

Derek Haines
Executive Director
Lexington Housing Authority
609 East Third Street
Lexington NE 68850-2216

U.S. Department of Housing and Urban Development

Omaha Field Office
Edward Zorinsky Federal Building
Suite 329
1616 Capitol Avenue
Omaha, Nebraska 68102-4908

March 22, 2018

SUBJECT: Lexington Housing Authority NE010
Audit Review for Fiscal Year Ended June 30, 2017

This letter is in response to the February 20, 2018, the Real Estate Assessment Center's (REAC) Financial Assessment Subsystem (FASS) received Lexington Housing Authority's (Authority) audited financial data submission for the June 30, 2017 fiscal year end (FYE). The audit was conducted by Niewedde and Wiens, Certified Public Accountants. The auditor issued three findings. To ensure the appropriate corrective actions are implemented, findings 2017-1, 2017-2 and 2017-3 are sustained.

I assumed control for the Lexington Housing Authority officially in October of 2017. The items uncovered in the audit have occurred prior to my employment at LHA. Now that I am aware of these items, I can assure the proper steps will be taken to obtain compliance.

Prior year audit finding 2016-1 is repeated this year as finding 2017-1.

Finding 2017-1 Selection and Application of Accounting Principles

The Authority is solely responsible for selection and application of accounting principles; however, the Authority does rely on its fee accountant to assist with proper application of accounting principles. The auditor noted the following instances where generally accepted accounting principles were not followed:

- The Authority miscoded a HAP advance in the Housing Choice Voucher program as an administrative advance that was not properly reconciled to the disbursement schedule provided by HUD.
- The Authority recorded the administrative fee earned in the Housing Choice Voucher program on the cash basis of accounting instead of the accrual basis as required by generally accepted accounting principles.

- The unaudited financial data schedule submitted for the year ended June 30, 2017 was misstated as the Authority reported restricted cash of \$29,893 for excess housing assistance payments as unrestricted and did properly report restricted net position of \$29,893.
- The interfund balance on the unaudited financial data schedule did not balance and were not eliminated as required.
- The Authority has a \$100,000 guarantee related to a tax-credit project which should have been reported as a restricted investment in the Section 8 New Construction program but was incorrectly reported as an unrestricted investment.
- The Authority improperly accrued \$8,121 of July 2017 operating subsidy as revenue at June 30, 2017.
- The Authority recorded depreciation costs on architect fees for which the related project had not started yet as of June 30, 2017.
- The Authority had received insurance proceeds in the Public Housing program of \$35,398 .94 which were unspent as of June 30, 2017. These funds should have been reported as restricted net position on the unaudited financial data schedule but were not.
- The Authority had additional insurance proceeds of \$7,224.45 in the Section 8 New Construction program that should have been accrued. The Authority failed to accrue additional insurance proceeds of \$26,127 .59 related to storm damage in the Public Housing program. This is a continuation of a prior year issue.
- The investment in the tax-credit project is not being analyzed and adjusted on an annual basis.
- The interest on the two notes receivable was neither accrued or compounded during the year as the balances did not change during the year.
- The payroll accrual as of June 30, 2017 was missing numerous salaries and adjustments needed to be recorded to correct the accrual. Further, some salaries were incorrectly recorded as accounts payable.
- The journal vouchers used to record transactions should be adequately supported. The journal vouchers to record accounts payable only had a summary by total and account coding and did not indicate the underlying transaction. Once requested from the fee accountant, the support did not reconcile to journal entry and there were various coding errors.
- The Authority's system for allocating employee benefits is not equitable between programs with the Section 8 New Construction and Voucher programs incurring a much

higher percentage than the Public Housing program. Had the benefit expenses been equitably distributed, the Public Housing program would have had approximately \$16,000 more employee benefit expense while the Section 8 New Construction program and the Housing Choice Voucher program having \$8,000 and \$6,000 less, respectively.

- The Authority does a budget for each program but not all programs include it with the monthly financial reports. We further noted such things as benefit costs are not allocated between administrative and maintenance expenses. As some budgets are not reported with the monthly financial reports and the budget does not always follow the actual accounts used, it makes it difficult for staff and the Board of Commissioners to accurately oversee the financials and to do an accurate budget to actual analysis. As a result, Public Housing was overbudget by \$30,298 based on the unaudited figures. We further noted the Section 8 New Construction budget was not reasonable compared to the program's history and was overbudget by \$119,010.

Corrective Action Required

The accounting and reporting errors have been an ongoing issue for the Authority and these are all items that had a proper review been done would have been caught. Based on that, the Authority should review the issues with its current fee accountant and evaluate its accounting options.

The Lexington Housing Authority has once again reviewed these issues with our CNABER our fee accountant. The director has contacted the owner of the firm directly and asked for the corrections to be made.

At FYE June 2018 the Lexington Housing is going to switch fee accountants as noted in attached audit findings per Board Meeting minutes on 2-21-2018.

For the employee benefit allocation issue, the Authority should review its system to ensure each program gets an equitable share. Please provide a copy of the Authority's Cost Allocation Plan.

The Lexington Housing Authority has developed a spreadsheet and computer-generated timesheets to more accurately track the hours worked per project. It has been stressed to the employees the importance of accurately tracking hours. This issue will also be addressed again when the switch in accountants occurs to insure correct reporting. Attached please find the payroll reporting for the pay period ending March 21, 2018 showing the tracking methodology.

For the budget issue, the auditor reviewed a budget system with the Executive Director where the budget would be developed in a similar format to the Authority's financial statements as reported in accordance with generally accepted accounting principles. The budget would have a column for each program the Authority maintains with a total, so the Board of Commissioners can not only approve a budget for each program, but the Authority as a whole. The budget should be based on historical items and currently known facts. The budget should be included with the monthly financial records, so the Board can compare and make adequate financial decisions. Please provide a copy of the budget as well as the most recent Board minutes indicating that a Budget versus Actual Expenses was provided to the Board for review.

Attached are the copies of the budgets that were prepared for the year 2017 – 2018. I have also taken the liberty to put them in spreadsheet format and attached that for your review. The Director, with assistance of the new fee accountant will prepare individual program budgets and an entity wide budget for 2018 - 2019.

The current fee accountant states they have lost some staff and are behind. Despite numerous attempts to get updated budget progress reports they were not available for the most recent Board meeting. Attached please find the minutes where the budget progress reports were last reported to the Board.

Finding 2017-2: Related Party Transactions/Inventory Control

The Authority's Board of Commissioners approved the purchase of a trailer for \$600 from the Authority's maintenance supervisor which was also the Executive Director's husband. The Executive Director subsequently retired from the Authority.

It was further brought to auditor's attention by an Authority employee that the Executive Director was authorizing the purchase of carpeting for the Authority but then the Executive Director was purchasing the carpeting from the Authority. There were no controls in place to ensure the Authority was properly reimbursed for the amount sold to the Executive Director. The Authority is sales tax exempt so unless the Executive Director reported the purchase on her tax return, sales tax would have been avoided.

The Authority's Board of Commissioners and Executive Director should familiarize itself with State law regarding related party transactions. Further, although not applicable to the situation above, the Authority should familiarize itself with its Annual Contributions Contract with HUD as it has similar requirements. The Authority should establish a policy of where only items needed for current Authority needs are purchased and an adequate inventory internal control be established. The Authority should review its ethics and anti-fraud policies and update as necessary so that staff feel comfortable approaching a Board member with their concerns without fear of repercussions.

Corrective Action Required

We acknowledge your response to the auditor; however, we are unable to close the finding solely based on it. Please provide a copy of the Authority's inventory control policy and ethics and anti-fraud policy. The Board should ensure the current policies address the concerns in the finding.

The Lexington Housing Authority is currently working on developing an internal tracking method for inventory control system. LHA intends to have the inventory control system in place by FYE 2018.

The Lexington Housing Authority has reviewed the attached Ethics and Anti-Fraud policy with the Board of Commissioners and all employees. Employees have been encouraged to report any suspected fraud to the director or if needed to a member of the board without the fear of repercussions as were felt with the prior director. Also reviewed were the state statutes covering items related to this issue. The Lexington Housing Authority will not purchase items from Commissioners, Directors, or employees or allow the same to purchase and later reimburse the Lexington Housing Authority going forward.

Finding 2017-3: Finding 2017-003: Housing Choice Voucher Reporting

During our audit, the auditor noted the unaudited Financial Data Schedule transmitted to the Real Estate Assessment Center did not properly report restricted cash of \$29,893 on line 113 or related restricted net position of \$29,893 on line 511.4. The Authority reported both as unrestricted cash and unrestricted net position. The Authority did report the Housing Assistance Payments Equity (restricted net position) on line 11180. Line 511.4 and line 11180 should reconcile. The Authority relies on its fee accountant to properly report these items without controls overseeing the process.

Corrective Action Required

We acknowledge your response to the auditor; however, we are unable to close the finding solely based on it. Please review this finding with the Board and document in writing the specific steps the Authority is taking to ensure it has effectively reviewed that the restricted cash and restricted net position is reported correctly.

The Director has addressed this issue with the fee accountant. In response to the continual errors the Lexington Housing Authority will be switching fee accountants beginning FYE 2018. The items noted here occurred prior to my employment and appears they were not reviewed by the prior director. As a newer director I will gain further knowledge of the accounting process and will review the accounting on a routine basis.

Please respond to the requested information by April 12, 2018, to the following address or via e-mail at jeanne.m.coats@hud.gov:

U.S. Department of Housing and Urban Development
Denise Gipson, Director
Office of Public Housing
1616 Capitol Avenue, Suite 329
Omaha, NE 68102-4908

Upon receipt, we will review your response and make further decisions or recommendations as appropriate. If you disagree with the requested corrective action and/or time frame, please respond with an explanation and documentation in support of your position. Please note that findings cannot be appealed through this process. Should you have any questions or concerns please contact Jeanne Coats, Financial Analyst at (402) 492-3156.

Sincerely,

A handwritten signature in blue ink, consisting of a lowercase 'i' followed by a hyphen.

Director
Office of Public Housing

cc:

Victoria Clements, Board Chair
William Brecks, Board Member
Vance Bricker, Board Member
John Salem, Board Member
Dorothy Woodside, Board Member

**Lexington Housing Authority
Minutes 2-21-2018**

The regular and annual meeting of the Lexington Housing Authority was held Wednesday, February 21, 2018, at 609 East 3rd Street, Lexington, Nebraska, at 5:10 p.m. Commissioners present were Vice – Chair John Salem, Bill Brecks and Dorothy Woodside along with Director Derek Haines. Chairman Victoria Clements and Commissioner Vance Bricker were absent.

NOTICE: Notice of the meeting was given in advance, thereof by posting the notice in the Lexington Clipper Herald on 2-10-2018 and posting a notice in the LHA lobby, the designated method for giving notice. The proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. All items presented and discussed on the Agenda were available for public inspection.

CALL TO ORDER: The annual meeting was called to order by Vice Chairman Salem at 5:10 PM who informed the public that the Open Meetings Act is posted at the Lexington Housing Authority, located at 609 E 3rd Street, Lexington, Nebraska.

The items discussed were the Five Year Action Plan and capital fund budget. Commissioner Brecks moved to approve the Five Year Action Plan and capital fund budget with a second by Commissioner Woodside. After no further discussion, Vice Chairman Salem called for the vote: Ayes: Salem, Brecks, Woodside. Nays: None. Motion Carried

This meeting was closed and the regular meeting of the Lexington Housing Authority was opened at 5:30 PM.

The regular meeting was called to order by Vice Chairman Salem at 5:30 PM who informed the public that the Open Meetings Act is posted at the Lexington Housing Authority, located at 609 E 3rd Street, Lexington, Nebraska.

Agenda: The agenda was approved as presented. Motion to approve the agenda made by Commissioner Brecks and second by Commissioner Woodside. After no further discussion, Vice Chairman Salem called for the vote: Ayes: Salem, Brecks, Woodside. Nays: None. Motion Carried

Consent Agenda Items:

Minutes of the Regular Meeting held January 17, 2017, were presented to the Commissioners for consideration and approval.

Claims and Bills including the check registers were presented to the Commissioners for consideration and approval.

Financial Reports including budget progress reports, expenses owed, and capital grant funding were presented to the Commissioners for consideration and approval.

A motion to approve the consent agenda items as presented was made by Commissioner Woodside, second by Commissioner Brecks. After no further discussion, Vice Chairman Salem called for the vote: Ayes: Salem, Brecks, Woodside. Nays: None. Motion Carried

Public Comment Period

There were no parties in attendance for public comment period.

Unfinished Business

None

Occupancy Report: The Occupancy Report was presented to the Commissioners for review and discussion.

Directors Report:

Director Haines went over the written Directors report. Haines explained that he has received quotes for an improved internet service and the current firewall and switch would be unable to handle the upgrade. Intellicom Inc from Kearney has provided an acceptable solution to the issue and would also be able to provide a wireless internet connection to the shop. Intellicom has come highly recommended and with their availability to provide 24/7 tech support it was discussed to move forward with the purchase and installation of equipment in the amount of approximately \$8,500. This falls under the small purchase procedures in the procurement policy.

Review Draft Audit:

The Commissioners were given a draft copy of the audit which was reviewed at the meeting. The final audit arrived the day of the meeting and the Commissioners were each given a copy of the audit. The findings and the replies were discussed. The findings were addressed by Haines, however they occurred in the time prior to his employment at LHA.

Finding 2017 - 001 There were reporting and accounting errors that were communicated to the fee accountant. It was noted that the current fee accountant is continuing to make the same errors each year without fixing them. Haines noted that he has received a quote from Loucks and Schwartz a different fee accountant as discussed at prior board meetings and plans to move the service here in June 2018. Haines is also streamline reporting and taking advantage of the computer software as opposed to handwritten reports that were previously submitted. **Finding 2017 – 002** referenced the purchase of a trailer from the prior maintenance supervisor who was the prior executive directors husband in the amount of \$600. Haines noted that the practice of purchasing items from employees that could potentially be in violation of state law was ceased on 2-8-2018. Additionally, an inventory system is being developed in an effort to eliminate potential violations going forward.

