	<u>2007</u>	<u>Change</u>
REVENUE AND GRANTS			
Tenant Revenue	253,229	211,808	41,421
HUD Operating Grants	532,810	241,030	291,780
HUD Capital Grants	50,239	268,305	(218,066)
Investment Income	3,072	3,777	(705)
Other Revenue	20,625	25,387	(4,762)
Total Revenue and Grants	859,975	750,307	109,668

Total Revenue and Grants increased \$109,668 which included a net increase in HUD Operating and Capital Grants of \$ 73,714 for the year ended December 31, 2008. HUD Operating Grants increased based on annual funding calculations submitted to HUD by the Authority. HUD Capital Grants fluctuate on an annual basis depending on the Authority budget process and Congressional funding each year.

Tenant Revenue increased based on tenant reexaminations and a corresponding increase in dwelling rental income for the year. In addition, the Authority had a \$ 10,000 increase in other miscellaneous tenant charges for the year.

Investment income decreased based on declining interest rates for the period.

The following table illustrates changes in expenses from 2007 to 2008.

EXPENSES	<u>2008</u>	<u>2007</u>	<u>Change</u>
Administration	217,867	174,150	43,714
Tenant Services	0	65	(65)
Utilities	35,254	33,024	2,230
Ordinary Maintenance	269,341	205,368	63,973
General Expenses	33,324	51,436	(18,112)
Casualty Losses – Non-Capitalized	0	4,130	(4,130)
Total Operating Expenses	555,783	468,173	87,610
Depreciation Expense	105,445	96,144	9,301
Total Non-Operating Expenses	105,445	96,144	9,301
Total Expenses	661,228	564,317	96,911

Total Expenses increased \$ 96,911 for the year ended December 31, 2008.

Administration expenses increased based on the following activity for the year:

Increase in administrative salaries / benefits	\$ 4,888
Increase in audit expense	4,800
Increase in sundry administrative expenses	<u>34,026</u>
Total	<u>\$ 43,714</u>

The increase in sundry administrative expenses includes computer software upgrades which were not capitalized.

Utilities remained basically unchanged for the year.

Ordinary Maintenance increased based on the following activity for the year:

Increase in maintenance salaries / benefits	\$ 17,289
Increase in maintenance materials / contract costs	46,684
Total	<u>\$ 63,973</u>

The increase for materials and contract costs was related to expenses for repair and maintenance to tenant dwelling units and grounds maintenance.

General expenses decreased based on the following activity for the year:

Decrease in property / general liability insurance	\$ (10,164)
Decrease in tenant collection losses	<u>(7,948)</u>
Total	<u>\$ (18,112)</u>

There were no casualty losses for the year ended December 31, 2008.

Depreciation expense increased based on standard calculations for the year.

Capital Assets

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Land	62,446	62,446	0
Buildings and improvements	3,587,378	3,416,722	170,656
Equipment	97,696	117,873	(20,177)
Construction in Progress	194,741	315,159	(120,418)
Accumulated Depreciation	(2,415,394)	(2,337,457)	(77,937)
Capital Assets - Net	1,526,867	1,574,743	(47,876)

Capital Assets - Net decreased \$ 47,876 for the year ended December 31, 2008.

The decrease was created by the following activity for the year:

Capital Fund Program expenditures	\$ 50,239
Purchase maintenance equipment	2,912
Purchase computer equipment	4,418
Depreciation expense	<u>(105,445)</u>
Total	<u>\$ (47,876)</u>

Capital expenditures by program were as follows for the year ended December 31, 2008.

Capital Fund 2007	<u>\$ 50,239</u>
-------------------	------------------

Construction in Progress represents uncompleted capital improvements related to the Capital Fund Programs at December 31, 2008. These improvements should be completed during the year ending December 31, 2009.

Accumulated Depreciation increased based on standard depreciation calculations for the year.

Economic Factors

Several significant economic factors affecting the Housing Authority are as follows:

- Congressional funding of the Department of Housing and Urban Development
- Department of Housing and Urban Development mandated conversion to Project Based Management, Budgeting and Accounting if required
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs
- Health care and other insurance costs are expected to increase dramatically over the next several years.

