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September 14, 2006

Dominique Blom
Deputy Assistant Secretary
Office of Public Housing Investments
451 7th Street S.W., Room 4130
Washington, DC 20410

Dear Ms. Blom:

Enclosed is the Delaware State Housing Authority's Moving To Work Annual Report for FY2006, which ended June 30, 2006 and has been adopted by General Order No.481.

If you have any questions, please feel free to contact me at (302) 739-7416 or by email at chrisw@destatehousing.com.

Sincerely,

CHRISTOPHER A. WHALEY
Housing Management Program Administrator

dld

Enclosure

cc: Malinda Roberts, U.S. Department of Housing and Urban Development, Philadelphia
William Santiago, U.S. Department of Housing and Urban Development, Philadelphia

DELAWARE STATE HOUSING
AUTHORITY

MOVING TO WORK

FY2006 ANNUAL REPORT

TABLE OF CONTENTS

Introduction

Section I Households Served

Section II Occupancy Policies

Section III Changes in the Housing Stock

Section IV Sources and Uses of Funds – Budget vs. Actuals

Section V Narrative – Budget vs. Actuals

Section VI Capital Planning

Section VII Management Information for Owned/Managed Units

Section VIII Management Information for Leased Housing

Section IX Resident Programs

Section X Other Information Required by HUD

INTRODUCTION

This document serves as the Delaware State Housing Authority's (DSHA) Moving to Work (MTW) Annual Report for FY2006. This MTW Report covers data/activities for the entire preceding fiscal year (July 1 to June 30).

The basic format of this report is defined by the MTW Agreement between U.S. Department of Housing and Urban Development (HUD) and DSHA. Each of the following sections provides information and explanations on changes that have occurred during the past year in different operational areas of the MTW Program.

DSHA is proud to report that since MTW implementation in August 1999, there have been 411 families who have successfully completed the MTW Program. One hundred and forty-four have purchased homes and 267 have either begun paying the full rent at their current unit or moved to another unit and are paying full rent there. Though some of those families would undoubtedly have been successful without MTW, we feel that the majority became successful by taking advantage of the counseling and social services made available through the program as well as the savings they accumulated while in the program.

In March 2006, DSHA signed another three-year extension and the MTW Demonstration Agreement will now expire June 30, 2009. DSHA is continuing efforts to obtain approval for permanent MTW status, and our efforts, along with those of several other MTW housing authorities, have been favorably acknowledged by being included in legislation pending in Congress.

SECTION I

HOUSEHOLDS SERVED

At year's end there were no significant changes in the total number of households served in Public Housing. Our Public Housing families remained around 500. The number of Section 8 Voucher families served decreased at the end of FY2006 by less than 7% due to a large number of turnovers. These vouchers are in the process of being reissued, with a target of being fully utilized within 60 to 90 days. Even with this decrease in families served at the end of the fiscal year, the overall utilization rate for the period was 103%.

TABLE 1 - NUMBER OF HOUSEHOLDS SERVED

TABLE 1a - PUBLIC HOUSING

	Total Households		Bedroom Size									
			0-1 BR		2 BR		3 BR		4 BR		5 BR	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
MTW	324	258	6	3	152	129	122	99	39	25	5	2
Elderly/Disabled	172	233	97	98	48	66	23	50	3	15	1	4
Total	496	491	103	101	200	195	145	149	42	40	6	6

TABLE 1b - SECTION 8 VOUCHERS

	Total Households		Bedroom Size									
			0-1 BR		2 BR		3 BR		4 BR		5 BR	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
MTW	253	267	4	2	89	110	133	132	25	20	2	3
Elderly/Disabled	588	669	205	212	218	249	148	191	16	16	1	1
Total	841	936	209	214	307	359	281	323	41	36	3	4
PH & S8 Grand Total	1337	1427	312	315	507	554	426	472	83	76	9	10

Since last year, the percentage of MTW families with wages has increased less than 1% for Public Housing and decreased 7.3% for Section 8 Vouchers. The average wage income decreased 15% for Public Housing and 5% for Section 8 Voucher families. The decrease in the number of wage earning families and wage income is primarily caused by original MTW participants (that entered the program in 1999 and 2000) leaving the program during FY2006 and being replaced by new residents just starting out in the MTW program. The new residents are just beginning the process towards self-sufficiency and will naturally have lower wage statistics. See Table 2.

TABLE 2 - WAGE AND AREA MEDIAN INCOME (AMI) LEVELS OF HOUSEHOLDS SERVED

TABLE 2a - ANNUAL WAGE INCOME OF MTW HOUSEHOLDS

	Percentage of Households with Wages		Average Wage Income per Household	
	6/06	6/05	6/06	6/05
Public Housing	75.7%	75.2%	\$12,407	\$14,643
Section 8	65%	72.3%	\$12,260	\$12,918

TABLE 2b - PUBLIC HOUSING AMI LEVELS

	Total Households		Below 30% AMI		Between 30% and 50% AMI		Between 50% and 80% AMI		Over 80% AMI	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
Number of Households	496	491	337	329	113	121	44	37	2	4
Percent	100%		68%	67%	23%	25%	9%	8%	>1%	>1%

TABLE 2c - SECTION 8 VOUCHERS AMI LEVELS

	Total Households		Below 30% AMI		Between 30% and 50% AMI		Between 50% and 80% AMI		Over 80% AMI	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
Number of Households *	841	929	622	699	193	211	26	17	0	2
Percent	100%		74%	75%	23%	23%	3%	2%	0%	>1%

* Does not include 13 portable families.

There were no significant changes in the racial and ethnic compositions of the resident population of either Section 8 Voucher or Public Housing. DSHA has not adopted any new policies that would have an effect on racial distribution.

TABLE 3 - RACE/ETHNICITY OF HOUSEHOLDS SERVED

TABLE 3a - PUBLIC HOUSING - RACE

	Total Households		White		Black		Alaskan/ Native American		Other	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
Number	496	491	116	113	374	374	3	2	2	2
Percent	100%		23%	23%	75%	76%	1%	1%	>1%	>1%

TABLE 3b - SECTION 8 VOUCHERS - RACE

	Total Households		White		Black		Alaskan/ Native American		Other	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
Number	841	936	305	326	526	599	5	4	5	7
Percent	100%		36%	35%	63%	64%	>1%	>1%	>1%	>1%

TABLE 3c - PUBLIC HOUSING - ETHNICITY

	Total Households		Hispanic		Non-Hispanic	
	6/06	6/05	6/06	6/05	6/06	6/05
Number	496	491	12	19	483	472
Percent	100%		2.6%	3.9%	97.4%	96.1%

TABLE 3d - SECTION 8 VOUCHERS - ETHNICITY

	Total Households		Hispanic		Non-Hispanic	
	6/06	6/05	6/06	6/05	6/06	6/05
Number	841	936	32	34	809	902
Percent	100%		3.8%	3.6%	96.2%	96.4%

The waiting list is a combined list for Section 8 Vouchers and Public Housing. MTW-eligible applicants are provided the type of housing that is available when their name comes to the top of the list. See Table 4 for a breakdown of families by bedroom size requirements.

The average waiting time for those who moved into both Public Housing and Section 8 Voucher units during FY2006 was 21 months and 26 months respectively. This is one month longer for Public Housing and five months longer for Section 8 Vouchers compared to last year. At the start of MTW in 1999, however, the average wait was about 22 months.

The total number of applicants decreased by 150 to 2804. The number has remained relatively stable for the past year.