In discussions it was brought to up that in addition to the sale of the trailer it was also mentioned by the auditor that the prior director had purchased some carpet through the housing authority. The prior director reimbursed the housing authority for the purchase but potentially avoided paying taxes on the purchase. There is potentially a heat pump / AC unit and furnace missing from our inventory. Haines will have the maintenance staff look through the storage building for the missing item. If any further discretions appear Haines will report them to the board.

Finding 2017-003 – The auditor noted accounting errors that continue to occur. Haines is looking to switch accountants at FYE.

Resolution 2018 – 04 Election of Officers

Director Haines introduced Resolution 2018 – 04

Nominations were called for the election of officers for the year February 2018 to February 2019. Chairman Clements and Vice Chairman Salem were nominated to remain in the current positions for the year. A motion to approve was made by Commissioner Brecks and seconded by Commissioner Woodside.

After no further discussion, Vice Chairman Salem called for the vote: Ayes: Salem, Brecks, Woodside. Nays: None. Motion Carried

DUTIES OF THE COMMISSIONERS

General duties of the Commissioners were reviewed. Topics of Ethics, Moral Behavior, staying Civically Active and Commissioner Training were discussed. The Director encouraged all Commissioners to attend Conferences and trainings including any Commissioners Training sessions they could get away for. No formal action was taken.

REVIEW EXISTING ETHICS POLICY

The Commissioners had their annual review and discussion on the Ethics Policy, Mission Statement, Statement of Values, Code of Conduct and Standards of Ethics and Conduct Pledge. Each Commissioner signed a document stating they had received a copy, read it and understood the policy. Lexington Housing Authority staff will be reviewing the policy at their Annual Staff Meeting on Tuesday February 27· 2018.

COMPREHENSIVE ANTI-FRAUD POLICY

The Commissioner had their annual review and discussion on the Comprehensive Anti-Fraud Policy. Each Commissioner signed a document stating they had received a copy, read it and understood the policy.

Roundtable Discussion

It was brought up to move the meeting time to the third Wednesday of each month at 12:00 PM.

Next meeting: 3-21-18 at 12:00 PM

At 5:45 PM Vice Chairman Salem adjourned the meeting.

Respectfully Submitted
Derek Haines, Executive Director

Vice - Chairman

Executive Director

Totals

Reg Hours	1748.24
Old Sick Leave (Manual)	0.00
Personal Lv	55.00
Extended Sick Leave	33.00
Holiday	59.00
TOTAL	1895.24
Overtime	29.50
TOTAL	1924.74

Reg Hrs	1748.24
Personal Lv	55.00
Extended Sick Lv	33.00
Holiday	59.00
TOTAL	1895.24
OT	29.50
TOTAL	1924.74

TOTAL Hours

Monthly Total Hours

TOTAL Hours	Monthly Total Hours	
EastLawn 1-01	691.75	35.94%
Scattered Sites 1-02	178.50	9.27%
Eastlawn Add 2-01	540.50	28.08%
Pioneer Homes 3-01	57.25	2.97%
Storage 3-03	1.00	0.05%
Eastlawn East 4-01	173.75	9.03%
Legend Oaks 4-05	70.25	3.65%
Legend Oaks II 4-06	55.25	2.87%
Voucher 8-01	156.49	8.13%
TOTAL	1924.74	100.00%

Verification 1924.74

Total Hours Office

TOTAL Hours

Monthly Total Hours

TOTAL Hours	Monthly Total Hours	
EastLawn 1-01	383.75	33.33%
Scattered Sites 1-02	114.50	9.95%
Eastlawn Add 2-01	332.50	28.88%
Pioneer Homes 3-01	45.75	3.97%
Storage 3-03	0.00	0.00%
Eastlawn East 4-01	23.75	2.06%
Legend Oaks 4-05	51.75	4.50%

Total Cleaning - Donna

TOTAL Hours

Monthly Total Hours

TOTAL Hours	Monthly Total Hours	
EastLawn 1-01	66.50	41.56%
Scattered Sites 1-02	24.50	15.31%
Eastlawn Add 2-01	8.00	5.00%
Pioneer Homes 3-01	0.00	0.00%
Storage 3-03	0.00	0.00%
Eastlawn East 4-01	61.00	38.13%
Legend Oaks 4-05	0.00	0.00%

Legend Oaks II 4-06	46.25	4.02%
Voucher 8-01	152.99	13.29%
TOTAL	1151.24	100.00%

Total Hours Service Coord - Only ELE

TOTAL Hours	Monthly Total Hours	
EastLawn 1-01	24.50	24.75%
Scattered Sites 1-02	8.00	8.08%
Eastlawn Add 2-01	15.50	15.66%
Pioneer Homes 3-01	0.00	0.00%
Storage 3-03	0.00	0.00%
Eastlawn East 4-01	44.00	44.44%
Legend Oaks 4-05	7.00	7.07%
Legend Oaks II 4-06	0.00	0.00%
Voucher 8-01	0.00	0.00%
TOTAL	99.00	100.00%

Legend Oaks II 4-06	0.00	0.00%
Voucher 8-01	0.00	0.00%
TOTAL	160.00	100.00%

Total Hours Maintenance

TOTAL Hours	Monthly Total Hours	
EastLawn 1-01	283.50	42.03%
Scattered Sites 1-02	56.00	8.30%
Eastlawn Add 2-01	192.50	28.54%
Pioneer Homes 3-01	11.50	1.70%
Storage 3-03	1.00	0.15%
Eastlawn East 4-01	106.00	15.72%
Legend Oaks 4-05	11.50	1.70%
Legend Oaks II 4-06	9.00	1.33%
Voucher 8-01	3.50	0.52%
TOTAL	674.50	100.00%

2017-1

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

Operating Budget

See page four for instructions and Public reporting burden statement

a. Type of Submission: Original Revision No. _____

b. Fiscal Year Ending: 12 mo. Other (specify): _____

c. No. of months (check one): 12 mo. Other (specify): _____

d. Type of HUD assisted project(s):
 PHA/PIA-Owned Rental Housing
 IHA Owned Mutual Help Homeownership
 PHA/PIA Leased Rental Housing
 PHA/PIA Owned Turnkey II Homeownership
 PHA/PIA Leased Homeownership

e. Name of Public Housing Agency/Indian Housing Authority (PHA/PIA): Vouchers Program

f. Address (city, state, zip code): _____

g. ACC Number: _____

h. PAS/IOCCS Project No.: _____

i. HUD Field Office: _____

j. No. of Dwelling Units Available: 0

k. No. of Unit Months Available: 0

l. No. of Projects: _____

Line No.	Acct. No.	Description (1)	Actual		Estimates		Requested Budget Estimates		HUD Modifications Amount (for interest \$10) (7)
			FY (2)	FY (3)	Current Budget Yr. (4)	or Actual Current Budget Yr. (5)	PHA/PIA Estimates (6)	FY (7)	
Homebuyers Monthly Payments For:									
010	7710	Operating Expense							
020	7712	Earned Home Payments							
030	7714	Nonroutine Maintenance Reserve							
040	Total	Break-Even Amount (sum of lines 010, 020, and 030)							
050	7716	Excess (or deficit) in Break-Even							
060	7760	Homebuyers Monthly Payments - Contra							
Operating Receipts									
070	3110	Dwelling Rental	360,737	494,463			494,000		
080	3120	Excess Utilities							
090	3180	Non dwelling Rental							
100	Total	Rental Income (sum of lines 070, 080, and 090)							
110	3610	Interest on General Fund Investments							
120	3680	Other Income	74,916	74,909			75,000		
130	Total	Rental Income (sum of lines 100, 110, and 120)	435,653	569,372			569,000		
Operating Expenditures - Administration:									
140	4110	Administrative Salaries	43,443	47,077			50,984		
150	4130	Legal Expense	138	138			400		
160	4140	Staff Training	505	431					
170	4150	Travel	645	100					
180	4170	Accounting Fees	2,818	2,828			2,850		
190	4171	Auditing Fees	2,706	2,769			2,800		
200	4180	Other Administrative Expenses	4,948	12,841			8,000		
210	Total	Administrative Expense (sum of line 140 thru line 200)	58,803	63,446			65,034		
Tenant Services:									
220	4210	Salaries							
230	4220	Recreation, Publications and Other Services							
240	4230	Contract Costs, Training and Other							
250	Total	Tenant Services Expense (sum of lines 220, 230, and 240)							
Utilities:									
260	4310	Water							
270	4320	Electricity							
280	4330	Gas							
290	4340	Fuel							
300	4350	Labor							
310	4390	Other Utilities Expense							
320	Total	Utilities Expense (sum of line 260 thru line 310)							

Name of PHA/RA		Fiscal Year Ending		HUD Modifications			
Voucher Program		6-30-18					
Line No.	Acct. No.	Description (1)	Actual Last Fiscal Yr. PUM (2)	Estimate or Actual Current Budget Yr. PUM (3)	PUM (4)	PUM (6)	Amount (to nearest \$10) (7)
Ordinary Maintenance and Operation:							
330	4410	Labor					
340	4420	Materials					
350	4430	Contract Costs					
360	Total	Ordinary Maintenance & Operation Expense (lines 330 to 350)		815			815
Protective Services:							
370	4460	Labor					
380	4470	Materials					
390	4480	Contract Costs					
400	Total	Protective Services Expense (sum of lines 370 to 390)	1,190	1,146			1,150
General Expense:							
410	4510	Insurance					
420	4520	Payments in Lieu of Taxes					
430	4530	Terminal Leave Payments					
440	4540	Employee Benefits Contributions					
450	4570	Collection Losses					
460	4580	Other General Expense					
470	Total	General Expense (sum of lines 410 to 460)	4,669	5,629			6,000
480	Total	Routine Expense (sum of lines 210, 250, 320, 360, 400, and 470)	5,166	18,412			15,000
490	Total	Rent for Leased Dwellings	141				
500	Total	Rent to Owners of Leased Dwellings	9,976	26,022			24,000
510	Total	Operating Expense (sum of lines 480 and 490)	10,117	26,434			24,999
Nonroutine Expenditures:							
520	7520	Replacement of Nonexpendable Equipment					
530	7540	Property Betterments and Additions					
540	Total	Nonroutine Expenditures (sum of lines 510, 520, and 530)					
550	Total	Operating Expenditures (sum of lines 500 and 540)	441,579	559,115			537,999
Prior Year Adjustments:							
560	6010	Prior Year Adjustments Affecting Residual Receipts					
Other Expenditures:							
570	Total	Deficiency in Residual Receipts at End of Preceding Fiscal Yr.					
580	Total	Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)					
590	Total	Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)					
HUD Contributions:							
600	8010	Basic Annual Contribution Earned-Leased Projects Current Year					
610	8011	Prior Year Adjustments - (Debit) Credit					
620	Total	Basic Annual Contribution (line 600 plus or minus line 610)					
630	8020	Contributions Earned-Op. Subsidy-Cur. Yr. (before year-end adj)					
640	Total	Mandatory PFS Adjustments (net)					
650	Total	Other (specify):					
660	Total	Other (specify):					
670	Total	Total Year-End Adjustments/Other (plus or minus lines 640 thru 660)					
680	Total	Total Operating Subsidy-current year (line 630 plus or minus line 670)					
690	Total	HUD Contributions (sum of lines 620 and 680)					
700	Total	Residual Receipts (or Deficit) (sum of line 590 plus line 690)	(5,847)	19,277			31,001
Enter here and on line 810							

Operating Budget

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

OMB Approval No. 2577-0026 (exp. 10/31/2009)

See page four for instructions and Public reporting burden statement

a. Type of Submission: <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No. _____		b. Fiscal Year Ending: c. No. of months (check one) <input checked="" type="checkbox"/> 12 mo. <input type="checkbox"/> Other (specify) _____		d. Type of HUD assisted project(s): <input type="checkbox"/> PHA/PIA-Owned Rental Housing <input type="checkbox"/> IHA Owned Mutual Help Homeownership <input type="checkbox"/> PHA/PIA Leased Rental Housing <input type="checkbox"/> PHA/PIA Owned Turnkey III Homeownership <input type="checkbox"/> PHA/PIA Leased Homeownership	
e. Name of Public Housing Agency/Indian Housing Authority (PHA/PIA) Management Agent Aact					
f. Address (city, state, zip code)					
g. AOC Number		h. PAS/DOCS Project No.		i. HUD Field Office	
j. No. of Dwelling Units Available		k. No. of Unit Months Available		l. No. of Projects	
0		0		0	

Line No.	Acct. No.	Description (1)	Actual Last Fiscal Yr. PUM (2)		Estimates or Actual Current Budget Yr. PUM (3)		Requested Budget Estimates PHA/PIA Estimates PUM (4)		HUD Modifications Amount (to nearest \$10) PUM (5)		(7)
Homebuyers Monthly Payments for:											
010	7710	Operating Expense									
020	7712	Earned Home Payments									
030	7714	Nonrefundable Maintenance Reserve									
040	Total	Break-Even Amount (sum of lines 010, 020, and 030)									
050	7718	Excess (or deficit) in Break-Even									
060	7790	Homebuyers Monthly Payments - Contra									
Operating Receipts											
070	3110	Dwelling Rental									
080	3120	Excess Utilities									
090	3190	Non Dwelling Rental									
100	Total	Rental Income (sum of lines 070, 080, and 090)	39,478	35,888			36,000	✓			
110	3610	Interest on General Fund Investments	19	15,331			15,000	✓			
120	3690	Other Income	67,430	59,550			51,000	✓			
130	Total	Rental Income (sum of lines 100, 110, and 120)	107,027	110,769			102,000	✓			
Operating Expenditures - Administration:											
140	4110	Administrative Salaries	40,585	19,020			18,150	✓			
150	4130	Legal Expense									
160	4140	Staff Training									
170	4150	Travel	130	120							
180	4170	Accounting Fees	966	900			1,000				
190	4171	Auditing Fees	858	858							
200	4190	Other Administrative Expenses	1887	3,023			2,000				
210	Total	Administrative Expense (sum of lines 140 thru line 200)	24,563	43,956			22,050	✓			
Tenant Services:											
220	4210	Salaries	3,188	3,178			4,000	✓			
230	4220	Recreation, Publications and Other Services									
240	4230	Contract Costs, Training and Other									
250	Total	Tenant Services Expense (sum of lines 220, 230, and 240)	3,188	3,178			4,000	✓			
Utilities:											
260	4310	Water									
270	4300	Electricity									
280	4330	Gas									
290	4340	Fuel									
300	4350	Labor									
310	4390	Other Utilities Expense									
320	Total	Utilities Expense (sum of lines 260 thru line 310)									