Financial Contact

Questions concerning any of the information provided in this Management's Discussion & Analysis should be addressed to:

Ms. Mary Williams
Executive Director
Housing Authority of the City of McDonough
345 Simpson Street
McDonough, Georgia 30253
(770) 957-4494

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

STATEMENT OF NET ASSETS – PROPRIETARY FUND TYPE

As of December 31, 2008

ASSETS

Current Assets:

Cash and cash equivalents	\$	250,583
Investments		35,000
Due from HUD		50,239
Tenant rents receivable (net)		4,040
Prepaid expenses		26,075
Inventories (net)		3,126
Accrued interest receivable		1,627
Total current assets		370,690

Noncurrent Assets:

Capital Assets:

Nondepreciable capital assets		62,446
Depreciable capital assets, net		1,269,680
Construction in progress		194,741
Total capital assets		1,526,867
Total noncurrent assets		1,526,867
Total assets		1,897,557

LIABILITIES

Current Liabilities:

Accounts payable		13,154
Tenant security deposits		16,285
Due to other governments		5,769
Deferred revenues		3,222
Total current liabilities		38,430

Noncurrent Liabilities

Total liabilities		-
-------------------	--	---

NET ASSETS

Invested in capital assets		1,526,867
Unrestricted net assets		332,260
Total net assets	\$	1,859,127

See auditor's report.

The notes to the financial statements are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET ASSETS – PROPRIETARY FUND TYPE**

For the year ended December 31, 2008

<hr/> <hr/>	
Operating revenues:	
Tenant rental revenue (net)	\$ 253,229
Other revenue	20,625
HUD operating grants	532,810
Total operating revenues	<hr/> 806,664 <hr/>
Operating expenses:	
Administration	217,864
Utilities	35,254
Ordinary maintenance	269,341
General expenses	33,324
Depreciation	105,445
Total operating expenses	<hr/> 661,228 <hr/>
Operating income (loss)	<hr/> 145,436 <hr/>
Nonoperating revenue (expenses):	
Interest income	3,072
Total nonoperating revenue (expenses)	<hr/> 3,072 <hr/>
Net Income (Loss) before contributions	148,508
Contributions – capital grants	<hr/> 50,239 <hr/>
Increase (decrease) in net assets	198,747
Net assets, beginning of year, as restated	<hr/> 1,660,380 <hr/>
Net assets, end of year	<hr/> \$ 1,859,127 <hr/> <hr/>

See auditor's report.

The notes to the financial statements are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

STATEMENT OF CASH FLOWS – PROPRIETARY FUND TYPE

For the year ended December 31, 2008

<hr/>	
Cash flows provided from operating activities:	
Cash received from tenants/others	\$ 272,916
Cash paid for goods and services	(391,230)
Cash paid to employees for services	(188,981)
Operating grants	532,810
Net cash provided from operating activities	<u>225,515</u>
Cash flows from noncapital financing activities	
	<u>-</u>
Cash flows used by capital and related financing activities:	
Proceeds from capital grants	-
Acquisition of capital assets	(57,571)
Net cash used by capital and related financing activities	<u>(57,571)</u>
Cash flows provided from investing activities:	
Interest on investments	1,445
Net cash provided from investing activities	<u>1,445</u>
Net increase (decrease) in cash and cash equivalents	
	169,389
Cash and cash equivalents, beginning of year	
	81,194
Cash and cash equivalents, end of year	
	<u>\$ 250,583</u>
Reconciliation of operating income (loss) to net cash provided from operating activities:	
Operating loss (loss)	<u>\$ 145,436</u>
Adjustments to reconcile operating income (loss) to net cash provided from operating activities:	
Depreciation	105,445
(Increase) decrease in accounts receivable	(938)
(Increase) decrease in inventory and prepaid insurance	(15,660)
Increase (decrease) in accounts payable and accrued liabilities, security deposits	(8,768)
Total adjustments	<u>80,079</u>
Net cash provided from operating activities	
	<u>\$ 225,515</u>

See auditor's report.

The notes to the financial statements are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF McDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: Summary of Significant Accounting Policies:

A. Reporting Entity

The Housing Authority of the City of McDonough is a public body created under the General Statutes of Georgia. The Authority was created for the purpose of providing safe and sanitary housing for the low-income citizens of McDonough, Georgia.

The Board of Commissioners of the Housing Authority is appointed by the Mayor of the City of McDonough but the Authority designates its own management. The City of McDonough provides no financial support to the Authority and is not responsible for the debts or entitled to the surpluses of the Authority. The Authority has the power to approve its own budget and maintains its own accounting system. Although the Board is appointed by the City of McDonough no other criteria established by Section 2100 and 2600 of the Codification of Governmental Accounting Standards Board, the Financial Accounting Standards Board, and Governmental Accounting Standards Board Statement No. 39 for inclusion of the Authority in the City of McDonough's financial statements are met. Therefore, a separate financial report is prepared for the Authority. All of the operations of the Authority are included in the audited financial statements and there are no operations or activities which have been excluded.

