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December 29, 2009

Board of Commissioners
Housing Authority of the City of Anderson
528 West 11th Street
Anderson, Indiana 46016

We have reviewed the audit report prepared by Pamela J. Simpson, CPA, Independent Public Accountant, for the period April 1, 2006 to March 31, 2007. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountant's opinion, the financial statements included in the report present fairly the financial condition of Housing Authority of the City of Anderson, as of March 31, 2007, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountant's report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

**HOUSING AUTHORITY
OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED MARCH 31, 2007

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

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PAMELA J. SIMPSON, C.P.A.

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Independent Auditor's Report

Board of Commissioners
Anderson Housing Authority
Anderson, Indiana

I have audited the accompanying basic financial statements of the Anderson Housing Authority, as of and for the year ended March 31, 2007, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these basic financial statements based on my audit. I did not audit the financial statements of Anderson Housing, Inc. (a component unit). Those financial statements were audited by other auditors whose report thereon has been furnished to me, and my opinion, insofar as it relates to the amounts included for Anderson Housing, Inc., is based on the report of the other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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. I believe that my audit provides a reasonable basis for my opinion.

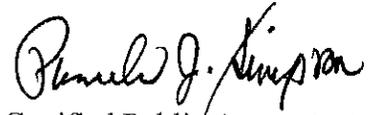
In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Anderson Housing Authority, as of March 31, 2007 and the respective changes in financial position and cash flows for the year end in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 28, 2007, on my consideration of the Authority's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulation, contracts and grants. The purpose of that report is to describe the scope of my testing, and not to provide an opinion on the internal control over financial reporting on compliance. 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 my audit.

The management's discussion and analysis on pages 3 through 9 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the financial statements of the Anderson Housing Authority, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Authority. The accompanying financial data schedule and other additional statements and schedules listed as supplemental data in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Anderson Housing Authority. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all materials respects, in relation to the basic financial statements taken as a whole.

Decatur, Illinois
November 28, 2007


Certified Public Accountant

Management's Discussion and Analysis

As management of the Anderson Housing Authority, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended March 31, 2007. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Anderson Housing Authority.

Overview of the Financial Statements

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

- Statement of Net Assets – reports the Authority's current financial resources (short term spendable resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses, and Changes in Net Assets reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows – reports the Authority's cash flows from operating, investing, capital and non-capital activities.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authorities finances is "Is the Authority as a whole better or worse off as a result of the year's activities?"

The attached analysis of entity wide net assets, revenues, and expenses are provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues and expenses when earned regardless of when cash is received or paid.

Our analysis also presents the Authority's net assets and changes in them. One can think of the Authority's net assets as the difference between what the Authority own's (assets) to what the Authority owes (liabilities). The change in net assets analysis will assist the reader with measuring the health or financial position of the Authority.

Over time, significant changes in the Authorities net assets are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authorities capital assets.

ANDERSON HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FYE MARCH 31, 2007

Future Events (New Business)

There are no future events planned by the Authority during the fiscal year ending March 31, 2007 that will significantly affect the Authority's Net Assets either positively or negatively.

Condensed Comparative Financial Statements

Analysis of Entity Wide Net Assets (Statement of Net Assets)

Total Assets for FYE 2007 was \$6,127,127 and at FYE 2006 the amount was \$5,857,318. This represents a net increase of \$269,809.

Cash increased by \$416,850. The increase in cash was significantly affected by the Authority under expending Housing Assistance Payments (HAP) funding from HUD during the fiscal year. The excess HAP funding will be expended on future year's HAP expenditures.

Other Current Assets increased by \$3,462. The amount of funding due from HUD for Capital Fund increased from the prior fiscal year.

Capital Assets decreased by \$125,503. The change in Capital Assets will be presented in the section entitled Analysis of Capital Asset Activity.

Current Liabilities increased by \$22,704. Current liabilities increased because of an increase in the amount of current year compensated absences liability.

Long Term Liabilities increased by \$44,783. Long term liabilities increased because of an increase in the amount of compensated absences liability.

The table below illustrates our analysis:

	2007	2006	Net Change	Percent Variance
Cash & Investments	1,420,029	1,003,179	416,850	41.6%
Other Current Assets	67,421	63,959	3,462	5.4%
Capital Assets	4,566,944	4,692,447	-125,503	-2.7%
Non Current Assets	72,733	97,733	-25,000	-25.6%
Total Assets	6,127,127	5,857,318	269,809	4.6%
Current Liabilities	104,155	81,451	22,704	27.9%
Long Term Liabilities	155,583	110,800	44,783	40.4%
Total Liabilities	259,738	192,251	67,487	35.1%
Invested in Capital Assets	4,566,944	4,692,447	-125,503	-2.7%
Unrestricted Net Assets	1,300,445	972,620	327,825	33.7%
Total Net Assets	5,867,389	5,665,067	202,322	3.6%

ANDERSON HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FYE MARCH 31, 2007

Analysis of Entity Wide Revenues (Statement of Activities)

Total Tenant Revenue decreased by \$18,226 or 17%. The Authority's dwelling rental charges decreased because of changes in the income demographics of the Authority's tenants.

