



2022 Annual Public Housing Agency (PHA) Plan
Housing Authority of the City of Bloomington

Plan approved by Board of Commissioners September 28, 2021, Resolution No. 1450

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1. Introduction and Summary

The PHA Plan is a comprehensive guide to public housing agency (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the 5-Year Plan, which each PHA submits to HUD once every fifth PHA fiscal year, and the Annual Plan, which is submitted to HUD every year.

The Housing Authority adopted its last 5-year plan on September 24, 2020 (Resolution 1334), which covers the 5-year period ending December 31, 2024. The [2020 5-Year Plan](#) includes the Housing Authority's mission statement, a statement of organizational values, and a set of goals and objectives that will guide the agency's actions and decisions in the coming years. No changes to these goals and objectives are proposed at this time.

2. Form HUD-50075-ST (Annual PHA Plan Template)

This form is the summary document that provides key information about the annual PHA Plan submittal. Information provided in this 2022 Annual PHA Plan will be entered onto HUD-50057-ST and submitted to HUD.

3. Annual Plan Elements

a. Public Housing Admission and Occupancy Policy (ACOP)

The Housing Authority has adopted a [Public Housing Admission and Occupancy Policy \(ACOP\)](#), which is a key document used by Housing Authority staff to administer the public housing program consistently and fairly. In many cases, the ACOP simply restates federal regulations. However, the Housing Authority has discretion in many areas to go beyond the scope of these regulations. The ACOP is a document intended for reference and use by residents and the general public in order to better understand the basis for Housing Authority decisions related to the public housing program.

The ACOP can only be amended by the Board of Commissioners (except when amendments are required by federal regulations). Housing Authority staff reviews the ACOP at least annually to consider revisions that would be in the best interest of the public housing program. The following revisions are proposed for the 2022 ACOP:

Page	Section	Summary of Change
8	II.B.3, Income Limits	Clarifies that after initial occupancy, tenants are subject to "Over-Income" limits in VI.G5(e).
11	II.D.6, Other Criteria for Admission and Continued Occupancy	Clarifies the use of landlord and personal references as part of the application process.

19	IV.F., Tenant Selection, Wood Hill Towers	Grants preference at Wood Hill Towers to near-elderly (50 to 61 years of age) when there are no families aged 55+ on the waiting lists.
20	V.A.2, Notification of Families	Allows for use of e-mail to notify a family at the top of the waiting list of the availability of a unit.
21	V.A.3, Rejection of Unit	Allows applicants to reject first unit offered for no cause; rejection of second unit must be for good cause or applicant will be made inactive.
37	VI.G.5(e), Over-Income Families	Updates "over-income" limits table using most recent Area Median Income.
App. B	Income Limits	Decrease in income limits for admission to public housing as a result of 5.6% decrease in median family income for Bloomington area, as reported by HUD for FY 2021.
App. E	Utility Allowances	Under Energy Performance Contract, Johnson Controls analyzes electric usage and billing in units, which results in an annual adjustment to utility allowances. For 2022, utility allowances will decrease by \$3 to \$4, depending on unit size.
App. H	Flat Rents	Revise flat rents between +\$16 and -\$3 due to changes in the Fair Market Rents (FMR) for FY 2022.

b. Section 8 Housing Choice Voucher Administrative Plan

The Housing Authority has adopted an [Administrative Plan for the Housing Choice Voucher Program](#), which is a frequently referred to as just the "Administrative Plan" or "Admin Plan". This document is used by Housing Authority staff to administer the housing choice voucher program consistently and fairly. In many cases, the Administrative Plan simply restates federal regulations. However, the Housing Authority has discretion in many areas to go beyond the scope of these regulations. The Administrative Plan is a document intended for reference and use by participants and the general public in order to better understand the basis for Housing Authority decisions related to the housing choice voucher program.

The Administrative Plan can only be amended by the Board of Commissioners (except when amendments are required by federal regulations). Housing Authority staff reviews the Administrative Plan at least annually to consider revisions that would be in the best interest of the housing choice voucher program. Since the last Annual Plan was adopted, the Board has approved one revision to the Administrative Plan. This revision was approved in the form of Resolution 1432 on September 22, 2020, related to family unit/voucher size (5-II.B) and family repayment to PHA (14-II.B and 16-IV.B).

A new revision to the Administrative Plan related to Rent Reasonableness (8-III) is being considered in September 2021 as the Housing Authority begins to use an electronic database of

rental market data. This is software developed specifically to comply with HUD standards for rent reasonableness under HCV program regulations.

c. Statement of Housing Needs and Strategy for Addressing Housing Needs

A statement of housing needs and strategy for addressing housing needs was developed in 2019 for the 2020 Five-Year/Annual PHA Plan. Although statistics have changed, the general assessment of the community's housing needs have not changed significantly. Therefore, no revisions to this section of the Annual Plan are proposed. The text below is provided for reference purposes.

Statement of Housing Needs and Strategy for Addressing Housing Needs

This section describes the housing needs of the low-income, very low-income, and extremely-low income families, elderly families, families with disabilities, and households of various races and ethnic groups who reside in the Housing Authority's jurisdiction, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists.

The housing need assessment discussed is organized into three components. These include (1) families with incomes below 30 percent of area median, (2) elderly families, and (3) households of various races and ethnic groups residing in the City of Bloomington or on the waiting list.

Extremely Low-Income

Households with incomes under 30 percent of the area median income as reported by HUD are classified as extremely low income. The median family income for the Bloomington-Normal metro area for FY 2019 is \$88,300. An extremely low-income household of four individuals would have less than \$26,500 in income.

According to the U.S. Census Bureau (2012-2016 American Community Survey (ACS) 5-Year Estimates), there were 6,438 households in Bloomington with annual income less than \$25,00 (20.3% of all households). A close approximation of extremely low income is the federal poverty level. The ACS reports that 8.7% of all families residing in the City of Bloomington had income in the past 12 months that was below the poverty level. The poverty rate for households with related children under 5 was higher at 10.3%, and for all households with children under 18 years, the portion below the poverty line was 13.1%. These rates have increased slightly from previous versions of the ACS 5-year estimates.

The latest ACS tables also indicate that 4,809 renter-occupied households paid gross rents that were 30% or more of their household income. This number of rent-burdened households has grown by 12.6% over the last two years (i.e., 539 more households in Bloomington are considered rent-burdened).

Taken together, these figures demonstrate the growing demand for affordable housing in Bloomington. Given that poverty rates for households with children is higher than the general population, the need for affordable housing for families with children is especially important.

Elderly Households

According to the 2012-2016 ACS 5-Year Estimates, there are 8,818 individuals in Bloomington aged 65 years and older, which represents 11.2% of the population. As of the 2010 Census, there were 1,401 renter-occupied housing units in Bloomington occupied by persons 65 and over. This represents 11.9% of all renter-occupied households. The proportion of elderly households in Bloomington that are below the poverty level is 8.5%. This is lower than the overall poverty rate of 12.9%. For elderly households below the poverty line (\$15,060 for a one-person household or \$20,290 for two-person household), housing costs will be a major expense, likely to consume more than 30% of income.

Race/Ethnic Groups

The burden of poverty and housing problems fall disproportionately on minority households, particularly on African American and Hispanic/Latino households. According to the 2012-2016 ACS 5-Year Estimates, 32.4% of African American families and 9.7% of Hispanic/Latino households in Bloomington were below the poverty level, whereas just 6.5% of white families had income below the poverty line. This indicates that the need for affordable housing is most acutely felt by African American households, followed by Hispanic/Latino households.

Strategy for Addressing Housing Needs

The Housing Authority of the City of Bloomington has adopted a five-year plan that addresses the housing needs of families of the public housing and Housing Choice Voucher programs and on the waiting list for the next five years.

The target populations the Housing Authority of the City of Bloomington has identified as a priority for addressing affordable housing are the extremely low-income and low-income households in Bloomington, Illinois.

The Housing Authority will continue to apply and receive Capital Fund Grants to preserve and modernize the existing public housing units.

The Housing Authority will increase the availability of affordable housing units by leveraging affordable housing resources through the creation of mixed finance housing.

The Housing Authority will affirmatively market to races/ethnicities shown to have disproportionate housing needs. The Housing Authority will utilize data to increase awareness of the Housing Authority resources as indicated by families on the Public Housing Waiting List to assess the needs and plan accordingly.

The Housing Authority will apply for special purpose grants targeted at providing self-sufficiency assistance to residents of public housing and HCV participants that support and encourage work.

d. Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions

The Housing Authority's Deconcentration Policy is provided below for reference; no revisions to the existing policy are proposed. Other policies governing eligibility, selection, and admissions to the *public housing program* are found in the ACOP. Policies governing eligibility, selection, and admission to the Section 8 Housing Choice Voucher program are found in the Housing Choice Voucher Administrative Plan.

DECONCENTRATION POLICY STATEMENT**PUBLIC HOUSING:**

In an ongoing effort for The Housing Authority to meet or exceed the laws and regulations regarding its public housing programs, the following Deconcentration Policy has been developed in order to comply with the Quality Housing and Work Responsibility Act of 1998, Section 513.

INCOME MIX TARGETING: To meet the requirements of the Act, and subsequent HUD regulations, at least 40 percent of families admitted to public housing by the Housing Authority must have incomes that do not exceed 30% of the area median. If 40% or more of the housing authority units are occupied by families whose incomes do not exceed 30% of the area median income, this requirement shall be considered as being met.

PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES: The housing authority may not, in meeting this income mix targeting, concentrate very low-income families, or other families with relatively low incomes, in public housing units in certain developments. The Housing Authority will review the income and occupancy characteristics of the housing site to ensure that a low-income concentration does not occur.

DECONCENTRATION: The Housing Authority shall make every effort to deconcentrate families of certain income characteristics within the PHA complexes. To achieve this, the Housing Authority may offer incentives for eligible families having higher incomes to occupy dwelling units in projects predominantly occupied by eligible families having lower incomes. The determination of the higher incomes will be the same as listed on the point preference sheet for applicants who get broad range of income points.

The Housing Authority will continue to track the income mix within each AMP as an effort to avoid a concentration of higher or lower income families in any one development. It will vary annually based on a determination of the average income of all current public housing residents.

e. Financial Resources

The projected financial resources of the Housing Authority of the City of Bloomington during the plan year (FY 2022) are:

Program	Source	Use of Funds	Amount
Low-rent Housing	Operating Subsidy	Normal Operations	\$ 2,380,260
Low-rent Housing	Rents Charges	Normal Operations	\$ 1,554,020
Low-rent Housing	Non-rental Income	Normal Operations	\$ 190,030
Low-rent Housing	2021 Capital Fund Program <i>IL01P051501-21</i>	Capital Improvements	\$ 1,437,749
Low-rent Housing	2020 Capital Fund Program <i>IL01P051501-20</i>	Capital Improvements	\$ 1,343,575
Low-rent Housing	2019 Capital Fund Program <i>IL01P051501-19</i>	Capital Improvements	\$ 115,000
Low-rent Housing	Congregate Housing Services Program (CHSP) <i>MFSC189865</i>	Congregate Living	\$ 171,498
Low-rent Housing	ROSS Program <i>FSS21IL4014-01-00</i>	Family Self Sufficiency	\$ 56,434
Low-rent Housing	ROSS Program <i>ROSS181131</i>	ROSS Svc. Coord. (PH)	\$ 70,000
Housing Assistance	Section 8 Existing	Section 8 Vouchers	\$ 2,464,908
Housing Assistance	Section 8 Existing	Section 8 Admin	\$ 269,640
Housing Assistance	SRO Project Based	SRO Vouchers	\$ 48,045
Housing Assistance	Mainstream	Vouchers	\$ 40,320
Housing Assistance	Mainstream	Administration	\$ 7,896
		TOTAL	\$ 10,149,375

NOTE: This page revised 12/14/2021 to correct labeling of Capital Fund Program grants.

f. Rent Determination

The Rent Determination Policy is attached below for reference; no revisions to the policy are proposed.