B. Description of a Public Housing Authority

Funding for public housing authorities is received from the United States Department of Housing and Urban Development (HUD) and from participants in public housing programs. Under the Low Rent Housing Assistance Program, low income tenants pay monthly rents which are determined by their need for assistance. HUD pays the annual debt service contributions directly to a fiscal or paying agent under the terms of the annual contributions contract. HUD also pays operating subsidies to the housing authority to enable the authority to maintain the low-income character of the neighborhood while providing adequate services and maintaining adequate reserves.

The Authority had 117 units in management and was administering a capital fund program and business activities program.

<u>Management</u>	<u>Contract</u>	<u>Units</u>
Owned Housing		
Projects GA 123-1, 2, 3 and 4	A-1525	<u>117</u>
<u>Other</u>		
Capital Fund Program		
GA 182 - 501 (2006)	A-1525	
GA 182 - 501 (2007)	A-1525	

HOUSING AUTHORITY OF THE CITY OF McDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: Summary of Significant Accounting Policies: (Continued)

C. Basis of Presentation

The accounts of the Authority are organized and operated on a fund basis. A fund is a independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, liabilities, net assets, revenues, and expenses.

The Authority accounts for its operation in one fund type, the enterprise fund that reflects all activities of the Authority. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Housing Authority of the City of McDonough maintains one enterprise fund which includes the following programs: Low Rent Housing Program, Capital Fund Program, and Business Activities Program.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net assets. Enterprise fund type equity (i.e., net total assets) is segregated into investment in capital assets (net of related debt) and unrestricted net asset components. Operating activities for this fund present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The fund of the Authority is maintained on the modified accrual basis during the year. The financial statements for the Authority have been presented on the accrual basis. Under this basis, revenues are recorded when earned and expenses are recorded when incurred. The converting from the modified accrual basis to the full accrual basis, the changes required are adjustments for unpaid interest, depreciation, prepaid tenant rents, payments of principal on outstanding debt, and capital outlay. Payments of outstanding debt and accrued interest by HUD which have been earned by the Authority, but not yet realized, are recorded as revenue. Operating income reported includes rental income, other tenant charges, operating grants, and other revenue for the continuing operations of the fund. Operating expenses are the costs of providing goods and services. Other revenues and expenses are classified as non-operating in the financial statements.

As permitted, the Housing Authority of the City of McDonough has elected to apply only the applicable FASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices for its operations.

HOUSING AUTHORITY OF THE CITY OF McDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: Summary of Significant Accounting Policies: (Continued)

E. Budgetary Data

The Authority maintains budgetary controls over its fund, as required by the terms of the Authority's annual contributions contract with HUD. An annual budget is adopted for the enterprise fund. It was determined that all revenues and expenses were in accordance with the program budgets. Expenses may not legally exceed appropriations at the departmental level for the enterprise fund. All increases in appropriation to administration and capital expenditures must be approved by the Board. The budget was prepared on the modified accrual basis of accounting.

F. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

All deposits of the Authority are made in board-designated official depositories and are secured as required by HUD regulations. The Authority may designate as an official depository any bank or savings and loan association whose principal office is located in Georgia. Also, the Authority may establish time deposit accounts such as NOW and Super NOW accounts, money accounts and certificates of deposit. Section 401(e) of the annual contribution contract authorize the Authority to invest in the following types of securities:

1. Obligations of the Federal Government which are backed by the full faith and credit of the Federal Government.
2. Obligations of any agency or instrumentality of the Federal Government if the payment of interest and principal on such obligations is fully guaranteed by the Federal Government.
3. Obligations of the Federal Intermediate Credit Banks, the Federal Home Loan Banks, the Federal National Mortgage Association, the Banks for Cooperatives, and the Federal Land Banks which mature no later than 18 months after the date of purchase.

G. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

As required by the annual contributions contract, the Authority prepares cash forecasts for each program to determine the amount of funds available for investment and to maximize investment earnings. During the fiscal year and at year-end, all cash was held in the form of interest bearing accounts. The deposits and the above described investments with an original maturity of ninety days or less are considered cash and cash equivalents for the Statement of Cash Flows.

