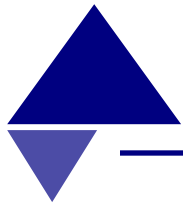


Charleston-Kanawha Housing Authority

Annual Report
2005-2006



Message to the Community

Many changes have taken place throughout the year, most notably the reorganization of the Charleston and Kanawha County Housing Authorities. The newly formed Charleston-Kanawha Housing Authority still has all of the previous services available but they are now offered in one centralized location.



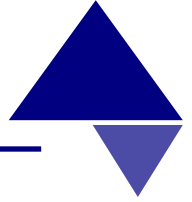
Charleston -Kanawha Housing will continue improving affordable housing options and expanding programs through partnerships and grant opportunities to offer our residents a better quality of life. Over the past year, we have celebrated achievements with our residents in self-sufficiency, homeownership, successful programming for youth and families, a new community garden and a new playground, to name a few. Residents have responded to the opportunities being offered and our Public Housing and Section 8 Family Self-Sufficiency programs are nearly full with participants enrolling in college, obtaining jobs and saving for their future. Residents are also participating in Safe & Drug Free family programming, community garden clubs and senior citizen activities.

Charleston-Kanawha Housing staff are dedicated to helping improve the lives our residents by providing them with a safe place to live while connecting them to programs and resources that promote a healthy lifestyle. We hope that you will celebrate the accomplishments of our residents and staff along with us as you review the highlights of the past year in this annual report.

Sincerely,

Mark E. Taylor
Executive Director

Housing Director Retires

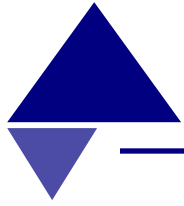


Glen Martin

Glen Martin served as the Executive Director for the Kanawha County Housing & Redevelopment Authority for 15 years. Mr. Martin oversaw the daily operations and management of 93 units of public housing in communities located in Rand and Dunbar, 1400 rental assistance vouchers and 15 full-time employees. Mr. Martin retired in July 2006 prior to the reorganization of the Charleston and Kanawha County Housing Authorities.

Mr. Martin graduated from Clendenin High School and received a teaching degree from Glenville State College. He taught various subjects and coached football in Florida and Maryland. Mr. Martin also completed graduate work at the University of Florida and the University of Maryland.

Mr. Martin previously worked as an Assistant Manager at the Charleston Civic Center and he also worked for Watt Powell and Cato Park. We wish him well in his retirement.



Board of Commissioners - Former

Charleston Housing Authority



Katherine L. Dooley, Chair



Richard P. Cooke, Vice - Chair



Michael Comer



Marie L. Prezioso



Vernadine Crothers

Kanawha County Housing & Redevelopment Authority



Michael Stajduhar



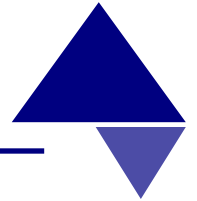
H. Joseph Jones



Gale Teare

****Not Pictured for Kanawha County Housing & Redevelopment Authority are Wyatt Hannah and Samuel Minardi.**

Board of Commissioners - Current



Charleston-Kanawha Housing Authority



Katherine L. Dooley, Chair



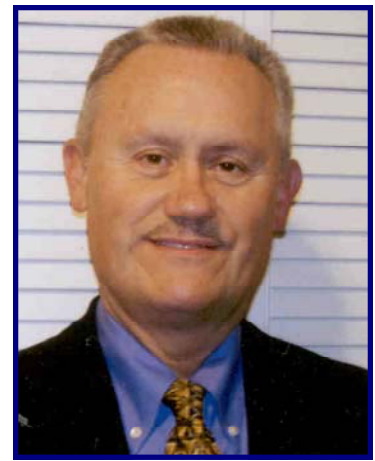
Vernadine Crothers, Vice-Chair



Michael Comer

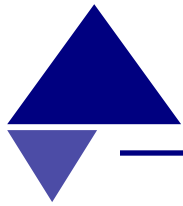


Michael Stajduhar



Allan McVey

The Board of Commissioners serves as the policy making body of Charleston-Kanawha Housing similar to the Board of Directors of a private corporation. Commissioners are appointed by the Mayor, they receive no pay and are civic minded citizens who are willing to give of their time and energy to provide a decent, safe, and sanitary home and a suitable living environment for every resident.



About Us

Charleston-Kanawha Housing's mission is to provide every resident with a decent, safe, affordable place to live while linking them to programs that will assist them on their journey to self-sufficiency.

Charleston-Kanawha Housing offers two types of housing assistance. Public housing is made up of housing units located in developments owned and operated by Charleston-Kanawha Housing. Rental Assistance or Section 8, allows the tenant to find their own housing and Charleston-Kanawha Housing provides subsidy to the landlord. The agency manages eight family developments, four high-rises and several scattered sites on the public housing program and administers Section 8 vouchers and moderate rehabilitation units throughout Kanawha, Clay and Putnam Counties.