Rent Determination Policy

The monthly Total Tenant Payment (TTP) amount for a family shall be an amount, based on the total family income, as verified by the Housing Authority that does not exceed the greatest of the following amounts:

1. 30% of Monthly Adjusted Income (after adjustments);
2. 10% of Monthly Income (before adjustments);
3. Flat rent is reviewed annually and set at no less than 80% of the Fair Market Rent.
4. Minimum TTP (Total Tenant Payment) of \$50.

g. Operation and Management**OPERATION AND MANAGEMENT POLICIES**

The primary business of the Housing Authority of the City of Bloomington (HACB) is the ownership and management of residential communities and provider of rental assistance to a variety of special users that have in common an inability to compete successfully for shelter in the open market. To ensure the successful performance of that business, the HACB has the following policies that govern our operations:

- Admissions and Continued Occupancy Policy
- Section 8 Administrative Plan
- Contagious Disease Policy
- Capitalization Policy
- Facilities Use Policy
- Family Self Sufficiency Policy
- Criminal Trespass Policy
- Disposition Policy
- Drug Free Policy
- Code of Conduct Governing the Award and Administration of Contracts
- Harassment Policy
- Investment Policy
- Maintenance Policy
- Pest Control Policy
- Pet Policy
- Personnel Policy
- Procurement Policy
- Travel Policy
- Satellite Policy

Copies of these policies can be found at our Administrative Office, located at 104 E. Wood Street

The HACB operates the following programs:

PROGRAM	BRIEF DESCRIPTION
Public Housing	612 leasable units of public housing.
Section 8	Up to 462 vouchers.
Capital Fund	Renovate or modernize public housing units.
Elderly Services	Activities of daily living needs of elderly and disabled adults.

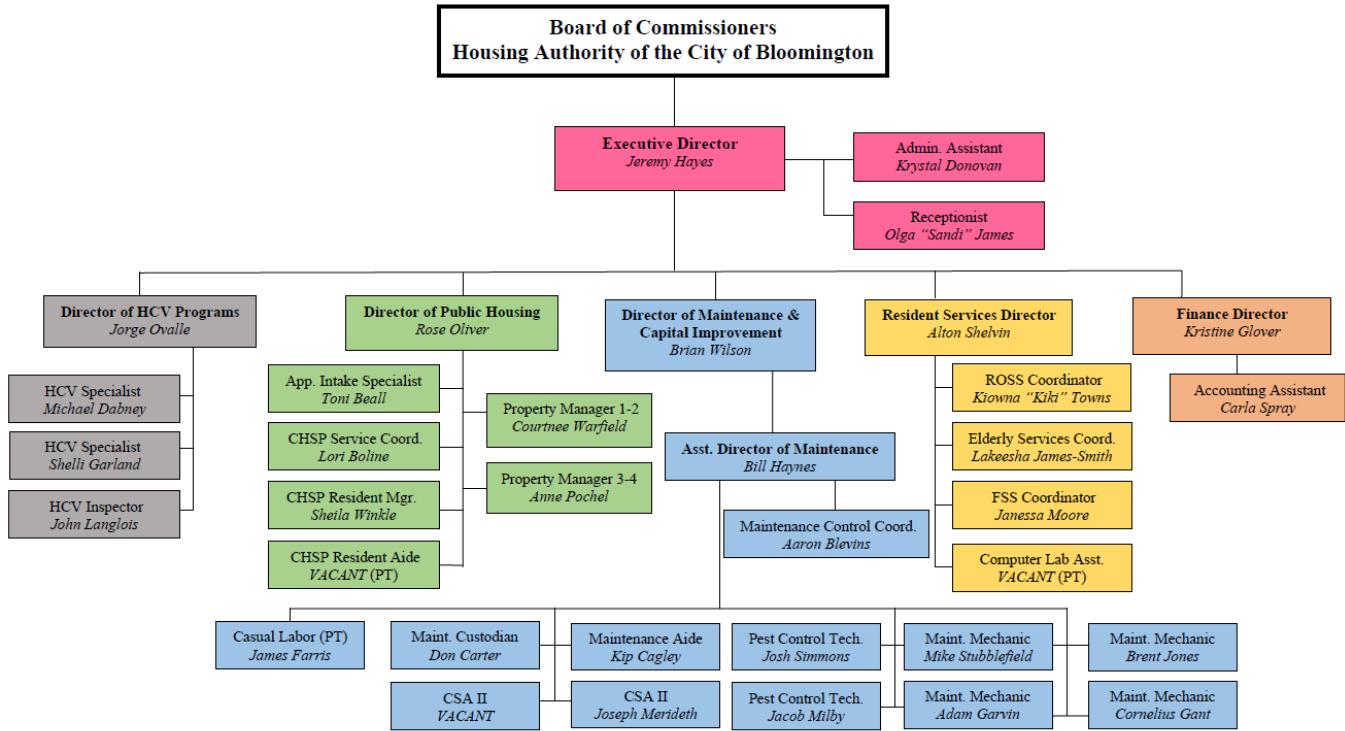
The HACB has 611 public housing units in the following locations.

DEVELOPMENT NAME	NUMBER OF UNITS
Sunnyside Court	100
Holton Homes	64
Evergreen Place	36
John P. Kane Homes	30
Wood Hill South Towers	141
Wood Hill Family	50
Wood Hill North Towers	136
Irvin Apartments	26
Nierstheimer Apartments	16
McGraw Apartments	8

The HACB operates a tenant-based program under the Housing Choice Voucher program. We are authorized to issue up to 462 vouchers. Due to federal funding limitations, HACB is only able to assist approximately 375 households through the program. On average 50 vouchers are surrendered each year and new families are assisted under this program.

The Housing Authority Board of Commissioners consists of a 5-member board appointed by the Mayor of Bloomington. One seat on the Board is required to be a resident commissioner.

Finally, an organizational chart of the HACB is included below.



h. Grievance Procedures

Grievance procedures related to the public housing program are provided in Appendix G of the ACOP. Grievance procedures related to the housing choice voucher program are provided in Chapter 16, Part III of the Administrative Plan. No changes to these procedures are proposed.

i. Homeownership Programs

See Chapter 15, Part VII of the Housing Choice Voucher Administrative Plan. No revisions to the policy are proposed.

j. Community Service and Self-Sufficiency Programs

See Appendix M of the ACOP. No changes to this section of the ACOP are proposed.

k. Safety and Crime Prevention

The Safety and Crime Prevention Statement is attached below for reference; no revisions to the policy are proposed.

Safety and Crime Prevention Statement

The Housing Authority of the City of Bloomington has established this Safety and Crime Prevention Plan which incorporate the following requirements:

- A. Safety measures are reviewed on a jurisdiction-wide basis to ensure the safety of the residents living in public housing owned and operated by the Bloomington Housing Authority.
- B. The Bloomington Housing Authority Safety and Crime Prevention Plan describe measures to ensure the safety of public housing residents and for crime prevention measure. This Plan describes activities in effect, planned, or contemplated by the Bloomington Housing Authority. This plan further describes the coordination undertaken between the Housing Authority and the Bloomington Police Department for carrying out the objectives of this Plan.

The Housing Authority has a Bloomington Police Officer to assist as a liaison for the police department and the agency. The officer meets with staff twice a month to discuss police reports and issues pertaining to incidents in public housing sites and HCV units.

The Bloomington Police Department patrol and monitor all public housing sites regularly. The Housing Authority also has a Trespassing Policy that gives the police an additional tool to keep unauthorized individuals off public housing properties. Individuals arrested on public housing properties are banned from visiting on public housing properties.

The Ban List is updated monthly and shared with the police department. The Police Department can access the list and make appropriate arrest of those who return and are located on Housing property after they are banned.

The Housing Authority does have a quantifiable drug/crime data available from the Bloomington Police Department, which is provided on a quarterly basis.

I. Pet Policy

See chapters VIII and IX of the ACOP. The only changes to the policy are removing the requirement that cats be declawed.

m. Asset Management

Asset Management Plan

Authority Profile

The Bloomington Housing Authority (BHA) was organized in 1947. Located in Bloomington, Illinois, BHA is a body of local government with a portfolio of 612 apartments spread throughout 4 asset management projects (AMP's). BHA also administers up to 462 vouchers under the Housing Choice Voucher (HCV) program. A five-member board of commissioners appointed by the Mayor governs the authority. The Board is currently made up of four community leaders and one resident.

Staffed with 33 full-time employees, the Authority has a ratio of one employee to every 20 apartments (1:19). This ratio is an equal balance between administrative and maintenance staff. Based on a review of the organizational chart, BHA is well staffed with long-term employees in critical roles.

The BHA has centralized certain management functions as a front-line cost and decentralized maintenance operation. Front-line allocations consist of providing resident services, work order processing, and applicant intake. Recertifications and interim adjustments are handled at the property level by the Property Managers of each asset management property (AMP).

The Assessment

The elderly housing at Wood Hill Towers consists of 277 apartments in two multi-story high-rises. The high-rises have, for more than two decades, experienced a vacancy rate of 15 to 20 percent due to a high proportion of the units being obsolete efficiency apartments (one-bedroom units often have an occupancy rate of 95% or higher). This has been the Housing Authority's only significant occupancy challenge.

Beginning in 2017, the Housing Authority began a phased program of merging and renovating efficiency units in the North Tower. As of fall 2021, this program is nearly complete. Despite many challenges related to the COVID-19 pandemic, the phased unit merger project has resulted in a significant improvement in the occupancy rate.

Long-term, the Housing Authority continues to explore ways to update and upgrade housing units at all its sites, including the largest (and oldest) family housing sites at Sunnyside Court and Holton Homes. The Housing Authority is also exploring opportunities in partnering in the development of mixed-finance development that would expand the community's options for affordable housing.

Site Based Management Services

The Housing Authority will continue to support the site-based asset management model. The core of the asset management plan is the decentralization of the management and leasing functions of the authority. Through the closer relationship between resident and management, issues can be better identified, assistance offered more expediently and the possibility of loss rent reduced.

With respect to the public housing inventory, the Housing Authority will continue to pursue long term planning to address maintenance, rehabilitation, redevelopment and capital management. The asset management activities the Housing Authority has undertaken include site-based accounting, inventory control and comprehensive stock assessment.

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|---------------------------------------|
| n. Substantial Deviation |
| o. Significant Amendment/Modification |

The Housing Authority's definitions of "Significant Amendment" and "Substantial Deviation" is attached below for reference; no revisions to the policy are proposed.

Definition of Substantial Deviation and Significant Amendment

Substantial deviation to the 5-Year Plan or Significant Amendment or modification to the Annual plan are any additional changes that would affect the Housing Authority of the City of Bloomington's mission, goals, objectives, and policies as stated in the Plan. The plan, however, will be modified and re-submitted to HUD should a substantial deviation from program goals and objectives occur. The Housing Authority defines substantial deviations as:

- A mandate from local government officials, specifically the governing board of the Housing Authority, to modify, revise, or delete the long-range goals and objectives of the program.
- A change in federal law takes effect and, in the opinion of the Housing Authority, it creates substantial obligations or administrative burdens beyond the programs under administration, excluding changes made necessary due to insufficient revenue, funding or appropriations, funding reallocations resulting from modifications made to the annual or five-year capital plan or due to the terms of a judicial decree.

A Significant Amendment or Modification to the Annual Plan and five-year Plans is defined as:

- Changes of a significant nature to the rent or admissions policies, or the organization of the waiting list not required by federal regulatory requirements as to effect a change in the Section 8 Administrative Plan or the Public Housing Admissions and Continued Occupancy Policy (ACOP).
- Proposed demolition, disposition, homeownership, Capital Fund Financing, development, mixed finance proposal, or conversion activities will be considered significant amendments to the CFP 5-Year Action Plan.
- Addition of non-emergency work items not included in the current CFP Annual Statement or CFP 5-Year Action Plan that exceeds \$100,000.