HOUSING AUTHORITY OF THE CITY OF McDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: Summary of Significant Accounting Policies: (Continued)

G. Assets, Liabilities, and Net Assets or Equity (continued)

Fair value of financial instruments

The carrying amount of the Authority's financial instruments at December 31, 2008, including cash, investments, accounts receivable and accounts payable closely approximates fair value.

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenses when consumed rather than when purchased.

Capital Assets

Capital assets are recorded at historical cost at the date of acquisition. Assets are depreciated on a straight-line basis over the following years:

Dwelling structures	10-40 years
Non-dwelling structures	10-40 years
Dwelling structures improvements	10-40 years
Dwelling equipment	3-10 years
Office furniture and equipment	3-10 years
Maintenance equipment	3-10 years
Automobiles and vehicles	3-10 years

The Authority's capitalization policy is \$500.

Deferred Revenues

Deferred revenues consist of rental payments made by tenants in advance of their due date.

Compensated Absences

The Authority's policy does not allow employees to accumulate vacation time or to be paid for it upon separation. Employees are paid a maximum of 96 hours for sick time upon separation. Time accrued beyond that is forfeited unless exception is granted by the Board of Commissioners. All employees normally utilize their annual accrual of vacation and sick leave during the year accrued.

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: Summary of Significant Accounting Policies: (Continued)

Net Assets

Invested in Capital Assets (net of related debt)

Invested in capital assets represents funds received for development and modernization of the Authority's dwelling units. In addition, this amount represents capital assets purchased through operations and grant programs. The Authority has no related debt.

Net Assets

Net assets include assets remaining after deducting liabilities and net assets invested in capital assets and provides a basis of assessing the liquidity and financial flexibility of the Authority.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates

NOTE 2: Stewardship, Compliance, and Accountability

The Authority appeared to have met its responsibilities regarding stewardship, compliance, and accountability for its fund.

NOTE 3: Detail Notes on All Programs

A. ASSETS

Deposits and Investments

The Authority's deposits include deposits with financial institutions. The carrying amount of the Authority's deposits for cash and investments was \$285,583. The total amount of bank balances and certificates of deposit were \$287,831. All deposits and certificates of deposit were adequately secured by the Authority's financial institutions with F.D.I.C. coverage and securities pledged in the entity's name.

The Authority's cash and investments consist of checking, money market, and certificates of deposit. The Authority's checking and money market accounts are short-term highly liquid investments that are considered cash and cash equivalents. The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

The Authority's investments consist of certificates of deposit from FDIC insured state banks with an original maturity in excess of ninety days. Investments are stated at cost, which approximates fair value.

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS
December 31, 2008

NOTE 3: Detail Notes on All Programs (continued)

Deposits and Investments (continued)

Capital Assets

The capital assets (at cost) of the Housing Authority of the City of McDonough at December 31, 2008 consist of the following:

	Balance at Dec. 31, 2007	Additions	Deletions	Transfers	Balance at Dec. 31, 2008
Nondepreciable Capital Assets:					
Land (nondepreciable)	\$ 62,446	-	-	-	\$ 62,446
Construction in progress	315,159	50,239	-	(170,657)	194,741
Total Nondepreciable Assets	<u>377,605</u>	<u>50,239</u>	<u>-</u>	<u>(170,657)</u>	<u>257,187</u>
Depreciable capital assets:					
Buildings and improvements	3,416,722	-	-	170,656	3,587,378
Furniture, equip., vehicles	117,873	7,332	(27,508)	(1)	97,696
Total Depreciable Assets	<u>3,534,595</u>	<u>7,332</u>	<u>(27,508)</u>	<u>170,655</u>	<u>3,685,074</u>
Less accumulated depreciation for:					
Buildings and improvements	2,242,180	96,677	-	-	2,338,857
Furniture, equip., vehicles	95,277	8,768	(27,508)	-	76,537
Total Accumulated Depreciation	<u>2,337,457</u>	<u>105,445</u>	<u>(27,508)</u>	<u>-</u>	<u>2,415,394</u>
Total Depreciable Assets, net	<u>1,197,138</u>	<u>(98,113)</u>	<u>-</u>	<u>170,655</u>	<u>1,269,680</u>
Total Capital Assets, Net	<u>\$ 1,574,743</u>	<u>\$ (47,874)</u>	<u>-</u>	<u>\$ (2)</u>	<u>\$ 1,526,867</u>

B. LIABILITIES

Accounts Payable

Accounts payable at December 31, 2008 consisted of the following:

	<u>Amount</u>
Vendors	\$ 10,059
Payroll taxes	<u>3,095</u>
	<u>\$ 13,154</u>

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
 McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 3: Detail Notes on All Programs (continued)

B. LIABILITIES (continued)

Pension Plan

The Authority provides pension benefits for its employees through a money purchase plan, which is administered by *Lafayette Life*. The plan was adopted in 1970. Employees are eligible for the plan after thirty days of service and are not required to participate in the plan. The Authority contributes 100% to the plan. During the past year, the Authority's contributions were 23,462. Employees are not required to make contributions to the plan.