Name of Project: **Management Agent Acad**

Fiscal Year Ending: **C**

Line No.	Acct. No.	Description (1)	Actual Last Fiscal Yr.		Estimates for Actual Current Fiscal Yr.		HUD Modifications		Amount (to nearest \$10)
			PUM (2)	0	PUM (3)	0	PUM (4)	PUM (5)	
Ordinary Maintenance and Operation:									
330	4410	Labor	20,358	0	18,741	0	2018	0	0
340	4420	Materials	330	0	286	0	19,081	0	0
350	4430	Contract Costs	70	0	0	0	19,081	0	0
360	Total	Ordinary Maintenance & Operation Expense (lines 330 to 350)	20,758	0	19,027	0			
Protective Services:									
370	4460	Labor							
380	4470	Materials							
390	4480	Contract Costs							
400	Total	Protective Services Expense (sum of lines 370 to 390)							
General Expense:									
410	4510	Insurance	1,376	0	2,847	0	2,500	0	0
420	4520	Payments in Lieu of Taxes							
430	4530	Technical Lease Payments							
440	4540	Employee Benefits Contributions							
450	4570	Collection Losses							
460	4590	Other General Expense							
470	Total	General Expense (sum of lines 410 to 460)	1,376	0	2,847	0	1,500	0	0
480	Total	Routine Expense (sum of lines 210, 250, 320, 380, 400, and 470)	21,134	0	21,874	0	10,000	0	0
Rent for Leased Dwellings:									
490	4710	Rents to Owners of Leased Dwellings							
500	Total	Operating Expense (sum of lines 480 and 490)	21,134	0	21,874	0	53,217	0	0
Nonroutine Expenditures:									
510	4910	Extraordinary Maintenance							
520	7520	Replacement of Nonexpendable Equipment							
530	7540	Property Betterments and Additions							
540	Total	Nonroutine Expenditures (sum of lines 510, 520, and 530)							
550	Total	Operating Expenditures (sum of lines 500 and 540)							
Prior Year Adjustments:									
560	8010	Prior Year Adjustments Affecting Residual Receipts							
Other Expenditures:									
570		Deficiency in Residual Receipts at End of Preceding Fiscal Yr.							
580	Total	Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)							
590		Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)							
HUD Contributions:									
600	8010	Basic Annual Contribution Earned-Leased Projects/Current Year							
610	8011	Prior Year Adjustments - (Debit) Credit							
620	Total	Basic Annual Contribution (line 600 plus or minus line 610)							
630	8020	Contributions Earned Op. Subsidy-Cur. Yr. (before year-end adj)							
640		Mandatory PFS Adjustments (net):							
650		Other (specify):							
660		Other (specify):							
670	Total Year-End Adjustments/Other (plus or minus lines 640 thro 660)								
680	8020	Total Operating Subsidy-current year (line 630 plus or minus line 670)							
690	Total	HUD Contributions (sum of lines 620 and 680)	11,876	0	18,019	0	0	0	0
700		Residual Receipts (or Deficit) (sum of line 590 plus line 690)							
Enter here and on line 810									

Operating Budget

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

OMB Approval No. 2577-0026 (exp. 10/31/2005)

See page four for instructions and Public reporting burden statement

a. Type of Submission <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No.: _____		b. Fiscal Year Ending (check one) <input checked="" type="checkbox"/> 12 mo. <input type="checkbox"/> Other (specify) _____		d. Type of HUD assisted project(s) <input type="checkbox"/> PHA/PIA-Owned Rental Housing <input type="checkbox"/> IHA Owned Mutual Help Homeownership <input type="checkbox"/> PHA/PIA Leased Rental Housing <input type="checkbox"/> PHA/PIA Owned Turnkey (I) Homeownership <input type="checkbox"/> PHA/PIA Leased Homeownership	
e. Name of Public Housing Agency/Indian Housing Authority (PHA/PIA) Pioneer Homes		f. Address (City, State, zip code) _____		i. HUD Field Office _____	
g. ACC Number _____		h. PASIS/OCSS Project No. _____		j. No. of Dwelling Units Available 0	
k. No. of Unit Months _____		l. No. of Projects _____		m. No. of Projects _____	

Line No.	Acct. No.	Description (f)	Actual		Estimates		Requested Budget Estimates		HUD Modifications Amount (to nearest \$10) (7)
			Last Fiscal Yr. PUM (2)	Current Budget Yr. PUM (3)	Estimates PUM (5)	or Actual PUM (6)	PHA/PIA Estimates PUM (4)	PUM (8)	
Homebuyers Monthly Payments for:									
010	7710	Operating Expense							
020	7712	Earned Home Payments							
030	7714	Nonroutine Maintenance Reserve							
040	Total	Break-Even Amount (sum of lines 010, 020, and 030)							
050	7716	Excess (or deficit) in Break-Even							
060	7796	Homebuyers Monthly Payments - Contra							
Operating Receipts									
070	3110	Dwelling Rental	42,929	48,000			50,400		
080	3120	Excess Utilities							
080	3180	Non Dwelling Rental							
100	Total	Rental Income (sum of lines 070, 080, and 090)							
110	3610	Interest on General Fund Investments	3	3					
120	3690	Other Income	2,711	730					
130	Total	Rental Income (sum of lines 100, 110, and 120)	25,643	48,733			50,400		
Operating Expenditures - Administration:									
140	4110	Administrative Salaries	3,933	5,965			8,826		
150	4130	Legal Expense							
160	4140	Staff Training							
170	4150	Travel	36	36			100		
180	4170	Accounting Fees	1,246	1,440			1,600		
190	4171	Auditing Fees	38	40			200		
200	4180	Other Administrative Expenses	688	840			1,000		
210	Total	Administrative Expense (sum of line 140 thru line 200)	5,935	6,321			11,726		
Tenant Services:									
220	4210	Salaries							
230	4220	Recreation, Publications and Other Services							
240	4230	Contract Costs, Training and Other							
250	Total	Tenant Services Expense (sum of lines 220, 230, and 240)							
Utilities:									
260	4310	Water	886	85			100		
270	4320	Electricity	1,279	500			700		
280	4330	Gas							
290	4340	Fuel							
300	4350	Labor							
310	4380	Other Utilities Expense							
320	Total	Utilities Expense (sum of line 260 thru line 310)	1,563	585			800		

Name of PHA/HA
0 Pioneer Homes

Fiscal Year Ending
6-30-18

Line No.	Acct. No.	Description (1)	Actual Last Fiscal Yr.		Estimates		HUD Modifications	
			Yr. PUM	Yr. PUM	Yr. PUM	Yr. PUM	(4)	(6)
Ordinary Maintenance and Operation:								
330	4410	Labor	9,119	3,065	7,078	8,018		
340	4420	Materials	2,679	1,000	1,500			
350	4430	Contract Costs	2,925	3,500	4,000			
360	Total	Ordinary Maintenance & Operation Expense (lines 330 to 350)	14,723	7,565	12,578			
Protective Services:								
370	4460	Labor						
380	4470	Materials						
390	4480	Contract Costs						
400	Total	Protective Services Expense (sum of lines 370 to 390)						
General Expense:								
410	4510	Insurance	8,472	8,000	10,000			
420	4520	Payments in Lieu of Taxes						
430	4530	Terminal Leave Payments						
440	4540	Employee Benefits Contributions						
450	4570	Collection Losses	1,324	1,430	1,600			
460	4590	Other General Expense						
470	Total	General Expense (sum of lines 410 to 460)	9,796	9,430	11,600			
480	Total	Routine Expense (sum of lines 210, 250, 320, 390, 400, and 470)	31,918	43,793				
Rent for Leased Dwellings:								
490	4710	Rents to Owners of Leased Dwellings						
500	Total	Operating Expense (sum of lines 480 and 490)						
Nonroutine Expenditures:								
510	4610	Extraordinary Maintenance	345	20				
520	7520	Replacement of Nonexpendable Equipment						
530	7540	Property Betterments and Additions						
540	Total	Nonroutine Expenditures (sum of lines 510, 520, and 530)						
550	Total	Operating Expenditures (sum of lines 500 and 540)	31,918	43,813	36,704			
Prior Year Adjustments:								
560	6010	Prior Year Adjustments Affecting Residual Receipts						
Other Expenditures:								
570		Deficiency in Residual Receipts at End of Preceding Fiscal Yr.						
580	Total	Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)	14,200	24,920	13,696			
590		Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)						
HUD Contributions:								
600	8010	Basic Annual Contribution Earned-Leased Projects-Current Year						
610	8011	Prior Year Adjustments - (Debit) Credit						
620	Total	Basic Annual Contribution (line 600 plus or minus line 610)						
630	8020	Contributions Earned-Op. Subsidy-Cur. Yr.(before year-end adj)						
640		Mandatory PFS Adjustments (ref.)						
650		Other (specify):						
660		Other (specify):						
670		Total Year-End Adjustments-Other (plus or minus lines 640 thru 660)						
680	8020	Total Operating Subsidy-current year (line 630 plus or minus line 670)						
690	Total	HUD Contributions (sum of lines 620 and 680)	14,200	24,920	13,696			
700		Residual Receipts (or Deficit) (sum of line 590 plus line 690) Enter here and on line 810						

Budget Worksheet
Income and Expense Projections

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0324
(exp. 12/31/2014)

Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is collected in accordance with Title II of the National Housing Act which requires that HUD regulate rents for certain cooperative and subsidized rental projects. The Department formulated the process by which owners could request increases. The requirement for tenant participation in the rent increase process, which is included in Section 202(b) of the HUD Amendments of 1978, necessitated that the Department design procedures to give consideration to tenant comments. The information gathered is not of a confidential nature. The information is required in order to obtain benefits.

Description of Account	Project Number	Name of Project	Statement of Profit/Loss FY		Budget from () to ()
			Current FY (no. of mos.)	Current FY (no. of mos.)	
Rental Income 5100	NE 26005001	Eastlawn Addition	7-1-16 to 6-30-16	7-1-17 to 6-30-17	
5120 Rent Revenue - Gross Potential			121,408	78,580	340,588
5121 Tenant Assistance Payments			123,555	111,400	
5140 Rent Revenue - Stores and Commercial					
5170 Garage and Parking Spaces					
5180 Flexible Subsidy Revenue					
5180 Miscellaneous Rent Revenue					
5191 Excess Rent					
5192 Rent Revenue/ Insurance					
5193 Special Claims Revenue					
5194 Retained Excess Income					
Total Rent Revenue Potential at 100% Occupancy			243,961	189,980	370,588
Vacancies Apartments 5200					
5240 Stores and Commercial					
5250 Rental Concessions					
5270 Garage and Parking Spaces					
5290 Miscellaneous					
5200 Total Vacancies			30,020		
Net Rental Revenue (Rent Revenue less Vacancies) 5152N			213,941	189,980	294,588
Income Other Elderly Care/ Coop/ Other Revenues 5300					
5410 Financial Revenue - Project Operations					
5430 Revenue from Investments-Residual Receipts					
5440 Revenue from Investments-Residual Receipts					
5490 Revenue from Investments-Miscellaneous					
5400 Total Financial Revenue			7,460	4,342	6,513
5910 Laundry and Vending Revenue			7,460	4,342	6,513
5920 Tenant Charges					
5945 Interest Reduction Payments Revenue			1,081	1,680	84
5970 Gifts (nonprofits)			56		
5990 Miscellaneous Revenue					
5900 Total Other Revenue			8,597	6,022	13,739
Total Revenue 6203			322,538	256,002	408,327
Admin. Expenses 6200/ 6300					
6204 Management Consultants					
6210 Advertising and Marketing					
6250 Other Renting Expenses					
6310 Office Salaries					
6311 Office Expenses					
6312 Office or Model Apartment Rent					
6320 Management Fee					
6330 Manager or Superintendent Salaries					
6331 Administrative Rent Free Unit					
6340 Legal Expenses - Project					
6350 Audit Expenses					
6351 Bookkeeping Fees/Accounting Services					
6390 Miscellaneous Administrative Expenses					
Total Administrative Expenses 6263I			134,385	111,911	11,900