Charleston-Kanawha Housing provides housing assistance for more than 4,400 low to moderate income families. Section 8 tenants find their own housing and pay a portion (30%) of their monthly income toward rent and utilities with Charleston-Kanawha Housing making up the difference. For public housing tenants, the obligation for rent is based on 30% of their adjusted monthly income.

Charleston-Kanawha Housing offers residents more than a home. After-school programs offer homework assistance and mentoring to youth. The Summer Nutrition program assures that every child is given a healthy lunch when school is not in session. The Family Self-Sufficiency, FSS, Program assists residents in creating a plan for self-sufficiency by linking them to resources to help them attain two goals: obtain employment (or better employment); become free of public assistance. The FSS Homeownership program links participants to homeownership/credit counseling and allows them to use their Section 8 voucher to support a monthly mortgage payment. The Service Coordinator coordinates enrichment activities, services and programs for the elderly and disabled in the high-rise communities. The Neighborhood Networks Program provides all residents with Internet access & state of the art equipment located at a computer lab in their community.

Charleston-Kanawha Housing has 101 employees who work to provide quality service through our programs. With our Board of Commissioners, community partners and residents, we will continue to work to build stronger communities and improve the quality of life for those we serve.

Community Partnerships & Affilia-



Through various partnerships, Charleston-Kanawha Housing is able to offer quality programs and increased opportunities to low-income families.

Charleston-Kanawha Housing partners with West Virginia State University Extension to offer after-school literacy programs at three public housing sites, Washington Manor, Littlepage Terrace and South Park Village. The “Bee a Reader, Bee A Leader” program offers literacy based activities, mentoring and tutoring, one-on-one reading partnerships and a daily nutritious snack.

Through a partnership with West Virginia State University Extension, two community garden projects have been completed in Orchard Manor and most recently at Carroll Terrace. The gardening program focuses on healthy food choices and empowers residents to grow their own nutritious food.

The Carroll Terrace Community Garden has raised beds and concrete paths to accommodate the elderly and disabled residents that live in the high-rise.



The raised beds and arbors in the Community Garden at Carroll Terrace are pictured at right along with balloons on display for the open house.

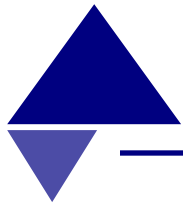
West Virginia State University Extension was responsible for bringing additional corporate and community sponsors into the gardening program for materials and resident trainings.

Additional garden sponsors include:

- American Heart Association
- Bosley Rental & Supply
- Capitol Conservation
- Charleston Housing
- Green's Feed & Seed
- H. Shamblin Concrete Construction
- Lowe's of South Charleston
- Old Colony
- Peerless Block & Stone
- Pfaff & Smith
- Ranson Stone
- Sam's Club
- Subway at the YMCA
- Weight Watchers
- WV American Water
- WV Dept. of Agriculture
- WV Steel
- YMCA of Kanawha Valley

Charleston-Kanawha Housing is a member of the National Association of Housing and Redevelopment Officials, (NAHRO) and the South Eastern Regional Council (SERC) of NAHRO. The agency also serves in local non-profit groups such as the Kanawha Valley Collective.

Charleston-Kanawha Housing's Executive Director, Mark Taylor, currently serves as Vice-President for the West Virginia Association of Housing Agencies, WVAHA. The WVAHA fosters, supports and promotes the efforts of public housing agencies and affordable housing organizations in the furthering of affordable housing and community redevelopment in West Virginia through the exchange of ideas, the promotion of inter-agency cooperation, affordable housing legislative and policy development, education and training.



Leased Housing

The Leased Housing Department administers the Housing Choice Voucher (HCV) program, which is funded by the U.S. Department of Housing and Urban Development (HUD) and is designed to help low-income families rent safe and decent housing on the open market in Kanawha, Clay and Putnam Counties.

Families are responsible for finding their own housing and paying a portion (30%) of their monthly income toward the cost of rent and utilities. Charleston-Kanawha Housing makes up the difference between the cost and the family's contribution.

As of March 31, 2006, the Department managed an allotment of 1,603 tenant-based vouchers, 54 Moderate Rehabilitation units and 40 units of assistance through two Shelter Plus Care grants. Ninety-eight percent of these units were utilized at the fiscal year end and there were 2,200 applicants on the Section 8 waiting list..

Leased Housing Highlights

The Department continued its strong performance in program operations by receiving a High Performer rating on HUD's Section Eight Management Assessment Program (SEMAP). Charleston Housing has achieved High Performer status for the sixth consecutive year.

98% utilization of units allocated and dollars budgeted.