The problem of applicant rejection of our Public Housing, which has been cited in recent years, still exists, though not as bad as several years ago. Some applicants express a desire for a Section 8 Voucher and will turn down Public Housing and reapply to the waiting list because they are in a stable enough situation to be able to wait until their name comes to the top again with a chance they will be offered a voucher.

Central air-conditioning has been installed at our Public Housing developments during FY2006. Many residents in the units with new central air have expressed their gratitude to their housing managers for this much-needed upgrade. We hope this will help improve applicants' willingness to accept Public Housing.

Criminal history checks on adult family members continue to disqualify some families.

TABLE 4 – NUMBER OF HOUSEHOLDS ON WAITING LIST

	Total Households		Bedroom Size									
			0-1 BR		2 BR		3 BR		4 BR		5 BR	
	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05	6/06	6/05
MTW Eligible	1532	1866	316	280	679	892	377	542	132	135	28	17
Elderly/Disabled	1272	1088	871	785	251	195	121	85	22	20	7	3
Total	2804	2954	1187	1065	930	1087	498	627	154	155	35	20

SECTION II

OCCUPANCY POLICIES

There were no changes in concentration of lower-income families by program. As stated in the Annual Plan, poverty levels are low in all census tracts in our jurisdictional area.

Section 8 Voucher occupancy policies were changed at the beginning of MTW to include a working preference and elimination of federal preferences. Both Public Housing and Section 8 Voucher continue to have the same preferences.

RENT POLICY

DSHA increased the rent from 30% to 35% of income for all MTW participants at the beginning of MTW.

Also, in the transition to the MTW Program DSHA instituted a rent cap that allows MTW participants to save all amounts over their rent cap up to their 35% rent. At the end of FY2006, there were 394 savings accounts established with an average balance of \$1,951.00.

SECTION III

CHANGES IN THE HOUSING STOCK

The number of units available in the Public Housing program remains at 503. No additional Public Housing stock is expected for the remainder of the MTW Program Demonstration.

No new incremental vouchers were received during FY2006, so the baseline remains at 902 vouchers. The utilization rate began the year at 100% and was 103% at year's end.

Because of the increase in Total Tenant Payment from 30% to 35% for Public Housing and Section 8 Voucher MTW families, funding equivalent to the MTW monthly per unit cost of \$554 for 58 Section 8 Vouchers was realized. Most of these funds were placed into the MTW Operating Reserves and used to help pay the cost of adding air conditioning and perimeter fencing at several PH developments.

TABLE 5 – CHANGES IN HOUSING STOCK

Program	Beginning of FY2006	End of FY2006 Planned	End of FY2006 Actual
Public Housing	503	503	503
Section 8 Vouchers	949*	940*	902
Other Programs	209	65**	65**
Total	1661	1508	1470

* Includes: 902 baseline vouchers

** Capitol Green (144 units) in process of being sold and is now being managed by another entity.

SECTION IV

SOURCES AND USES OF FUNDS

BUDGET VS ACTUALS

MTW BUDGE .RSUS ACTUALS BY PROGRAM FOR FY06 :

Sources and Uses of Funds

CATEGORY	PUBLIC HOUSING			PUBLIC HOUSING CAPITAL FUND			SECTION 8 VOUCHER			COMMUNITY SERVICE BLOCK GRANT			TOTAL MTW		
	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES
Revenue															
Dwelling Rent	\$458,310	\$619,662	\$161,352	\$0	\$0	\$0	\$0	\$0	\$0	\$458,310	\$619,662	\$161,352	\$0	\$619,662	\$161,352
Investment Income	26,150	76,943	50,793		8,474	(46,546)		8,474	(46,546)	83,170	85,417	2,247		85,417	2,247
Other Income	126,200	277,714	151,514		138,409	71,849		138,409	71,849	527,760	751,123	223,363		751,123	223,363
PH Operating Subsidy	2,225,639	1,998,448	(227,191)							2,225,639	1,998,448	(227,191)		1,998,448	(227,191)
PH Capital Funds				857,730	1,188,844	331,114				857,730	1,188,844	331,114		1,188,844	331,114
Section 8 Grants					5,923,480	(208,219)		5,923,480	(208,219)	5,923,480	5,715,261	(208,219)		5,715,261	(208,219)
Total Revenue	\$2,836,299	\$2,972,767	\$136,468	\$857,730	\$1,188,844	\$331,114	\$6,047,060	\$5,862,144	(\$184,916)	\$335,000	\$335,000	\$0	\$10,076,089	\$10,358,755	\$282,666
Expenses															
Administration	\$734,790	\$746,940	(\$12,150)	\$77,190	\$64,752	\$12,438	\$402,360	\$219,676	\$182,504	\$0	\$0	\$0	\$1,214,360	\$1,031,568	(\$182,792)
Tenant Services	25,000	7,814	17,186	0	0	0	149,380	130,206	19,174	335,000	335,000	0	509,380	473,020	(36,360)
Utilities	424,710	422,322	1,788							424,710	422,922	(1,788)		422,922	(1,788)
Maintenance	1,316,870	1,781,409	(464,539)							1,316,870	1,781,409	(464,539)		1,781,409	(464,539)
Protective Services	0	0	0	40,000	8,800	31,200				40,000	8,800	(31,200)		8,800	(31,200)
General	546,250	521,634	24,616							546,250	521,634	(24,616)		521,634	(24,616)
Total Routine	\$3,047,620	\$3,480,719	(\$433,099)	\$117,190	\$73,552	\$43,638	\$551,760	\$350,082	\$201,678	\$335,000	\$335,000	\$0	\$4,051,570	\$4,239,353	\$187,783
Non-Routine Maintenance				\$115,540	\$98,149	\$17,391	\$0	\$0	\$0	\$0	\$0	\$0	\$115,540	\$98,149	(\$17,391)
Capital Outlays				625,000	1,017,143	(392,143)		972,417	(972,417)				625,000	1,989,560	1,364,560
Payments to Landlords							4,716,970	4,812,868	(95,898)				4,716,970	4,812,868	95,898
Total Expenses	\$3,047,620	\$3,480,719	(\$433,099)	\$857,730	\$1,188,844	(\$331,114)	\$5,268,730	\$6,135,357	(\$866,627)	\$335,000	\$335,000	\$0	\$9,509,080	\$11,139,930	\$1,630,850
Operating Reserves	(\$211,321)	(\$507,952)	(\$296,631)	\$0	\$0	\$0	\$778,330	(\$273,223)	(\$1,051,553)	\$0	\$0	\$0	\$567,009	(\$781,175)	(\$1,348,184)

SECTION V

NARRATIVE - BUDGET vs ACTUALS

MTW - REVENUES

The sources of MTW revenues, for the Delaware State Housing Authority, consists of Dwelling Rent, Investment Income, Other Income, Operating Subsidies, Capital Funds and Section 8 Grants. The budgeted revenue sources, as discussed in the FY06 MTW Annual Plan, versus actual receipts are discussed below.

- o **Dwelling Rent.** FY06 was the sixth year of DSHA's MTW Demonstration. Rental Income rose significantly as original participants reached the end of their five year MTW Contract and moved into either home ownership, unsubsidized housing, a fair market lease within existing sites or were absorbed into the Safety Net. The increase in dwelling rent can be attributed to increased wages and to the ten residents that chose fair market leases within existing sites.
- o **Investment Income.** Rising interest rates increased investment income for Public Housing as well as returned interest income from forfeited MTW accounts whereas diminished reserves in the Section 8 Voucher Program resulted in lower than budgeted investment income for the year.
- o **Other Income.** Public Housing's other income in the amount of \$41,782 includes laundry and telephone receipts, maintenance, court and late fees received from tenants and returns of amounts due DSHA from previous write offs. Also included are forfeited MTW escrow savings in the amount of \$108,479, Gains on Disposal of Property for \$113,935 as well as \$13,518 from Daycare Centers located at Lavery lane and Hickory Tree. Actual receipts were greater than budgeted in FY06 due to increased MTW forfeitures and the gain on the sale of two home ownership properties.