The exception to this Policy rule are as follows:

- Changes under the above definitions that are required due to HUD regulations, federal statutes, state or local laws/ordinances, or as a result of a declared national or local emergency will not be considered substantial deviation or significant amendment/modification.
- Changes under the above definitions which are funded by any source other than federal funds will not require Plan amendment or modification.
- Discretionary or administrative amendments consistent with the Housing Authority's stated overall mission and objectives will not be considered substantial deviations or modifications.

4. New activities proposed to be undertaken**a. Mixed Finance Modernization or Development**

The Housing Authority has entered into a Joint Venture Agreement with the developer of a 56-unit multi-family development on Four Seasons Road in Bloomington known as Lincoln Lofts. The project will benefit from Low Income Housing Tax Credits (LIHTC's) and will have 17 project-based vouchers provided by the Housing Authority. The construction phase is complete and the leasing of units began in September 2021.

This project will fulfill a longstanding goal of the Housing Authority to promote and facilitate the development of new affordable housing stock in the community.

b. Occupancy by Police Officers

An officer has not resided at a BHA housing site since 2014, but the Housing Authority would welcome a resident officer at any time. The Housing Authority will continue to reach out to the Bloomington Police Department to seek a sworn police officer to reside in public housing. Such a program encourages resident engagement and cooperation with law enforcement and deters criminal activity.

c. Project Based Vouchers

The Housing Authority has executed an Agreement to enter into a Housing Assistance Payments (AHAP) Contract for 17 project-based vouchers with the developer of a new affordable 56-unit multi-family development in Bloomington, Lincoln Lofts. The terms of the project and the provision of project-based vouchers are dictated by a joint venture agreement with the developers. The construction phase is complete and the leasing of units began in September 2021.

Under Chapter 17 its Administrative Plan, the Housing Authority may project-base up to 10 percent of its HCV budget authority. With only 17 vouchers being committed to Lincoln Lofts, the Housing Authority has the capacity to provide additional project-based vouchers to housing sites. In the coming year, as the Lincoln Lofts achieves full lease-up, the Board of Commissioners may consider (a) issuing additional requests for proposals for the use of additional project-based vouchers and (b) raising the cap on project-based vouchers from 10% of its budget authority to as much as 20% of its authorized vouchers, as is allowed in accordance with PIH 2017–21. Such actions will be based on the best interests of the Housing Authority's HCV program and the housing needs of the community.

d. Units with Approved Vacancies for Modernization

At present, eight efficiency units in Wood Hill Tower-North are approved with *Vacant HUD Approve – Undergoing Modernization* unit status. Four of these units are on the third floor and were “held over” from the last round of unit-merger construction; the third-floor units had to be vacated to merge and renovate the units directly above.

These units are unable to be leased until such time that they can be renovated “as is” or as part of the next phase of unit merger.

The other four units with *Vacant HUD Approve – Undergoing Modernization* status

UNIT	PROPOSED DISPOSITION
310 North Tower	On MOD or MERGED for next phase of unit merger project
309 North Tower	On Mod or MERGED for next phase of unit merger project
308 North Tower	On MOD or MERGED for next phase of unit merger project
307 North Tower	On MOD or MERGED for next phase of unit merger project
913 North Tower	On MOD or MERGED for plumbing and related renovation
1013 North Tower	On MOD or MERGED for plumbing and related renovation
1113 North Tower	On MOD or MERGED for plumbing and related renovation
1213 North Tower	On MOD or MERGED for plumbing and related renovation

5. Civil rights certification

All required civil rights certifications are incorporated in Form HUD-50077-ST-HCV-HP, “PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations”. This form will be prepared and submitted as required by HUD as part of the Housing Authority’s 2022 Annual Plan.

6. Most recent fiscal year audit

The final independent audit report for 2020 has not yet been completed, but it is expected to be completed in October. The most recent fiscal year audit available is for 2019, and it will be attached to and made part of this Annual PHA Plan.

7. Progress report

The Housing Authority of the City of Bloomington continues to strive and work toward meeting the mission and goals of the agency’s 5-Year Plan. Below are the five high-level goals established in the 2020 5-Year Plan and comments about the progress achieved toward each goal:

Goal 1: Help our residents and clients by connecting them with a range of education, employment, health, and social resources.

Objective 1.1: Educate the public about our public housing and Section 8 programs and how they can partner to help our residents and clients.

Objective 1.2: Continue to support and enhance enrichment opportunities for public housing residents (e.g. Family Self-Sufficiency (FSS), Resident Opportunities for Self-Sufficiency (ROSS), CDBG-funded job training, holiday gift baskets distribution, gardening and other recreation opportunities, etc.)

Objective 1.2: Evaluate the benefits and costs of establishing a separate not-for-profit organization that could assist public housing residents and provide training to residents.

PROGRESS REPORT on GOAL 1: The coronavirus pandemic has required Housing Authority staff to be more flexible and innovative in communicating with and serving our residents and clients. A new system was put in place in 2020 that allows email-to-text messaging and bulk text messaging capabilities. We also prepared a number of special mailings and flyer distributions to make residents aware of resources available from other organizations. We also now have a Facebook page oriented toward sharing information with our residents and clients. In 2020 the Housing Authority also established a not-for-profit organization, which broadens the options for seeking and providing assistance to public housing residents and Section 8 clients.

Goal 2: Operate the Housing Choice Voucher (HCV) Program as efficiently as possible to provide the most possible benefit to the community.

Objective 2.1: Consider options for managing HCV waiting list in ways that will reduce the length of time applicants are on the waiting list.

Objective 2.2: Educate the public and landlords about the benefits of the HCV program.

Objective 2.3: Review and revise HCV policies and procedures to most efficiently provide the best possible service to clients and landlords.

Objective 2.4: Evaluate staff duties and realign as needed to maximize efficiency.

PROGRESS REPORT on GOAL 2: The Housing Authority hired a new staff person in the newly defined position of Housing Choice Voucher Specialist to conduct core program tasks. In 2020 the Section 8 HCV Department contracted with a consultant to conduct a utility allowance review, and in 2021, contracted with a consultant for automated rent reasonable reviews using web-based software. Evaluation of mobile inspection technology is underway in 2021.

Goal 3: Carefully plan for the most efficient use of Housing Authority buildings and sites.

Objective 3.1: Conduct a formal assessment of the physical needs of the public housing portfolio and use the assessment for prioritization and planning of capital improvements.

Objective 3.2: Evaluate the options for the best long-term use of the Lawrence Irvin Neighborhood Center, which is expected to be vacated by the Boys & Girls club in the future.

Objective 3.3: Consider options for improving administrative office space to provide a better experience for clients and employees.

PROGRESS REPORT on GOAL 3: The Housing Authority entered into a contract with a national firm to conduct a Physical Needs Assessment (PNA), which is underway in the summer of 2021. Significant upgrades in administrative office space have been completed in 2020-21 using CARES Act funds. This has resulted in more efficient use of space as offices in the Section 8 HCV and Occupancy departments have been reconfigured or refurnished.

Goal 4: Advocate for and participate in efforts to expand affordable housing options in the community.

Objective 4.1: Proactively seek development partnerships to create new opportunities for affordable housing using tools such as project-based vouchers.

Objective 4.2: Evaluate need to revive or form new not-for-profit organization for affordable housing development.

Objective 4.3: Collaborate with community partners to study and advocate for affordable housing.

PROGRESS REPORT on GOAL 4: The Housing Authority's commitment of 17 project-based vouchers was critical in development of the 56-unit Lincoln Lofts project, which is opening in September 2021. As part of this process a new not-for-profit corporation, Affordable Housing of Bloomington (AHB) was formed in the spring of 2020. Through a joint venture agreement, AHB will receive a portion of developer fee from the project, which may be applied to future development opportunities. Housing Authority staff continues to participate in community efforts to study and advocate for affordable housing.

Goal 5: Invest in staff training, employee development, and management tools to improve agency operations, foster innovation, and expand staff leadership capacity.

Objective 5.1: Evaluate key agency processes (e.g. interim rent reviews, public housing move-outs, etc.) to identify opportunities for streamlining and clarification.

Objective 5.2: Prepare staff training and development plan for each position.

Objective 5.3: Continue to develop staff and board expertise in the financial elements of federal housing programs for better long-term fiscal planning within the agency.

PROGRESS REPORT on GOAL 5: With the hiring of three new department heads in 2020, the Housing Authority is now poised to fine-tune key processes. Training in 2020 was focused on new staff, with more comprehensive training and development plans yet to be developed. Four retirements in 2021 have also created opportunities to fine-tune job duties.

Goal 6: Use technology to improve client service, be more efficient, and promote Housing Authority programs.

Objective 6.1: Upgrade agency information technology tools, including web and mobile capabilities.

Objective 6.2: Make better use of outside technology expertise and study other agencies as a model for using technology to advance the agency mission.

PROGRESS REPORT on GOAL 6: The coronavirus pandemic required that staff rely more on electronic means of communication with clients and residents. It also underscored the need for improving agency use of technology, including remote work options for key staff. More work in this area is planned for 2022.

8. Resident Advisory Board comments

A Resident Advisory Board meeting was convened at 4:00 p.m. on September 8, 2021. Due to the coronavirus pandemic, the meeting was conducted electronically. Participants were asked to join the meeting by remote video connection or conference call.

Six Section 8 voucher-holders and 13 public housing residents were invited to participate in the Resident Advisory Board via letters mailed August 23, 2021. Three of the recipients RSVP'ed, but only one resident, Ms. Delores Goodlow, attended.

At the meeting, the draft plan, including the 5-year Action Plan for the Capital Fund Program, was presented. Ms. Goodlow provided feedback on the Plan and shared thoughts on programming for residents at Wood Hill Towers. There were no formal comments made on behalf of the Resident Advisory Board.

9. Certification of Consistency with Consolidated Plan

The City of Bloomington prepares and adopts a Consolidated Plan in conformance with federal regulations. Housing Authority staff participates in the process of developing that plan and the annual reports related to the Consolidated Plan. The Housing Authority's participation in the Consolidated Plan development process ensures that our Annual PHA will be consisted with the broad community development goals included therein.

The standard certification of compliance (Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan) will be submitted as an electronic attachment to the PHA Plan submitted to HUD.

10. Statement of capital improvements

A Capital Fund Program Five-Year Action Plan (Form HUD 50075.2, FY 2021-2025) will be attached hereto and made part of this 2021 Annual PHA Plan. A summarized list of projects is presented below. A sixth year of proposed projects is included so that the Housing Authority will be ready to submit the next five-year plan (FY 2022-2026) as soon as FY 2022 funds are made available. With this in mind, the sixth year of projects should be considered an integral part of BHA's approved plan for the Capital Fund Program.

These documents were presented and reviewed at the 9/7/2021 Resident Advisory Board meeting, the 9/16/2021 public hearing, and at the 9/28/2021 Board of Commissioners meeting.