HUD Operating Grants increased by \$207,399 or 3%. The Authority utilized more Capital Funds this year for operating activities then in the prior fiscal year. Also, the amount of operating funds received from HUD for the Section 8 HCV and Low Rent Public Housing programs increased from the prior fiscal year.

HUD Capital Grants decreased by \$28,574. The Authority utilized more Capital Funds this year for operating activities then in the prior fiscal year.

Investment Income increased by \$5,160 or 138% because the Authority had an increase in the amount of cash available during the fiscal year.

Other Government Grants increased by \$55,698 because of funding received by the Component Unit from a Hurricane Katrina and a HOME grant.

	2007	2006	Net Change	Percentage Change
Total Tenant Revenue	87,530	105,756	-18,226	-17%
HUD Operating Grants	6,857,773	6,650,374	207,399	3%
HUD Capital Grants	159,438	188,012	-28,574	-15%
Other Government Grants	101,939	46,241	55,698	121%
Other Income	12,978	25,851	-12,873	-50%
Investment Income	8,888	3,727	5,161	139%
Total Revenue	<u>7,228,546</u>	<u>7,019,961</u>	<u>208,585</u>	<u>3%</u>

The Authority administers the following programs and the revenues generated from these programs during Fiscal Year Ending 2007 were as follows:

<u>Program</u>	<u>Revenues Generated</u>
Low Rent Public Housing	\$613,690
Section 8 Housing Choice Vouchers	6,190,619
Capital Fund Program	265,710
Housing Counseling Assistance Program	32,915
Emergency Food and Shelter National Board Program	24,972
Component Units	91,172
Business Activities	9,468
Total Revenue	<u>\$7,228,546</u>

ANDERSON HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FYE MARCH 31, 2007

Analysis of Entity Wide Expenditures (Statement of Activities)

Total Expenditures for Fiscal Year Ending March 31, 2007 were \$7,030,618 as compared to the \$6,855,945 of total expenditures for Fiscal Year Ending March 31, 2006. Comparatively, Fiscal Year Ending 2007 expenditures increased by \$174,673 or 3% from Fiscal Year Ending 2006 expenditures. Changes by major expense category will be presented below.

Administrative expenditures increased by \$83,097 or 9%. The major cause for this increase was an increase of \$80,585 in compensated absences expenses.

Tenant Services expenditures increased by \$86,681 or 281%. Tenant services expenditures increased because of funds made available from the Habitat for Humanity in the Authority's Component Unit program.

Utilities expenditures increased by \$7,939 or 13%. The increase is due to rising utility rates in the Anderson area.

General Expenses decreased by \$17,035 due to decreases in insurance cost and other general expenses.

The table on the below illustrates our analysis:

	2007	2006	Net Change	Percent Variances
Administrative	1,011,753	928,660	83,093	9%
Tenant Services	117,537	30,856	86,681	281%
Utilities	67,326	59,387	7,939	13%
Maintenance	221,625	229,560	-7,935	-4%
General Expense	76,464	93,499	-17,035	-18%
Housing Assistance Payments	5,250,570	5,240,973	9,597	0%
Depreciation Expense	285,343	273,010	12,333	5%
Total Expenses	<u>\$7,030,618</u>	<u>\$6,855,945</u>	<u>\$174,673</u>	<u>3%</u>

ANDERSON HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
FYE MARCH 31, 2007

Analysis of Capital Asset Activity

Buildings increased by \$171,546. The Authority closed CFP 2004 and CFP 2003 (502) and reclassified the capital assets from construction in process.

Furniture, Equipment & Machinery - Dwelling increased by \$34,862. The Authority closed CFP 2004 and CFP 2003 (502) and reclassified the capital assets from construction in process.

Furniture, Equipment & Machinery - Administration increased by \$18,665. The Authority closed CFP 2004 and CFP 2003 (502) and reclassified the capital assets from construction in process.

Construction in Process decreased by \$65,635. Construction in process increased by \$105,911 because of improvements made through the Capital Fund Program. Construction decreased by \$225,072 because the Authority closed CFP 2004 and CFP 2003 (502) and reclassified the capital assets from construction in process to other fixed asset lines.