The Section 8 Voucher Program includes \$159 received for fraud recovery payments and \$134,669 from forfeitures of MTW escrow savings, which were greater than anticipated this year. Forfeitures occur when a tenant voluntarily leaves the MTW Program, does not complete the COMP (Contract of Mutual Participation), is dismissed from the Program or ends their five-year contract with the MTW Program unsuccessfully.

Community Services Block Grant provides funding in support of case management through two not-for-profit Agencies: First State Community Action and Peoples Place. The case managers work with DSHA's Section 8 Voucher holders. The funds are provided to the State Division of Community Services as a pass through from the U.S. Department of Health and Human Services.

- o **Operating Subsidies.** The agency receives an operating subsidy for its Public Housing units based on prior year PUM levels increased by inflation rates and utility rates with consumption estimates per DSHA's MTW agreement. The decrease shown for operating subsidy for the Public Housing Program was due to HUD no longer funding prior year utility adjustments of \$37,544 and subsidy proration.
- o **Public Housing Capital Funds.** In accordance with new guidelines under GAAP, the revenue reported as budgeted is the amount that the agency actually anticipates in receiving for all years funded, not the amount that the agency anticipates being awarded in new funds in FFY06. In FY06, revenue received to cover contractual obligations was greater than anticipated due to capital expenditures as discussed in the Capital Expenditures section.
- o **Section 8 Subsidies/Grant.** The subsidy calculation received each fiscal year for the Housing Choice Voucher Program is described in the MTW Agreement. DSHA's subsidy was decreased in FY06 due to funding proration.

EXPENDITURES

MTW program expenses for FY06 consist of Administration Expense, Tenant Services, Utilities, Maintenance, Protective Service, General Expense, Non-Routine Maintenance, Capital Outlays and Payments to Landlords. A broad overview of budget versus actual expenditures is listed below.

- o **Administration Expense.** Public Housing, Public Housing Capital Fund and the Section 8 Housing Choice Vouchers Program have administrative expenses including salaries, legal, staff training/travel, auditing fees, supplies and postage where appropriate. Section 8 Voucher which includes indirect costs in this line spent less than budgeted. Public Housing assumed most of Section 8 Vouchers indirect cost expense utilizing the fungibility of funds as described in DSHA's MTW Agreement.
- o **Tenant Services.** The Public Housing budget included funding for educational and recreational activities for children, self-sufficiency training, internet access at all sites, computer training programs and \$4,170 to fund organized tenant council expenses. There were no tenant council expenses in FY06.

The Section 8 Voucher Program funds the costs of two not-for-profit organizations that provide financial counseling for Public Housing and Section 8 Housing Choice Voucher participants.

Community Services Block Grant covers the expense of case managers who work with Section 8 Voucher holders as discussed previously.

- o **Utilities.** FY06 utilities were budgeted to include estimated increases for rising utility costs. FY05 utility expenses were \$401,625 compared to \$422,922 for FY06, which represents a 5.3% increase from the prior year.
- o **Maintenance.** Maintenance salaries of site personnel, materials/supplies, and contractual costs including trash pickup, grass cutting, exterminating and routine painting of empty units at all sites are combined in this category. Public Housing's costs were greater than budgeted due to covering Section 8 Voucher's indirect costs and heat pump replacements at several Hickory Tree and Burton Village units.
- o **Protective Service.** Protective services were budgeted at \$40,000 from the Capital Fund Program for FY06. A contract is now in place to provide services for Hickory Tree with expenses of \$8,800 for FY06.
- o **General Expense.** Grouped in this area are payments in lieu of taxes to counties and school districts, employee benefit contributions, collection loss and insurance expense. Employee benefit costs rose in FY06 with increases in pension contributions for Non-State employees and health care costs.
- o **Non-Routine Maintenance.** The expense amount represents site maintenance including replacement of flooring at Peach Circle and Mifflin Meadows, site lighting improvements at McLane Gardens and Burton Village, replacement of hot water heaters at Hickory Tree, playground equipment at McLane Gardens and landscaping at Mifflin Meadows.
- o **Capital Outlays.** Funds from the Capital Fund Program were used to complete roof replacements at Mifflin Meadows, drainage improvements at Burton Village, window and door replacements at Peach Circle, and installation of security fencing at Mifflin Meadows. Security cameras were installed at Clark's Corner which are monitored by the Harrington Police department. Projects that were started in FY06 include roof replacement at Liberty Court and replacing HVAC and plumbing systems at Laverty Lane.

Section 8 Voucher funds were utilized to complete extensive HVAC and plumbing upgrades at Liberty Court and at Clark's Corner using energy star equipment as well as funding architect/engineering fees for HVAC and plumbing upgrades at Laverty Lane.
- o **Payments to Landlords.** Increased payments standards and allowances for utilities resulted in expenditures that were greater than budgeted in FY06.

OPERATING RESERVES

Operating Reserves for Public Housing at the end of FY 2006 were \$915,079, which represents approximately four months or 26% of routine operating expenses for the Public Housing Program.

Under the Public Housing Management Assessment System (PHMAP), a Public Housing Authority receives an 'A' for "Operating Reserves" if such reserves exceed 15% of total routine operating expenses. Based on DSHA FY1999 (MTW Base Year), the agency would maintain it's 'A' scoring for the life on the MTW Demonstration.

Under MTW, however, there is no longer any specific threshold for reserves.

Operating Reserves for the Section 8 Voucher Program at the end of FY 2006 were \$4,309. The decrease in reserves funded much needed capital improvements to keep DSHA's housing sites competitive in today's housing market.

While DSHA agrees with the basic point that it would be desirable to increase our reserves after the significant investment of capital improvements made over the past two years, it is important to point out that much of this work was funded as a result of a study that was paid for by HUD under an MTW Technical Assistance Grant, which identified areas for improvement in order for DSHA Public Housing to be competitive with other available affordable housing options. That DSHA was able to direct a sizeable investment into its Public Housing infrastructure without adding debt, and still main MTW reserves of \$919,388, represents a remarkable achievement.

OPERATING RESERVES

	Beginning of Year	FY2006 Increase/Decrease	End of Year
Public Housing	\$1,423,031	(507,952)	\$915,079
Section 8 Housing Choice Vouchers	\$277,532	(273,223)	\$4,309
TOTAL MTW	\$1,700,563	(781,175)	\$919,388

SECTION VI CAPITAL PLANNING

This section compares FY2006 budgeted capital work items with the actual FY2006 capital expenditures by property.

A. BUDGETED FY2006 CAPITAL WORK ITEMS VS. ACTUAL EXPENDITURES

Following is a comparison of the FY2006 budgeted public housing capital work items with the actual capital expenditures in FY2006.