A waiting list preference is now given to applicants who are either working at least 20 hours per week or are elderly or disabled.

As part of determining an applicant's eligibility for the program, all adult household members must undergo a criminal background check before a voucher will be issued. Likewise, all adults wanting to be added to an assisted household must pass a background check before they are approved.

In cooperation with local government and non-profit organizations, Charleston-Kanawha Housing participated in two landlord training events. The "Landlord Lotto" training seminar attracted approximately eighty (80) landlords to two sessions that focused on tenant screening, lease development, and lease enforcement. Staff also participated in the "Landlord Fair" where approximately fifty (50) landlords received training and information about how to improve their management skills.

Fiscal Year 2006 concluded on March 31st and below are some interesting cumulative statistics:

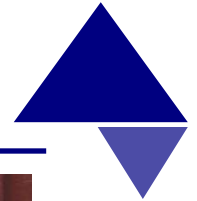
1,164 pre-applications were accepted to place families on the waiting list.

1,537 families were selected from the list; 532 of these attended orientation.

329 new families were added to the program; 318 were removed.

Over 1,100 inspections were conducted during the year.

Family Self-Sufficiency



Charleston-Kanawha Housing offers Family Self Sufficiency (FSS) Programs for both Section 8 & Public Housing tenants. These programs are intended to help bridge the gap between the terms “low-income” and “self-sufficient.”

Each program has a Program Coordinator responsible for linking residents with training opportunities, job placement organizations and local employers. To participate, residents sign up to a five-year contract outlining their goals and responsibilities toward completion of training and employment objectives. Goals include obtaining GED's, college degrees, employment, credit worthiness, obtaining a drivers license, anything that will assist the resident in their journey to become self-sufficient. Any participating family that is a recipient of welfare assistance must establish an interim goal with Charleston-Kanawha Housing to become independent of welfare assistance and remain so for one year prior to expiration of the contract.



The first ever information fair was held at the Orchard Manor Switzer Center in 2006. Service providers were on hand with information regarding financial aid, child care and employment programs.

Section 8 FSS

The Section 8 FSS Program is in its eighth year and has announced its forty-eighth graduate. Escrows awarded total in excess of \$229,000.

Currently the program is operating at capacity and fifty-one families are enrolled. Thirty participants have accumulated an estimated \$52,113 in escrow and interest and over \$350,341 has been earned by various families since the beginning of the program.

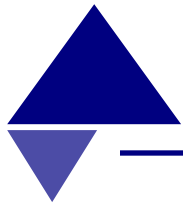
Public Housing FSS

The Public Housing FSS Program is entering its second year and has 46 out of 50 spaces filled. There are seven escrow accounts with a total of \$3,500 saved and one individual development account, IDA, with \$600.00 saved. The IDA account

can only be used for three things: starting a local business, receiving post education or training, or purchasing a first home.

Charleston-Kanawha Housing was awarded an \$85,000 Resident Opportunity & Self-Sufficiency grant from the Department of Housing & Urban Development.. This grant will compliment the Public Housing FSS program by implementing a three-tiered counseling/financial supportive services program over a three-year-period to include:

1. \$50,000 dedicated to “family counseling” services.
2. \$20,000 dedicated to homeownership and credit counseling.
3. \$15,000 dedicated to IDA accounts for which 25 cents on the dollar would be pledged to anyone who will commit to this savings plan.



Property Management

The Public Housing Management Department is responsible for occupancy, resident applications and property management. Charleston-Kanawha Housing manages twelve public housing communities: eight family and four high-rises, as well as, scattered site properties with a total of 1440 apartments. These communities provide homes for 2369 residents.

Safety & Security

The Safety & Security Officer (SSO) works with the residents and the management staff to resolve any issues and concerns in the public housing communities. The SSO works as the liaison between the police department & housing authority to coordinate crime fighting efforts.

Charleston-Kanawha Housing has police officers living in eight public housing communities. These resident officers make themselves available to residents in the community and provide necessary assistance.



Residents pictured at left were recognized as outstanding residents for contributions they made to their community. These residents were selected by their peers and were presented with a gift certificate to Ryan's steakhouse and an award certificate.

Communication

Charleston-Kanawha Housing's best source of communication to residents is through the resident councils. Eight public housing communities have resident councils which consist of residents elected by their neighbors to represent their community. The resident council is responsible for conducting monthly meetings to keep neighbors informed, planning trainings/events and supporting interaction between residents and staff.

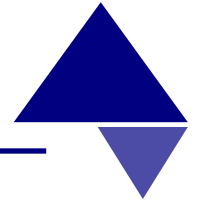
Resident council officers meet quarterly with Charleston-Kanawha Housing administrative staff for progress updates. Housing managers also have an open forum once a month for residents in each community.