Accumulated Depreciation increased by \$285,343. This is the amount of depreciation expense recognized by the Authority for the fiscal year.

	2007	2006	Net Change	Percent Variance
Land	335,148	335,148	0	0.0%
Buildings	7,627,491	7,455,945	171,546	2.3%
Furniture, Equip., & Mach. - Dwelling	253,989	219,127	34,862	15.9%
Furniture, Equip., & Mach. - Administrative	886,042	867,377	18,665	2.2%
Leasehold Improvements	0	0	0	0.0%
Infrastructure	0	0	0	0.0%
Construction in Process	221,405	287,040	-65,635	-22.9%
Total Fixed Assets	9,324,075	9,164,637	159,438	1.7%
Accumulated Depreciation	4,757,131	4,471,788	285,343	6.4%
Net Fixed Assets	4,566,944	4,692,849	-125,905	-2.7%

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF NET ASSETS
AS OF MARCH 31, 2007**

<u>ASSETS</u>	Proprietary Funds	Component Unit
CURRENT ASSETS		
Cash	\$ 1,103,857	\$ 19,985
Accounts receivable (interfund eliminated)	36,221	480
Accrued interest receivable	379	0
Investments	240,907	55,280
Deferred charges	<u>30,341</u>	<u>0</u>
Total Current Assets	<u>\$ 1,411,705</u>	<u>\$ 75,745</u>
CAPITAL ASSETS		
Land, buildings and equipment	\$ 9,198,475	\$ 125,600
Less: Accumulated depreciation	<u>-4,726,617</u>	<u>-30,514</u>
Net Capital Assets	<u>\$ 4,471,858</u>	<u>\$ 95,086</u>
OTHER ASSETS		
Other assets	<u>\$ 0</u>	<u>\$ 72,733</u>
Total Assets	<u>\$ 5,883,563</u>	<u>\$ 243,564</u>
 <u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable (interfund eliminated)	\$ 41,259	\$ 0
Accrued liabilities	46,398	0
Deferred credits	<u>16,498</u>	<u>0</u>
Total Current Liabilities	<u>\$ 104,155</u>	<u>\$ 0</u>
NONCURRENT LIABILITIES		
Accrued liabilities	<u>\$ 155,583</u>	<u>\$ 0</u>
Total Noncurrent Liabilities	<u>\$ 155,583</u>	<u>\$ 0</u>
 <u>NET ASSETS</u>		
Invested in capital assets	\$ 4,471,858	\$ 95,086
Unrestricted	<u>1,151,967</u>	<u>148,478</u>
Total Net Assets	<u>\$ 5,623,825</u>	<u>\$ 243,564</u>

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

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF REVENUE AND EXPENDITURES
AND CHANGES IN NET ASSETS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Income</u>	Proprietary Funds	Component Unit
Tenant rental revenue	\$ 75,666	\$ 0
Tenant revenue - other	<u>11,864</u>	<u>0</u>
Total Rental Income	\$ 87,530	\$ 0
HUD grants - operating	6,857,773	0
Other grants	13,700	88,239
Other revenue	<u>10,328</u>	<u>2,650</u>
Total Operating Income	<u>\$ 6,969,331</u>	<u>\$ 90,889</u>
 <u>Operating Expenses</u>		
Administration	\$ 1,008,462	\$ 3,291
Tenant services	25,304	92,233
Utilities	62,210	5,116
Ordinary maintenance and operation	220,989	636
General expense	73,840	2,624
Housing assistance payments	5,250,570	0
Depreciation	<u>281,233</u>	<u>4,110</u>
Total Operating Expenses	<u>\$ 6,922,608</u>	<u>\$ 108,010</u>
Net Operating Income (Loss)	<u>\$ 46,723</u>	<u>\$ -17,121</u>
 <u>Nonoperating Income (Expense)</u>		
HUD grants - capital	\$ 159,438	\$ 0
Interest income	<u>8,605</u>	<u>283</u>
Total Nonoperating Income Expense	<u>\$ 168,043</u>	<u>\$ 283</u>
Changes in net assets	\$ 214,766	\$ -16,838
Net assets, beginning of year	5,409,059	256,008
Prior period adjustments	<u>0</u>	<u>4,394</u>
Net assets, end of year	<u>\$ 5,623,825</u>	<u>\$ 243,564</u>