ACTIVITY	COMMUNITIES	ORIGINAL BUDGET	REVISED BUDGET	EXPENDED
Architect Fees for Window and Door Replacement	Peach Circle	10,000.00	9,250.00	2,605.97
Window and Door Replacement	Peach Circle	194,935.00	209,349.31	192,481.51
Site Lighting Upgrade	McLane, Burton V.	10,000.00	9,237.50	9,237.50
Plumbing Repairs	Peach C., Mclane G.	30,000.00	24,950.00	12,625.00
Playground Equipment	McLane Gardens	10,000.00	8,687.00	8,687.00
Cable Restoration	Clark's Corner	5,000.00	4,500.00	4,500.00
Replace Flooring	Mifflin Meadows, Liberty Court, Hickory	50,000.00	45,000.00	46,991.85
Water Heater Replacement	Hickory Tree	17,500.00	15,070.00	15,070.00
Exterior Lighting Upgrades	Burton Village	5,000.00	5,457.00	5,457.00
Drainage Improvements	Burton Village	25,000.00	24,995.00	24,995.00
Sewer Line Inspection	Laverty Lane	1,250.00	1,555.00	1,555.00
Install Security Cameras	Clark's Corner	56,900.00	80,263.25	80,263.25
Architect Fees for Roof Replacement	Liberty Court	10,000.00	11,861.26	3,706.00
Roof Replacement	Mifflin Meadows	50,000.00	50,880.00	50,880.00
Roof Replacement	Liberty Court	500,000.00	440,000.00	11,700.00
Architect Fees for Exterior Door Replacements	Hickory Tree	15,000.00	13,500.00	8,050.00
Exterior Door Replacement	Hickory Tree	146,000.00	150,975.00	105,120.00
Security Fencing	Mifflin Meadows	187,961.20	188,795.66	176,924.30
Architect Fees for Fencing	Mifflin Meadows	6,250.00	11,021.24	11,021.24
HVAC Upgrades	Laverty Lane	377,900.00	374,190.00	336,771.00
Protective Services	Hickory Tree	40,000.00	8,800.00	8,800.00
Landscaping	Mifflin Meadows	7,500.00	9,985.00	6,590.00
Advertising by Formal Bid -- HVAC	Laverty Lane, Clark's Corner	4,000.00 3,000.00	4,509.80 3,109.60	4,509.80 3,109.36
Software Yearly Maintenance Fee	Will Be Used Authority Wide	60.00	60.00	60.00
Administrative-Salaries & Training Seminar Costs	Will Be Used Authority Wide	57,132.83	57,132.83	57,132.83
Capital Program Totals		1,820,389.03	1,763,134.45	1,188,843.61

B. DISCUSSION OF THE CAPITAL BUDGET AND EXPENDITURE AMOUNTS

Following are descriptions of the expenditures made during the fiscal year and a status report on Capital Budget activities during FY2006.

Window and Door Replacement - The work consists of replacing all the windows and doors at Peach Circle.

Site Lighting Upgrade – New parking lot pole lights and wall packs were installed at McLane Gardens and Burton Village.

Security Fencing – A security perimeter fence was installed at Mifflin Meadows.

Drainage Improvements – Drainage improvements were completed at Burton Village.

Security Cameras – Security Cameras were installed at Clark's Corner.

Roof Replacement – The work consists of replacing all the apartment and community building roofs at Mifflin Meadows.

Roof Replacement – The work consists of replacing all the apartment and community building roofs at Liberty Court Phase I and II; to be completed in FY2007.

HVAC Upgrades – HVAC upgrades including new furnaces and water heaters will be completed in FY2007.

Exterior Door Replacement – The work consists of replacing HVAC closet doors and storage doors; to be completed FY2007.

Landscaping – The work consists of grading and seeding along the perimeter fencing at Mifflin Meadows; to be completed in FY2007.

Hot Water Heater Replacement – The work consisted of replacing 23 hot water heaters at Hickory Tree.

Plumbing Pipe Replacements - Piping was replaced in the community buildings at McLane Gardens and Peach Circle.

Replace Flooring – New flooring including VTC and cove base was replaced in units at Mifflin Meadows, Liberty Court and Hickory Tree.

Playground Equipment – New playground equipment was purchased to replace pieces worn or damaged.

SECTION VII

MANAGEMENT INFORMATION FOR OWNED AND MANAGED UNITS

This section compares the projected management performance during FY2006 with the actual performance during this period.

A. VACANCY RATES

DSHA projected a vacancy rate of one percent for FY2006, but the actual rate was two percent.

OCCUPANCY BY DEVELOPMENT – 7/1/05 – 6/30/06

Development	# of Units	Number of Units Vacated FY2006	Occupancy on 6/30/06
Burton Village	51	11	92%
Clarks Corner	70	8	100%
Hickory Tree	55	13	93%
Holly Square	24	4	100%
Laverty Lane	50	13	100%
Liberty Court	108	24	98%
McLane Gardens	29	5	100%
McLane Gardens Annex	21	9	95%
Mifflin Meadows	54	11	98%
Peach Circle	32	1	97%
Scattered-site rentals	9	1	100%
Total	503	100	

B. RENT COLLECTIONS

DSHA projected a 99% collection rate for FY2006 and achieved a 95% rate. DSHA's goal for the collection rate for FY2007 is to be above 98%.

On March 1, 2003 DSHA implemented a lockbox method of rent payment for Public Housing residents. The system continues to operate effectively and also saves a considerable amount of staff time when compared to the previous rent collection process.

C. INSPECTIONS

DSHA inspects 100% of its Public Housing units twice a year to ensure that they meet Housing Quality Standards (HQS). Each resident file has documentation of these inspections.

D. SECURITY

DSHA contracted with the Delaware State Police for security patrols at two Public Housing sites during the year and paid for these services with Capital Fund Program money. Perimeter fencing has been installed at two other Public Housing sites to eliminate foot traffic to and from the sites through neighboring woods and housing developments. DSHA has partnered with a local police department to monitor eight cameras, which have been installed throughout one Public Housing site. Funding for these projects will come from MTW reserves. These improvements were suggested by the local police departments to help eliminate loitering and to assist police in capturing potential suspects.

Activities and programs aimed at reducing drug and other criminal activity have been drastically curtailed since the Public Housing Drug Elimination Program is no longer funded. Activities still available and aimed at prevention are listed below.

1. DSHA reviewed its MOU with the Boys and Girls Club of Delaware to implement summer and after-school programs for up to 30 children at Liberty Court. The program includes Project Learn, which has a Power Hour homework assistance activity and technology instruction such as web-page building and conducting research on the Internet. Field trips and recreational activities are also offered.
2. DSHA reviewed the MOU with Delaware State University to offer 4-H Programs at both Mifflin Meadows and McLane Gardens. Each site will have 2 days during the summer and 2 afternoons during the school year of 4-H activities for youth ages 8 to 15 years old.

3. DSHA is in its fourth year of an MOU with the University of Delaware, Cooperative Extension to provide the Spartan Success Program at Clarks Corner. This program is aimed at students K – 12 and is operated in conjunction with 4-H. Activities include academic and social skills, as well as recreation. Approximately 20 – 30 attend summer and after-school activities.

4. DSHA has signed an MOU with the University of Delaware Cooperative Extension Office to provide 4-H at Hickory Tree. Activities include homework assistance, crafts, recreation, life and social skills. Approximately 20 children attend the summer and after-school activities.

SECTION VIII

MANAGEMENT INFORMATION FOR LEASED HOUSING

DSHA achieved an average monthly utilization rate of 103% for FY2006. No new incremental vouchers were awarded by HUD during FY2006.

One hundred and seventy-five families left the Section 8 Voucher Program during the fiscal year. Of these, 45 families moved to unsubsidized units or paid the full rent at their current units, and nine families purchased a home. These 54 successful MTW families represent 31% of the move-outs for the year and is slightly lower than the previous fiscal year.