C. NET ASSETS

Schedule of Restatement of Net Assets:

	Invested In Capital Assets	Unrestricted Net Assets	Total
Balance - beginning of year	\$ 1,574,743	\$ 105,569	\$ 1,680,312
*Adjustments to restate beginning balance	-	(19,932)	(19,932)
Balance - beginning of year, restated	1,574,743	85,637	1,660,380
Increase in net assets	-	198,747	198,747
Changes in invested in capital assets	(47,876)	47,876	-
Balance - end of year	<u>\$ 1,526,867</u>	<u>\$ 332,260</u>	<u>\$ 1,859,127</u>

*Adjustments to restate beginning balance
 To reclassify prior assets that did not exist

\$ (19,932)

The effect of these adjustments is to decrease change in net assets for the year ended December 31, 2007

NOTE 4: Related Party Transactions

There were no related party transactions for the year ended December 31, 2008.

NOTE 5: Claims and Judgments

At December 31, 2008, the Authority was not a defendant to any lawsuit whose outcome would be material to the financial statements. No provision was made in the audited financial statements for any contingent liabilities. In the opinion of management and the Authority's attorney there is no legal matter that will have a materially adverse affect on the Authority's financial position.

HOUSING AUTHORITY OF THE CITY OF MCDONOUGH
McDonough, Georgia

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 6: Risk Management

The Authority carries commercial insurance against all risks of loss, including property and general liability, auto, worker's comp, fidelity, and public officials liability insurance. There have been no significant reductions in insurance coverage in the prior year, and settled claims from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE 7: Conduit Type Debt

Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by the United States Department of 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 financial statements of the Housing Authority.

HUD no longer provides the Authority with debt service information since the Authority has no obligation for the debt.

Kendall L. Davis, P.C.

Certified Public Accountant

39 N. Tallahassee Street

*

Hazlehurst, Georgia 31539

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(Ph 912-375-6077 Fax 912-375-6078)

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

Board of Commissioners
Housing Authority of the City of McDonough
McDonough, Georgia

I have audited the financial statements of the Housing Authority of the City of McDonough as of and for the year ended December 31, 2008, and have issued my report thereon dated September 11, 2009. I conducted my 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 my audit, I considered the Housing Authority of the City of McDonough's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, I 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 financial statements will not be prevented or detected by the Authority's internal control.

My 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. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and other matters

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

I also noted a certain matter involving the internal control structure and its operation that I have reported to the management/Board of Commissioners of the Housing Authority of the City of McDonough in a separate letter dated September 11, 2009.

This report is intended for the information and use of the management of the Housing Authority of the City of McDonough, the U.S. Department of Housing and Urban Development, and REAC and is not intended to be and should not be used by anyone other than these specified parties.


Kendall L. Davis, P.C.
Certified Public Accountant

Hazlehurst, Georgia
September 11, 2009

Kendall L. Davis, P.C.

Certified Public Accountant

39 N. Tallahassee Street

* Hazlehurst, Georgia 31539 *

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

Board of Commissioners
Housing Authority of the City of McDonough
McDonough, Georgia

Compliance

I have audited the compliance of the Housing Authority of the City of McDonough with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2008. The Housing Authority of the City of McDonough's major program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Authority's management. My responsibility is to express an opinion on the Authority's compliance based on my audit.

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

In my opinion, the Housing Authority of the City of McDonough complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2008.

Internal Control Over Compliance

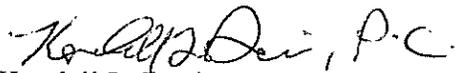
The management of the Housing Authority of the City of McDonough is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program. In planning and performing my audit, I considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *control deficiency* in the Authority's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Authority's internal control.