Housing Highlights, the agency newsletter is posted monthly with updates and program information for all residents and the Charleston-Kanawha Housing website is updated regularly.



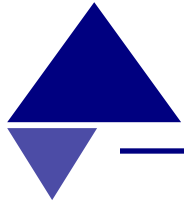
At left: Resident Council Officers receive training on Roberts Rules of Order from the Greater Kanawha Valley Foundation.

Our Properties

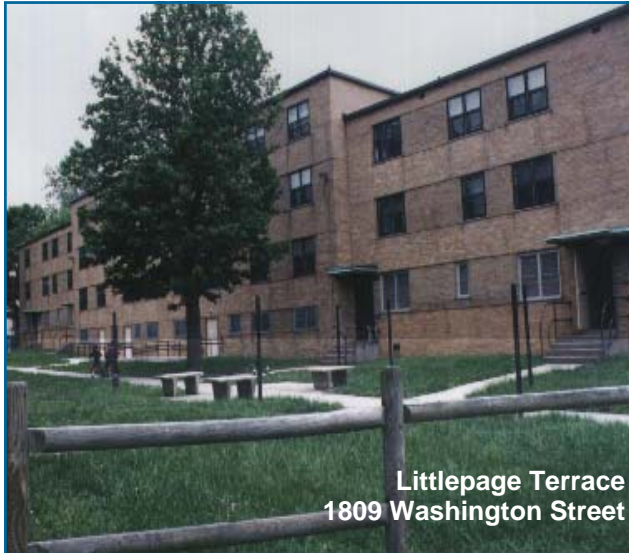


The public housing program offers residents a home in communities managed by Charleston-Kanawha Housing. The rent they pay is based on 30% of their monthly-adjusted income and all basic utilities are paid. Charleston-Kanawha Housing manages eight family communities and four high-rise communities as well as scattered sites throughout the city of Charleston. These communities provide homes for more than 2300 residents.

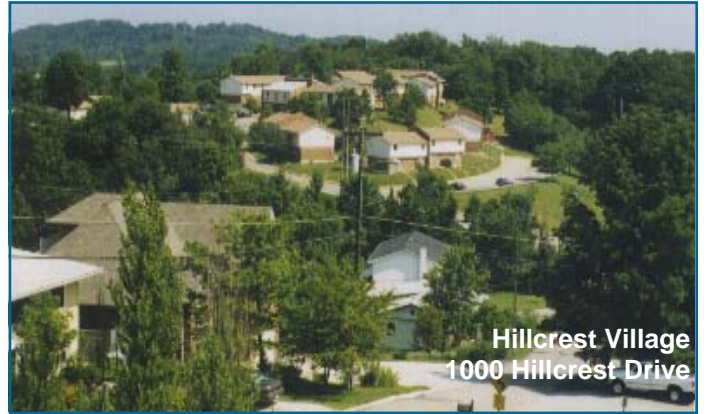
Property / Number of Units	Total Residents	Race	Average Income	Average Rent	Bedroom Composition						Year Built
					EFF	1	2	3	4	5	
Littlepage Terrace 170 Units	269	58% African American 40% Caucasian	\$5,060	\$133.00		76	76	18			1939
Washington Manor 301 Units	459	63% African American 33% Caucasian	\$4,851	\$128.00		122	165	14			1939
Orchard Manor 150 Units	311	57% African American 40% Caucasian	\$10,177	\$172.00		8	115	28			1952 2003
Lee Terrace 100 Units	108	32% African American 64% Caucasian	\$6,720	\$176.00	45	55					1965
Jarrett Terrace 99 Units	97	32% African American 67% Caucasian	\$8,108	\$194.00	82	17					1970
Carroll Terrace 199 Units	200	26% African American 70% Caucasian	\$8,272	\$180.00	153	44	2				1970
South Park Village 80 Units	325	61% African American 35% Caucasian	\$7,600	\$171.00				39	31	10	1970
Hillcrest Village 54 Units	120	40% African American 60% Caucasian	\$8,300	\$140.00		12	24	12	4	2	1972
Oakhurst Village 50 Units	115	52% African American 46% Caucasian	\$6,260	\$162.00		8	22	14	4	2	1972
Lippert Terrace 112 Units	116	12% African American 86% Caucasian	\$10,863	\$247.00		112					1973
Scattered Sites 32 Units	81	48% African American 52% Caucasian	\$8,102	\$197.00			12	18	2		
Albert Harris 44 Units	59	52% African American 48% Caucasian	\$5,944	\$130.00		29	9	4	2		1985
J. Douglas Anderson 49 Units	109	52% African American 40% Caucasian	\$5,271	\$145.00		14	19	14	2		1985
TOTALS 1440 Units	2,369				280	497	444	161	45	14	