Audit 6-30-17
 7-1-16 to 8-1-17
 7-1-17 to 8-1-18

Description of Account	Acct. No.	Statement of Profit/Loss FY	Current FY (inc. of mos.)	Budget from () to ()
Utilities	6400			
Fuel Oil/Coal	6420			
Electricity	6450	19,569	11,186	16,780
Water	6451	19,477	11,237	15,856
Gas	6452	16,974	10,240	15,360
Sewer	6453	16,943	10,541	15,888
Total Utilities Expense	6400T	72,963	43,254	74,730
Operating & Maintn. Expenses	6500			
Payroll	6510	65,062	34,675	42,000
Supplies	6515	11,422	4,608	12,000
Contracts	6520		15,929	23,900
Operating and Maintenance Rent Free Unit	6521			
Garbage and Trash Removal	6525	2,441	1,667	2,500
Security Payroll/Contract Cable TV	6530		12,003	13,000
Security Rent Free Unit	6531			
Heating/Cooling Repairs and Maintenance	6545			
Snow Removal	6548			
Vehicle & Maint. Equip. Oper. and Repair	6570		2,934	3,250
Misc. Operating & Maintenance Expenses	6590	43,844		
Total Operating & Maintenance Expenses	6500T	123,580	76,810	105,380
Taxes and Insurance	6700			
Real Estate Taxes	6710			
Payroll Taxes (Project's share)	6711			
Property and Liability Insurance (Hazard)	6720	10,508	7,111	10,600
Fidelity Bond Insurance	6721			
Workmen's Compensation	6722	4,828	3,965	5,900
Health Insurance & Other Employee Benefits	6723	33,648	50,129	60,000
Misc. Taxes, Licen., Permits, & Insurance	6790	1,260	269	
Total Taxes & Insurance	6700T	50,244	61,469	76,500
Financial Expenses	6800			
Interest on Mortgage Payable	6820			
Interest on Notes Payable (Long-Term) *	6830			
Interest on Notes Payable (Short-Term) *	6840			
Mortgage Insurance Premium/Service Charge	6850			
Miscellaneous Financial Expenses	6880	574		
Total Financial Expenses	6800T	574		
Expenses	6900			
Nursing Homes/Assisted Living/Board & Care				
Other Elderly Care/Coop/Other Revenues				
Total Cost of Operations	6000T	344,795	233,458	307,315
Reserve for Replacements Dep. Required				
Principal Payments Required				
Debt Service for other approved loans				
Debt Service Reserve (if required)				
General Operating Reserve (Coops)				
Total Cash Requirements		344,795	233,458	307,315
Less Total Revenue		(20,946)	(43,478)	(14,919)
Net Cash Surplus (Deficiency)		323,849	189,980	292,396
Special Items (True)		371,376		
Final Total		614,30		

Special Items (True)

Final Total

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
 Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 110, 1012; 31 U.S.C. 3729, 3802)
 (Signature)

Operating Budget

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

*OMB Approval No. 2577-0026 (exp. 10/31/2009)

See page four for instructions and Public reporting burden statement

a. Type of Submission		b. Fiscal Year Ending		c. No. of months (check one)		d. Type of HUD assisted project(s)		
<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Revision No.:	06/30/18	<input checked="" type="checkbox"/> 12 mo.	<input type="checkbox"/> 6	<input type="checkbox"/> 9	01 <input checked="" type="checkbox"/> PHA/PIA-Owned Rental Housing	02 <input type="checkbox"/> IHA Owned Mutual Help Homeownership	
e. Name of Public Housing Agency/Indian Housing Authority (PHA/PIA)		f. Address (city, state, zip code)		g. HUD Field Office		03 <input type="checkbox"/> PHA/PIA Leased Rental Housing		
Lexington Housing Authority		609 East 3rd Street, Lexington, NE 68850		I. HUD Field Office		04 <input type="checkbox"/> PHA/PIA Owned Turnkey III Homeownership		
9. ACC Number		j. PASLUCCS Project No.		k. No. of Dwelling Units		l. No. of Months Available		
ACC-393				972		1		
Line No.	Acct. No.	Description (1)	Actual Last Fiscal Yr. PUM (2)	Estimates for Actual Current Budget, Yr. 2017 PUM (3)	PHA/PIA Estimates Amount (to nearest \$10) PUM (4)	PHA/PIA Estimates Amount (to nearest \$10) PUM (5)	HUD Modifications Amount (to nearest \$10) PUM (6)	HUD Modifications Amount (to nearest \$10) PUM (7)
Homebuyers Monthly Payments for:								
010	7718	Operating Expense			0.00			
020	7712	Earned Home Payments			0.00			
030	7714	Nonroutine Maintenance Reserve			0.00			
040		Total Break Even Amount (sum of lines 010, 020, and 030)			0.00			
050	7716	Excess (or deficit) in Break-Even			0.00			
060	7760	Homebuyers Monthly Payments - Contra			0.00			
Operating Receipts								
070	3110	Dwelling Rental	286,510	282,400	286,58	281,476	0	
080	3120	Excess Utilities			0.00	0		
090	3190	Non Dwelling Rental			0.00	0		
100		Total Rental Income (sum of lines 070, 080, and 090)	286,510	282,400	286,58	281,476		
110	3610	Interest on General Fund Investments	830	870	1,541	1,541		
120	3690	Other Income	33,240	33,600	16,63	16,360		
130		Total Rental Income (sum of lines 100, 110, and 120)	320,580	316,870	308,00	299,377		
Operating Expenditures - Administration:								
140	4110	Administrative Salaries	83,296	85,000	107,69	104,670		
150	4130	Legal Expense	1,581	500	0,51	500		
160	4140	Staff Training	587	2,000	4,32	4,000		
170	4160	Travel	682	1,000	1,03	1,000		
180	4170	Accounting Fees	490	3,000	3,09	3,000		
190	4171	Auditing Fees	848	2,000	2,06	2,000		
200	4190	Other Administrative Expenses	14,410	23,000	19,75	19,200		
210		Total Administrative Expense (sum of line 140 thru line 200)	110,594	135,500	138,24	134,370		
Tenant Services:								
220	4210	Salaries			0,00	0		
230	4220	Recreation, Publications and Other Services			0,00	0		
240	4230	Contract Costs, Training and Other			0,00	0		
250		Total Tenant Services Expense (sum of lines 220, 230, and 240)	0	0	0,00	0		
Utilities:								
260	4310	Water	1,054	1,500	1,54	1,500		
270	4320	Electricity	2,650	4,000	3,60	3,500		
280	4330	Gas	2,179	25,000	27,01	26,250		
290	4340	Fuel	16,811	23,000	21,60	21,000		
300	4350	Labor			0,00	0		
310	4390	Other Utilities Expense	531	700	0,00	740		
320		Total Utilities Expense (sum of line 260 thru line 310)	41,754	58,700	52,97	51,490		

Name of PHA/HA Lexington Housing Authority		Fiscal Year Ending 06/30/18		Actual Last Fiscal Yr. 2017 PUM (2)		Estimates or Actual Current Fiscal Yr. 2017 PUM (3)		Amount (to nearest \$10) PUM (4)		Amount (to nearest \$10) PUM (5)		FUE: Modifications PUM (6)		Amount (to nearest \$10) PUM (7)	
Line No.	Acct. No.	Description: (1)													
Ordinary Maintenance and Operation:															
330	4410	Labor													
				77,346	86,000			88.62						86,140	
340	4420	Materials												20,000	
				16,395	20,000									20,000	
350	4430	Contract Costs												60,000	
				79,375	75,000			61.73						60,000	
360		Total Ordinary Maintenance & Operation Expense (lines 330 to 350)		166,116	181,000			170.93						166,140	
Protective Services:															
370	4460	Labor												0.00	
								0.00						0.00	
380	4470	Materials												0.00	
								0.00						0.00	
390	4480	Contract Costs												0.00	
								0.00						0.00	
400		Total Protective Services Expense (sum of lines 370 to 390)						0.00						0.00	
General Expense:															
410	4510	Insurance												30,000	
				29,463	33,000			30.86						30,000	
420	4520	Payments in Lieu of Taxes												0.00	
								0.00						0.00	
430	4530	Terminal Lease Payments												0.00	
								0.00						0.00	
440	4540	Employee Benefits Contributions												30,000	
				18,980	30,000			30.86						30,000	
450	4570	Collection Losses												3,000	
				1,430	5,000			3.08						3,000	
460	4590	Other General Expense												0.00	
				49,983	3,000			0.00						0.00	
470		Total General Expense (sum of lines 410 to 460)		89,856	38,000			64.81						63,000	
480		Total Routine Expense (sum of lines 210, 250, 320, 360, 400, and 470)		309,441	421,700			428.50						416,500	
Rent for Leased Dwellings:															
490	4710	Rent to Owners of Leased Dwellings												0.00	
								0.00						0.00	
500		Total Operating Expense (sum of lines 480 and 490)						428.50						416,500	
Nonroutine Expenditures:															
510	4610	Extraordinary Maintenance												0.00	
								0.00						0.00	
520	7520	Replacement of Nonexpendable Equipment												0.00	
								0.00						0.00	
530	7540	Property Betterments and Additions												0.00	
								0.00						0.00	
540		Total Nonroutine Expenditures (sum of lines 510, 520, and 530)						0.00						0.00	
550		Total Operating Expenditures (sum of lines 500 and 540)						428.50						416,500	
Prior Year Adjustments:															
560	8010	Prior Year Adjustments Affecting Residual Receipts												0.00	
								0.00						0.00	
570		Deficiency in Residual Receipts at End of Preceding Fiscal Yr.												0.00	
								0.00						0.00	
580		Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)						428.50						416,500	
								428.50						416,500	
590		Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)												(117,123)	
														(117,123)	
HUD Contributions:															
600	8010	Basic Annual Contribution Earned - Leased Projects - Current Year												0.00	
								0.00						0.00	
610	8011	Prior Year Adjustments - (Debit) Credit												0.00	
								0.00						0.00	
620		Total Basic Annual Contribution (line 600 plus or minus line 610)						0.00						0.00	
630	8020	Contributions Earned - Op. Subsidy - Cur. Yr. (before year-end adj)												120,000	
				109,636	110,000			123.46						120,000	
640		Memorandum PFS Adjustments (net)												0.00	
								0.00						0.00	
650		Other (specify):												0.00	
								0.00						0.00	
660		Other (specify):												0.00	
								0.00						0.00	
670		Total Year-End Adjustments/Other (plus or minus lines 640 thru 660)						0.00						0.00	
680		Total Operating Subsidy - current year (see exp plan or minus line 670)						123.46						120,000	
				109,636	110,000			123.46						120,000	
690		Total HUD Contributions (sum of lines 620 and 680)						123.46						120,000	
				109,636	110,000			123.46						120,000	
700		Residual Receipts (or Deficit) (sum of line 590 plus line 680)						2.96						2,877	
		Enter here and on line 810		30,825	(7,800)			2.96						2,877	

Operating Budget
Schedule of Administration
Expense Other Than Salary

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

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public Reporting Burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justifications of certain specific amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

	(1) Description	Locality:				Fiscal Year End:	
		(2) Total	(3) Management	(4) Development	(5) Section 8	(6) Other	
	Lexington Housing Authority						
	Lexington Housing Authority						
	Lexington, NE						
	Lexington, NE						
1	Legal Expense (see Special Note in Instruction)	500					
2	Training (list and provide justification)	4,000					
3	Travel						
4	Trips To Conventions and Meetings (list and provide justification) Other Travel: Outside Area of Jurisdiction	0					
5	Use Van						
6	Within Area of Jurisdiction	1,000					
7	Total Travel	1,000	0	0	0	0	0
8	Accounting	3,000					
9	Auditing	2,000					
10	Rental of Office Space	1,700					
11	Copy Machine & Advertising	6,000					
12	Memberships Dues and Fees (list organization and amount)	1,200					
13	Telephone, Fax, Electronic Communications	2,900					
14	Collection Agent Fees and Court Costs	0					
15	Administrative Services Contracts (list and provide justification)	0					
16	Forms, Stationery and Office Supplies	4,000					
17	Other Sundry Expense (provide breakdown)	3,400					
18	Tenant Screening						
	Total Sundry	19,200	0	0	0	0	0
	Total Administrative Expense Other Than Salaries	29,700	0	0	0	0	0

To the best of my knowledge, all of the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of authorized representative & Date:

Operating Budget
Summary of Budget Data and Justifications

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

OMB Approval No. 2577-0029 (Exp. 10/31/2009)

Public Reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. This information is required by Section 6 (3)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed budget receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Name of Local Housing Authority _____ Locality _____ Fiscal Year Ending _____
 Lexington Housing Authority _____ Lexington, NE _____ 08/30/18

Operating Receipts

Dwelling Rental: Explain basis for estimate. For HUD-aided low-rent housing, other than Section 23 Leased housing, state amount of (at least available total) PHA monthly rent roll, the number of dwelling units available for occupancy and the number accepted for the same month etc. Cite HA policy revisions and economic and other factors which may result in a greater or lesser average monthly rent roll during the Requested Budget Year. For Section 23 Leased housing, state the number of units under lease, the PUM lease price, and whether or not the cost of utilities is included. If not included, explain method for payment of utility costs by HA and/or tenant.

Dec., 2018 thru May, 2017 Rent = \$140,738 X 2 =

Last 6 months rent x 2

TOTAL: 281,476

Excess Utilities: (Not for Section 23 Leased Housing.) Check appropriate spaces in item 1, and explain "Other". Under item 2, explain basis for determining excess utility consumption. For example, Gas; individual check meters at OH-100-1, proration of excess over-allowances at OH-100-2, etc. Cite effective date of present utility allowances. Explain anticipated changes in allowances or other factors which will cause a significant change in the total amount of excess utility charges during the Requested Budget Year.

1. Utility Services Surcharged: Gas Electricity Other (Specify) _____

2. Comments _____

TOTAL: 0

Non-dwelling Rent: (Not for Section 23 Leased Housing.) Complete item 1, specifying each space rented, to whom, and the rental terms. For example: Community Building Space - Nursery School - \$50 per month, etc. Cite changes anticipated during the Requested Budget Year affecting estimated Non-dwelling Rental income.

1	Space Rented	To Whom	Rental Terms

2. Comments _____

TOTAL: 0

Specify all proposed new positions and all present positions to be abolished in the Requested Budget Year. Cite prior HUD concurrence in proposed staffing changes or present justification for such changes. Cite prior HUD concurrence in proposed salary increases for Administration Staff or give justification and pertinent comparability information. Cite effective date for current approved wage rate (form HUD-527.58) and justify all deviations from these rates.

SEE HUD FORM 52566

Travel, Publication, Membership Dues and Fees, Telephone and Telegraph, and Surdry: In addition to "Justification for Travel to Convention and Meetings" shown on form HUD-52571, give an explanation of substantial Requested Budget Year estimated increase over the PUM rate of expenditures for these accounts in the Current Budget Year. Explain basis for allocation of each element of these expenses.

SEE HUD FORM 52571

Utilities: Give an explanation of substantial Requested Budget Year estimated increase over the PUM rate for each utility service in the Current Budget Year. Describe and state estimated cost of each element of "Other Utility Expenses."