The lease-up rate for new voucher holders was 69% for FY2006, which was an increase from the previous year's 60%. Apathy, poor landlord references and bad credit continue to be the main reasons for failing to lease-up. An "available units" list of 50 – 75 owners is given to each voucher holder, and an updated list is available weekly.

Landlord interest in the voucher program remains high. Thirty new landlords joined the program during the January – June 2006 period, and over 92 joined during calendar year 2005.

DSHA conducts a rent reasonableness comparison of all units entering the Section 8 Voucher Program via an automated database to assure that the rent being charged is consistent with the local market. Rent reasonableness comparisons are also done when a rent increase is requested. Owners are reminded that rent increases are the responsibility of the family if the rent increase pushes the family's gross rent above the payment standard.

INSPECTIONS

DSHA performs initial, annual and special Housing Quality Standards (HQS) inspections. All units must pass the HQS inspection before the Housing Assistance Payments (HAP) contract can be signed. Units are then inspected annually within the required time frames. Units that fail re-inspection following the annual inspection have the HAP abated for the period they are out of compliance and are terminated from the program the month following the abatement if the owner fails to complete repairs. The unit is not allowed back in the program for six months. If the owner then provides written certification that the unit will be repaired within the time frames required by the program the unit will be allowed back in the program. The Section 8 Occupancy Supervisor and Housing Management Program Administrator do quality control re-inspections as required by program regulations.

SECTION IX

RESIDENT PROGRAMS

This section reviews the resident programs pursued by DSHA during FY2006 for both Public Housing and Section 8 Voucher residents. Listed below are highlights of the major items that occurred during FY2006.

A. RESIDENT SERVICES

1. **Individual Development Accounts (IDA)** - DSHA will continue to recruit for and facilitate participation in the IDA Program for MTW clients. Non-profit counseling agencies provide case management for families that may benefit from this program. At the end of FY2006, 11 families had IDAs with an average balance of \$1,195.18.

So far, 24 families have become homeowners through the IDA Program while two have started a business and one has used her savings to pursue her college education.

2. **Financial Literacy** - DSHA continues to provide a certified Financial Literacy course to all MTW families. Completion of the course is required. Non-profit counseling agencies provide the course to Public Housing and Section 8 Voucher families, and all MTW case managers have been trained to provide the course as needed.
3. **Adult Education** - DSHA purchased, installed and provided training to case managers for the TutorSystems Adult Basic Education (ABE)/General Equivalency Diploma (GED) program at all of its Public Housing family sites. DSHA continues to pursue partnerships with education providers to further utilize the program toward providing educational opportunities for residents.
4. **21st Century Grant** - DSHA has partnered with the University of Delaware 4-H program, the Lake Forest School District and the Boys and Girls Club of Delaware to provide programs and services for our Clarks Corner site and the surrounding community. The Indian River School District has received a 21st Century Grant and is providing 4-H activities at our Hickory Tree site.

5. **Resident Involvement** - DSHA continues to partner with the State Wide Association of Tenants (SWAT) and individual residents from the sites to establish Resident Councils. Two residents serve as Directors on the DSHA Resident Service Corporation Board. DSHA serves on the SWAT ROSS Grant Board, and DSHA is the "pass-through" agency for the funds from HUD for SWAT's current ROSS Grant Award. DSHA Management and Resident Service staff meet monthly with SWAT staff to work together on mutual programs and goals and to promote and encourage ongoing communication.
6. **Boys and Girls Club of Delaware** - DSHA has entered into an MOU with the Boys and Girls Club of Delaware to provide before- and after-school care, recreation, pregnancy prevention and alcohol use prevention at one site. The site has designated a Public Housing unit for the program's operation.
7. **Section 8 Homeownership** – The Resident Homeownership Program (RHP) was implemented in April 2004 and is available to both Section 8 Voucher and Public Housing families. So far, twenty-three families have been referred to this program. DSHA has contracted with NCALL, a non-profit housing counseling agency, to provide the required case management for the RHP.
8. **Annual Student Awards** - The annual youth student awards luncheon was held for outstanding scholastic achievement. Children from grades one through college received backpacks and school supplies for the coming school year. This event is funded through the Public Housing Resident Services budget.
9. **University of Delaware, Cooperative Extension Service** - DSHA has signed an MOU with the University of Delaware, Cooperative Extension to provide the Spartan Success Program at Clarks Corner. This program is aimed at students K – 12 and is operated in conjunction with 4-H. Activities include academic and social skills, as well as recreation.
10. **MTW Scholarship Program** - DSHA provides educational scholarships for MTW participants and eligible family members. These funds pay for fees and expenses not covered by traditional scholarship programs. Approved participants may use a total of \$500 for uniforms, lab fees and materials, computer rental and other items required to complete job training or education. The students are required to provide verification of successful completion of the course or return the money. In FY2006, DSHA provided 27 of these scholarships, which are funded by MTW Reserves.

B. PROGRAM CHANGES

None.

SECTION X

OTHER INFORMATION REQUIRED BY HUD

Attached are the following items:

General Order No. 481 adopting the Moving To Work Annual Report for FY2006.

The Audited Financial Reports are not available until September 30, 2006, 90 days after the close of our fiscal year. They will be forwarded under separate cover.

The following Unaudited Financial Reports are attached.

HUD - 52267

HUD - 52596

HUD - 52722-A

HUD - 52722-B

HUD - 52681

GENERAL ORDER NO. 481

GENERAL ORDER ADOPTING
THE MOVING TO WORK ANNUAL
REPORT FOR FY2006

WHEREAS, the Delaware State Housing Authority entered into a Moving to Work Demonstration Agreement with HUD; and

WHEREAS, the Moving to Work Demonstration Agreement requires that the Delaware State Housing Authority submit an Annual Report; and

WHEREAS, the Annual Report provides information on data and activities and on sources and uses of funding that Delaware State Housing Authority has undertaken through the Moving to Work Demonstration.

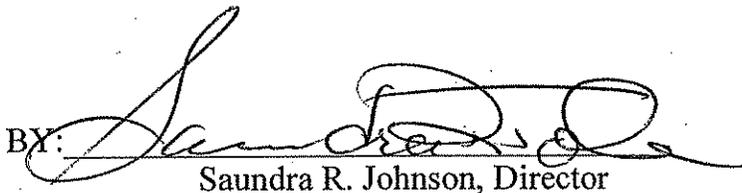
NOW THEREFORE, BE IT ORDERED as follows:

1. The Director has reviewed and approved the Moving to Work Annual Report for FY2006.

DELAWARE STATE HOUSING AUTHORITY

9/13/06
Date

BY:


Saundra R. Johnson, Director

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) City of Dover
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-11/12

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	45,381.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		45,381.00
7. Total Utilities Expense (Accounts in 4300 group)		57,834.18
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		<u>(12,453.18)</u>

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	0.00
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	<u>0.00</u>

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Burton/Hickory
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-2,4-5,4-10

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	85,592.56	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		85,592.56
7. Total Utilities Expense (Accounts in 4300 group)		91,775.08
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		<u>(6,182.52)</u>

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	0.00
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	<u>0.00</u>

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

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PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Sussex Cnty
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-2/16,4-10,4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	60,494.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		60,494.00
7. Total Utilities Expense (Accounts in 4300 group)		55,054.30
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		5,439.70

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	543.97
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	543.97

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial IV Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Kent Cnty
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-3, 4-10,4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	105,218.11	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		105,218.11
7. Total Utilities Expense (Accounts in 4300 group)		48,781.07
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		<u>56,437.04</u>

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	5,643.70
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	<u>5,643.70</u>

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? YES NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? YES NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
 Name Joan B. Smith
 Title Management Analyst III Date 8/15/06