Quality Affordable Housing



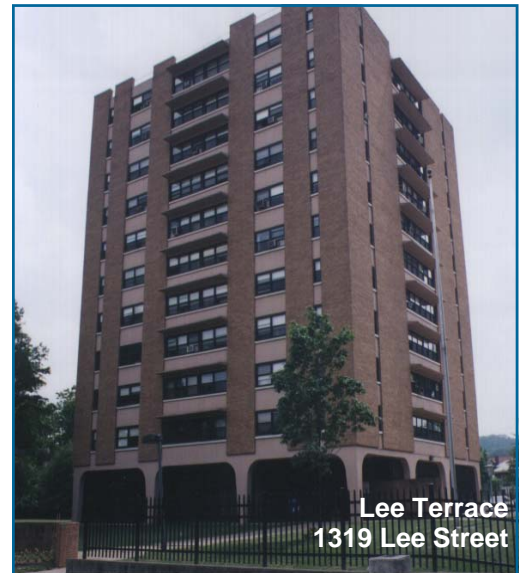
Littlepage Terrace
1809 Washington Street



Hillcrest Village
1000 Hillcrest Drive



Administrative Office
911 Michael Avenue



Lee Terrace
1319 Lee Street

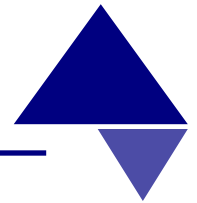


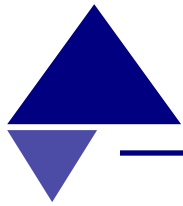
Washington Manor
211 Clark Drive



Carroll Terrace
1546 Kanawha Blvd. East

Public Housing Properties





Homeownership

Housing Choice Voucher Homeownership Program

Charleston-Kanawha Housing's Homeownership program is designed to promote and support homeownership by "first time" buyers through the use of the U.S. Department of Housing and Urban Development's (HUD) Housing Choice Voucher program. Instead of using their voucher assistance to support a monthly rental payment, the homeownership program will permit qualified families to achieve the dream of homeownership and still only have to pay thirty percent (30%) of their monthly-adjusted income toward their mortgage, escrow and utilities.



Above: Board Chair Katherine Dooley presents successful HCV homeowner Amanda Garbett and her children with a housewarming gift for their new home.

"I really appreciate everyone for making this opportunity available for my family. We are very happy to have our own home."

-Amanda Garbett

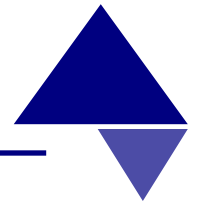
The Homeownership program is made possible through various partnerships. Jubilee Housing of the Religious Coalition for Community Renewal (RCCR) offers pre-assistance homeownership counseling to interested families. To date, twenty-nine families have attended counseling classes. Charleston-Kanawha Housing and the West Virginia Housing Development Fund (WVHDF) have an agreement that increases financing opportunities for families participating in the program. The Mayor's Office of Economic & Community Development provides mortgage assistance by reducing the amount the family has to borrow.

Charleston-Kanawha Housing has had three successful Section 8 Homeownership purchases and the program is a great testimony to the collaborative efforts of federal, state, and local agencies as well as private and non-profit groups helping to make homeownership possible for low-income families in the Charleston area.



Home purchased by Amanda Garbett through Charleston-Kanawha Housing's HCV Homeownership program.

Resident Services



Resident services are provided through partnerships, federal and state government funding. The following programs were conducted in 2005/2006:

Senior Service Coordinator

Through funding from the U.S. Department of Housing & Urban Development, Charleston-Kanawha Housing is able to offer residents living in four elderly high-rises a Senior Services Coordinator. The Coordinator links residents to services and coordinates activities and trainings. Over the past year, the Coordinator made 3,214 contacts and 100 referrals. There were 231 educational and special programs offered to elderly residents in these communities.

The Senior Service Coordinator partnered with various agencies to provide special activities for residents including: new Medicare prescription coverage, wellness bingo, blood pressure clinics, medication management, hearing screenings, medical equipment demonstrations, craft & scrapbooking classes, senior picnic, health trainings, a walking club and more.



Participants of the Parenting Wisely class at Littlepage Terrace.

Neighborhood Networks

In 2005, Charleston-Kanawha Housing was awarded a three-year Neighborhood Networks renewal grant through the Department of Housing & Urban Development. This grant is administered through a partnership with West Virginia State University Extension.

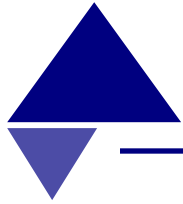
The Neighborhood Networks program delivers one-on-one and small group assistance, open lab hours, convenient on-site locations, and the delivery of a variety of workshops that address various interests, needs, and age groups. Some of the current Neighborhood Network activities are an on-line typing course, business card workshop, gardening and workforce development such as typing skills, resumes, business cards, etc.