Water	3,500
Electricity	26,250
Gas	21,000
Fuel	
Labor	
Other Utilities	735

TOTAL: 51,500 Using a 5% increase

Ordinary Maintenance & Operation—Materials: Give an explanation of substantial Requested Budget Year estimated increase over the PUM rate of expenditures for materials in the Current Budget Year.

Projecting no increase

TOTAL: 20,000

Ordinary Maintenance & Operation—Contract Costs: List each ordinary maintenance and operation service contracted for and give the estimated cost for each. Cite and justify new contract services proposed for the Requested Budget Year. Explain substantial Requested Budget Year increases over the PUM rate of expenditure for Contract Services in the current Budget Year. If LHA has contract for maintenance of elevator cabs, give contract cost per cab.

Actual 2017 Costs	Misc. Contracts
	Tenets
	2,600
	Grounds
	7,600
	Exterminating
	8,200
	Plumber
	1,700
	Anticipated increases
	12,640

TOTAL: 60,000

Insurance: Give an explanation of substantial Requested Budget Year estimated increases in the PUM rate of expenditures for insurance over the Current Budget Year. Cite changes in coverage, premium rates, etc.

- Property
- Liability
- Workers Compensation
- Vehicle Insurance

TOTAL 30,000

Employee Benefit Contributions: List all Employee Benefit plans participated in. Give justification for all plans to be instituted in the Requested Budget Year for which prior HUD concurrence has not been given.

FICA \$ 190,812 X 7.65%

14,500

- Payroll
- Health Insurance
- Life Insurance
- Retirement

TOTAL: 30,000

Collection Losses: State the number of tenants accounts receivable to be written off and the number and total amount of all accounts receivable for both present and vacated tenants as of the month in which the estimate was computed.

Anticipated Collision Losses

3,000

TOTAL: 3,000

Extraordinary Maintenance, Replacement of Equipment, and Betterments and Additions: Cite prior HUD approval or give justification for each nonroutine work project included in the Requested Budget and for those for future years which make up the estimate on form HUD-52570. Justifying information incorporated on or attached to form HUD-52567 need not be repeated here.

SEE HUD FORM 52567

Contracts: List all contracts, other than those listed on page 3 of this form under Ordinary Maintenance & Operation (OMO). Cite the name of the contractor, type of contract, cost of contract and contract period. Justification must be provided for all contract services proposed for the requested Budget Year (RBY). Explain substantial RBY increases over the PUM rate of expenditure for these contracts on the Current Budget Year.

None Anticipated

Local Housing Authority: _____
 Locality: _____
 Fiscal Year Ending: 01/01/00

Work Project Number	(1) Description of Work Project and Expenditures (separately)	(2) Housing Project Number	(3) Total Estimated Cost	(4) Percent Complete Budget Year End	(5) Percent Expenditure Complete Project Year End	(6) Description of Equipment Items (List Replacements and Additions separately)	(7) No. of Items Cost in Year	(8) Estimated Expenditure in Year	Extraordinary Maintenance Total:	
									0	0
NONE ANTICIPATED										
Extraordinary Maintenance:										
Equipment Requirements										
Requested Budget										

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

Budget for year ending 2017

		81	48	7		106			18	154		
		Section 8		GL	Pioneer	Management	Development	Housing				
		Public	New	NUMBER	Homes	Fund	Corp	Choice	GL			
		Housing	Const					Voucher	NUMBER	ELE		
								Totals		Total W ELE		
Income												
311000	Dwelling Income	281,981.44	115,642.93		49,149.20	0.00			446,773.57	512000	46,989.00	493,762.57
	Rent Supplement	0.00	168,376.00		0.00	0.00			168,376.00	512100	28,763.00	197,139.00
280600	Unrestricted Net Position	0.00	0.00		0.00	0.00	0.00	30,059.70	0.00		0.00	30,059.70
330001	Fraud Recovery Admin	0.00	0.00		0.00	0.00	0.00	92.50	0.00		0.00	92.50
360000	HUD ACC Admin Fee	0.00	0.00		0.00	0.00	0.00	80,133.34	0.00		0.00	80,133.34
361000	Interest General Fund Investments	0.00	0.00		0.00	0.00	0.00	18.13	0.00		0.00	18.13
Total Rental Income		281,981.44	284,018.93		49,149.20	0.00	0.00	110,303.67	725,453.24		75,752.00	801,205.24
361000	Interest General Fund Investments	1,431.11	0.00		3.67	6.71	0.00	0.00	1,441.49		0.00	1,441.49
369000	Other Income / Tenant Revenue	24,371.54	13,345.20		689.55	19,945.14	0.00	0.00	58,351.43		0.00	58,351.43
369001	Other Income / Misc	600.00	0.00		0.00	0.00	0.00	0.00	600.00		0.00	600.00
369600	Management Fee Earned				0.00	32,519.47	0.00	0.00	32,519.47		0.00	32,519.47
802000	Operating Subsidy	107,054.00	0.00		0.00	0.00	0.00	0.00	107,054.00		0.00	107,054.00
530101	Laundry Income	0.00	1,555.50		0.00	0.00	0.00	0.00	1,555.50	530101	1,274.20	2,829.70
530103	Excess Utilities	0.00	84.00		0.00	0.00	0.00	0.00	84.00	530103	126.00	210.00
541000	Interest Income	0.00	823.87		0.00	0.00	0.00	0.00	823.87	541000	77.46	901.33
541000	Interest Income on Notes Receivable	0.00	6,680.00		0.00	0.00	0.00	0.00	6,680.00		0.00	6,680.00
590000	Other Income									590000	5,640.50	5,640.50
Total Other Operating Receipts		133,456.65	22,488.57		693.22	52,471.32	0.00	0.00	209,109.76		7,118.16	216,227.92
Total Receipts		415,438.09	306,507.50		49,842.42	52,471.32	0.00	110,303.67	934,563.00		82,870.16	1,017,433.16
Operating Expenses												
411000	Admin Salary	76,426.13	85,558.86	631000	4,466.76	24,582.22	0.00	40,377.05	231,411.02		0.00	231,411.02
411008	Tenant Service Coordinator	0.00	30,593.79	631067	0.00	2,407.51	0.00	0.00	33,001.30		0.00	33,001.30
411045	Employee Benefits Admin	18,415.68	0.00		0.00	0.00	0.00	0.00	18,415.68		0.00	18,415.68
411050	Accrued Absenses Admin	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
413000	Legal Expenses	167.28	0.00		0.00	0.00	23.00	0.00	190.28	634000	90.00	280.28
414000	Staff Training	542.04	0.00		0.00	29.99	0.00	482.50	1,054.53		0.00	1,054.53
415000	Travel	371.32	829.45	631101	23.76	78.06	0.00	96.43	1,399.02		0.00	1,399.02
417000	Accounting Fees	2,416.00	0.00		1,218.00	962.50	175.50	2,609.00	7,381.00	635100	1,028.00	8,409.00
417100	Audit Fees	1,973.00	1,118.50	635000	132.00	858.00	0.00	2,768.50	6,850.00	635000	3,950.00	10,800.00
419000	Sundry - Admin	3,025.71	1,129.00	635100	185.28	1,542.92	0.00	3,972.85	9,855.76		0.00	9,855.76
419008	Advertising	2,526.49	4,382.31	621000	118.52	194.70	0.00	1,236.71	8,458.73	621000	621.85	9,080.58
632000	Management Fee									632000	6,358.00	6,358.00
419011	Publications	652.10	0.00		5.34	12.46	0.00	302.98	972.88		0.00	972.88
419012	Membership dues and fees	483.90	0.00		9.60	0.00	0.00	312.50	806.00		0.00	806.00
419013	Telephone	2,524.55	724.79	636000	182.95	420.96	0.00	929.59	4,782.84	636000	1,598.12	6,380.96
419014	Rental of Office Space	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
419017	Forms and Office Supplies	5,522.88	768.90	631100	346.06	816.97	0.00	760.72	8,215.53		0.00	8,215.53
419018	Other Sundry Expenses	1,591.62	0.00		0.00	0.00	0.00	0.00	1,591.62		0.00	1,591.62

419019 Tenant Screening	3,377.06	0.00	0.00	21.00	0.00	2,101.27	5,499.33		0.00	5,499.33
440000 Maintenance and Operation	0.00	0.00	0.00	0.00	0.00	4,933.03	4,933.03		0.00	4,933.03
602300 Conventions and Meetings	0.00	456.00	0.00	0.00	0.00	0.00	456.00		0.00	456.00
625000 Other Renting Expenses	0.00	338.01	0.00	0.00	0.00	0.00	338.01		0.00	338.01
635140 Tech Training	0.00	3,840.59	0.00	0.00	0.00	0.00	3,840.59		0.00	3,840.59
637000 Bad Debt Expenses	0.00	57.70	0.00	0.00	0.00	0.00	57.70	637000	227.54	285.24
639000 Misc Admin Expenses	0.00	15,988.40	0.00	0.00	0.00	0.00	15,988.40	639000	1,044.73	17,033.13
			0.00	0.00	0.00	0.00	0.00		0.00	0.00
Total Administrative Expenses	120,015.76	145,786.30	6,688.27	31,927.29	198.50	60,883.13	365,499.25		14,918.24	380,417.49
Tenant Services Training	24.00	0.00	0.00	0.00	0.00	0.00	24.00			24.00
Resident Participation	956.31	0.00	0.00	0.00	0.00	0.00	956.31			956.31
Total Tenant Services Expenses	980.31	0.00	0.00	0.00	0.00	0.00	980.31			980.31
							0.00			
Water	3,271.31	1,643.15	55.25	0.00	0.00	0.00	4,969.71	645100	3,777.05	8,746.76
Electricity	21,480.13	16,626.21	584.40	0.00	0.00	0.00	38,690.74	645000	17,055.31	55,746.05
Gas	19,442.68	18,340.32	0.00	0.00	0.00	0.00	37,783.00		0.00	37,783.00
Sewer	0.00	824.36	0.00	0.00	0.00	0.00	824.36		0.00	824.36
Cable	0.00	17,220.34	0.00	0.00	0.00	0.00	17,220.34	646400	8,024.75	25,245.09
Other Utility Expenses	44,194.12	0.00	0.00	0.00	0.00	0.00	44,194.12		0.00	44,194.12
Total Utility Expenses	88,388.24	54,654.38	639.65	0.00	0.00	0.00	143,682.27		28,857.11	172,539.38
441000 Maintenance Labor	76,919.15	0.00	3,967.14	17,725.97	0.00	0.00	98,612.26		0.00	98,612.26
441045 Employee Benefits - Maint	17,714.61	0.00	0.00	0.00	0.00	0.00	17,714.61		0.00	17,714.61
441050 Accrued Absenses Maint	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
442000 Materials	25,967.60	0.00	836.23	314.38	0.00	0.00	27,118.21		0.00	27,118.21
443000 Contract Costs	27,899.11	0.00	967.84	0.00	0.00	0.00	28,866.95		0.00	28,866.95
443100 Garbage	3,553.83	0.00	0.00	0.00	0.00	0.00	3,553.83		0.00	3,553.83
443200 Heating and Cooling	1,073.80	0.00	258.66	0.00	0.00	0.00	1,332.46		0.00	1,332.46
443500 Grounds and Landscape	10,245.28	0.00	85.00	0.00	0.00	0.00	10,330.28		0.00	10,330.28
443600 Unit Turnaround Contract Costs	4,863.50	0.00	0.00	0.00	0.00	0.00	4,863.50		0.00	4,863.50
443700 Electrical Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443800 Plumbing Contract Costs	4,054.75	0.00	0.00	0.00	0.00	0.00	4,054.75		0.00	4,054.75
443900 Exterminating	15,829.60	0.00	1,063.05	0.00	0.00	0.00	16,892.65		0.00	16,892.65
651000 Maintenance Payroll	0.00	66,695.41	0.00	0.00	0.00	0.00	66,695.41		0.00	66,695.41
651067 Employee Benefits Maint	0.00	24,034.98	0.00	0.00	0.00	0.00	24,034.98		0.00	24,034.98
651500 Building Maintenance Supplies	0.00	14,592.92	0.00	0.00	0.00	0.00	14,592.92	651500	5,008.54	19,601.46
651700 Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	651700	2,030.67	2,030.67
651900 Extermination Contract	0.00	6,161.04	0.00	0.00	0.00	0.00	6,161.04	651900	1,908.95	8,069.99
652000 Contracts	0.00	5,051.25	0.00	0.00	0.00	0.00	5,051.25		0.00	5,051.25
652011 Contract Mowing	0.00	4,945.39	0.00	0.00	0.00	0.00	4,945.39	652011	375.00	5,320.39
652012 Contract Lawn Fert								652012	805.55	805.55
652013 Sprinkler System Contract	0.00	835.25	0.00	0.00	0.00	0.00	835.25	652013	925.80	1,761.05
652040 Contract Plumbing	0.00	961.60	0.00	0.00	0.00	0.00	961.60		0.00	961.60
652060 Contract Fire Safety Services	0.00	32.50	0.00	0.00	0.00	0.00	32.50	652060	325.00	357.50
652080 Unit Turnaround	0.00	2,682.86	0.00	0.00	0.00	0.00	2,682.86	652080	1,956.84	4,639.70
652500 Garbage Removal	0.00	2,877.34	0.00	0.00	0.00	0.00	2,877.34	652500	650.00	3,527.34
653700 Grounds Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	653700	1,800.00	1,800.00
654100 Repairs - Supplies and Materials	0.00	104.99	0.00	0.00	0.00	0.00	104.99		0.00	104.99