WORK STATEMENT FOR YEAR 1, FY 2021	
Replace all windows at McGraw Apartments	\$30,000
Replace both elevators at Wood Hill Towers-South	\$800,000
Replace electrical breaker panels at Wood Hill Towers-South	\$50,000
Architecture and engineering fees	\$40,000
Interior improvements at Wood Hill Towers-North (re-plumbing selected units and related improvements)	\$37,749
Emergency generator at Wood Hill Towers-North (required for new elevator)	\$380,000
Maintenance staff training	\$10,000
Administrative expenses	\$90,000
TOTAL FOR YEAR 1, FY 2021	\$1,437,749

WORK STATEMENT FOR YEAR 2, FY 2022	
Site improvements at Sunnyside and Holton (concrete walkway replacement, dumpster pad installation, water supply line replacement, tree planting, etc.)	\$440,000
Replacement of porch roofs, siding, soffit, and other building exterior improvements at Sunnyside	\$480,000
Interior improvements at Sunnyside (water supply lines, related improvements)	\$105,000
Architecture and engineering fees	\$75,000
Maintenance staff training	\$10,000
Administrative expenses	\$90,000
Breaker panel replacement at Wood Hill Towers-North	\$20,000
Electrical improvements associated with units re-plumbed at Wood Hill Towers-North	\$90,000
Interior improvements at Wood Hill Towers-North (repair/renovation of units re-plumbed at Wood Hill Towers-North)	\$90,000
Replace hallway flooring, Wood Hill Towers-South	\$35,000

TOTAL FOR YEAR 2, FY 2022	\$1,435,000
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WORK STATEMENT FOR YEAR 3, FY 2023	
Administrative expenses	\$100,000
Architecture and engineering fees	\$100,000
Maintenance staff training	\$5,000
Replace all windows at Irvin Apartments	\$90,000
Repair or replace concrete balconies and railings at Wood Hill Towers-South	\$250,000
Replace siding and porches at Wood Hill Family Apartments (9 buildings)	\$400,000
Replace hallway flooring, Wood Hill Towers-South	\$35,000
Repair or replace concrete balconies and railings at Wood Hill Towers-North	\$250,000
Replace concrete floor of shop area at Wood Hill Towers-North	\$150,000
Replace hallway flooring, Wood Hill Towers-North	\$55,000
TOTAL FOR YEAR 3, FY 2023	\$1,435,000

WORK STATEMENT FOR YEAR 4, FY 2024	
Administrative expenses	\$100,000
Maintenance staff training	\$5,000
Architecture and engineering fees	\$100,000
Renovate unit interiors at Sunnyside	\$400,000
Replace siding and porch roofs at Holton and Evergreen	\$585,000
Replace playground at Wood Hill Family Apartments	\$120,000
Replace fire alarm panel at Wood Hill Towers-South	\$72,500
Replace hallway flooring, Wood Hill Towers-South	\$52,500
TOTAL FOR YEAR 4, FY 2024	\$1,435,000

WORK STATEMENT FOR YEAR 5, FY 2025	
Administrative expenses	\$100,000
Architecture and engineering fees	\$100,000
Maintenance staff training	\$10,000
Purchase maintenance equipment	\$17,500
Replace furnaces and install central air conditioning at Holton Homes	\$500,000
Replace playground equipment at Holton Homes	\$100,000
Repair or replace asphalt parking lot surfaces at Sunnyside, Holton, and Evergreen	\$100,000
Replace furnaces and install central air conditioning at John Kane Homes	\$100,000

Repair or replace fence and retaining walls at Nierstheimer Apts.	\$50,000
Replace windows in AMP 2	\$35,000
Replace furnaces and install central air conditioning at Wood Hill Family Apartments	\$200,000
Replace hallway flooring, Wood Hill Towers-South	\$50,000
Replace hallway flooring, Wood Hill Towers-North	\$22,500
Replace fire alarm panel at Wood Hill Towers-North	\$50,000
TOTAL FOR YEAR 5, FY 2025	\$1,435,000

WORK STATEMENT FOR YEAR 6, FY 2026	
Administrative expenses	\$100,000
Architecture and engineering fees	\$100,000
Maintenance staff training	\$10,000
Purchase maintenance equipment	\$17,500
Renovate unit interiors at Sunnyside	\$507,500
Remove and replace concrete walkways at Holton Homes	\$100,000
Replace furnaces and install central air conditioning at Sunnyside and Evergreen	\$400,000
Remove and replace concrete walkways at Wood Hill Family	\$200,000
TOTAL FOR YEAR 6, FY 2026	\$1,435,000

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

2577-0274

Status: Draft

Approval Date:

Approved By:

02/28/2022

Part I: Summary

PHA Name : Housing Authority of the City of Bloomington, IL PHA Number: IL051		Locality (City/County & State) <input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revised 5-Year Plan (Revision No:)				
A.	Development Number and Name	Work Statement for Year 1 2021	Work Statement for Year 2 2022	Work Statement for Year 3 2023	Work Statement for Year 4 2024	Work Statement for Year 5 2025
	HANDICAPPED UNITS (IL051000002)	\$30,000.00		\$90,000.00		\$185,000.00
	WOODHILL (IL051000003)	\$890,000.00	\$35,000.00	\$685,000.00	\$245,000.00	\$250,000.00
	IWOODHILL NORTH (IL051000004)	\$417,749.00	\$200,000.00	\$455,000.00		\$72,500.00
	AUTHORITY-WIDE	\$100,000.00	\$175,000.00	\$205,000.00	\$205,000.00	\$227,500.00
	HOLTON,SUNNYSIDE,EVERGREEN (IL051000001)		\$1,025,000.00		\$985,000.00	\$700,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 1 **2021**

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	HANDICAPPED UNITS (IL051000002)			\$30,000.00
ID0061	John Kane Homes, Nierstheimer, McGraw, Irvin Apartments(Dwelling Unit-Exterior (1480)-Columns and Porches,Dwelling Unit-Exterior (1480)-Decks and Patios,Dwelling Unit-Exterior (1480)-Exterior Doors,Dwelling Unit-Exterior (1480)-Exterior Lighting,Dwelling Unit-Exterior (1480)-Exterior Paint and Caulking,Dwelling Unit-Exterior (1480)-Building Slab,Dwelling Unit-Exterior (1480)-Gutters - Downspouts,Dwelling Unit-Exterior (1480)-Landings and Railings,Dwelling Unit-Exterior (1480)-Other,Dwelling Unit-Exterior (1480)-Roofs,Dwelling Unit-Exterior (1480)-Siding,Dwelling Unit-Exterior (1480)-Soffits,Dwelling Unit-Exterior (1480)-Tuck-Pointing)	McGraw window replacement		\$30,000.00
	WOODHILL (IL051000003)			\$890,000.00
ID0079	Wood Hill Family Apartments and Wood Hill Towers-South(Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Electrical,Non-Dwelling Construction - Mechanical (1480)-Elevator,Non-Dwelling Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Mechanical,Non-Dwelling Interior (1480)-Other)	WHT South: Replace Both Elevators including mechanical, Electrical, cab, Finishes with doors, sump pit components		\$800,000.00
ID0080	Wood Hill Family Apartments and Wood Hill Towers-South(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Other,Non-Dwelling Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Other)	WHT South: Replace Electrical Breaker panels		\$50,000.00
ID0081	Wood Hill Family Apartments and Wood Hill Towers-South(Contract Administration (1480)-Other,Contract Administration (1480)-Other Fees and Costs)	- Architecture & Engineering Fees Breaker panels		\$40,000.00
	IWOODHILL NORTH (IL051000004)			\$417,749.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		1	2021	
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0087	Wood Hill Towers-North(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	WHT North: Interior Improvements Replace some doors, cabinets, flooring, painting, lighting, drywall, tubs & surrounds. Plumbing and Electrical		\$37,749.00
ID0277	Wood Hill Towers-North(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Non-Dwelling Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Mechanical,Non-Dwelling Interior (1480)-Other)	Generator with necessary electric and gas		\$380,000.00
	AUTHORITY-WIDE (NAWASD)			\$100,000.00
ID0093	Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	Staff Training: Management Improvement Painting, pressure washing, drywall, carpentry & other. Drywall repair, painting, landscaping, etc.		\$10,000.00
ID0096	Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	Administration: Salary, benefits, etc. Payroll, cell & benefits, work truck		\$90,000.00
	Subtotal of Estimated Cost			\$1,437,749.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		2	2022	
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	HOLTON,SUNNYSIDE,EVERGREEN (IL051000001)			\$1,025,000.00
ID0098	Sunnyside, Evergreen, & Holton Homes(Dwelling Unit-Site Work (1480)-Asphalt - Concrete - Paving,Dwelling Unit-Site Work (1480)-Landscape,Dwelling Unit-Site Work (1480)-Lighting,Dwelling Unit-Site Work (1480)-Other,Dwelling Unit-Site Work (1480)-Parking,Dwelling Unit-Site Work (1480)-Seal Coat,Dwelling Unit-Site Work (1480)-Signage,Dwelling Unit-Site Work (1480)-Striping)	Amp 1-Site work Sunny side, Holton Concrete, sidewalk replacement, Replace Main Water supply for Sunny Side buildings, Plant trees at Holton & other site improvement		\$440,000.00
ID0101	Sunnyside, Evergreen, & Holton Homes(Dwelling Unit-Exterior (1480)-Balconies-Porches-Railings-etc,Dwelling Unit-Exterior (1480)-Building Slab,Dwelling Unit-Exterior (1480)-Decks and Patios,Dwelling Unit-Exterior (1480)-Exterior Doors,Dwelling Unit-Exterior (1480)-Exterior Lighting,Dwelling Unit-Exterior (1480)-Exterior Paint and Caulking,Dwelling Unit-Exterior (1480)-Landings and Railings,Dwelling Unit-Exterior (1480)-Roofs,Dwelling Unit-Exterior (1480)-Siding,Dwelling Unit-Exterior (1480)-Soffits,Dwelling Unit-Exterior (1480)-Windows)	Sunnyside: Exterior Improvements porch roofs, siding, soffits & other exterior work		\$480,000.00
ID0105	Sunnyside, Evergreen, & Holton Homes(Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Exterior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Sunny side: Interior Improvements Replace Main water supply		\$105,000.00
	AUTHORITY-WIDE (NAWASD)			\$175,000.00
ID0107	Sunnyside, Evergreen, & Holton Homes(Contract Administration (1480)-Other)	AMP 1 - Architecture \$ Engineering Fees siding and concrete		\$75,000.00
ID0143	Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	Staff Training: Management Improvement Training		\$10,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 2 2022

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0147	Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	Administration: Salary, benefits, etc. Payroll, cell & benefits, work truck		\$90,000.00
	IWOODHILL NORTH (IL051000004)			\$200,000.00
ID0246	Wood Hill Towers-North(Dwelling Unit-Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Electrical)	Breaker Panel replacement		\$20,000.00
ID0278	Wood Hill Towers-North(Non-Dwelling Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Electrical)	Electrical associated with apartment remodel work		\$90,000.00
ID0279	Wood Hill Towers-North(Dwelling Unit-Interior (1480)-Plumbing,Non-Dwelling Interior (1480)-Plumbing)	Apartment work associated with plumbing replacement		\$90,000.00
	WOODHILL (IL051000003)			\$35,000.00
ID0247	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Interior (1480)-Common Area Flooring)	hall way floor replacement WHT South		\$35,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 2 2022

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	Subtotal of Estimated Cost			\$1,435,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		3	2023	
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$205,000.00
ID0195	Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	Administration: Salary, benefits, etc. Payroll, cell & benefits, work truck		\$100,000.00
ID0253	Authority-Wide Improvements(Contract Administration (1480)-Other)	architect and engineer		\$100,000.00
ID0254	Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	Maintenance training		\$5,000.00
	HANDICAPPED UNITS (IL051000002)			\$90,000.00
ID0248	AMP 2: John Kane Homes, Nierstheimer, McGraw, Irvin Apartments(Dwelling Unit-Exterior (1480)-Windows,Non-Dwelling Exterior (1480)-Windows)	Irvin window replacement		\$90,000.00
	WOODHILL (IL051000003)			\$685,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 3		2023		
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0249	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Exterior (1480)-Balconies and Railings)	Balconies concrete and railings WHT south		\$250,000.00
ID0250	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Exterior (1480)-Roofs,Non-Dwelling Exterior (1480)-Siding,Non-Dwelling Exterior (1480)-Soffits)	Wood Hill Family siding and roofs		\$400,000.00
ID0280	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Interior (1480)-Common Area Flooring)	Hall Floors		\$35,000.00
	IWOODHILL NORTH (IL051000004)			\$455,000.00
ID0251	Wood Hill Towers-North(Non-Dwelling Exterior (1480)-Balconies and Railings)	Balconies and railings WHT North		\$250,000.00
ID0252	Wood Hill Towers-North(Non-Dwelling Interior (1480)-Other)	Shop concrete floor WHT North		\$150,000.00
ID0255	Wood Hill Towers-North(Non-Dwelling Interior (1480)-Common Area Flooring)	hall floors WHT North		\$55,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 3 2023