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

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Activities</u>	Proprietary Funds	Component Unit
Operating grants	\$ 6,854,024	\$ 0
Tenant revenue	87,084	0
Other revenue	10,328	90,889
Housing assistance payments	-5,250,570	0
Payments to employees	-654,547	0
Payments to suppliers and contractors	<u>-649,080</u>	<u>-80,166</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 397,239</u>	<u>\$ 10,723</u>
 <u>Investing Activities</u>		
Investments (purchased) redeemed	\$ -8,095	\$ -217
Interest income	<u>8,605</u>	<u>283</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 510</u>	<u>\$ 66</u>
 <u>Financing Activities</u>		
HUD grants - capital	\$ 159,438	\$ 0
(Additions) deletions to fixed assets	<u>-159,439</u>	<u>0</u>
Net Cash Provided (Used) by Financing Activities	<u>\$ -1</u>	<u>\$ 0</u>
Net Change in Cash	\$ 397,748	\$ 10,789
Cash Balance at March 31, 2006	<u>706,109</u>	<u>9,196</u>
Cash Balance at March 31, 2007	<u><u>\$ 1,103,857</u></u>	<u><u>\$ 19,985</u></u>

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

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>	Proprietary Funds	Component Unit
Net operating income (loss)	\$ 46,723	\$ -17,121
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:		
Depreciation	281,233	4,110
Adjustment of net assets	0	4,394
(Increase) decrease in accounts receivable	-419,473	0
(Increase) decrease in deferred charges	1,588	0
(Increase) decrease in inventories	11,373	0
(Increase) decrease in other assets	-117	25,000
Increase (decrease) in accounts payable	408,266	5,658
Increase (decrease) in accrued liabilities	60,764	0
Increase (decrease) in deferred revenues	<u>6,882</u>	<u>0</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 397,239</u>	<u>\$ 10,723</u>

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

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007**

Note 1 - Summary of Significant Accounting Policies

(a) Organization and Reporting Entity -

The Housing Authority of the City of Anderson was established by the City of Anderson pursuant to the laws of the State of Indiana, to transact business and to have powers as defined therein. The Housing Authority was established to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other applicable Federal Agencies.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) had direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into a contract with the Authority for the purpose of assisting in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the program for the purpose of maintaining its low-rent character.

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City of Anderson and concluded that the City does not maintain an oversight responsibility for the Authority's operations. An independent Board of Commissioners, appointed by the City, is responsible for the activities of the Authority. The Authority recruits and employs its executive staff and has substantial legal authority to control its affairs without requiring approval of the City government. Debt incurred by the Authority is not an obligation of the City; the City does not review or approve the Authority's budget, is not entitled to any surplus funds generated by the Authority's operations and is not responsible for any deficits incurred by the Authority. Consequently, in accordance with evaluating the criteria set forth in Section 2100 and 2600 of the Governmental Accounting Standards Board Codification, management has concluded that the Housing Authority of the City of Anderson is a separate reporting entity. All funds and programs of the Housing Authority are included in these statements. The Housing Authority has one component unit. Anderson Housing, Inc. (AHI) was formed in 1995 for the purpose of providing affordable housing to low income individuals. During 1997, AHI began operating a homeless shelter, primarily to aid families whose homes have been destroyed by fire. A second shelter was added in 2000.

(b) Method of Accounting -

The financial statements of the Housing Authority have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

The Housing Authority applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements, in which case, GASB prevails.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(c) Funds -

Each of the programs of the Housing Authority are organized on a basis of fund accounting, using a separate set of self balancing accounts as prescribed by HUD. The programs of the Housing Authority are:

- * Low Rent Public Housing
- * Section 8 Choice Vouchers
- * Component Unit - Homeless Shelters
- * Business Activities
- * Capital Fund Program
- * Emergency Food and Shelter
- * Housing Counseling Assistance

These programs are all accounted for within the 'Proprietary' (enterprise) fund as described below:

Proprietary Fund Types:

Proprietary funds use the economic resources measurement focus and utilize the accrual basis of accounting. All assets and liabilities associated with a proprietary fund's activities are included on the fund statement. Proprietary fund equity is segregated into Invested in Capital Assets Net of Related Debt, Restricted Net Assets and Unrestricted Net Assets.

(d) Cash and Cash Equivalents -

For purposes of the statement of cash flows, the Housing Authority considers all highly liquid investments to be cash equivalents. The term "highly liquid" refers to investments with a maturity of one month or less when purchased to be cash equivalents.

(e) Accounts Receivable -

The tenants accounts receivable discloses the gross amount due from the tenants at March 31, 2007, and does not take into consideration prepaid amounts. The Housing Authority provides for an allowance for doubtful accounts, based on the estimated collections of current accounts receivables. The Housing Authority periodically writes off uncollectible accounts receivable to the allowance account based on a review of the current status of existing receivables and the determination that the receivable will not be collected.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(f) Inventories and Materials

Inventories and materials are stated at cost which approximates market determined on average cost.

(g) Investments -

Investments are stated at cost which approximates market.