654200 Repairs Contract	0.00	285.74	0.00	0.00	0.00	0.00	0.00	285.74	654200	6,380.80	6,666.54
654600 Heating and Cooling	0.00	210.00	0.00	0.00	0.00	0.00	0.00	210.00	654600	1,825.30	2,035.30
657000 Vehicle and Maint Equip Repair	0.00	3,428.49	0.00	0.00	0.00	0.00	0.00	3,428.49		0.00	3,428.49
659000 Misc Maintenance	0.00	3,765.20	0.00	0.00	0.00	0.00	0.00	3,765.20	659000	88.25	3,853.45
Total Maintenance Expenses	188,121.23	136,664.96	7,177.92	18,040.35	0.00	0.00	0.00	350,004.46		24,080.70	374,085.16
660000 Depreciation Expense	0.00	79,170.25	0.00	0.00	0.00	0.00	0.00	79,170.25	660000	18,170.44	
Total Depreciation Expense	0.00	79,170.25	0.00	0.00	0.00	0.00	0.00	79,170.25		18,170.44	97,340.69
451000 Insurance Property	23,161.00	0.00	11,160.44	0.00	0.00	0.00	313.34	34,321.44		0.00	34,634.78
451100 Insurance Liability	2,070.79	0.00	20.00	0.00	0.00	0.00	2,576.19	2,090.79		0.00	4,666.98
451200 Insurance W/C	5,617.07	0.00	252.60	0.00	0.00	0.00	2,300.08	5,869.67		0.00	8,169.75
451300 Insurance Other	1,982.71	0.00	15.83	0.00	0.00	0.00	226.80	1,998.54		0.00	2,225.34
454000 Employee Benefits Contributions Admin	0.00	0.00	1,146.32	0.00	0.00	0.00	0.00	1,146.32		0.00	1,146.32
454041 Employee Benefits Contributins Admin	0.00	0.00	0.00	0.00	0.00	0.00	18,354.88			0.00	18,354.88
454044 Employee Benefits Contributions Maint	0.00	0.00	997.90	0.00	0.00	0.00	0.00	997.90		0.00	997.90
457000 Collection Losses	3,870.66	0.00	219.97	0.00	0.00	0.00	0.00	4,090.63		0.00	4,090.63
458000 Interest Admin / Sundry Notes	0.00	0.00	20.33	0.00	0.00	0.00	0.00	20.33		0.00	20.33
459000 Other General Expenses	35.31	0.00	0.00	0.00	0.00	0.00	5,264.55	35.31		0.00	5,299.86
672000 Property and Liability Ins	0.00	12,146.77	0.00	0.00	0.00	0.00	0.00	12,146.77	672000	4,578.00	16,724.77
672100 Fidelity Bond Insurance	0.00	313.33	0.00	0.00	0.00	0.00	0.00	313.33		0.00	313.33
672200 Workers Comp Insurance	0.00	5,438.12	0.00	0.00	0.00	0.00	0.00	5,438.12		0.00	5,438.12
679000 Insurance Other	0.00	267.06	0.00	0.00	0.00	0.00	0.00	267.06		0.00	267.06
690000 Service Coordinator Contract									690000	3,594.62	3,594.62
Total General Expenses	36,737.54	18,165.28	13,833.39	0.00	0.00	0.00	29,035.84	97,772.05		8,172.62	105,944.67
Total Routine Expenses	434,243.08	434,441.17	28,339.23	49,967.64	198.50	89,918.97	947,189.62	94,199.11	1,041,388.73		
468000 Special Items - Net gains / losses	(35,398.04)	0.00	0.00	0.00	0.00	0.00	0.00	(35,398.04)		0.00	
Total NonRoutine Expenses	(35,398.04)	0.00	0.00	0.00	0.00	0.00	(35,398.04)	0.00	(35,398.04)	0.00	(35,398.04)
692003 Casualty Loss Contract	0.00	327,991.66	0.00	0.00	0.00	0.00	0.00	327,991.66		0.00	
692004 Casualty Loss Proceeds	0.00	(151,342.68)	0.00	0.00	0.00	0.00	0.00	(151,342.68)		0.00	
Total Non Routine Expenses		176,648.98	0.00	0.00	0.00	0.00	0.00	176,648.98		0.00	176,648.98
Total Expenses	398,845.04	611,090.15	28,339.23	49,967.64	198.50	89,918.97	1,178,359.53	94,199.11	1,272,558.64		
Total Income	415,438.09	306,507.50	49,842.42	52,471.32	0.00	110,303.67	934,563.00	82,870.16	1,017,433.16		
Income Less Expenses	16,593.05	(304,582.65)	21,503.19	2,503.68	(198.50)	20,384.70	(243,796.53)	(11,328.95)	(255,125.48)		
Income Plus Depreciation	16,593.05	(225,412.40)	21,503.19	2,503.68	(198.50)	20,384.70	(164,626.28)	6,841.49			

Budget for year ending 2018

	81	48	7		106		18	154			
	Public	Section 8 New Const	GL NUMBER	Pioneer Homes	Management Fund	Development Corp	Housing Choice Voucher	Totals	GL NUMBER	ELE	Total W ELE
Income											
311000 Dwelling Income	390,528.00	280,400.00		50,400.00	0.00		494,000.00	1,215,328.00	512000	46,989.00	1,262,317.00
Rent Supplement	0.00	0.00		0.00	0.00			0.00	512100	28,763.00	28,763.00
280600 Unrestricted Net Position	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
330001 Fraud Recovery Admin	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
360000 HUD ACC Admin Fee	0.00	0.00		0.00	0.00	0.00	75,000.00	0.00		0.00	75,000.00
361000 Interest General Fund Investments	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
Vacancies	(97,632.00)										
Total Rental Income	292,896.00	280,400.00		50,400.00	0.00	0.00	569,000.00	1,192,696.00		75,752.00	1,268,448.00
361000 Interest General Fund Investments	0.00	870.00		0.00	0.00	0.00	0.00	870.00		0.00	870.00
369000 Other Income / Tenant Revenue	84.00	0.00		0.00	0.00	0.00	0.00	84.00		0.00	84.00
369001 Other Income / Misc	13,239.00	0.00		0.00	0.00	0.00	0.00	13,239.00		0.00	13,239.00
369600 Management Fee Earned	0.00	0.00		0.00	36,000.00	0.00	0.00	36,000.00		0.00	36,000.00
802000 Operating Subsidy	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
530101 Laundry Income	1,620.00	0.00		0.00	0.00	0.00	0.00	1,620.00	530101	1,274.20	2,894.20
530103 Excess Utilities	0.00	0.00		0.00	0.00	0.00	0.00	0.00	530103	126.00	126.00
541000 Interest Income	0.00	0.00		0.00	0.00	0.00	0.00	0.00	541000	77.46	77.46
541000 Interest Income on Notes Receivable	0.00	0.00		0.00	15,000.00	0.00	0.00	15,000.00		0.00	15,000.00
590000 Other Income		22,600.00							590000	5,640.50	28,240.50
Total Other Operating Receipts	14,943.00	23,470.00		0.00	51,000.00	0.00	0.00	89,413.00		7,118.16	96,531.16
Total Receipts	307,839.00	303,870.00		50,400.00	51,000.00	0.00	569,000.00	1,282,109.00		82,870.16	1,364,979.16
Operating Expenses											
411000 Admin Salary	59,200.00	85,000.00	631000	8,826.00	18,156.00	0.00	50,984.00	222,166.00		0.00	222,166.00
411008 Tenant Service Coordinator	0.00	0.00	631067	0.00	2,080.00	0.00	0.00	2,080.00		0.00	2,080.00
411045 Employee Benefits Admin	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
411050 Accrued Absenses Admin	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
413000 Legal Expenses	0.00	500.00		0.00	0.00	23.00	0.00	523.00	634000	90.00	613.00
414000 Staff Training	0.00	2,000.00		0.00	0.00	0.00	400.00	2,400.00		0.00	2,400.00
415000 Travel	0.00	1,000.00	631101	100.00	0.00	0.00	0.00	1,100.00		0.00	1,100.00
417000 Accounting Fees	1,270.00	3,000.00		1,600.00	1,000.00	175.50	2,850.00	9,895.50	635100	1,028.00	10,923.50
417100 Audit Fees	1,200.00	2,000.00	635000	200.00	900.00	0.00	2,800.00	7,100.00	635000	3,950.00	11,050.00
419000 Sundry - Admin	0.00	22,000.00	635100	0.00	0.00	0.00	0.00	22,000.00		0.00	22,000.00
419008 Advertising	4,626.00	0.00	621000	0.00	0.00	0.00	0.00	4,626.00	621000	621.85	5,247.85
632000 Management Fee	0.00	0.00							632000	6,358.00	6,358.00
419011 Publications	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
419012 Membership dues and fees	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
419013 Telephone	0.00	0.00	636000	0.00	0.00	0.00	0.00	0.00	636000	1,598.12	1,598.12
419014 Rental of Office Space	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
419017 Forms and Office Supplies	0.00	0.00	631100	0.00	0.00	0.00	0.00	0.00		0.00	0.00
419018 Other Sundry Expenses	760.00	0.00		0.00	0.00	0.00	0.00	760.00		0.00	760.00
419019 Tenant Screening	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
440000 Maintenance and Operation	0.00	0.00		0.00	0.00	0.00	0.00	0.00		0.00	0.00
602300 Conventions and Meetings	606.00	0.00		0.00	0.00	0.00	0.00	606.00		0.00	606.00

625000 Other Renting Expenses	290.00	0.00	0.00	0.00	0.00	0.00	290.00		0.00	290.00
635140 Tech Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
637000 Bad Debt Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	637000	227.54	227.54
639000 Misc Admin Expenses	22,600.00	0.00	1,000.00	2,000.00	0.00	0.00	25,600.00	639000	1,044.73	26,644.73
			0.00	0.00	0.00	8,000.00	8,000.00		0.00	8,000.00
Total Administrative Expenses	90,552.00	115,500.00	11,726.00	24,136.00	198.50	65,034.00	307,146.50		14,918.24	322,064.74
Rent for Leased Dwellings							350,000.00			
Tenant Services Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Resident Participation	0.00	1,500.00	0.00	0.00	0.00	0.00	1,500.00			1,500.00
Total Tenant Services Expenses	0.00	1,500.00	0.00	0.00	0.00	0.00	1,500.00			1,500.00
							0.00			
Water	1,856.00	4,000.00	100.00	0.00	0.00	0.00	5,956.00	645100	3,777.05	9,733.05
Electricity	16,780.00	25,000.00	700.00	0.00	0.00	0.00	42,480.00	645000	17,055.31	59,535.31
Gas	15,360.00	23,000.00	0.00	0.00	0.00	0.00	38,360.00		0.00	38,360.00
Sewer	887.00	0.00	0.00	0.00	0.00	0.00	887.00		0.00	887.00
Cable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	646400	8,024.75	8,024.75
Other Utility Expenses	0.00	700.00	0.00	0.00	0.00	0.00	700.00		0.00	700.00
Total Utility Expenses	34,883.00	52,700.00	800.00	0.00	0.00	0.00	88,383.00		28,857.11	117,240.11
441000 Maintenance Labor	45,730.00	86,000.00	7,078.00	19,081.00	0.00	0.00	157,889.00		0.00	157,889.00
441045 Employee Benefits - Maint	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
441050 Accrued Absenses Maint	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
442000 Materials	12,000.00	20,000.00	1,500.00	0.00	0.00	0.00	33,500.00		0.00	33,500.00
443000 Contract Costs	0.00	75,000.00	4,000.00	0.00	0.00	815.00	79,000.00		0.00	79,815.00
443100 Garbage	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443200 Heating and Cooling	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443500 Grounds and Landscape	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443600 Unit Turnaround Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443700 Electrical Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443800 Plumbing Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
443900 Exterminating	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
651000 Maintenance Payroll	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
651067 Employee Benefits Maint	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
651500 Building Maintenance Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	651500	5,008.54	5,008.54
651700 Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	651700	2,030.67	2,030.67
651900 Extermination Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	651900	1,908.95	1,908.95
652000 Contracts	23,900.00	0.00	0.00	0.00	0.00	0.00	23,900.00		0.00	23,900.00
652011 Contract Mowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	652011	375.00	375.00
652012 Contract Lawn Fert		0.00						652012	805.55	805.55
652013 Sprinkler System Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	652013	925.80	925.80
652040 Contract Plumbing	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
652060 Contract Fire Safety Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	652060	325.00	325.00
652080 Unit Turnaround	0.00	0.00	0.00	0.00	0.00	0.00	0.00	652080	1,956.84	1,956.84
652500 Garbage Removal	2,500.00	0.00	0.00	0.00	0.00	0.00	2,500.00	652500	650.00	3,150.00
653700 Grounds Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	653700	1,800.00	1,800.00
654100 Repairs - Supplies and Materials	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
654200 Repairs Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	654200	6,380.80	6,380.80
654600 Heating and Cooling	0.00	0.00	0.00	0.00	0.00	0.00	0.00	654600	1,825.30	1,825.30
657000 Vehicle and Maint Equip Repair	3,250.00	0.00	0.00	0.00	0.00	1,150.00	3,250.00		0.00	4,400.00
659000 Misc Maintenance	18,000.00	0.00	0.00	0.00	0.00	0.00	18,000.00	659000	88.25	18,088.25