Safe & Drug Free Communities Program

Charleston Housing was awarded a Governor's Safe & Drug Free Communities Grant in August 2005. The program targets children and their parents because it has been proven that the best intervention begins in the home. A Safe & Drug Free Coordinator was hired to implement the comprehensive family-focused program that aims to strengthen family bonds and teach parents how to develop clear expectations with their children regarding the use of drugs and alcohol.

The first of three proven effective programs, *Parenting Wisely*, was completed in February with attendance averaging 85 people per month. Residents were able to earn community service hours for attending classes and special door prizes were awarded at each session.

Kanawha County Housing was awarded a Safe & Drug Free Grant to provide an after-school program for children in the Rand area aimed at promoting positive choices against drug use and involvement in violent activities.



Property Upgrades



South Park Playground

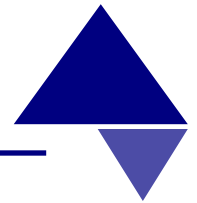


Acoustical Panels in Switzer Center

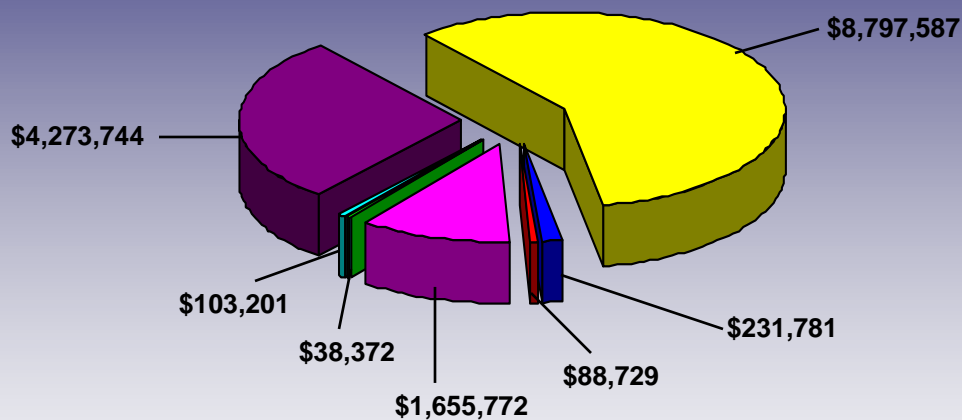
The capital fund program provides the federal dollars necessary to maintain and improve the public housing properties. Below is a summary of modernization projects completed in FY 2005/2006:

Project	Architect	General Contractor	Cost
Sidewalks & Drainage Upgrades at Washington Manor, Hillcrest Village, Oakhurst Village & Wertz Ave.	Larry Adkins of Adkins Design Inc.	Welding, Inc.	\$498,000
Mailroom Upgrades at Hillcrest Village, Oakhurst Village & Southpark Village	Larry Adkins of Adkins Design Inc.	Capital Builders	\$75,400
Acoustical Treatment at the Orchard Manor Switzer Center	Larry Adkins of Adkins Design Inc.	Capital Builders	\$88,000
Trash Compactor at Lee Terrace	Larry Adkins of Adkins Design Inc.	Jefferds Corporation	\$14,276
Fence for Playground at South Park Village	Charleston Housing Authority	Charleston Housing Authority	\$27,000
Tree Trimming at all public housing sites	Davey Tree & Lawn Care	Davey Tree & Lawn Care	\$142,425

Program Funding

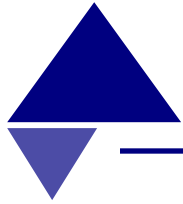


TOTAL FUNDING FYE 3-31-2006 \$15.18 Million



Low Rent Program	Housing Choice Vouchers
Moderate Rehabilitation Vouchers	ROSS Grants
Capital Grants	Other Government Grants
Shelter Plus Care	

As you have seen throughout this report, funding is essential to maintain the quality of Charleston-Kanawha Housing's properties and programs. The graph above illustrates the areas funded by the United States Department of Housing & Urban Development & other government grants received by Charleston Housing in FYE 3-31-2006 by program.