(h) Fixed Assets -

For the purpose of determining, distinguishing and recording materials and non-expendable equipment and personal property purchased or acquired in connection with development, management, and maintenance of public housing developments owned or operated, the Housing Authority follows the following capitalization policy:

If the initial cost of a piece of equipment and/or other personal property is five hundred dollars (\$500) or more and the anticipated life or useful life of said equipment or property is more than one (1) year, the same shall be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.

Land, buildings and equipment contains the following:

- 1) The total development construction costs incurred for each project at the end of the initial operating period,
- 2) nonexpendable equipment, and
- 3) property betterments and additions
- 4) land acquisitions.

These are recorded at cost. Depreciation of property and equipment is provided using the straight line method for financial reporting purposes at rates based on the following estimates:

Buildings	20 - 35 years
Equipment	3 - 10 years

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(i) Income Tax -

The Authority, organized as a non-profit corporation subsidized by the Federal government, is exempt from Federal and State income taxes.

(j) Annual Contributions/Subsidies and Other Grants

Annual contributions and subsidies received from the Department of HUD are recorded as grant revenues.

Other grants (such as CFP or FEMA grants) are recognized when program expenditures are incurred. Such revenue is subject to review by the Department of Housing and Urban Development and may result in disallowance in subsequent periods.

(k) The Housing Authority adopts a budget annually. The budget is presented to the Board of Commissioners for approval.

(l) The preparation of financial statements in conformity with generally accepted accounting principles require the Housing Authority to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Cash and Investments

Statutes authorize the Housing Authority to invest in certificates of deposit, money market funds, United States government securities and repurchase agreements fully collateralized by United States government securities.

All cash and investments are insured up to \$100,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company of the depository financial institutions. The deposits exceeding the insured or registered limits are public funds covered by the State of Indiana Public Deposit Fund.

Custodial Credit Risk

- a. Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be returned to or that the Authority will not be able to recover collateral securities in the possession of an outside party.
- b. Investments - Custodial credit risk is the risk that in the event of the failure of the depository, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

Credit Risk Investments, Concentration of Credit Risk and Interest Rate Risks - Investments

Credit Risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Housing Authority has no investment policy that limits its investment choices other than the limitation of state law and/or the Department of Urban Development regulations.

Concentrations of Credit Risk is the risk of loss attributed to the amount of the investment in a single issuer. The Authority does not have a formal investment policy covering the concentration of credit risk.

Investment Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Housing Authority has no formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are as follows:

- Category 1 - Deposits which are insured or collateralized with securities held by the Housing Authority or by its agent in the Housing Authority's name.
- Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Housing Authority's name.
- Category 3 - Deposits which are not collateralized or insured.

Based on the three levels of risk, all of the Housing Authority's funds are classified as Category 1.

	<u>Book Balance</u>	<u>Bank Balance</u>
Low Rent	\$ 620,071	\$ 632,271
Voucher	381,241	423,736
Housing Counseling	65,641	65,687
FEMA	16,480	16,480
Business Activities	<u>20,424</u>	<u>20,424</u>
Total	<u>\$ 1,103,857</u>	<u>\$ 1,158,598</u>
Component Unit	<u>\$ 19,985</u>	<u>\$ 19,985</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

Similar to cash deposits, investments held at financial institutions can be categorized according to three levels of risk. These three levels of risk are:

- Category 1 - Investments that are insured, registered or collateralized with securities held by the Housing Authority or by its agent in the Housing Authority's name.
- Category 2 - Investments which are uninsured and unregistered held by the counter-party's trust department or agent in the Housing Authority's name.
- Category 3 - Uninsured or unregistered investments held by the counter-party, its trust or its agent, but not in the Housing Authority's name.

Based on the three levels of risk, all of the Housing Authority's investments are classified as Category 1.

	<u>Book Balance</u>	<u>Market Value</u>
Low Rent	<u>\$ 240,907</u>	<u>\$ 240,907</u>
Component Unit	<u>\$ 55,280</u>	<u>\$ 55,280</u>

Note 3 - Compensated Absences

Sick Time

Full-time employees shall accrue sick time days at a rate of one and one-quarter (1.25) days per month worked commencing with the month following of employment. Part-time employees shall accrued sick time on a pro-rated basis (based on percentage of normal week, which the employees work). Temporary employees shall not accrue sick time.

Earned sick leave time may be accumulated and carried from year to year. An employee may accumulate up to, but not exceed, one hundred and eighty (180) days.

Newly hired employees shall begin accumulating sick leave time commencing with the month following their first full month of employment.