Total Maintenance Expenses	105,380.00	181,000.00	12,578.00	19,081.00	0.00	1,965.00	318,039.00	24,080.70	342,119.70
660000 Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	660000 18,170.44	
Total Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,170.44	18,170.44
451000 Insurance Property	10,600.00	33,000.00	10,000.00	0.00	0.00	0.00	53,600.00	0.00	53,600.00
451100 Insurance Liability	0.00	0.00	0.00	2,500.00	0.00	6,000.00	2,500.00	0.00	8,500.00
451200 Insurance W/C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
451300 Insurance Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
454000 Employee Benefits Contributions Admin	60,000.00	30,000.00	1,600.00	0.00	0.00	0.00	91,600.00	0.00	91,600.00
454041 Employee Benefits Contributins Admin	0.00	0.00	0.00	7,500.00	0.00	15,000.00	0.00	0.00	22,500.00
454044 Employee Benefits Contributions Maint	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
457000 Collection Losses	0.00	5,000.00	0.00	0.00	0.00	0.00	5,000.00	0.00	5,000.00
458000 Interest Admin / Sundry Notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
459000 Other General Expenses	0.00	3,000.00	0.00	0.00	0.00	0.00	3,000.00	0.00	3,000.00
672000 Property and Liability Ins	0.00	0.00	0.00	0.00	0.00	0.00	0.00	672000 4,578.00	4,578.00
672100 Fidelity Bond Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
672200 Workers Comp Insurance	5,900.00	0.00	0.00	0.00	0.00	0.00	5,900.00	0.00	5,900.00
679000 Insurance Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
690000 Service Coordinator Contract								690000 3,594.62	3,594.62
Total General Expenses	76,500.00	71,000.00	11,600.00	10,000.00	0.00	21,000.00	190,100.00	8,172.62	198,272.62
Total Routine Expenses	307,315.00	421,700.00	36,704.00	53,217.00	198.50	87,999.00	819,134.50	94,199.11	913,333.61
468000 Special Items - Net gains / losses Portable Hap	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total NonRoutine Expenses	0.00	0.00	0.00	0.00	0.00	100,000.00	0.00	0.00	0.00
692003 Casualty Loss Contract	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
692004 Casualty Loss Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Non Routine Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	307,315.00	421,700.00	36,704.00	53,217.00	198.50	537,999.00	1,357,133.50	94,199.11	1,451,332.61
Total Income	307,839.00	303,870.00	50,400.00	51,000.00	0.00	569,000.00	1,282,109.00	82,870.16	1,364,979.16
Op subsidy		110,000.00							
Income Less Expenses	524.00	(7,830.00)	13,696.00	(2,217.00)	(198.50)	31,001.00	34,975.50	(11,328.95)	23,646.55
Income Plus Depreciation	524.00	(7,830.00)	13,696.00	(2,217.00)	(198.50)	31,001.00	34,975.50	6,841.49	



HOUSING AUTHORITY OF THE CITY OF LEXINGTON ANTI-FRAUD POLICY

Adopted by Resolution No. 500
February, 2008

Introduction

The Board of Commissioners of the Housing Authority of the City of Lexington, Nebraska, has established an anti-fraud policy to enforce controls and to aid the prevention and detection of fraud, theft, waste, or abuse against the Agency. This policy applies to any fraud, theft, waste, or abuse or suspected fraud, theft, waste, or abuse involving any employee (including management), consultant, vendor, contractor, or outside agency doing business with the Agency or in any other relationship with the Agency. This policy is supported and supplemented by a variety of existing policies and procedures including the Personnel Policy, Ethics Policy, Consolidated Annual Contributions Contract(s), Lindsey Software, EIV, Administrative Plans and various accounting and reporting procedures. These policies and procedures further communicate the culture of honesty that is demanded by the Board of Commissioners and provide a framework to support compliance with this policy.

The Board of Commissioners does not tolerate any type of fraud, waste or abuse. The Agency's policy is to promote consistent, legal and ethical organizational behavior by:

- Assigning responsibility for reporting fraud, theft or abuse;
- Providing guidelines to conduct investigations of suspected fraudulent behavior; and
- Requiring each employee to attend annual fraud awareness training.
-

Failure to comply with this policy subjects an employee (including management) to disciplinary action, including immediate termination. Failure to comply by a consultant, vendor, contractor, outside agency, or person doing business with the Agency or in any other relationship with the Agency could result in cancellation of the business or other relationship between the entity and the Agency.

The Board of Commissioners will pursue prosecution if the results of an investigation indicate the possibility of criminal activity.

For purposes of this policy only the term *fraud or fraudulent* includes theft, waste, and abuse as defined below. The term *employee* includes employees in management positions. The term management includes, Commissioners, Executive Director, administrative personnel, supervisors and any other employee who receives compensation in the form of a salary (refer to FLSA).

Creating a Culture of Honest and High Ethics



The Housing Authority of the City of Lexington has a culture of honesty, integrity and high ethics.

Contributing to this are:

- A commitment from the Board of Commissioners to tolerate only the highest levels of honesty, integrity and ethics.
- A positive workplace environment supported by adequate compensation, benefits and protections.
- Hiring the best qualified persons and promoting existing employees based on merit.
- Making adequate training opportunities available.
- Issuing discipline in a fair and consistent manner.

The cornerstone of an effective anti-fraud environment is a culture with a strong value system founded in integrity. The value system is reflected in a code of ethics. Each employee shall be provided a copy of the Ethics Policy and each employee is required to attend at least one session of ethics awareness training each fiscal year. After attending the training, the employee must sign a form indicating that they have attended the training and understood its content.

Definitions and Examples of Fraud, Waste, and Abuse

Fraud is defined as an intentional deception designated to obtain a benefit or advantage or to cause some benefit that is due to be denied. Examples of fraud include:

- Forgery or alteration of a check, bank draft, or any other financial document;
- Theft of a check or other diversion of a client payment;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of Agency operations; and
- An employee with access to confidential client information who sells this information or uses it in the conduct of an outside business activity.

Waste is the loss or misuse of Agency resources that results from deficient practices, system controls, or decisions. An example is purposely not taking advantage of early bird conference registration discounts.

Abuse is the intentional, wrongful, or improper use of resources or misuse of rank, position, or authority that causes the loss or misuse of resources such as tools, vehicles, computers, copy machines, etc. Examples of abuse include:

- Using Agency equipment or supplies to conduct personal business; and
- An employee using non-confidential client information to get new customers for his/her outside business.

Theft is defined as the act of taking something from someone unlawfully. An example of theft is taking home a printer belonging to the Agency and keeping it for personal use.



Responsibility to Report Suspected Fraud

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct to the Executive Director.

Management is required to report suspected fraud, theft, waste, or abuse or other dishonest conduct including reports from employees or other individuals to the Board Chair or Vice Chair person.

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct of the Executive Director to the Board Chair or Vice Chair person.

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct of the Board Chairperson or any Commissioner to the Mayor of the City of Lexington, Nebraska.

The Executive Director has the authority to determine the merits of a report of suspected fraud including obtaining, if necessary, the assistance of the Agency's Attorney.

The identity of an employee or complainant who reports suspected fraud will be protected to the full extent allowed by law.

Suspected improprieties and/or misconduct concerning an employee's ethical conduct should be reported in the same manner and to the same reporting entity as fraud, theft, waste, or abuse or other dishonest conduct. Note that there are many instances of prohibited actions that do not rise to the level of fraud, such as an improper relationship with a vendor.

Guidelines for Handling a Report of Suspected Fraud, Theft, Waste, or Abuse

Whether the initial report is made to the Executive Director, Board Chair or Vice Chair person or Mayor, the reporting individual should receive the following instructions and information:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Allow the investigative body to conduct the investigation. Do not further investigate the allegations.
- Observe strict confidentiality. Do not discuss the case, facts, suspicions, or allegations with anyone else unless specifically asked to do so by the investigative body, police, Agency Attorney, or the Office of the Inspector General.
- Retaliation will not be tolerated. The Agency will not tolerate any form of retaliation against individuals providing information concerning fraud or suspected fraud.
- Every effort will be made to protect the rights and the reputations of everyone involved including the individual who in good faith alleges perceived misconduct



as well as the alleged violator(s). (See: *Disciplinary Action* for the consequences of making a report of fraud in bad faith.)

- The identity of an employee or other individual who reports a suspected act of fraud will be protected as provided by this policy. (See: *Responsibility to Report Suspected Fraud*.)

Responsibility of the Executive Director

The Executive Director, in consultation with the Fee Accountant, HUD and Fiscal Auditor, shall evaluate the risks of fraud and implement processes, procedures and controls to mitigate those risks. Neither fraudulent financial reporting nor misappropriation of assets can occur without a perceived opportunity to commit and conceal the act. The Executive Director will be proactive in reducing fraud opportunities by:

- Identifying and measuring fraud risks;
- Taking steps to mitigate identified risks; and
- Implementing and monitoring appropriate preventative and detective internal controls and other deterrent measures.

The Executive Director shall serve as the primary Ethics Officer for the Agency. On receiving a report of fraud, the Executive Director shall document the contact and conduct a preliminary investigation to determine the credibility of the report. If the report is credible, the Executive Director shall follow the investigation guidelines provided in this policy. (See: *Guidelines for the Investigation of Suspected Fraud*.)

The Executive Director shall make every effort to protect the rights and the reputations of everyone involved in the report of suspected fraud, including the individual who in good faith alleges perceived misconduct as well as the alleged violator(s). The Executive Director also shall make every effort to protect the identity of a person who in good faith reported the suspected fraud. However, disciplinary action may be taken as provided by this policy if a report is made in bad faith. (See: *Disciplinary Action*.)

The Executive Director may find it necessary to involve outside agencies to assist the investigation and may refer questions as to whether the action constitutes fraud to the Agency's Fee Accountant, Auditor or Attorney, as appropriate.

On determining that a report is not credible or is not a report of fraud, the Executive Director shall document this determination. The Executive Director's documentation shall include support for the determination. The determination shall be filed in the office of the Agency's Attorney.

The Executive Director is responsible for the administration, interpretation, and application of this policy. The Board of Commissioners is responsible for policy adoptions and revisions

Guidelines for the Investigation of Suspected Fraud



The Executive Director is responsible for the investigation of reported wrongdoing and all suspected fraud and for coordinating investigative activities. Each employee involved in an investigation of suspected fraud shall keep the content of the investigation strictly confidential to the full extent provided by law. Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know.

Any required investigative activity shall be conducted without regard to the suspected wrongdoer's length of service, position/title, relationship to the Agency, or any other perceived mitigating circumstance.

The Executive Director shall maintain appropriate documentation regarding incidents of fraud.

The Executive Director shall develop and maintain guidelines for access to and security of this documentation, until a determination is filed at the office of the Attorney.

If an investigation substantiates fraudulent activities, the Executive Director will prepare an incident report to the Board of Commissioners. The Executive Director shall prepare the report as soon as possible after the fraud is confirmed and shall document the content of the investigation, the findings, and any disciplinary action taken as a result of the finding.

If an investigation substantiates fraudulent activities of a possible criminal nature, the Executive Director shall determine, in consultation with the Board of Commissioners, HUD, Agency's Attorney and/or the Office of the Attorney General, whether to refer the matter to law enforcement and/or at what level.

Any inquiries from the suspected individual, his or her attorney/representative, or any other inquirer shall be directed to the Executive Director. If necessary, the Executive Director will refer these inquiries to the Agency's Attorney.

The Board Chairperson is responsible for the investigation of any reported wrongdoing by the Executive Director. The Board Chairperson shall follow the same procedures that have been established for the Executive Director to follow when investigating and addressing possible wrongdoing. The Board Chairperson shall advise the other members of the Board of Commissioners about the allegations and provide them with periodic updates on the status of the investigation. The Board Chairperson may also choose to appoint one or more Commissioners to assist with the investigation. Each Commissioner is bound by the same requirements for strict confidentiality.

Any reported wrongdoing by a member(s) of the Board of Commissioners shall be investigated by the Mayor in accordance with the policies of the City of Lexington, Nebraska.

Disciplinary Action



Failure to comply with any part of this policy is grounds for disciplinary action, including immediate termination.

An employee who:

- Has engaged in any form of fraud, waste, or abuse;
- Suspects or discovers fraudulent activity and fails to report his or her suspicions as required by this policy (See: Responsibility to Report Suspected Fraud); or
- Intentionally reports false or misleading information.

Any losses from fraud will be recovered, if necessary through civil action.

Client Fraud within the Assisted Housing Programs

The Agency has developed very specific procedures and guidelines for dealing with fraud by clients of its assisted housing programs. These standards are contained in the *Admissions and Continued Occupancy Policy* for the Public Housing Program and *Section 8 Administrative Plan* for the Housing Choice Voucher Program. The Agency will take one or more of the following actions whenever it reaches a positive determination:

- Enter into a repayment agreement;
- Terminate assistance (Housing Choice Voucher Program);
- Terminate tenancy and evict (Public housing Program);
- Seek recovery of any excess subsidies including through the civil courts; and/or
- Refer the matter to the Office of the Inspector General.

Fraud Awareness Training

Each employee is required to attend at least one session of Fraud Awareness Training each fiscal year. After attending the training, the employee must sign a form indicating that they have attended the training and understood its content.

Annual Report

Incidents of suspected fraud determined by the Executive Director to have merit shall be reported to the Board of Commissioners on an annual basis. The annual report shall include: whether the report was from an employee; the determination of merit; whether a full investigation was conducted and if so, the results of the investigation; the disciplinary action, if any resulting from the investigation; whether the report was referred to an outside entity and if so, the current status or final results of the referral

HOUSING AUTHORITY OF THE CITY OF LEXINGTON



609 East 3rd Street
Lexington, NE 68850

(308) 324-4633
(308) 324-4360 FAX

Ethics Policy

Adopted by Board Resolution No. 493 /September 12, 2007

The Lexington Housing Authority finds that the proper conduct of its operations requires that its commissioners and employees be independent, impartial and responsible to clients and stakeholders; that its decisions and policies be made in accordance with all laws and regulations; that Board of Commissioners and staff positions not be used for personal gain; and that the public should have confidence in the integrity of its officers, staff and operations.

Accordingly, it is the purpose of this Ethics Policy to establish ethical standards of conduct for all officers and employees of the Lexington Housing Authority, to set forth those acts that are incompatible with this policy; to require disclosure by such officers and employees of private financial or other interests in matters affecting the Lexington Housing Authority; and to provide an effective means for enforcement. (See Section 78 through 87 of the Nebraska Housing Agency Act as attached, to be used as an example of lawful action)

Lexington Housing Authority's Mission Statement

The mission of the Lexington Housing Authority is to be the area's affordable housing of choice. We provide and maintain safe, quality housing in a cost-effective manner. By partnering with others, we offer rental assistance and other related services to our community in a non-discriminatory manner.

Lexington Housing Authority Statement of Values

As stewards of the public trust, we pursue our mission and responsibilities in a spirit of service, teamwork, and respect. We embrace the values of excellence, collaboration, innovation, appreciation, integrity, fairness and citizenship.