Combined Balance Sheet

Charleston Housing Authority March 31, 2006

Current Assets

Cash and cash equivalents - unrestricted	\$ 4,170,211
Investments	5,583,244
Accounts receivable - HUD	395,465
Accounts receivable - tenants (net of allowance)	40,664
Accounts receivable - other	160,174
Inventories	280,615
Prepaid expenses and other assets	<u>102,173</u>

Total Current Assets 10,732,546

Restricted Assets

Cash & cash equivalents-restricted	<u>497,207</u>
------------------------------------	----------------

Capital Assets

Land	2,048,664
Buildings	49,641,573
Furniture, equipment and machinery	1,766,498
Building Improvements	6,575,834
Construction in progress	<u>2,704,630</u>

62,737,199

Accumulated depreciation (31,431,194)

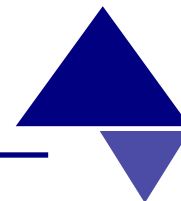
Total Capital Assets 31,306,005

Noncurrent Assets

Investment in joint venture	<u>101,841</u>
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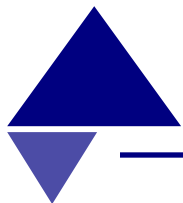
Total Assets \$ 42,637,599

Combined Balance Sheet



Charleston Housing Authority March 31, 2006

Current Liabilities	
Accounts payable	\$ 534,233
Accounts payable - HUD	9,439
Accounts payable - other government agencies	38,413
Accrued wages and payroll taxes payable	120,546
Current portion of obligation under capital lease	127,527
Tenant security deposits	188,046
Accrued compensated absences - current portion	116,923
Deferred revenues	214,929
Other current liabilities	118,458
Other post-employment benefits liability current portion	31,594
Total Current Liabilities	<u>1,500,108</u>
Long-Term Liabilities	
Obligation under capital lease, net of current portion	561,936
Family self-sufficiency liability	52,113
Accrued compensated absences—non-current portion	89,839
Other post-employment benefits liability, net of current portion	<u>395,680</u>
Total Long-Term Liabilities	<u>1,099,568</u>
Total Liabilities	<u>2,599,676</u>
Net Assets	
Invested in capital assets, net of related debt	30,616,542
Restricted net assets	445,094
Unrestricted net assets	<u>8,976,287</u>
Total Net Assets	<u>40,037,923</u>
Total Liabilities and Net Assets	\$ <u>42,637,599</u>



Audit Report



Reznick Group, P.C.
309 E. Morehead Street
Suite 100
Charlotte, NC 28202-2307

Tel: (704) 332-9100
Fax: (704) 332-6444
www.reznickgroup.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Charleston Housing, Charleston, West Virginia

We have audited the accompanying basic financial statements of Charleston Housing as of and for the year ended March 31, 2006, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

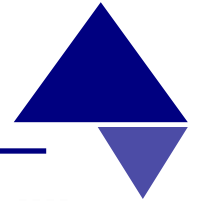
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Charleston Housing as of March 31, 2006, and the changes in financial position and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2006, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 5 to 11 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board. We have applied certain limited procedures that consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and we express no opinion on it.

Audit Report

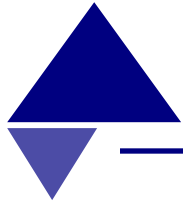


Our audit was performed for the purpose of forming an opinion on the basic financial statements of Charleston Housing taken as a whole. The accompanying supplemental information on pages 38 through 45, including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and the Financial Data Schedule required by the U.S. Department of Housing and Urban Development, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Reznick Group, P.C.

Charlotte, North Carolina

June 30, 2006 (except for Note 18, which is dated August 2, 2006)



Combined Balance Sheet

Kanawha County Housing & Redevelopment Authority
September 30, 2005

Current Assets

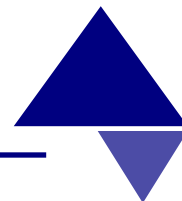
Cash and investments	\$	1,076,186
Accounts receivable - net of allowance		46,173
Prepaid expenses		15,270
Inventories		<u>1,373</u>
Total Current Assets		<u>1,139,002</u>

Non-current Assets

Capital Assets		
Land		386,317
Buildings & improvements		2,637,953
Furniture & equipment		619,867
Leasehold improvements		862,050
Construction in progress		<u>156,754</u>
Capital assets		4,662,941
Less: Accumulated depreciation		<u>(2,067,440)</u>
Capital assets, net		2,595,501
Total Noncurrent Assets		<u>2,595,501</u>

TOTAL ASSETS	\$	<u>3,734,503</u>
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Combined Balance Sheet



Kanawha County Housing & Redevelopment Authority September 30, 2005

Current Liabilities

Accounts payable	\$ 2,908
Accrued expenses	15,114
Tenant security deposits	<u>13,708</u>
Total Current Liabilities	<u>31,730</u>

Non-current Liabilities

Accrued compensated absences—net of current	20,000
Other non-current liabilities	<u>27,939</u>
Total noncurrent Liabilities	<u>47,939</u>

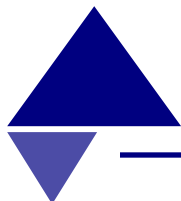
TOTAL LIABILITIES	<u>79,669</u>
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Net Assets

Investment in capital assets, net of related debt	2,595,501
Unrestricted net assets	<u>1,059,333</u>