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	Subtotal of Estimated Cost			\$1,435,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 4 **2024**

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$205,000.00
ID0243	Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	Administration: Salary, benefits, etc. Payroll, cell & benefits, work truck		\$100,000.00
ID0260	Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	Staff training		\$5,000.00
ID0271	Authority-Wide Improvements(Contract Administration (1480)-Other)	Architect and Engineer		\$100,000.00
	HOLTON,SUNNYSIDE,EVERGREEN (IL051000001)			\$985,000.00
ID0256	Sunnyside, Evergreen, & Holton Homes(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Call-for-Aid Systems,Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	building interior remodel		\$400,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		4	2024	
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0257	Sunnyside, Evergreen, & Holton Homes(Non-Dwelling Exterior (1480)-Siding,Non-Dwelling Exterior (1480)-Soffits,Non-Dwelling Exterior (1480)-Roofs)	Replace siding and porch roofs at Holton and Evergreen		\$585,000.00
	WOODHILL (IL051000003)			\$245,000.00
ID0258	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Site Work (1480)-Playground Areas - Equipment)	Replace playground at Wood Hill family		\$120,000.00
ID0259	Wood Hill Family Apartments and Wood Hill Towers-South(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Other,Non-Dwelling Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Other)	Towers fire panel WHT South		\$72,500.00
ID0261	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Interior (1480)-Common Area Flooring)	Hall floors		\$52,500.00
	Subtotal of Estimated Cost			\$1,435,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		5	2025	
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$227,500.00
ID0262	Authority-Wide Improvements(Administration (1410)-Salaries)	Administration: Salary, benefits, etc. Payroll, cell & benefits, work truck		\$100,000.00
ID0267	Authority-Wide Improvements(Contract Administration (1480)-Other,Contract Administration (1480)-Other Fees and Costs)	architect and engineering		\$100,000.00
ID0268	Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	staff training		\$10,000.00
ID0269	Authority-Wide Improvements(Management Improvement (1408)-Other)	maintenance equipment purchase		\$17,500.00
	HOLTON,SUNNYSIDE,EVERGREEN (IL051000001)			\$700,000.00
ID0263	Sunnyside, Evergreen, & Holton Homes(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical)	Furnace upgrade with a/c.		\$500,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 5 **2025**

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0272	Sunnyside, Evergreen, & Holton Homes(Non-Dwelling Site Work (1480)-Playground Areas - Equipment)	Upgrade Playground Equipment		\$100,000.00
ID0273	Sunnyside, Evergreen, & Holton Homes(Non-Dwelling Site Work (1480)-Asphalt - Concrete - Paving,Non-Dwelling Site Work (1480)-Curb and Gutter)	asphalt parking lot repair/replace		\$100,000.00
	HANDICAPPED UNITS (IL051000002)			\$185,000.00
ID0264	John Kane Homes, Nierstheimer, McGraw, Irvin Apartments(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other)	Furnace replacement with a/c at John Kane Homes		\$100,000.00
ID0274	John Kane Homes, Nierstheimer, McGraw, Irvin Apartments(Non-Dwelling Site Work (1480)-Fencing,Non-Dwelling Site Work (1480)-Landscape)	Fence and/or retaining wall		\$50,000.00
ID0281	AMP 2: John Kane Homes, Nierstheimer, McGraw, Irvin Apartments(Dwelling Unit-Exterior (1480)-Windows,Non-Dwelling Exterior (1480)-Windows)	replace windows		\$35,000.00
	WOODHILL (IL051000003)			\$250,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 5		2025		
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0265	Wood Hill Family Apartments and Wood Hill Towers-South(Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other)	Furnace replacement with a/c at Wood Hill Family		\$200,000.00
ID0275	Wood Hill Family Apartments and Wood Hill Towers-South(Non-Dwelling Interior (1480)-Common Area Flooring)	tower Hall Floors		\$50,000.00
	IWOODHILL NORTH (IL051000004)			\$72,500.00
ID0266	Wood Hill Towers-North(Non-Dwelling Interior (1480)-Common Area Flooring)	Hall floors		\$22,500.00
ID0276	Wood Hill Towers-North(Non-Dwelling Interior (1480)-Electrical,Non-Dwelling Interior (1480)-Mechanical,Non-Dwelling Interior (1480)-Other)	Fire Panel		\$50,000.00
	Subtotal of Estimated Cost			\$1,435,000.00

Part III: Supporting Pages - Management Needs Work Statements (s)**Work Statement for Year 1** 2021

Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	\$10,000.00
Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	\$90,000.00
Subtotal of Estimated Cost	\$100,000.00

Part III: Supporting Pages - Management Needs Work Statements (s)**Work Statement for Year 2 2022**

Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Sunnyside, Evergreen, & Holton Homes(Contract Administration (1480)-Other)	\$75,000.00
Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	\$10,000.00
Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	\$90,000.00
Subtotal of Estimated Cost	\$175,000.00

Part III: Supporting Pages - Management Needs Work Statements (s)**Work Statement for Year 3** 2023

Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	\$100,000.00
Authority-Wide Improvements(Contract Administration (1480)-Other)	\$100,000.00
Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	\$5,000.00
Subtotal of Estimated Cost	\$205,000.00

Part III: Supporting Pages - Management Needs Work Statements (s)**Work Statement for Year 4** 2024

Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Authority-Wide Improvements(Administration (1410)-Other,Administration (1410)-Salaries)	\$100,000.00
Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	\$5,000.00
Authority-Wide Improvements(Contract Administration (1480)-Other)	\$100,000.00
Subtotal of Estimated Cost	\$205,000.00

Part III: Supporting Pages - Management Needs Work Statements (s)**Work Statement for Year 5** 2025

Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Authority-Wide Improvements(Administration (1410)-Salaries)	\$100,000.00
Authority-Wide Improvements(Contract Administration (1480)-Other,Contract Administration (1480)-Other Fees and Costs)	\$100,000.00
Authority-Wide Improvements(Management Improvement (1408)-Staff Training)	\$10,000.00
Authority-Wide Improvements(Management Improvement (1408)-Other)	\$17,500.00
Subtotal of Estimated Cost	\$227,500.00

**HOUSING AUTHORITY OF THE
CITY OF BLOOMINGTON
Bloomington, Illinois**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS'
REPORT**

DECEMBER 31, 2019

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the City of Bloomington
Bloomington, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Bloomington ("Housing Authority"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Housing Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority, as of December 31, 2019, and the respective changes in financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the Housing Authority's basic financial statements. The combining financial statements, the statements and certifications of actual modernization costs, and the statements and certification of actual ROSS costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Department of Housing and Urban Development, and is also not a required part of the basic financial statements.

The combining financial statements, the statements and certifications of actual modernization costs, and the statements and certifications of actual ROSS costs and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, the statements and certifications of actual modernization costs, and the statements and certifications of actual ROSS costs and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 26, 2021, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
January 26, 2021

**HOUSING AUTHORITY OF THE
CITY OF BLOOMINGTON
Bloomington, Illinois**

MANAGEMENT DISCUSSION AND ANALYSIS

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

MANAGEMENT DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2019

The management of the Bloomington Housing Authority ("Housing Authority") offers this narrative overview and analysis of its audited financial statements for the year ended December 31, 2019. The goal is for the reader to better understand the Housing Authority's financial activities and its overall financial position and to show whether current year revenue covered current year expenses and the extent to which the Housing Authority has invested its capital assets. We encourage readers to consider the information presented here in conjunction with the Housing Authority's financial statements, which begins on page 7.

FINANCIAL HIGHLIGHTS:

- The assets of the Housing Authority exceed its liabilities as of December 31, 2019 by \$7,466,522 (net position).
- The Housing Authority's investment in capital assets, net of related debt as of December 31, 2019 was \$5,209,616.
- The Housing Authority's total revenue for the calendar year ended December 31, 2019 was \$8,281,527.
- The Housing Authority's total expenses for the calendar year ended December 31, 2019 was \$8,134,975. Therefore, the Housing Authority's total combined revenue exceeds its total combined expenses by \$146,552.

OVERVIEW OF THE FINANCIAL STATEMENTS:

This discussion and analysis is intended to serve as an introduction to the Housing Authority's financial statements. The Housing Authority's financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following financial statements are included:

- The *Statement of Net Position* presents information on all of the Housing Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Housing Authority is improving or deteriorating.
- The *Statement of Revenue, Expenses, and Changes in Net Position* reports the Housing Authority's operating and non-operating revenue, by major source, along with operating and non-operating expenses.
- The *Statement of Cash Flows* reports the Housing Authority's cash flows from operating, non-capital financing, investing, and capital and related financing activities.
- Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.
- Supplementary information includes the *Combining Statement of Net Position* and the *Combining Statement of Revenue, Expenses, and Changes in Net Position*. The combining schedules report the balances and activity in the individual program types of the Housing Authority, combining them into a total column. The *Schedule of Expenditures of Federal Awards* is also presented for purposes of additional analysis as required by the U.S. Office of Management and *Audits of States, Local Governments, and Non-profit Organizations*.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED DECEMBER 31, 2019

ANALYSIS OF FINANCIAL STATEMENTS:

STATEMENT OF NET POSITION

	2019	2018	INCREASE (DECREASE)
Cash and cash equivalents	\$ 2,301,583	\$ 2,073,921	\$ 227,662
Other current assets	533,965	384,937	149,028
Capital assets	<u>8,680,767</u>	<u>9,038,273</u>	<u>(357,506)</u>
TOTAL ASSETS	<u>11,516,315</u>	<u>11,497,131</u>	<u>19,184</u>
Current liabilities	479,355	398,134	81,221
Non-current liabilities	<u>3,570,438</u>	<u>3,779,027</u>	<u>(208,589)</u>
TOTAL LIABILITIES & DEFERRED INFLOWS OF REOURCES	<u>4,049,793</u>	<u>4,177,161</u>	<u>(127,368)</u>
Net investment in capital assets	5,209,616	5,369,422	(159,806)
Restricted net position	83,625	87,099	(3,474)
Unrestricted position	<u>2,173,281</u>	<u>1,863,449</u>	<u>309,832</u>
TOTAL NET ASSETS	<u>7,466,522</u>	<u>7,319,970</u>	<u>146,552</u>

ANALYSIS OF STATEMENT OF REVENUE AND EXPENSES, AND CHANGES IN NET POSITION:

	YEAR ENDING DECEMBER 31,	
	2019	2018
REVENUE		
Tenant revenue	\$ 1,511,233	18%
HUD operating and capital grants	6,493,170	79
Interest	4,586	-
Other operating revenue	<u>272,538</u>	<u>3</u>
TOTAL REVENUE	<u>8,281,527</u>	<u>100</u>
EXPENSES		
Administrative expenses	1,274,480	16
Tenant services	365,693	5
Utilities	601,037	7
Maintenance and operations	1,477,667	18
Insurance	239,586	3
General expenses	117,705	1
Housing assistance payments	2,646,316	33
Interest expense	171,386	2
Depreciation	<u>1,241,105</u>	<u>15</u>
TOTAL EXPENSES	<u>8,134,975</u>	<u>100</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 146,552</u>	<u>\$ 67,447</u>

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

MANAGEMENT DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2019

LONG-TERM DEBT ACTIVITY

As of December 31, 2019, the Housing Authority had \$3,471,151 in debt outstanding compared to \$3,668,851 as of December 31, 2018; a net decrease of \$197,700.

Long-Term Debt consisted of the following:

	DECEMBER 31,	
	2019	2018
Total Loans	\$ 3,471,151	\$ 3,668,851
Less: Current Portion	(102,613)	(97,427)
NONCURRENT PORTION	<u>\$ 3,368,538</u>	<u>\$ 3,571,424</u>

CAPITAL ASSETS

As of December 31, 2019, the Housing Authority had \$8,608,767 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additional, deductions, and depreciation) of \$357,506 from December 31, 2018.