An employee whose sick time exceeds the maximum accumulation may convert the excess sick time to vacation time at a rate of two sick days for one vacation day. To convert sick time, the employee must submit a written request to the Executive Director or designee. Sick time converted to vacation must be used within the next calendar year.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

Sick Time (Continued)

Upon termination of employment, the employee shall be paid for one-half (1/2) of their accumulated sick time not to exceed a maximum of (90) days. Sick leave shall be calculated on the employee's current rate of pay.

An employee "terminated for cause" will not be eligible to received payment of sick leave time accumulated.

Personal Days

Employees shall receive four (4) personal days per year. This is subject to change relative to the Anderson Housing Authority's Board of Commissioners yearly review.

Vacation Leave

1 year - 4 years	2 weeks
5 years - 9 years	3 weeks
10 years - 19 years	4 weeks
20 years and over	5 weeks

Note 4 - Defined Contribution Plan

All employees of the Anderson Housing Authority will be covered by a retirement program Public Employees Retirement Fund (PERF) established and maintained by the State of Indiana except: employees not considered full time. (positions requiring 1,000 or more hours of work per year.)

PERF pays benefits to cover employees or their survivor upon retirement, death and in certain cases of serious illness or injury. Contributions for the year ended March 31, 2007 were \$47,330 paid by the Housing Authority.

Note 5 - Accounts Receivable

Accounts receivable consists of the following accounts:	Component <u>Unit</u>	
Tenants - accounts receivable (net)	\$ 970	\$ 0
Accounts receivable - HUD	32,817	0
Accounts receivable - other	<u>2,434</u>	<u>480</u>
Subtotal	\$ 36,221	\$ 480
Interfund	<u>423,825</u>	<u>0</u>
Total	<u>\$ 460,046</u>	<u>\$ 480</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 6 - Investments

At March 31, 2007 investments consist of the following:			Component
	<u>Rate</u>		<u>Unit</u>
Certificates of deposit	3.62-4.23%	\$ 240,907	\$ 0
Savings - Escrow	1.00%	<u>0</u>	<u>55,280</u>
Total		<u>\$ 240,907</u>	<u>\$ 55,280</u>

Note 7 - Deferred Charges

This classification includes the following accounts:

Prepaid Insurance	<u>\$ 30,341</u>
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Note 8 - Fixed Assets

		Component
		<u>Unit</u>
Balance as of March 31, 2007	\$ 4,471,858	\$ 95,086
Balance as of March 31, 2006	<u>4,593,652</u>	<u>99,196</u>
Net Increase (Decrease)	<u>\$ -121,794</u>	<u>\$ -4,110</u>

<u>Reconciliation</u>		Component
		<u>Unit</u>
Additions	\$ 159,439	\$ 0
Depreciation expense	<u>-281,233</u>	<u>-4,110</u>
Net Increase (Decrease)	<u>\$ -121,794</u>	<u>\$ -4,110</u>

Analysis

	<u>Beginning</u>	<u>Additions/</u>	<u>Deletions/</u>	<u>Ending</u>
	<u>Balance</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Balance</u>
Land	\$ 324,548	\$ 0	\$ 0	\$ 324,548
Buildings	7,342,944	171,547	0	7,514,491
Equipment and furniture	1,084,504	53,527	0	1,138,031
Construction in progress	<u>287,040</u>	<u>159,438</u>	<u>225,073</u>	<u>221,405</u>
Total Assets	\$ 9,039,036	\$ 384,512	\$ 225,073	\$ 9,198,475
Accumulated depreciation	<u>-4,445,384</u>	<u>0</u>	<u>281,233</u>	<u>-4,726,617</u>
Net Assets	<u>\$ 4,593,652</u>	<u>\$ 384,512</u>	<u>\$ 506,306</u>	<u>\$ 4,471,858</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 8 - Fixed Assets (Continued)

<u>Component Unit</u>	<u>Beginning Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Land	\$ 10,600	\$ 0	\$ 0	\$ 10,600
Buildings	113,000	0	0	113,000
Equipment and furniture	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Total Assets	\$ 125,600	\$ 0	\$ 0	\$ 125,600
Accumulated depreciation	<u>-26,404</u>	<u>0</u>	<u>4,110</u>	<u>-30,514</u>
Net Assets	<u>\$ 99,196</u>	<u>\$ 0</u>	<u>\$ 4,110</u>	<u>\$ 94,285</u>

Note 9 - Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 7,523
Tenants security deposits	<u>33,736</u>
Subtotal	\$ 41,259
Interfund	<u>423,825</u>
Total	<u>\$ 465,084</u>

Note 10 - Notes Payable

On August 4, 1987, the U.S. Department of Housing and Urban Development (HUD) issued notice PIH 87-212 to implement the provisions of the Housing and Community Development Reconciliation Amendments of 1985 (PL 99-272, enacted April 7, 1986). This notice states, in part, the following:

Project debt to HUD (HUD-held notes) will be forgiven after a debt forgiveness amendment to the consolidated Annual Contributions Contract has been executed by HUD and the Public Housing Authority and after the Actual Development Cost Certificate has been included in an audit and approved.