My consideration of internal control over compliance 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. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended for the information and use of the management of the Housing Authority of the City of McDonough, the U.S. Department of Housing and Urban Development, and REAC and is not intended to be and should not be used by anyone other than these specified parties.


Kendall L. Davis, P.C.
Certified Public Accountant

Hazlehurst, Georgia
September 11, 2009

Housing Authority of the City of McDonough
McDonough, Georgia

December 31, 2008

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results:

Financial Statements

Type of report issued on the financial statements:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal controls over major programs:		
Material weakness(es) identified?		No
Significant deficiencies identified not considered to be material weaknesses?		None Reported
Type of report issued on the compliance for major programs:		Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?		No
Identification of major programs:	14.850	Low-rent Housing Program
Dollar threshold used to distinguish between Type A and Type B programs:		\$300,000
Did the Authority qualify as a low-risk auditee?		No

Section II - Financial Statement Findings:

There were no audit findings relating this area for the period ended December 31, 2008.

Section III - Federal Awards:

There were no audit findings relating this area for the period ended December 31, 2008.

Housing Authority of the City of McDonough
McDonough, Georgia

December 31, 2008

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

The prior audit report for the year ended December 31, 2007 contained the following audit findings:

Finding
No.

2007-1	<u>Unaudited Financial Data Schedule submission and Financial Statements contained material errors</u> The audit fieldwork disclosed that this condition no longer exists.
2007-2	<u>HUD – 52722 (calculation of utilities expense level) not accurate</u> The audit fieldwork disclosed that this condition no longer exists.

Housing Authority of the City of McDonough
McDonough, Georgia

Schedule of Expenditures of Federal Awards

For the twelve months ended December 31, 2008

FEDERAL GRANTOR U. S. Department of HUD	Federal CFDA Number	Program or Award Amount	Beginning Balance	Receipts	Disbursements or Expenditures	Ending Balance
Low-rent Housing Program	*14.850	\$ 502,542	\$ -	\$ 502,542	+ \$ 502,542	\$ -
Capital Fund Programs	**14.872	\$ 342,941	-	80,507	80,507	-
TOTAL			\$ -	\$ 583,049	\$ 583,049	\$ -

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

* - Type A program
 **-Type B program
 + - Major program

See auditor's report.

Kendall L. Davis, P.C.

Georgia Society of CPAs

CERTIFIED PUBLIC ACCOUNTANT

39 N. Tallahassee Street ❖

Hazlehurst, Georgia 31539 ❖

(912-375-6077)

Management Letter

September 11, 2009

Ms. Mary Williams, Executive Director
Housing Authority of the City of McDonough
345 Simpson Street
McDonough, Georgia 30253

Dear Ms. Williams and Board of Commissioners:

The purpose of this letter is to let you know of conditions that came to our attention during the conduct of your December 31, 2008 annual audit. These conditions were not mentioned in the audit report but should be given adequate consideration.

Signature blocks need to be removed from voided checks

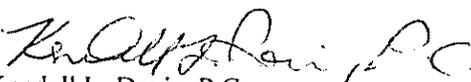
The audit fieldwork disclosed that the Authority was not adequately defacing voided checks. It is recommended that signature blocks be removed from voided checks to help prevent any misuse.

Invoices not cancelled

The audit fieldwork disclosed that the Authority was not marking invoices "paid" after they were processed for payment. There was no indication on the face of the invoices that they had been processed for payment. It is recommended that the Authority either mark invoices as being paid or use a "paid" rubber stamp to denote payment.

No other conditions came to our attention that should be disclosed.