TOTAL NET ASSETS	<u>3,654,834</u>
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TOTAL LIABILITIES & NET ASSETS	<u>\$ 3,734,503</u>
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Audit Report

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Kanawha County Housing and Redevelopment Authority
Charleston, West Virginia

Baltimore MD Public Housing
10 South Howard Street, 5th Floor
Baltimore, Maryland 21201-2528

We have audited the accompanying financial statements of the Kanawha County Housing and Redevelopment Authority as of and for the year ended September 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kanawha County Housing and Redevelopment Authority as of September 30, 2005, and the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2006 on our consideration of the Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying Schedule of Expenditures of Federal Awards as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as the Financial Data Schedule required by the U.S. Department of Housing and Urban Development, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Rector, Moffitt & Lindsay, P.C.
Certified Public Accountants

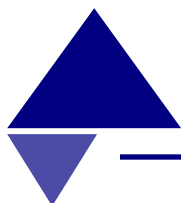
Snellville, Georgia
May 18, 2006



RECTOR
MOFFITT &
LINDSAY, P.C.

Certified Public
Accountants

One Wisteria Place
2220 Wisteria Drive
Suite 200
Snellville, GA 30078
(770) 879-8411
Fax: (770) 879-8431
www.rml-cpa.com



Our Team

EXECUTIVE DEPARTMENT

Mark E. Taylor
Executive Director

Anna Blaney
Executive Secretary

Michele Hatfield
Public Relations Coordinator

Denise Lee
Human Resource Coordinator

Marva Williams
Programs Director

Shirley Mullins
Clerk Receptionist

FINANCE & ADMINISTRATION

Cindy Allen
Chief Financial Analyst

Barbara Brewer
Accounting Technician

Lynn Cottrill
Grants Accountant & Information Services Coordinator

Zhanna Crabtree
Accountant I

Connie Hardy
Accountant II

Joe Hoover
Procurement & Contract Administrator

Laura Pettry
Accountant I

David Puckett
PC/Network Specialist

HOUSING MANAGEMENT

Pernell McCoy
Director of Client Services

Brenda Sweeney
Operations Secretary

Dale Whitehair
Safety & Security Officer

Frances Susie Halstead
Service Coordinator

Housing Management Continued

Bonnie Darlene Hawley
Eric Howard
Mike McClure
Pam McDaniel
Tammy Sharp
Rhonda Wallace
Teresa White
Housing Managers

Shanda Brandon
Phoebe Whidby
Housing Management Asst.

RENTAL ASSISTANCE

Jeffrey Knight
Director of Leased Housing

Valencia Davis
Tammy Good-Knight
Program Manager

Patricia Bush
Tammy Chabot
Judy Elswick
Deborah Fontalbert
Wendy Haddox
Pam Jones
Janet Morris
Kimberly Pickens
Barbara Voiers
Donna Webb
Leased Housing Specialists

Mary O'Conner
Leased Housing Assistant

Wanda Allen
Clerk/Receptionist

Roger Booth
Carl Green
Mark Young
Housing Quality Standards Inspector

HOUSING INITIATIVES

Ray Marsh
Director of Housing Initiatives

Amy Lewis
Public Housing FSS Coordinator

Tammy Jones
Rental Assistance FSS Coordinator

Darlene Stokes
Application Coordinator

Ed Schoettker
Safe & Drug Free Coordinator

Housing Initiatives Continued

Adam Higginbotham
Relocation Coordinator

Karen Hartwell
Frances Justice
Leased Housing Specialists

Tasha McCoy
Leased Housing Assistant

SPECIAL PROJECTS

Kenny Powell
Director of Facilities Maintenance

Arleen Higginbotham
Special Projects Department Assistant

Heath Fain
Modernization Coordinator

Allen W. Taylor
Facilities Manager

Deanna Kay Casto
Maintenance Data Clerk

Terry Estep
Materials Manager

Marshall Bailey	Terry Duiguid
Rodney Moffatt	David Naylor
Steve Payne	William Ransom
Allen Taylor	Paul Wright
Noah Wilcox	
<i>Maintenance Specialists</i>	

James Asbury	Dana Atkinson
Larry Boyce	Larry Carihfield
Mark Davis	Tom Nichols
Tom Skees	
<i>Maintenance Technician II</i>	

Danny Asbury	Steve Bumpus
Gary Chambers	Lenox Chandler
Steve Cyrus	James Deal
Toney Delaney	Stanley Faucett
Kyle Groves	Carl Guthrie
Carlos Hamilton	Robert Higginbotham
Dale Jarrett	Phillip Kessinger
Tom Kessler	Richard Kiser
Harold Lanham	Mark Morriston
David O'Brien	Edil Striker
Troy Walker	Adam Cassell
David Green	Kevin Spencer
<i>Maintenance Technician I</i>	

Nancy Marion
Custodian II