As a part of the HUD mandated GAAP conversion and the above referenced notice, all HUD-held notes were recorded as debt forgiveness during a prior fiscal year.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 11 - Accrued Liabilities

Current Portion:	
Accrued compensated absences	\$ 31,040
Accrued wages	13,384
Payment in lieu of taxes	<u>1,974</u>
Current Portion	\$ 46,398
Noncurrent Portion:	
Accrued compensated absences	<u>155,583</u>
Total	<u>\$ 201,981</u>

Note 12 - Deferred Credits

This classification consists of the following accounts:

Tenants prepaid rent	\$ 18
Other deferred revenue	<u>16,480</u>
Total	<u>\$ 16,498</u>

Note 13 - Administrative Fee

The PHA receives an "Administrative Fee" as part of the annual contribution from HUD to cover the costs (including overhead) of administering the HAP Program. The fee is calculated by HUD on an annual basis.

Note 14 - Allocation of Costs

The PHA allocated expenses not attributable to a specific program to all programs under management. The basis for this allocation was the number of units in each program. Management considers this to be an equitable method of allocation.

Note 15 - Contingencies

Federal Grants

In the normal course of operations, the Housing Authority receives grant funds from the Department of Housing and Urban Development. The programs are subject to audit by agents of HUD, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED MARCH 31, 2007
(CONTINUED)**

Note 16 - Prior Period Adjustments

Prior period adjustments posted directly to surplus are detailed below:

	Component Unit
Adjustment of beginning payable/current year expenses and deferred revenue	\$ <u>4,394</u>

Note 17 - Risk Management

The Housing Authority carries commercial insurance coverage to cover exposure and the risk of losses related to torts, thefts, damages, destruction of assets, errors and omissions, injuries, natural disasters and defalcation.

For insured programs there has been no significant reduction in insurance coverage. Settled claims have not exceeded insurance coverage or the risk pool coverage in the current or past three years.

Note 18 - Economic Dependency

The Housing Authority received most of its revenue (98%) from the United State Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

SUPPLEMENTAL DATA

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Federal Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Grant Period</u>	<u>Program Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of HUD</u>						
Direct Programs:						
Public and Indian Housing*	14.850a	C-2057	FYE 03/31/07	\$ 517,730	\$ 517,730	\$ 517,730
Housing Choice Voucher Program*	14.871	C-2011	FYE 03/31/07	\$ 6,189,584	\$ 6,189,584	\$ 6,189,584
Public Housing - Capital Funds	14.872	C-2057	FYE 03/31/07	\$ 430,272	\$ 265,710	\$ 265,710
Indirect Programs:						
Housing Counseling Assistance	14.169	C-2057	FYE 03/31/07	\$ 25,000	\$ 19,215	\$ 19,215
Total HUD Assistance				\$ 7,162,586	\$ 6,992,239	\$ 6,992,239
<u>Other Federal Grants</u>						
Emergency Food and Shelter Program	83.523	LRO-006	FYE 03/31/07	\$ 64,000	\$ 24,972	\$ 24,972
Total Other Federal Grants				\$ 64,000	\$ 24,972	\$ 24,972
Total Federal Assistance				\$ 7,226,586	\$ 7,017,211	\$ 7,017,211

*Denotes major program.

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS (SEFA)
TWELVE MONTHS ENDED MARCH 31, 2007**

Note 1: Expenditures to the Housing Choice Voucher Program are reported equal to revenues recognized. This method of expenditure recognition does not reconcile to the Housing Authority's financial statements, but is required by HUD.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF NET ASSETS
AS OF MARCH 31, 2007**