Code of Conduct

The Lexington Housing Authority believes that the proper operations of a municipal corporation exercising public and essential government functions requires the highest standards of ethical conduct by its commissioners and employees. Accordingly, all commissioners and employees are expected to maintain the highest standards of personal integrity and fairness in carrying out their public duties, avoid any improprieties in their role as public servants, and never use their position or power for improper personal gain.

Each commissioner and employee must recognize that the Lexington Housing Authority's principal responsibilities are to serve our customers, the community, and to protect the public

interest. We uphold the trust of our customers, our co-commissioners and co-workers and the



general public by performing our functions within the law, and by ensuring that we conduct our duties ethically and with proper regard for the rights of others. We observe the principles of truth, accuracy and prudence without allowing personal feelings, prejudices, animosities, or friendships to influence our judgments.

We treat all residents, co-commissioners and co-workers and customers with respect and dignity, and we have special stewardship responsibilities in dealing with those we serve, especially those who are vulnerable.

Our obligation as a public entity requires that all Lexington Housing Authority commissioners and employees:

1. Be independent and impartial in the exercise of their duties, avoiding actions that create even the appearance of using their positions for personal gain or private benefit;
2. Strengthen public confidence in the integrity of the Lexington Housing Authority by demonstrating the highest standards of personal integrity, fairness, and compliance with both the spirit and letter of the law;
3. Create and maintain a work environment that is free from all forms of unlawful discrimination and harassment;
4. Manage human and environmental resources for the benefit and enjoyment of both current and future generations;
5. Serve the public with respect, concern, courtesy and responsiveness, recognizing that service to the public is key to the Lexington Housing Authority's mission;
6. Promote an environment of public trust free from fraud, abuse of authority, and misuse of property;
7. Protect the integrity of the decision-making process by recognizing and avoiding conflicts between public duties and private interests and activities; and
8. Respect and protect confidential information to which commissioners and employees have access in the course of their official duties.

I have read the Lexington Housing Authority Code of Conduct, and I understand the expectations that the Agency has for me.

Signed: _____ Date: _____

Print Name: _____





Lexington Housing Authority Standards of Ethics and Conduct Pledge

As an appointee / employee / contract employee / consultant (please circle one) of Lexington Housing Authority

I, _____, hereby pledge that I will abide by these Standards of Ethics and Conduct, as adopted by the Lexington Housing Authority Board on September 12, 2007.

1. A public official or employee shall not divulge to any unauthorized person confidential information acquired in the course of employment in advance of the time prescribed for its authorized release to the public.
2. A public official or employee shall not represent his personal opinion as that of his board or commission.
3. A public official or employee shall use personnel resources, property and funds under his official care and control solely in accordance with prescribed constitutional, statutory, and regulatory procedures and not for personal gain or benefit.
4. A public official or employee shall not, directly or indirectly, solicit or accept any gift or loan of money, goods, services or other thing of value for the benefit of any person or organization, other than Lexington Housing Authority, that tends to influence the manner in which the public official or employee or any other public official or employee performs his official duties.
5. A public official or employee shall not engage in a business transaction in which he may profit from his official position or authority or benefit financially from confidential information he had obtained or may obtain by reason of such position or authority.
6. A public official or employee shall not engage in or accept employment or render services for any private or public interest when that employment or service is incompatible or in conflict with the discharge of his official duties or when that employment may tend to impair his independence of judgment or action in the performance of his official duties.
7. A public official or employee shall not participate in the negotiation or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates or other regulation or supervision relating to any business entity in which he has directly or indirectly a financial or personal interest.

Further, I agree to conduct myself so as to avoid even the appearance of impropriety.
I hereby agree to these Standards and will conduct myself accordingly

(Signature)

(Print name on this line)

Date: _____



Laws 1999, LB 105, § 77.

71-15,149

Conflict of interest; terms, defined.

For purposes of sections 71-15,149 to

71-15,157:

(1) Housing agency official means any representative of a housing agency or any director, officer, or employee of a resident management corporation or other resident organization who exercises authority or carries out responsibilities in

connection with the housing agency's developments or any local government official who exercises authority or carries out responsibilities in connection with the housing agency's developments, including any member of such person's immediate family, any business entity or organization in which such person holds an interest, and any business partner of such person; and

(2) Immediate family includes spouses, children, siblings, and parents and includes stepparents or stepchildren, in-laws, and half sisters or half brothers.

Source:

Laws 1999, LB 105, § 78.

71-15,150

Conflict of interest; prohibited acts.

(1) Except as otherwise permitted under the provisions of sections 71-15,149 to 71-15,157, no housing agency official shall own or hold an interest in any contract or property or engage in any business, transaction, or professional or personal activity that would:

(a) Be or appear to be in conflict with such official's duties relating to the housing agency served by or subject to the authority of such official;

(b) Secure or appear to secure unwarranted privileges or advantages for such official or others; or

(c) Prejudice or appear to prejudice such official's independence of judgment in the exercise of his or her official duties relating to the housing agency served by or subject to the authority of such official.

(2) No housing agency official shall act in an official capacity in any matter in which such official has a direct or indirect financial or personal involvement. The ownership of less than five percent of the outstanding shares of a corporation shall not constitute an interest within the meaning of this section. No housing agency official shall use his or her public office or employment to secure financial gain to such official.

(3) Except as otherwise permitted by the provisions of sections 71-15,149 to 71-15,157, a housing agency shall not, with

respect to any housing agency official, during his or her tenure or for a period of one year thereafter, either:

- (a) Award or agree to award any contract to such housing agency official or other local government official;
- (b) Purchase or agree to purchase any real property from such housing agency official or other local government official, or sell or agree to sell any real property to such

housing agency official or other local government official;

- (c) Permit any housing agency official to represent, appear, or negotiate on behalf of any other party before the housing agency's board of commissioners or with its other officials or employees;
- (d) Employ any commissioner for compensation or otherwise;
- (e) Employ any local government official, or any member of such official's immediate family, if such official's duties involve the exercise of authority relating to the housing agency; or
- (f) Employ for compensation any member of the immediate family of a housing agency official, if such employment creates the relationship of direct supervisor or subordinate between family members or otherwise creates a real or apparent conflict of interest.

Source:

Laws 1999, LB 105, § 79.

71-15,151

Conflict of interest; disclosure required; when.

If (1) a housing agency official becomes involved in an activity or, through inheritance or other involuntary cause or circumstance, acquires an interest that violates any provision of sections 71-15,149 to 71-15,157 or (2) a local government official, after becoming employed by the agency, is requested to act in an official capacity with respect to a matter affecting his or her duties as an employee of the local housing agency, such housing agency or local government official shall immediately and fully disclose in writing to the housing agency's board of commissioners the circumstances giving rise to the conflict of interest. In the case of a local government official, such disclosure shall also be made to the local government served by such official. Upon receipt of any disclosure of actual or potential conflict of interest, a housing agency shall promptly cause such disclosure to be entered in the minutes of the housing agency.

Source:

Laws 1999, LB 105, § 80.

71-15,152

Housing agency official; recusal; when.

A housing agency official shall recuse himself or herself from any vote, decision, or other action and shall not directly or indirectly participate in any action or proceeding which involves an actual or potential conflict of interest as described in sections 71-15,149 to 71-15,157, including, but not limited to, any matter:

- (1) With respect to which disclosure is required under section 71-15,151;
- (2) Involving assistance to, the employment of, or otherwise relating to the personal status of a member of such housing agency official's immediate family;
- (3) In which the agency seeks to confer or bestow a special privilege or benefit upon such housing agency official;
- (4) Involving an action by the board of commissioners concerning a waiver of any provision of sections 71-15,149 to 71-15,157, which waiver would affect such housing agency official; or
- (5) Involving any other action or circumstance prohibited under sections 71-15,149 to 71-15,157 or which otherwise gives rise to a real or apparent conflict of interest.

Source:

Laws 1999, LB 105, § 81.

71-15,153

Housing agency official; gifts; prohibited acts.

A housing agency official shall not solicit or accept any gift, gratuity, favor, loan, contribution, service, employment, promise of future employment, or other thing of value from any present or prospective employee of the housing agency, any present or prospective contractor, subcontractor, developer, broker, real estate agent, or any other person or organization in connection with the programs, benefits, or business of the housing agency. This section shall not prohibit the acceptance of gifts from relatives or gifts of nominal value which are not given with the intent to influence a housing agency official in the conduct of his or her official duties. Housing agencies may establish standards for determining whether or not a gift is of nominal value.

Source:

Laws 1999, LB 105, § 82.

71-15,154

Housing agency official; improper use of information.

No housing agency official shall use any

information not generally available to the public which he or she acquires in the course of his or her public service for the purpose of securing financial gain for such official or others.

Source:

Laws 1999, LB 105, § 83.

71-15,155

Misconduct in office.

Material violation of any provision of sections 71-15,149 to 71-15,157 by a housing agency official shall, unless as otherwise provided in section 71-15,157, constitute misconduct in office.

Source:

Laws 1999, LB 105, § 84.

71-15,156

Conflict of interest; rules authorized.

A local housing agency may adopt rules implementing sections 71-15,149 to 71-15,157. Such rules may include the provision for such disciplinary actions in the event of violation of sections 71-15,149 to 71-15,157 as the housing agency's board of commissioners may deem appropriate.

Source:

Laws 1999, LB 105, § 85.

71-15,157

Conflict of interest; sections; how construed.

(1) Nothing contained in sections 71-15,149 to 71-15,157 shall prohibit a housing agency of a city of the second class or of a village from purchasing or otherwise acquiring any goods or services from a provider of such goods or services owned in whole or in part by a housing agency official if (a) the provider is the sole source for the goods or services within the area of operation of the housing agency, (b) the cost of the goods or services does not exceed five hundred dollars in any one instance, and (c) the provider has not received more than two thousand five hundred dollars from the housing agency in any one calendar year.

(2) Nothing contained in sections 71-15,149 to 71-15,157 shall prohibit a housing agency from entering into and performing contracts, agreements, and arrangements with any nonprofit entity or any affiliate, whether for-profit or nonprofit in character, notwithstanding that some or all of the housing agency's representatives or public officials or legislators who exercise functions or responsibilities with respect to a housing agency's developments also serve as directors or in other policymaking positions in such nonprofit entity or affiliate. Such service by housing agency

representatives, public officials, or legislators is expressly permitted under the Nebraska Housing Agency Act.

(3) The provisions of sections 71-15,149 to 71-15,157 shall not apply to any general depositary agreement entered into with a bank or other financial institution regulated by the federal government or to utility service for which rates are fixed by a state or local agency. The provisions of sections 71-15,149 to 71-15,157 shall not apply to prohibit any present or former tenant commissioner from acting upon housing agency business affecting residents unless such business directly involves a resident organization with respect to which such commissioner occupies a policymaking position or serves as a member of the governing board.

(4) Nothing contained in sections 71-15,149 to 71-15,157 shall prohibit service as a commissioner by the chief elected official or any member of the governing body of any city, county, or other public agency which is served by a housing agency.

Source:

Laws 1999, LB 105, § 86.

71-15,158

Property and personnel; policies, rules, and procedures; bidding requirements.

(1) Local housing agencies shall adopt policies, rules, and procedures governing the procurement of goods or services, the sale or disposition of agency property, and the management of agency personnel. Such policies, rules, and procedures shall apply to all controlled affiliates of a local housing agency unless the agency, by resolution of its board of commissioners, elects otherwise.

(2) To the extent that federal funds are involved in any procurement by a local housing agency and public bidding or other procedures and conditions are required as a condition of

the acceptance of federal financial assistance, a local housing agency shall follow such federal procedures and other conditions in such procurement.

(3) Contracts or awards for housing developments which the local housing agency proposes to construct or cause to be constructed, if the estimated cost is fifty thousand dollars or more, shall be entered into or awarded only after public bidding as provided in this section. This section shall not apply to the procurement of any professional services such as that of an architect, engineer, or legal counsel.

(4) For the construction of new housing developments, the local housing agency, in its discretion, may publish a

request for proposals, including a general plan for the purposes and ends to be accomplished by the new development, including, but not limited to, the total number of units desired, any units that are to be specifically designed for the elderly or the handicapped, the unit size, and any other details which the local housing agency deems appropriate for inclusion within the proposed new development or any facilities that are pertinent thereto.

(5) The local housing agency shall advertise for public bids or proposals once a week for two consecutive weeks in a newspaper of general circulation in its area of operation. After sealed bids or proposals are received, the contract shall be awarded to the lowest and best bidder or, if the local housing agency has elected to proceed under subsection (4) of this section, in favor of the proposal that is most commensurate with the published objectives of the local housing agency and is most suitable for the purposes of the Nebraska Housing Agency Act, except that a local housing agency, if it deems it to be in its best interests or necessary or desirable to effectuate the purposes of the act or economy and efficiency in the construction and operation of such housing development, may either reject all bids or proposals and readvertise or elect not to proceed with the development.

(6) The local housing agency may adopt and promulgate rules and regulations governing the qualifications of bidders, the submission of combined bids by two or more contractors, the award and execution of the contract, security, if any, the execution and performance of the contract, the requirements for making a proposal, and any other matters which the local housing agency deems appropriate.

(7) The local housing agency may, in its discretion, insert a provision in any contract that additional work may be done or materials or supplies furnished or that work or materials may be omitted for the purpose of completing the contract in

accordance with any changes, omissions, or additions in the specifications of any such contract. Nothing in this section shall be construed to limit the power of the local housing agency to carry out a project or development or any part thereof directly by the officers, agencies, and employees of the agency or by any public agency or to purchase or to acquire goods, services, materials, equipment, or property by or through any other local housing agency as provided in section 71-15,160 or by any other public agency provided in section 71-15,161. The local housing agency may, in its discretion, insert a provision in any contract regarding labor, including wage rates, safety, and equal employment opportunities, that the local housing agency deems necessary or desirable or as may be required by law.