	2019	2018	NET CHANGE
Land	\$ 599,261	\$ 599,261	\$ -
Buildings & Improvements	39,893,950	39,076,366	817,584
Land Improvements	212,318	212,318	-
Equipment	<u>779,581</u>	<u>909,810</u>	<u>(130,229)</u>
TOTAL	41,485,110	40,797,755	687,355
Accumulated Depreciation	32,804,343	(31,759,482)	(1,044,861)
NET CAPITAL ASSETS	<u>\$ 8,680,767</u>	<u>\$ 9,038,273</u>	<u>\$ (357,506)</u>

Additional information on the Housing Authority's Capital Assets is presented in the notes to the financial statements.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Housing Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Bloomington Housing Authority, 104 E. Wood Street, Bloomington, IL 61701.

**HOUSING AUTHORITY OF THE
CITY OF BLOOMINGTON
Bloomington, Illinois**

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT OF NET POSITION
DECEMBER 31, 2019

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 2,041,922
Cash and cash equivalents - restricted	259,661
Receivables	
Tenants, net of allowance for doubtful accounts	26,941
Other, net of allowance for doubtful accounts	26,678
Due from other governments	215,094
Inventory	116,610
Prepaid expenses	148,642
TOTAL CURRENT ASSETS	<u>2,835,548</u>

NONCURRENT ASSETS

Land	599,261
Land improvements	212,318
Buildings and improvements	39,893,950
Equipment	779,581
Less accumulated depreciation	(32,804,343)
TOTAL NONCURRENT ASSETS	<u>8,680,767</u>
TOTAL ASSETS	<u>\$ 11,516,315</u>

LIABILITIES AND NET POSITION

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$ 126,037
Accrued expenses	102,502
Compensated absences	5,731
Due to other governments	53,894
Unearned revenue	5,578
Tenants' security deposits	83,000
Current portion of long-term debt	102,613
TOTAL CURRENT LIABILITIES	<u>479,355</u>

NONCURRENT LIABILITIES

Long-term debt	3,368,538
Compensated absences	108,864
Tenants' FSS escrow	93,036
TOTAL NONCURRENT LIABILITIES	<u>3,570,438</u>
TOTAL LIABILITIES	<u>4,049,793</u>

NET POSITION

Net investment in capital assets	5,209,616
Restricted net position	83,625
Unrestricted net position	2,173,281
TOTAL NET POSITION	<u>7,466,522</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,516,315</u>

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

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
 STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2019

OPERATING REVENUE	
Dwelling rental	\$ 1,511,233
Operating grants	5,645,276
Other operating revenue	<u>272,538</u>
TOTAL OPERATING REVENUE	<u>7,429,047</u>
OPERATING EXPENSES	
Administration	1,274,480
Tenant services	365,693
Utilities	601,037
Maintenance and operations	1,477,667
Insurance	239,586
General expenses	117,705
Housing assistance payments	2,646,316
Depreciation	<u>1,241,105</u>
TOTAL OPERATING EXPENSES	<u>7,963,589</u>
OPERATING (LOSS)	<u>(534,542)</u>
NONOPERATING REVENUE (EXPENSE)	
Interest income	4,586
Interest expense	<u>(171,386)</u>
NET NONOPERATING (EXPENSE)	<u>(166,800)</u>
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS	(701,342)
CAPITAL GRANTS	<u>847,894</u>
CHANGE IN NET POSITION	146,552
NET POSITION AT BEGINNING OF YEAR	<u>7,319,970</u>
NET POSITION AT END OF YEAR	<u>\$ 7,466,522</u>

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

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from tenants/participants	\$ 1,513,492
Cash received from operating grants	5,561,379
Other income received	218,026
Cash payments to vendors	(2,034,323)
Cash payments to employees	(1,984,391)
Cash payments for housing assistance	(2,646,316)
NET CASH PROVIDED BY OPERATING ACTIVITIES	627,867

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital grants	847,894
Acquisition of capital assets	(883,599)
Principal payments	(197,700)
Interest paid	(171,386)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(404,791)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	4,586
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NET INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,073,921
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 2,301,583

RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION

Cash and cash equivalents	\$ 2,041,922
Cash and cash equivalents - restricted	259,661
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	\$ 2,301,583

RECONCILIATION OF (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

CASH FLOWS FROM OPERATING ACTIVITIES

Operating (loss)	\$ (534,542)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Depreciation	1,241,105
Changes in assets and liabilities	
(Increase) decrease in assets	
Accounts receivable	(16,543)
Due from other governments	(130,795)
Inventory	(30,295)
Prepaid expenses	28,605
Increase (decrease) in liabilities	
Accounts payable	72,240
Accrued liabilities - other	3,107
Unearned revenue	(3,865)
Due to other governments	3,117
Tenants' FSS escrow	(2,067)
Tenants' security deposits	(2,200)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 627,867

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

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity - The Housing Authority is a separate governmental entity created for the purpose of constructing, maintaining, and operating public housing and providing rental assistance to low income and elderly persons. Most of the Housing Authority's funding is provided by the United States Department of Housing and Urban Development (HUD). All programs of the Housing Authority are included in these statements. The Housing Authority has no component units.

Programs Administered by the Housing Authority - The programs of the Housing Authority are recorded in one enterprise fund. Each is maintained using a separate set of self-balancing accounts. The programs include Public Housing, Capital Funds, Resident Opportunities and Self-Sufficient grant program (ROSS), Congregate Housing Service program, Section 8 Choice Vouchers, Section 8 Mod Rehab, and a Central Operations Cost Center (COCC).

Basis of Accounting and Measurement Focus - The Housing Authority's basic financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Housing Authority applies all GASB pronouncements as well as U.S. GAAP, as codified by Financial Accounting Standards Board.

All activities of the Housing Authority are accounted for within one proprietary (enterprise) fund. A proprietary fund is used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and 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.

A proprietary fund distinguishes operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Housing Authority are rents collected from tenants and operating grants. Operating expenses for a proprietary fund include the cost of operating properties owned, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

The accounting and financial reporting treatment applied to the Housing Authority is determined by its measurement focus. The transactions of the Housing Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Net position (i.e., total assets net of total liabilities) are segregated net investment in capital assets, restricted, and unrestricted. When both restricted and unrestricted resources are available for use, it is the Housing Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Housing Authority considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Cash and Cash Equivalents - Restricted - Restricted cash and cash equivalents are segregated resources for tenants' security deposits, tenants' family self-sufficiency deposits, unspent capital fund drawdowns, unspent EPC loan proceeds, and unspent housing assistance payments.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2019

NOTE 1 - Summary of Significant Accounting Policies - Continued

Accounts Receivable - Accounts receivable are recorded at gross amount, less an allowance for doubtful accounts. The allowance for doubtful accounts was \$14,373 for Public Housing and \$26,677 for Section 8 Choice Vouchers at December 31, 2019.

Prepaid Expenses - Prepaid expenses represent payments made to vendors for services that will benefit beyond December 31, 2019.

Inventory - Inventory is valued using the average cost method.

Capital Assets - Purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Capital assets are items that exceed \$2,500 and have a useful life of greater than one year. Buildings and equipment are carried at cost or estimated fair value and depreciated using a straight-line method of depreciation over their estimated useful lives as follows:

Land improvements	10 years
Buildings and improvements	10 - 27 years
Equipment	5 years

Impairment of Long-Lived Assets - The Housing Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recovered. If the fair value is less than the carrying value of an asset, an impairment loss is recognized for the difference. No impairment loss has been recognized during the year ended December 31, 2019.

Accumulated Compensated Absences - The Housing Authority allows permanent employees to accumulate the following compensated absences:

- Vacation time is earned at a rate of one day per month for regular full-time employees and four hours for part-time employees with a maximum of 320 hours for employees hired prior to January 1, 2002 and 240 hours for employees hired on or after January 1, 2002. Employees will earn one extra day for each year after five completed years. Unused vacation time is paid out at termination.
- Effective January 1, 2007, sick pay is earned at a rate of one day per month and can accumulate to a maximum carryover of 960 hours. Unused sick pay is lost at time of voluntary or involuntary termination.

The amount of accumulated benefits at December 31, 2019, was \$114,595 and is recorded as a liability in the applicable programs.

Deferred Outflows and Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The Housing Authority does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The Housing Authority does not have any items that qualify for reporting in this category.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2019

NOTE 1 - Summary of Significant Accounting Policies - Continued

Net Position Classifications - Net position represents the difference between the total assets and the total liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Federal Aids - Federal aids for reimbursable programs are recognized as revenue in the year related program expenditures are incurred. Aids received prior to meeting revenue recognition criteria are recorded as unearned revenue.

Employee Retirement Plan - The Housing Authority has a retirement plan covering substantially all of its eligible employees which is funded through contributions to AXA Equitable Life Insurance Company.

Due To/From Other Programs - During the course of operations, numerous transactions occur between individual programs for goods provided or services rendered. These receivables and payables are classified as "due from other programs" or "due to other programs" on the combining statement of net position and have been eliminated in the basic financial statements.

Interprogram Transactions - Quasi-external transactions are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a program for expenditures/expenses initially made from it that are properly applicable to another program, are recorded as expenditures/expenses in the reimbursing program and as reductions of expenditures/expenses in the program that is reimbursed.

Rental Income - Rental income is recognized as rents become due.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Construction Projects - There are certain major construction projects in progress at December 31, 2019. These include modernizing rental units at many different projects. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Subsequent Events - The Housing Authority has evaluated subsequent events through January 26, 2021, the date which the financial statements were available to be issued.

NOTE 2 - Cash and Cash Equivalents

HUD regulations and statutes authorize the Housing Authority to have deposits in checking accounts, certificates of deposits, money-market funds, and repurchase agreements fully collateralized by United States government securities.

At December 31, 2019, the Housing Authority reported cash and cash equivalents as follows:

Cash and cash equivalents	\$ 2,041,922
Cash and cash equivalents - restricted	259,661
TOTAL	<u>\$ 2,301,583</u>

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2019

NOTE 2 - Cash and Cash Equivalents - Continued

The difference between cash and cash equivalents and the deposits reported below is due to reconciling items such as deposits in transit and outstanding checks.

Fair Value of Deposits - Deposits are reported at fair value. At December 31, 2019, the fair value of the Housing Authority's deposits approximated original cost; therefore, no fair value adjustments were necessary.

Determining Fair Value - Fair value of the Housing Authority's deposits are determined as follows: deposits with stated interest rates (operating and savings accounts) are stated at cost.

Income Allocation - Interest income is generally allocated to the program that owns the certificate of deposit, money market account, and savings account.