Sincerely,


Kendall L. Davis, P.C.
Certified Public Accountant

FINANCIAL DATA SCHEDULE

FINANCIAL DATA SCHEDULE

Line Item No.	Description	Project Totals	Program Totals	Subtotal	Elimination	Total
Balance Sheet						
111	Cash-unrestricted	231,078	3,220	234,298		234,298
112	Cash-restricted-modernization and development	-	-	-		-
113	Cash-other restricted	-	-	-		-
114	Cash-tenant security deposits	16,285	-	16,285		16,285
115	Cash - Restricted for payment of current liability	-	-	-		-
100	Total Cash	247,363	3,220	250,583	-	250,583
121	Accounts receivable - PHA projects	-	-	-		-
122-010	Accounts receivable - HUD other projects - Operating Subsidy	-	-	-		-
122-020	Accounts receivable - HUD other projects - Capital fund	50,239	-	50,239		50,239
122-030	Accounts receivable - HUD other projects - Other	-	-	-		-
122	Accounts receivable - HUD other projects	50,239	-	50,239		50,239
124	Account receivable - other government	-	-	-		-
126	Accounts receivable - tenants	11,045	-	11,045		11,045
126.1	Allowance for doubtful accounts - tenants	(7,005)	-	(7,005)		(7,005)
126.2	Allowance for doubtful accounts - other	-	-	-		-
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-		-
128	Fraud recovery	-	-	-		-
128.1	Allowance for doubtful accounts - fraud	-	-	-		-
129	Accrued interest receivable	1,627	-	1,627		1,627
120	Total receivables, net of allowance for doubtful accounts	55,906	-	55,906	-	55,906
131	Investments - unrestricted	35,000	-	35,000		35,000
132	Investments - restricted	-	-	-		-
135	Investments - Restricted for payment of current liability	-	-	-		-
142	Prepaid expenses and other assets	26,075	-	26,075		26,075
143	Inventories	3,290	-	3,290		3,290
143.1	Allowance for obsolete inventories	(164)	-	(164)		(164)
144	Inter program - due from	50,239	-	50,239	(50,239)	-
145	Assets held for sale	-	-	-		-
150	Total Current Assets	417,709	3,220	420,929	(50,239)	370,690
161	Land	62,446	-	62,446		62,446
162	Buildings	3,587,378	-	3,587,378		3,587,378
163	Furniture, equipment and machinery - dwellings	-	-	-		-
164	Furniture, equipment and machinery - administration	97,696	-	97,696		97,696
165	Leasehold improvements	-	-	-		-
166	Accumulated depreciation	(2,415,394)	-	(2,415,394)		(2,415,394)
167	Construction in progress	194,741	-	194,741		194,741
168	Infrastructure	-	-	-		-
160	Total capital assets, net of accumulated depreciation	1,526,867	-	1,526,867	-	1,526,867

180	Total Non-current Assets	1,526,867	-	1,526,867	-	1,526,867
190	Total Assets	1,944,576	3,220	1,947,796	(50,239)	1,897,557
311	Bank overdraft	-	-	-	-	-
312	Accounts payable <= 90 days	10,059	-	10,059	-	10,059
313	Accounts payable > 90 days past due	-	-	-	-	-
321	Accrued wage/payroll taxes payable	3,095	-	3,095	-	3,095
322	Accrued compensated absences - current portion	-	-	-	-	-
332	Accounts payable - PHA Projects	-	-	-	-	-
333	Accounts payable - other government	5,769	-	5,769	-	5,769
341	Tenant security deposits	16,285	-	16,285	-	16,285
342-010	Deferred revenue - Operating Subsidy	-	-	-	-	-
342-020	Deferred revenue - Capital fund	-	-	-	-	-
342-030	Deferred revenue - Other	3,222	-	3,222	-	3,222
342	Deferred revenue	3,222	-	3,222	-	3,222
346	Accrued liabilities - other	-	-	-	-	-
347	Inter program - due to	50,239	-	50,239	(50,239)	-
348	Loan liability - current	-	-	-	-	-
310	Total Current Liabilities	88,669	-	88,669	(50,239)	38,430
300	Total Liabilities	88,669	-	88,669	(50,239)	38,430
508.1	Invested in capital assets, net of related debt	1,526,867	-	1,526,867	-	1,526,867
511.1	Restricted Net Assets	-	-	-	-	-
512.1	Unrestricted Net Assets	329,040	3,220	332,260	-	332,260
513	Total Equity/Net Assets	1,855,907	3,220	1,859,127	-	1,859,127
600	Total Liabilities and Equity/Net assets	1,944,576	3,220	1,947,796	(50,239)	1,897,557

Income Statement						
70300	Net tenant rental revenue	231,343	-	231,343	-	231,343
70400	Tenant revenue - other	21,886	-	21,886	-	21,886
70500	Total Tenant Revenue	253,229	-	253,229	-	253,229
70600	HUD PHA operating grants	532,810	-	532,810	-	532,810
70610	Capital grants	50,239	-	50,239	-	50,239
71100	Investment income - unrestricted	3,002	70	3,072	-	3,072
71400	Fraud recovery	-	-	-	-	-
71500	Other revenue	-	-	-	-	-
71600	Gain or loss on sale of capital assets	-	20,625	20,625	-	20,625
72000-010	Housing Assistance Payment	-	-	-	-	-
72000-020	Administrative Fee	-	-	-	-	-