APPROVED BY:
 Name Douglas S. Croft
 Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Smy Sites
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-10, 4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	11,915.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		11,915.00
7. Total Utilities Expense (Accounts in 4300 group)		947.94
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		10,967.06

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	1,096.71
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	1,096.71

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
 Name Joan B. Smith
 Title Management Analyst III Date 8/15/06

APPROVED BY:
 Name Douglas S. Croft
 Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Smy Sites
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-4

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	97,856.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		97,856.00
7. Total Utilities Expense (Accounts in 4300 group)		51,906.57
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		45,949.43

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	4,594.94
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	4,594.94

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

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PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Smy Sites
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-10

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	3,326.00
2. Excess Utilities (Account 3120)	0.00
3. Nondwelling Rental (Account 3190)	
Homebuyers Monthly Payments for:	
4. Earned Home Payments (Account 7712)	
5. Nonroutine Maintenance Reserve (Account 7714)	
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)	3,326.00
7. Total Utilities Expense (Accounts in 4300 group)	347.54
8. SHELTER RENT CHARGED (Line 6 minus Line 7)	<u>2,978.46</u>

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year	
10. Total of Lines 8 and 9.	
Deductions:	
11. Collection Losses (Account 4570) during current fiscal year	
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year	
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)	

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	297.85
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	<u>297.85</u>

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Sny Sites
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-8

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	69,878.00
2. Excess Utilities (Account 3120)	0.00
3. Nondwelling Rental (Account 3190)	
Homebuyers Monthly Payments for:	
4. Earned Home Payments (Account 7712)	
5. Nonroutine Maintenance Reserve (Account 7714)	
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)	69,878.00
7. Total Utilities Expense (Accounts in 4300 group)	47,446.52
8. SHELTER RENT CHARGED (Line 6 minus Line 7)	22,431.48

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year	
10. Total of Lines 8 and 9.	
Deductions:	
11. Collection Losses (Account 4570) during current fiscal year	
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year	
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)	

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	2,243.15
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	2,243.15

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? YES NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? YES NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
Name Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

TYPE OF PROJECT (S) Smy Sites
 LHA Owned Rental Housing
 LHA Owned Homeownership

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

FOR FISCAL YEAR ENDED:
6/30/06

NAME OF LOCAL HOUSING AUTHORITY
Delaware State Housing Authority

CONTRACT NUMBER
P-4520

ADDRESS
18 The Green Dover, DE 19901

PROJECT NUMBER (S)
DEL 4-9,4-13

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	95,386.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		95,386.00
7. Total Utilities Expense (Accounts in 4300 group)		52,930.31
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		<u>42,455.69</u>

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year	_____	
10. Total of Lines 8 and 9	_____	
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year	_____	
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year	_____	
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		<u>_____</u>

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	4,245.57
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	<u>4,245.57</u>

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:
Name Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Name Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial M Date 8/15/06

**STATEMENT OF INCOME AND EXPENSE
AND CHANGES IN ACCUMULATED SURPLUS
OR DEFICIT FROM OPERATIONS**

Delaware State Housing Authority

ADDRESS: 18 The Green
Dover, DE 19901
CONTRACT NO. P-4520 PROJECT NUMBER(S) 4-2,4-3,4-4,4-5,4-8,4-9,4-10,4-11,4-12,4-13,4-15,4-16
FOR FISCAL YEAR ENDED 6/30/06

LINE NO.	ACCT. NO.	INCOME AND EXPENSE	DEBIT	CREDIT
INCOME:				
+1	3000	Operating Income		
2	5210	Premiums on Notes and Bonds		974,318.88
3	5220	Bond Purchase Discount		
4	5230.1	Interest on Debt Service Fund Investments		
5	5230.2	Interest on Other Debt Amortization Fund Investments		
6	5240	Interest on Payments for Off-Site Utilities		
EXPENSE:				
7	4000	Operating Expense		
8	5610	Interest on Notes and Bonds Payable	3,480,719.10	
9	5640	Bond Redemption Premiums		
SURPLUS CREDITS AND CHARGES:				
10	6010	Prior Year Adjustments - Affecting Residual Receipts (or Deficit)		
11	6020	Prior Year Adjustments - Not Affecting Residual Receipts	0.00	
12	6110	Gain or Loss from Disposition of Real Property		
13	6120	Gain or Loss from Disposition of Nonexpendable Equipment		
14		Residual Receipts - Initial Operating Period (Credit)	0.00	
15		Totals (Lines 1 through 14)		
16		NET INCOME OR DEFICIT - CURRENT YEAR (Net debit or credit difference between total debits and credits on Line 15)	3,480,719.10	974,318.88
			2,506,400.22	
CHANGES IN ACCUMULATED SURPLUS OR DEFICIT FROM OPERATIONS				
UNRESERVED SURPLUS:				
17	2810	Balance at end of previous fiscal year when books were closed	(53,924,555.42)	
18		Total debit and credit adjustments during current fiscal year	(3,348,329.22)	
		Net income or deficit-current year (Line 16)	2,506,400.22	
20	7010	Provision for Operating Reserve-Locally Owned Projects	(507,952.22)	
21	7011	Provision for Operating Reserve-Leased Projects		
22	7013	Provision for Operating Reserve-Homeownership Projects		
23		Totals (Lines 17 through 22)	(55,274,436.64)	0.00
24	2810	Unreserved Surplus balance at end of current fiscal year (net debit or credit difference between total debits and credits on Line 23)		55,274,436.64
OPERATING RESERVE-LOCALLY OWNED PROJECTS:				
25	2820	Balance at end of previous fiscal year when books were closed		1,423,030.67
26		Total debit and credit entries to Account 2820 during current fiscal year	0.00	(507,952.22)
27		Totals (Lines 25 and 26)	0.00	915,078.45
28	2820	Operating Reserve Balance at end of Current fiscal year (net credit difference between total debits and credits on Line 27)		915,078.45
OPERATING RESERVE-LEASED PROJECTS:				
29	2821	Balance at end of previous fiscal year when books were closed		
30		Total debit and credit entries to Account 2821 during current fiscal year		
31		Totals (Lines 29 and 30)		
32	2821	Operating Reserve balance at end of current fiscal year (net credit difference between total debits and credits on Line 31)		
OPERATING RESERVE-HOMEOWNERSHIP PROJECTS:				
33	2823	Balance at end of previous fiscal year when books were closed		
34		Total debit and credit entries to Account 2823 during current fiscal year		
35		Totals (Lines 33 and 34)		
36	2823	Operating Reserve balance at end of current fiscal year (net credit difference between total debits and credits on Line 35)		
37		ACCUMULATED SURPLUS OR DEFICIT FROM OPERATIONS (net debit or credit total of balances on Lines 24, 28, 32, and 36)	(56,189,515.09)	

PF PREPARED BY:
Signature Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/06

APPROVED BY:
Signature Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial Manager Date 8/15/06