Custodial Credit Risk - Deposits - Custodial credit is the risk that, in the event of a bank failure, the Housing Authority's deposits may not be returned to it. As of December 31, 2019, \$2,046,016 of the Housing Authority's bank balance of \$2,546,016 was exposed to custodial risk as follows:

Uninsured, collateralized by bank	<u>\$ 2,046,016</u>
-----------------------------------	----------------------------

NOTE 3 - Capital Assets

A summary of changes in capital assets is as follows:

	<u>BALANCES 1/1/19</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES 12/31/19</u>
<i>Capital assets not being depreciated:</i>				
Land	\$ 599,261	\$ -	\$ -	\$ 599,261
<i>Capital assets being depreciated:</i>				
Land improvements	212,318	-	-	212,318
Buildings and improvements	39,076,366	817,584	-	39,893,950
Equipment	909,810	66,015	(196,244)	779,581
TOTAL CAPITAL ASSETS BEING DEPRECIATED	40,198,494	883,599	-	40,885,849
Less accumulated depreciation	(31,759,482)	(1,241,105)	(196,244)	(32,804,343)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET OF ACCUMULATED DEPRECIATION	8,439,012	(357,506)	-	8,081,506
NET CAPITAL ASSETS	<u>\$ 9,038,273</u>	<u>\$ 357,506</u>	<u>\$ -</u>	<u>\$ 8,680,767</u>

NOTE 4 - Long-Term Obligations

Details of the Housing Authority's long-term obligations are set forth below:

Summary of Long-Term Obligations

	<u>BALANCE 1/1/19</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE 12/31/19</u>	<u>AMOUNT DUE WITHIN ONE YEAR</u>
EPC loan	\$ 3,668,851	\$ -	\$ (197,700)	\$ 3,471,151	\$ 102,613
Compensated absences	118,422	-	(3,827)	114,595	5,731
Tenants' FSS escrow	95,103	-	(2,067)	93,036	-
	<u>\$ 3,882,376</u>	<u>\$ -</u>	<u>\$ (203,594)</u>	<u>\$ 3,678,782</u>	<u>\$ 108,344</u>

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2019

NOTE 4 - Long-Term Obligations - Continued

In July of 2013, the Housing Authority entered into a loan agreement with First Financial Bank NA in the amount up to \$4,750,000 for an Energy Performance Contracting (EPC) program to pay for the installation of energy efficient plumbing and lighting in the Housing Authority's public housing units. The EPC loan will be paid in 40 semi-annual consecutive principal and interest payments of \$185,278, beginning January 3, 2015, with the interest being calculated on the unpaid principal balances. The note bears interest at an annual rate of 4.75 percent and matures on July 3, 2034. This EPC loan will be repaid with energy savings and HUD incentives. As of December 31, 2019, the Authority had drawn down \$4,470,103 in EPC loan funds.

The maturity of the original notes payable for the years subsequent at December 31, 2019, is as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>
2020	\$ 102,613	\$ 82,665
2021	213,012	157,544
2022	223,250	147,306
2023	233,981	136,575
2024	244,891	125,665
2025-2029	1,414,382	438,398
2030-2033	<u>1,039,022</u>	<u>89,548</u>
TOTAL	<u>\$ 3,471,151</u>	<u>\$ 1,177,701</u>

NOTE 5 - Pension Plan

The Housing Authority has an employee defined contribution pension plan with AXA Equitable Life Insurance Company.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual accounts are to be determined instead of specifying the amount of benefits the individual is to receive.

To be eligible, an employee must have completed six months of service and work more than 20 hours per week. Vesting begins at 50 percent for employees with less than one year of service and continues at 10 percent per year for five years at which time the employee is fully vested.

The Housing Authority is required to contribute 13.7 percent of an employee's salary. The Housing Authority's actual contribution was \$1,489,392 for the year ended December 31, 2019. Total eligible payroll expense for the Housing Authority was \$199,245.

NOTE 6 - Risk Management

Insured Risk - The Housing Authority purchases commercial insurance with various deductibles and coverages to cover liability, property, workers' compensation, errors, omissions, and employee defalcation risk. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2019

NOTE 7 - Net Position

The following is a summary of individual net asset restrictions at December 31, 2019:

<u>PROGRAM</u>	<u>PURPOSE/REASON</u>	<u>AMOUNT</u>
<u>Restricted</u>		
Section 8 Choice Vouchers	Unspent Housing Assistance Payments	\$ <u>83,625</u>

NOTE 8 - Related Party Transactions

The affiliation mentioned below does not meet the criteria under GASB 61, for the inclusion in the reporting entity of the Housing Authority.

Housing Authority of the County of McLean (HACM) - the Housing Authority is affiliated with HACM as the Housing Authority administers the HACM's Housing Choice Vouchers Program on HACM's behalf in accordance with an Intergovernmental Agreement between these two entities. The Housing Authority in turn, charges HACM a monthly management fee that is equal to an agreed-upon fee rate multiplied by the number of HACM's monthly units leased. For the year ended December 31, 2019, the Housing Authority charged HACM management fees that totaled \$11,028 and which are included in other revenue on the statement of revenue, expenses, and changes in fund net position. At December 31, 2019, HACM owed the Housing Authority \$34,620, which is reported in the due from other governments balance on the statement of net position.

NOTE 9 - Economic Dependency

The Housing Authority received approximately 78 percent of its total revenue from the United States Department of Housing and Urban Development. This funding is subject to federal government budget appropriations and potential funding reductions.

**HOUSING AUTHORITY OF THE
CITY OF BLOOMINGTON
Bloomington, Illinois**

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

ASSETS	PUBLIC HOUSING	SECTION 8 MOD REHAB	SECTION 8 CHOICE VOUCHERS	ROSS GRANT	CONGREGATE	CAPITAL FUNDS	COCC	ELIMINATING ENTRY	TOTAL
CURRENT ASSETS									
Cash and cash equivalents	\$ 1,591,672	\$ -	\$ 125,827	\$ -	\$ 15,714	\$ -	\$ 308,709	\$ -	\$ 2,041,922
Cash and cash equivalents - restricted	113,587	-	146,074	-	-	-	-	-	259,661
Receivables									
Tenants, net of allowance for doubtful accounts	26,941	-	-	-	-	-	-	-	26,941
Other, net of allowance for doubtful accounts	-	-	26,678	-	-	-	-	-	26,678
Due from other governments	-	-	12,793	7,836	11,808	114,281	68,376	-	215,094
Due from other programs	-	3,746	-	-	-	-	283,600	(287,346)	-
Inventory	116,610	-	-	-	-	-	-	-	116,610
Prepaid expenses	111,083	-	4,470	-	7,455	-	25,634	-	148,642
TOTAL CURRENT ASSETS	1,959,893	3,746	315,842	7,836	34,977	114,281	686,319	(287,346)	2,835,548
NONCURRENT ASSETS									
Land	455,361	-	3,800	-	-	-	140,100	-	599,261
Land improvements	212,318	-	-	-	-	-	-	-	212,318
Buildings and improvements	38,087,139	-	-	-	-	1,400,814	405,997	-	39,893,950
Equipment	435,114	-	26,609	-	21,761	30,309	265,788	-	779,581
Less accumulated depreciation	(32,090,033)	-	(26,609)	-	(21,761)	-	(665,940)	-	(32,804,343)
TOTAL NONCURRENT ASSETS	7,099,899	-	3,800	-	-	1,431,123	145,945	-	8,680,767
TOTAL ASSETS	\$ 9,059,792	\$ 3,746	\$ 319,642	\$ 7,836	\$ 34,977	\$ 1,545,404	\$ 832,264	\$ (287,346)	\$ 11,516,315

(Continued on page 17)

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

COMBINING STATEMENT OF NET POSITION - Continued

DECEMBER 31, 2019

<u>LIABILITIES AND NET POSITION</u>	<u>PUBLIC HOUSING</u>	<u>SECTION 8 MOD REHAB</u>	<u>SECTION 8 CHOICE VOUCHERS</u>	<u>ROSS GRANT</u>	<u>CONGREGATE</u>	<u>CAPITAL FUNDS</u>	<u>COCC</u>	<u>ELIMINATING ENTRY</u>	<u>TOTAL</u>
LIABILITIES									
CURRENT LIABILITIES									
Accounts payable									
\$ 41,865	\$ -	\$ 547	\$ -	\$ -	\$ -	\$ 83,625	\$ -	\$ -	\$ 126,037
Accrued expenses	47,520	-	18,659	2,250	3,603	-	30,470	-	102,502
Compensated absences	3,547	-	727	-	335	-	1,122	-	5,731
Due to other governments	48,985	4,909	-	-	-	-	-	-	53,894
Due to other programs	3,726	6,349	118,733	5,586	38,671	114,281	-	(287,346)	-
Unearned revenue	-	-	-	-	-	-	5,578	-	5,578
Tenants' security deposits	83,000	-	-	-	-	-	-	-	83,000
Current portion of long-term debt	102,613	-	-	-	-	-	-	-	102,613
TOTAL CURRENT LIABILITIES	331,256	11,258	138,666	7,836	42,609	114,281	120,795	(287,346)	479,355
NONCURRENT LIABILITIES									
Long-term debt	3,368,538	-	-	-	-	-	-	-	3,368,538
Compensated absences	67,383	-	13,817	-	6,353	-	21,311	-	108,864
Tenants' FSS escrow	30,587	-	62,449	-	-	-	-	-	93,036
TOTAL NONCURRENT LIABILITIES	3,466,508	-	76,266	-	6,353	-	21,311	-	3,570,438
TOTAL LIABILITIES	3,797,764	11,258	214,932	7,836	48,962	114,281	142,106	(287,346)	4,049,793
NET POSITION									
Net investment in capital assets	3,628,748	-	3,800	-	-	1,431,123	145,945	-	5,209,616
Restricted net position	-	-	83,625	-	-	-	-	-	83,625
Unrestricted net position	1,633,280	(7,512)	17,285	-	(13,985)	-	544,213	-	2,173,281
TOTAL NET POSITION	5,262,028	(7,512)	104,710	-	(13,985)	1,431,123	690,158	-	7,466,522
TOTAL LIABILITIES AND NET POSITION	\$ 9,059,792	\$ 3,746	\$ 319,642	\$ 7,836	\$ 34,977	\$ 1,545,404	\$ 832,264	\$ (287,346)	\$ 11,516,315

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
COMBINING STATEMENT OF REVENUE, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019

	PUBLIC HOUSING	SECTION 8 MOD REHAB	SECTION 8 CHOICE VOUCHERS	ROSS GRANT	CONGREGATE	CAPITAL FUNDS	COCC	ELIMINATING ENTRY	TOTAL
OPERATING REVENUE									
Dwelling rental	\$ 1,511,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,511,233
Operating grants	2,234,564	39,449	2,865,272	131,254	165,026	171,811	37,900	-	5,645,276
Other operating revenue	133,296	-	60,067	-	51,361	-	804,075	(776,261)	272,538
TOTAL OPERATING REVENUE	3,879,093	39,449	2,925,339	131,254	216,387	171,811	841,975	(776,261)	7,429,047
OPERATING EXPENSES									
Administration	919,253	8,977	219,023	88,790	52,522	148,214	613,962	(776,261)	1,274,480
Tenant services	165,399	-	3,329	42,464	153,755	746	-	-	365,693
Utilities	593,793	-	-	-	-	-	7,244	-	601,037
Maintenance and operations	1,401,553	-	2,363	-	-	22,851	50,900	-	1,477,667
Insurance	196,805	-	11,220	-	7,677	-	23,884	-	239,586
General expenses	91,199	-	15,476	-	(1,571)	-	12,601	-	117,705
Housing assistance payments	-	30,770	2,615,546	-	-	-	-	-	2,646,316
Depreciation	1,234,693	-	-	-	-	-	6,412	-	1,241,105
TOTAL OPERATING EXPENSES	4,602,695	39,747	2,866,957	131,254	212,383	171,811	715,003	(776,261)	7,963,589
OPERATING (LOSS) INCOME	(723,602)	(298)	58,382	-	4,004	-	126,972	-	(534,542)
NONOPERATING REVENUE (EXPENSE)									
Interest income	4,586	-	-	-	-	-	-	-	4,586
Interest expense	(171,386)	-	-	-	-	-	-	-	(171,386)
NET NONOPERATING (EXPENSE)	(166,800)	-	-	-	-	-	-	-	(166,800)
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS	(890,402)	(298)	58,382	-	4,004	-	126,972	-	(701,342)
CAPITAL GRANTS	-	-	-	-	-	847,894	-	-	847,894
CHANGE IN NET POSITION	(890,402)	(298)	58,382	-	4,004	847,894	126,972	-	146,552
NET POSITION AT BEGINNING OF YEAR	5,532,548	(7,214)	46,328	-	(17,989)	1,203,111	563,186	-	7,319,970
RESIDUAL EQUITY TRANSFER IN (OUT)	619,882	-	-	-	-	(619,882)	-	-	-
NET POSITION AT END OF YEAR	\$ 5,262,028	\$ (7,512)	\$ 104,710	\$ -	\$ (13,985)	\$ 1,431,123	\$ 690,158	\$ -	\$ 7,466,522