72000	Investment income - restricted	-	-	-	-	-
70000	Total Revenue	839,280	20,695	859,975	-	859,975
91100	Administrative salaries	98,953	-	98,953	-	98,953
91200	Auditing fees	11,800	-	11,800	-	11,800
91300	Management Fee	-	-	-	-	-
91310	Book-Keeping Fee	6,725	-	6,725	-	6,725
91400	Advertising and Marketing	-	-	-	-	-
91500	Employee benefit contributions - administrative	29,714	-	29,714	-	29,714
91600	Office Expenses	-	-	-	-	-
91700	Legal Expense	5,088	-	5,088	-	5,088
91800	Travel	5,055	-	5,055	-	5,055
91810	Allocated Overhead	-	-	-	-	-
91900	Other	58,023	2,506	60,529	-	60,529
91000	Total Operating-Administrative	215,358	2,506	217,864	-	217,864
93100	Water	6,597	-	6,597	-	6,597
93200	Electricity	15,281	-	15,281	-	15,281
93300	Gas	5,539	-	5,539	-	5,539
93400	Fuel	-	-	-	-	-
93500	Labor	-	-	-	-	-
93600	Sewer	-	-	-	-	-
93700	Employee benefit contributions - utilities	-	-	-	-	-
93800	Other utilities expense	7,837	-	7,837	-	7,837
93000	Total Utilities	35,254	-	35,254	-	35,254
94100	Ordinary maintenance and operations - labor	90,028	-	90,028	-	90,028
94200	Ordinary maintenance and operations - materials and other	52,298	2,525	54,823	-	54,823
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	29,105	-	29,105	-	29,105
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	1,946	-	1,946	-	1,946
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	-	-	-	-	-
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	-	-	-	-	-
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	22,080	2,836	24,916	-	24,916
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	10,045	-	10,045	-	10,045
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	-	-	-	-	-
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	-	-	-	-	-
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	8,496	-	8,496	-	8,496
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	-	-	-	-	-
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	2,719	15,646	18,365	-	18,365

94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	-	-	-	-
94300	Ordinary Maintenance and Operations Contracts	74,391	18,482	92,873	92,873
94500	Employee benefit contribution - ordinary maintenance	31,617	-	31,617	31,617
94000	Total Maintenance	248,334	21,007	269,341	269,341
96110	Property Insurance	15,810	-	15,810	15,810
96120	Liability Insurance	-	-	-	-
96130	Workmen's Compensation	6,148	-	6,148	6,148
96140	All other Insurance	-	-	-	-
96100	Total Insurance Premiums	21,958	-	21,958	21,958
96200	Other general expenses	-	-	-	-
96210	Compensated absences	-	-	-	-
96300	Payments in lieu of taxes	-	-	-	-
96400	Bad debt - tenant rents	5,769	-	5,769	5,769
96500	Bad debt - mortgages	5,597	-	5,597	5,597
96600	Bad debt - other	-	-	-	-
96800	Severance expense	-	-	-	-
96000	Total Other General Expenses	11,366	-	11,366	11,366
96710	Interest of Mortgage (or Bonds) Payable	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-
96700	Total Interest Expense and Amortization Cost	-	-	-	-
96900	Total Operating Expenses	532,270	23,513	555,783	555,783
97000	Excess Revenue Over Operating Expenses	307,010	(2,818)	304,192	304,192
97350	HAP Portability-in	-	-	-	-
97400	Depreciation expense	105,445	-	105,445	105,445
97500	Fraud losses	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-
90000	Total Expenses	637,715	23,513	661,228	661,228
10010	Operating transfer in	12,477	-	12,477	12,477
10020	Operating transfer out	(12,477)	-	(12,477)	(12,477)
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	201,565	(2,818)	198,747	198,747
11020	Required Annual Debt Principal Payments	-	-	-	-
11030	Beginning equity	1,674,274	6,038	1,680,312	1,680,312
11040-010	Prior period adjustments and correction of errors - Editable	(19,932)	-	(19,932)	(19,932)
11040	Prior period adjustments, equity transfers, and correction of errors	(19,932)	-	(19,932)	(19,932)

11190-230	Other Adjustments	-	-	-	-
11190	Unit Months Available	1,404	-	1,404	1,404
11210	Unit Months Leased	1,360	-	1,360	1,360
11270	Excess Cash	299,839	-	299,839	299,839
11610	Land Purchases	-	-	-	-
11620	Building Purchases	50,239	-	50,239	50,239