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

Calculation of Allowable Utilities Expense Level

PHA-Owned Rental Housing Operating Fund

a) Public Housing Agency		b) Operating Fund Project Number		c) New Project Numbers		d) Fiscal Year Ending		f) Type of Submission:		Revision No. ()	
DE State Housing Authority		DEL 4-2, 4-3, 4-4, 4-5, 4-8, 4-10, & 4-11/12		DE26-2004-009, DE26-2004-003, DE26-2004-013, DE26-2004-016, DE26-2004-018, DE26-2004-019		06 / 30 / 06		<input checked="" type="checkbox"/> Original <input type="checkbox"/>			
DE State Housing Authority						e) ACC Number		g) Energy Performance Contract <input type="checkbox"/>		h) Utility Rate Incentive <input type="checkbox"/>	
DE State Housing Authority						P-4520					
Line No.	Description	Unit Months Available	Sewerage and Water Consumption	Electricity Consumption	Gas Consumption	Common Area Lighting	Propane	Fuel (Specify type e.g., oil, coal, wood)			
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)			
01	UMA and actual consumption for old projects for 12 month period which ended 12 months before the Requested Budget Year. FY97	4,894	Flat Rate	493,441	19,267	92,022	78,300				
02	UMA and actual consumption for old projects for 12 month period which ended 24 months before the Requested Budget Year. FY96	4,894	Flat Rate	928,693	21,091	132,385	68,470				
03	UMA and actual consumption for old projects for 12 month period which ended 36 months before the Requested Budget Year. FY95	4,894	Flat Rate	1,066,796	18,294	146,090	57,870				
04	Accumulated UMA and actual consumption of old projects (sum of lines 01, 02, 03).	14,682	Flat Rate	2,488,930	58,652	370,497	204,640				
05	Estimated Unit Months Available for old projects for Requested Budget Year.	4,894									
06	Ratio of Unit Months Available for old projects (line 04 divided by line 05 of column 3)	3									
07	Estimated UMA and consumption for old projects for Requested Budget Year (Each figure on line 04 divided by line 06).	4,894	Flat Rate	829,640	19,551	123,499	68,213				
08	Estimated UMA and consumption for new projects.	660 108 988	Flat Rate Flat Rate Flat Rate	3,844 2,933		123,064					
09	Total estimated UMA and consumption for old and new projects for Requested Budget Year (line 07 + line 08).	6,010	Flat Rate	838,020	19,551	246,563	68,213				
10	Estimated cost of consumption on line 09 for Requested Budget Year (Line 13 times Line 09).	Costs	237,069	91,093	30,636	31,634	3,779				
11	Total estimated cost for Requested Budget Year (sum of all columns of line 10).	394,211									
12	Est. PUM cost of consumption for Requested Budget Year (Allowable Utilities Expense Level) (Line 11 divided by line 09, col. 3)	65.60									
13	Rate		Flat Rate	.1087	1.567	.1283	.0554				
14	Unit of Consumption		Gallons	KWH	Pounds	KWH	Gallons				

*Holly Square added to PH stock on 3/1/00

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

Adjustment for Utility Consumption and Rates

PHA-Owned Rental Housing Operating Fund

Public reporting burden for this collection of information is estimated to average 1.5 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 9(a) of the U.S. Housing Act of 1937, as amended, and by 24 CFR Part 990 HUD regulations. HUD makes payments for operation of low-income housing projects to PHAs. The Operating Fund Formula determines the amount of operating subsidy to be paid to PHAs. PHAs provide information on the Allowable Expense Level (AEL), Allowable Utilities Expense Level and Other Costs for the major formula components. HUD reviews the information to determine each PHA's share of the total operating subsidy funds appropriated by Congress each fiscal year. HUD also uses the information as a means of estimating the annual aggregate operating subsidy eligibility of PHAs which serves as the basis for requesting annual appropriations from Congress. Responses to the collection of information are required to obtain a benefit. The information requested does not lend itself to confidentiality.

Line No.	Description	Line Totals	c) Fiscal Year Ending 06 / 30 / 06		e) Type of Submission: <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No. ()		f) Fuel Costs & Consumption (Specify type e.g., oil, coal, wood)	
			b) Operating Fund Project Number DE26-P004-2,3,4,5,8, 9,10,11,12,13,15,16, Housing Authority and 19	d) ACC Number P-4520	Energy Performance Contract <input type="checkbox"/>	Utility Rate Incentive <input type="checkbox"/>	Common Area Lighting (7)	Propane (4-019) (8)
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
01	Actual utility costs for the fiscal year for which adjustment is requested.	422,922	252,759	83,333	40,076	42,272	4,482	
02	Actual consumption for the fiscal year for which adjustment is requested.		Flat Rate	652,719	21,021	335,825	86,060	
03	Actual average rate (line 01 divided by line 02).		Flat Rate	.1277	1.9065	.1259	.0521	
04	Estimated consumption for old and new projects for the fiscal year for which adjustment is requested.		Flat Rate	838,020	19,551	246,563	68,213	
05	Costs of estimated consumption at average rate (line 03 times line 04; enter total in column 3).	415,954	237,069	107,015	37,274	31,042	3,554	
06	Line 05, column (3) times 0.75; enter the amount in column 3.	311,965						
07	Line 01, column (3) times 0.25; enter the amount in column 3.	105,730						
08	Total utility costs includable in Operating Subsidy Calculation (line 06 plus line 07).	417,695						
09	Total estimated cost for the fiscal year for which adjustment is requested (line 11, form HUD-52722-A).	394,211						
10	Utility adjustment (line 08 minus line 09)	23,484						

Voucher for Payment of Annual Contributions and Operating Statement

U.S. Department of Housing and in Development

VOUCHER



Housing Assistance Payments Program

Note: See Instructions in appropriate program handbooks. OMB No. 2502-0348 (exp. 10/31/86)

1. Public Housing Agency (Name and Address)
 Delaware State Housing Authority
 18 The Green
 Dover, DE 19901

2. Program Type
 Section 23 Section 8
 PHA Annual Contributions Contract No.
 DE 901

3. Project No.
 DE901VOW011

4. PHA Fiscal Year Ending Date (Mark one and complete year)
 (a) March 31. (b) June 30. (c) Sept. 30. (d) December 31. 2006

5. HUD Field Office
 PHILADELPHIA, PA

6. HUD Regional Office
 PHILADELPHIA, PA

7. HUD Regional Office
 PHILADELPHIA, PA

8. HUD Regional Office
 PHILADELPHIA, PA

9. HUD Regional Office
 PHILADELPHIA, PA

10. Under Acc (Supported by Annual Contributions) 902

11. Number of Unit Months 10,824

12. Date of First PHA Fiscal Year FEB. 1977

9. Housing Program Type (Mark One)
 (a) New Construction (b) Substantial Rehab. (c) Moderate Rehab. (d) Existing Housing Certificates (e) Housing Vouchers

Request is hereby made for the payment of annual contributions pursuant to the terms and conditions of the above numbered Annual Contributions Contract for the project and fiscal year shown above.

Part I. Request for Payment	Approved Budget Estimates (a)	PHA Actuals (Housing Vouchers Only)		PHA Actuals Total (d)	HUD Approved (Housing Vouchers Only)		HUD Approved Total (g)
		Housing Payments (b)	PHA Fee (c)		Housing Payments (e)	PHA Fee (f)	
12 Maximum Annual Contributions Available (per ACC)							
13 Prorata Maximum Annual Contributions Applicable to a Period in Excess of Twelve Months							
14 Maximum Annual Contribution for Fiscal Year (Lines 12 and 13)	5,715,261			5,715,261			
15 Contingency Reserve, Project Account or Subsidy or Fee Reserve							
2825 Section 23 Projects							
2827 Section 8 Projects							
2827.1 Housing Voucher Subsidy							
2827.2 Housing Voucher Fees							
16 Total Annual Contributions Available	5,715,261			5,715,261			
Annual Contributions Required							
17 4715 Housing Assistance Payments	4,812,868			4,812,868			
18 Security and Utility Deposit Fund (Section 23 Only)							
19 Ongoing Administrative Fees Earned	891,616			891,616			
20 Hard-to-House Fees Earned (Existing and Housing Vouchers Only)							
21 Actual Independent Public Accountant Audit Costs	10,777			10,777			
22 Actual Preliminary Administrative and General Expense							