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

	PUBLIC HOUSING	SECTION 8 MOD REHAB	SECTION 8 CHOICE VOUCHERS	ROSS GRANT	CONGREGATE	CAPITAL FUNDS	COCC	ELIMINATING ENTRY	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from tenants/participants	\$ 1,513,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,513,492
Cash received from operating grants	2,234,564	39,449	2,874,091	134,253	165,002	76,120	37,900	-	5,561,379
Other income received	133,296	3,399	52,919	-	51,361	-	753,312	(776,261)	218,026
Cash received from/payments for interfund services	3,726	(3,101)	(43,278)	(1,848)	(16,112)	95,691	(35,078)	-	-
Cash payments to vendors	(2,409,941)	(8,977)	(75,988)	(16,510)	(118,205)	(76,956)	(104,007)	776,261	(2,034,323)
Cash payments to employees	(999,683)	-	(193,385)	(115,895)	(96,062)	(94,855)	(484,511)	-	(1,984,391)
Cash payments for housing assistance	-	(30,770)	(2,615,546)	-	-	-	-	-	(2,646,316)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>475,454</u>	<u>-</u>	<u>(1,187)</u>	<u>-</u>	<u>(14,016)</u>	<u>-</u>	<u>167,616</u>	<u>-</u>	<u>627,867</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Capital grants	-	-	-	-	-	847,894	-	-	847,894
Acquisition of capital assets	(35,705)	-	-	-	-	(847,894)	-	-	(883,599)
Principal payments	(197,700)	-	-	-	-	-	-	-	(197,700)
Interest paid	(171,386)	-	-	-	-	-	-	-	(171,386)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(404,791)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(404,791)</u>
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest received	<u>4,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,586</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>75,249</u>	<u>-</u>	<u>(1,187)</u>	<u>-</u>	<u>(14,016)</u>	<u>-</u>	<u>167,616</u>	<u>-</u>	<u>227,662</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,630,010</u>	<u>-</u>	<u>273,088</u>	<u>-</u>	<u>29,730</u>	<u>-</u>	<u>141,093</u>	<u>-</u>	<u>2,073,921</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,705,259</u>	<u>\$ -</u>	<u>\$ 271,901</u>	<u>\$ -</u>	<u>\$ 15,714</u>	<u>\$ -</u>	<u>\$ 308,709</u>	<u>\$ -</u>	<u>\$ 2,301,583</u>

(Continued on page 20)

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2019

	PUBLIC HOUSING	SECTION 8 MOD REHAB	SECTION 8 CHOICE VOUCHER	ROSS GRANT	CONGREGATE	CAPITAL FUNDS	COCC	ELIMINATING ENTRY	TOTAL
<u>STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION</u>									
Cash and cash equivalents	\$ 1,591,672	\$ -	\$ 125,827	\$ -	\$ 15,714	\$ -	\$ 308,709	\$ -	\$ 2,041,922
Cash and cash equivalents - restricted	113,587	-	146,074	-	-	-	-	-	259,661
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	\$ 1,705,259	\$ -	\$ 271,901	\$ -	\$ 15,714	\$ -	\$ 308,709	\$ -	\$ 2,301,583
<u>RECONCILIATION OF (LOSS) INCOME FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</u>									
Operating (loss) income	\$ (723,602)	\$ (298)	\$ 58,382	\$ -	\$ 4,004	\$ -	\$ 126,972	\$ -	\$ (534,542)
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities									
Depreciation	1,234,693	-	-	-	-	-	6,412	-	1,241,105
Changes in assets and liabilities									
(Increase) decrease in assets									
Accounts receivable	(9,395)	-	(7,148)	-	-	-	-	-	(16,543)
Due from other governments	-	-	8,819	2,999	(24)	(95,691)	(46,898)	-	(130,795)
Due from other funds	-	(2,223)	-	-	-	-	(35,078)	37,301	-
Inventory	(30,295)	-	-	-	-	-	-	-	(30,295)
Prepaid expenses	(1,535)	-	1,140	-	(120)	-	29,120	-	28,605
(Decrease) increase in liabilities									
Accounts payable	(6,546)	-	(671)	-	-	-	79,457	-	72,240
Accrued expenses	(2,964)	-	(2,510)	(1,151)	(1,764)	-	11,496	-	3,107
Unearned revenue	-	-	-	-	-	-	(3,865)	-	(3,865)
Due to other governments	(282)	3,399	-	-	-	-	-	-	3,117
Due to other funds	3,726	(878)	(43,278)	(1,848)	(16,112)	95,691	-	(37,301)	-
Tenants' FSS escrow	13,854	-	(15,921)	-	-	-	-	-	(2,067)
Tenants' security deposits	(2,200)	-	-	-	-	-	-	-	(2,200)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 475,454	\$ -	\$ (1,187)	\$ -	\$ (14,016)	\$ -	\$ 167,616	\$ -	\$ 627,867

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
DECEMBER 31, 2019

ANNUAL CONTRIBUTIONS CONTRACT

1. The Actual Modernization Costs for the Locally-Owned Projects are as follows:

IL01P051501-17

Funds approved	\$ 819,680
Funds expended	<u>819,680</u>
EXCESS (DEFICIENCY) OF FUNDS APPROVED	<u>\$ -</u>
HUD grants	\$ 819,680
Funds expended	<u>819,680</u>
EXCESS (DEFICIENCY) OF FUNDS EXPENDED	<u>\$ -</u>

2. The distribution of costs as shown on the Final Statement of Actual Modernization Costs dated June 24, 2020, accompanying the Actual Modernization Cost Certificates submitted to HUD are in agreement with the Housing Authority's records.
3. All Actual Modernization Costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
DECEMBER 31, 2019

ANNUAL CONTRIBUTIONS CONTRACT

1. The Actual Modernization Costs for the Locally-Owned Projects are as follows:

IL01P051501-16

Funds approved	\$ 789,117
Funds expended	<u>789,117</u>
EXCESS (DEFICIENCY) OF FUNDS APPROVED	<u>\$ -</u>
HUD grants	\$ 789,117
Funds expended	<u>789,117</u>
EXCESS (DEFICIENCY) OF FUNDS EXPENDED	<u>\$ -</u>

2. The distribution of costs as shown on the Final Statement of Actual Modernization Costs dated June 24, 2020, accompanying the Actual Modernization Cost Certificates submitted to HUD are in agreement with the Housing Authority's records.
3. All Actual Modernization Costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT AND CERTIFICATION OF ACTUAL ROSS COSTS
DECEMBER 31, 2019

ANNUAL CONTRIBUTIONS CONTRACT

1. The Actual ROSS Costs for the Locally-Owned Projects are as follows:

IL051RPS091A014

Funds approved	\$ 246,000
Funds expended	242,506
EXCESS (DEFICIENCY) OF FUNDS APPROVED	<u>\$ 3,494</u>
HUD grants	\$ 242,506
Funds expended	246,000
EXCESS (DEFICIENCY) OF FUNDS EXPENDED	<u>\$ (3,494)</u>

2. The distribution of costs as shown on the Final Statement of ROSS Costs dated September 6, 2019, accompanying the Actual ROSS Cost Certificates submitted to HUD are in agreement with the Housing Authority's records.
3. All ROSS costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
STATEMENT AND CERTIFICATION OF ACTUAL ROSS COSTS
DECEMBER 31, 2019

ANNUAL CONTRIBUTIONS CONTRACT

1. The Actual ROSS Costs for the Locally-Owned Projects are as follows:

	<u>FSS17IL0086</u>
Funds approved	\$ 51,979
Funds expended	<u>49,657</u>
EXCESS (DEFICIENCY) OF FUNDS APPROVED	<u>\$ 2,322</u>
HUD grants	\$ 49,657
Funds expended	<u>49,657</u>
EXCESS (DEFICIENCY) OF FUNDS EXPENDED	<u>\$ -</u>

2. The distribution of costs as shown on the Final Statement of ROSS Costs dated March 6, 2019, accompanying the Actual ROSS Cost Certificates submitted to HUD are in agreement with the Housing Authority's records.
3. All ROSS costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2019

<u>GRANTOR/PASS THROUGH AGENCY/ PROGRAM TITLE AND GRANT NUMBER</u>	<u>FEDERAL CATALOG NUMBER</u>	<u>PASS-THROUGH GRANT IDENTIFICATION NUMBER</u>	<u>PASS-THROUGH TO SUBRECIPIENTS NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT - Direct Programs</u>				
Section 8 Moderate Rehab	14.249	N/A	-	\$ 39,449
Choice Voucher Cluster Housing Choice Vouchers	14.871	N/A	-	2,659,822
Other Public Housing Authorities	14.871	Unknown	-	141,996
Total 14.871				2,801,818
Main Stream Vouchers	14.879	N/A	-	63,454
Housing Voucher Cluster Total				2,865,272
Public and Indian Housing	14.850	N/A	-	2,234,564
Congregate Housing Service Program	14.170	N/A	-	165,026
Public Housing Capital Fund	14.872	N/A	-	1,019,705
Family Self-Sufficiency Program	14.896	N/A	-	43,202
Resident Opportunity & Self-Sufficiency	14.870	N/A	-	88,052
Community Development Block Grant - passed through City of Bloomington	14.218	0001/1276	-	37,900
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 6,493,170

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HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued
YEAR ENDED DECEMBER 31, 2019

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Bloomington and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the financial statements.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority of the City of Bloomington has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Disclosure of Other Forms of Assistance

The Housing Authority of the City of Bloomington received no federal awards of non-monetary assistance that are required to be disclosed for the fiscal year ended December 31, 2019.

The Housing Authority of the City of Bloomington had no loans or loan guarantees required to be disclosed for the fiscal year ended December 31, 2019.

**HOUSING AUTHORITY OF THE
CITY OF BLOOMINGTON
Bloomington, Illinois**

OTHER REPORTS



**INDEPENDENT AUDITORS' 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**

To the Board of Commissioners
Housing Authority of the City of Bloomington
Bloomington, Illinois

We have audited, in accordance with the 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, the basic financial statements of the Housing Authority of the City of Bloomington ("Housing Authority"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report hereon dated January 26, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Housing Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control and compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
January 26, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Housing Authority of the City of Bloomington
Bloomington, Illinois

Report on Compliance for Each Major Federal Program

We have audited Housing Authority of the City of Bloomington's, ("Housing Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2019. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Housing Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2019-001. Our opinion on each major federal program is not modified with respect to this matter.

The Authority's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
January 26, 2021

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON

Bloomington, Illinois

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Identification of federal major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.871/14.879	Housing Voucher Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings - None

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
Bloomington, Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
YEAR ENDED DECEMBER 31, 2019

Section III - Federal and State Award Findings and Questioned Costs

Item 2019-001 - HQS Inspections

Program: Section 8 Housing Choice Vouchers

Criteria: HQS inspections and reinspections must be done according to HUD requirements.

Condition: Failed HQS inspections were not completed timely and HAP was not abated in accordance with HUD guidelines.

Questioned Costs: N/A

Context: The Housing Authority did not follow up with an emergency repair within 24 hours in accordance with HUD guidelines.

Effect: HQS inspections and abatement are not being done in accordance with HUD requirements.

Prior Year Finding: This was not a prior year finding.

Information: Sampling was statistically valid and systemic problem.

Recommendation: It is recommended that the Authority puts in the appropriate controls to ensure that HQS inspections and reinspections are completed according to HUD requirements.

Management's Response: Housing Authority management staff has reviewed policies in the Administrative Plan (8-II.F) related to inspection failures and the need for corrective actions within 24 hours. Management has also developed more detailed procedures for documenting failed HQS inspections and notifying multiple management staff when those failures include a life threatening condition that must be abated within 24 hours.

Section IV - Status of Prior Year Findings - None