VOUCHER

	Approved Budget Estimates (e)	PHA Actuals (Housing Voucher)		PHA Actuals Total (d)	HUD Approved (Housing Vouchers Only)		HUD Appr Total (g)
		Housing Payments (b)	(c)		Housing Payments (g)	PHA Fee (f)	
23 Prior Year Admin Fee Adjustment Reimbursement Attributable to Carryover from FY ending:							
24 Actual Preliminary Non-Expendable Equipment Expense							
25 Actual Preliminary Non-Expendable Expense Attributable to Carryover from FY ending:							
26 Total of Funds Required (Lines 17 through 25)	5,715,261			5,715,261			
27 Deficit at End of Preceding Fiscal Year							
28 Project Receipts Other Than Annual Contri- butions (3610, 7530 and Section 23 Security and Utility Deposits Repaid)							
29 Ongoing Administrative Fee Reduction							
30 Total Annual Contributions Required (Lines 26 plus 27 minus 28 minus 29, if applicable) Balance of Annual Contributions Available				5,715,261			
31 Project Account Balance (Amount by which Line 16 exceeds Line 30)							
32 Deficit (Amount by which Line 30 exceeds Line 16)							
33 Provision for Project Account							
a) Increase (Amount by which Line 31 exceeds Line 15.)							
b) Decrease (Amount by which Line 15 exceeds Line 31)							
Year End Settlement							
34 Annual Contributions Due for Fiscal Year (Line 30 minus 32)				5,715,261			
35 Total Partial Payments Approved by HUD for Fiscal Year				5,715,261			
36 Underpayment due PHA (Amount by which Line 34 Exceeds Line 35)							
37 Overpayment due HUD (Amount by which Line 35 exceeds Line 34)							
Part II. Operating Receipts							
38 3300 Interest Earned on Operating Reserve Investment				8,474			
39 3610 Interest Earned on General Fund Investment							
40 3690 Other Income-HA Share of Tenant Fraud Pmts				138,409			
41 7530 Receipts from Non-Expendable Equipment not Replaced							
42 Total Operating Income (Lines 38 through 41)				146,883			
43 Total Annual Contributions Required (Line 30)				5,715,261			
44 Total Receipts (Lines 42 and 43)				5,862,144			

VOUCHER

Part III, Operating Expenditures	Approved Budget Estimates (a)	PHA Actuals (Housing Voucher)		PHA Actuals Total (f)	HUD Approved (Housing Vouchers Only)		HUD Appr. Total (g)
		Housing Payments (b)	Ph. # (c)		Housing Payments (e)	PHA Fee (i)	
45 4715 Housing Assistance Payments				4,812,868			
46 Independent Public Accountant Costs (Section 8 Only)				10,777			
Ongoing Administrative Expense							
47 4110 Administrative Salaries				51,283			
48 4130 Legal Expense				3,042			
49 4150 Travel							
50 4170 Accounting Fees							
51 4180 Office Rent							
52 7520 Replacement of Non-Expendable Equipment							
53 7540 Property Betterments and Additions				972,417			
54 4190 Sundry Administrative Expense				272,825			
55 4400 Maintenance and Operation (Non-Expendable Equipment)				12			
56 4510 Insurance							
57 4530 Terminal Leave Payments							
58 4540 Employee Benefit Contributions				12,143			
59 4590 - Other General Expense							
60 Total Administrative Expense (Lines 47 through 59)				1,311,722			
Preliminary Expense (Attach Supporting Documentation)							
61 4012/4110 Administrative Salaries							
62 4012/4130 Legal Expense							
63 4012/4150 Travel							
64 4012/4170 Accounting Fees							
65 4012/4180 Office Rent							
66 4012/7520 Replacement of Non-Expendable Equipment							
67 4012/7540 Property Betterments and Additions							
68 4012/4190 Sundry Administrative Expense							
69 4012/4540 Employee Benefit Contributions							
70 4012/4400 Maintenance and Operation (Non-Expendable Equipment)							
71 4012/4510 Insurance							
72 Total Preliminary Expense (Lines 61 through 71)							
73 Total Operating Expenditures (Total of Lines 45, 46, 60, 72)				6,135,367			
Prior Year Adjustments							
74 Affecting Residual Receipts (or Deficit) - for Debit (Credit)							
75 Total Operating Expenses (Lines 73 and 74)				6,135,367			
76 Net Income (or Deficit) before Provision for Operating Reserve (Line 44 minus Line 75)				(273,223)			

Part IV. Analysis of Operating Reserve

PH A Actual Total (d)

PH A Actual Total (d)

HUD Appro (g)

Part IV. Analysis of Operating Reserve

77	Operating Reserve - Balance at Beginning of Fiscal Year Covered by This Statement 2824 Section 23 2826 Section 8 2826.1 Housing Vouchers	277,532			Status of Contingency Reserve (Section 23 Projects Only) 87 2825 Contingency Reserve - Balance at the End of Fiscal Year (Line 31 or 10% of Line 12, whichever is the lesser 88 7025 Prov. for Contingency Reserve a) Increase (Amount by which Line 87 exceeds Line 15) b) Decrease (Amount by which Line 15 exceeds Line 87)
78	Cash Withdrawals for Reserve During Fiscal Year				
79	Net Operating Reserve After Cash Withdrawals (Line 77 minus Line 78)	277,532			
80	Net Income (or Deficit) before Provision for Operating Reserve (Line 76)	(273,223)			Status of Security and Utility Deposit Fund (Section 23 Proj) 89 2168.1 Security and Utility Deposit Funds Provided
81	Net Deficit Brought Forward From Preceding Fiscal Year (Line 86)				
82	Total Income (or Deficit) (Line 80 minus Line 81)	(273,223)			90 2168.2 Security and Utility Deposits (Uncollectable Advances)
Provision for Operating Reserve (Acct. 7016/Sec. 8; Acct. 7016/Hsg. Vouchers)					
83	Addition (The amount of income, if any, on Line 82)				91 Balance of Security and Utility Deposit Fund (Line 89 minus Line 90)
84	Deduction (The amount of deficit, if any, on Line 82, but not to exceed the amount on Line 80)	273,223			92 1127 Accounts Receivable - Advances for Security and Utility Deposits
85	Operating Reserve - Balance at End of Fiscal Year Covered by This Statement (Line 79 plus Line 83 minus Line 84, as applicable)	4,309			93 Security and Utility Deposit Funds Available (Line 91 minus Line 92)
86	Deficit at End of Fiscal Year Covered by This Statement, if any (Line 82 minus Line 84)				

I Certify that (1) housing assistance payments have been or will be made only in accordance with Housing Assistance Payments Contracts or Housing Voucher Contracts in the form prescribed by HUD and in accordance with HUD regulations and Requirements; (2) units have been inspected by the PHA in accordance with HUD regulations and requirements; and (3) this voucher for annual contributions has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Name of Public Housing Agency
Delaware State Housing Authority
Signature and Title of Authorized Official (and Date)
Douglas S. Créit
Douglas S. Créit Assistant Director, Financial Management 8/15/06

The Field Office has reviewed the Ongoing Administrative Expenses and the Supporting Documentation for the Preliminary Expenses. They are approved subject to audit verification.
For Regional Office Use Only
Reviewed by: (Signature and Date)

Signature of the Director, Housing Management Division	Overpayment Received from PHA	Underpayment Certified for Payment to the PHA	Date Underpayment Certified
	\$	\$	\$