<u>ASSETS</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
CURRENT ASSETS			
Cash	\$ 620,071	\$ 0	\$ 381,241
Accounts receivable	970	32,817	423,825
Accrued interest receivable	379	0	0
Investments	240,907	0	0
Deferred charges	<u>24,581</u>	<u>0</u>	<u>5,266</u>
Total Current Assets	<u>\$ 886,908</u>	<u>\$ 32,817</u>	<u>\$ 810,332</u>
CAPITAL ASSETS			
Land, buildings and equipment	\$ 8,949,227	\$ 221,405	\$ 27,843
Less: Accumulated depreciation	<u>-4,698,774</u>	<u>0</u>	<u>-27,843</u>
Net Capital Assets	<u>\$ 4,250,453</u>	<u>\$ 221,405</u>	<u>\$ 0</u>
Total Assets	<u>\$ 5,137,361</u>	<u>\$ 254,222</u>	<u>\$ 810,332</u>
 <u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	\$ 403,022	\$ 32,817	\$ 1,503
Accrued liabilities	15,899	0	28,929
Deferred revenue	<u>18</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>\$ 418,939</u>	<u>\$ 32,817</u>	<u>\$ 30,432</u>
NONCURRENT LIABILITIES			
Accrued liabilities	<u>\$ 60,913</u>	<u>\$ 0</u>	<u>\$ 84,722</u>
Total Noncurrent Liabilities	<u>\$ 60,913</u>	<u>\$ 0</u>	<u>\$ 84,722</u>
 <u>NET ASSETS</u>			
Invested in capital assets	\$ 4,250,453	\$ 221,405	\$ 0
Unrestricted	<u>407,056</u>	<u>0</u>	<u>695,178</u>
Total Net Assets	<u>\$ 4,657,509</u>	<u>\$ 221,405</u>	<u>\$ 695,178</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF NET ASSETS
AS OF MARCH 31, 2007**

<u>ASSETS</u>	<u>FEMA</u>	<u>Housing Counseling</u>	<u>Business Activities</u>
CURRENT ASSETS			
Cash	\$ 16,480	\$ 65,641	\$ 20,424
Accounts receivable	0	0	2,434
Investments	0	0	0
Deferred charges	0	494	0
Total Current Assets	<u>\$ 16,480</u>	<u>\$ 66,135</u>	<u>\$ 22,858</u>
CAPITAL ASSETS			
Land, buildings and equipment	\$ 0	\$ 0	\$ 0
Less: Accumulated depreciation	<u>0</u>	<u>0</u>	<u>0</u>
Net Capital Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Assets	<u>\$ 16,480</u>	<u>\$ 66,135</u>	<u>\$ 22,858</u>
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	\$ 0	\$ 27,742	\$ 0
Accrued liabilities	0	1,570	0
Deferred revenue	<u>16,480</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>\$ 16,480</u>	<u>\$ 29,312</u>	<u>\$ 0</u>
NONCURRENT LIABILITIES			
Accrued compensated absences	<u>\$ 0</u>	<u>\$ 9,948</u>	<u>\$ 0</u>
Total Noncurrent Liabilities	<u>\$ 0</u>	<u>\$ 9,948</u>	<u>\$ 0</u>
<u>NET ASSETS</u>			
Invested in capital assets	\$ 0	\$ 0	\$ 0
Unrestricted	<u>0</u>	<u>26,875</u>	<u>22,858</u>
Total Net Assets	<u>\$ 0</u>	<u>\$ 26,875</u>	<u>\$ 22,858</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Income</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Tenant rental revenue	\$ 75,666	\$ 0	\$ 0
Tenant revenue - other	<u>11,864</u>	<u>0</u>	<u>0</u>
Total Rental Income	\$ 87,530	\$ 0	\$ 0
HUD grants - operating	517,730	106,272	6,189,584
Other revenue	<u>0</u>	<u>0</u>	<u>1,035</u>
Total Operating Income	<u>\$ 605,260</u>	<u>\$ 106,272</u>	<u>\$ 6,190,619</u>
 <u>Operating Expenses</u>			
Administration	\$ 256,272	\$ 98,400	\$ 606,166
Tenant services	480	0	0
Utilities	60,336	0	1,874
Ordinary maintenance and operation	202,188	7,872	10,820
General expense	56,503	0	16,010
Housing assistance payments	0	0	5,250,570
Depreciation	<u>281,233</u>	<u>0</u>	<u>0</u>
Total Operating Expenses	<u>\$ 857,012</u>	<u>\$ 106,272</u>	<u>\$ 5,885,440</u>
Net Operating Income (Loss)	<u>\$ -251,752</u>	<u>\$ 0</u>	<u>\$ 305,179</u>
 <u>Nonoperating Income (Expense)</u>			
HUD grants - capital	\$ 0	\$ 159,438	\$ 0
Interest income	<u>8,430</u>	<u>0</u>	<u>0</u>
Nonoperating Income (Expense)	<u>\$ 8,430</u>	<u>\$ 159,438</u>	<u>\$ 0</u>
Changes in Net Income	<u>\$ -243,322</u>	<u>\$ 159,438</u>	<u>\$ 305,179</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Income</u>	<u>FEMA</u>	<u>Housing Counseling</u>	<u>Business Activities</u>
HUD grants - operating	\$ 24,972	\$ 19,215	\$ 0
Other grants	0	13,700	0
Other revenue	<u>0</u>	<u>0</u>	<u>9,293</u>
Total Operating Income	<u>\$ 24,972</u>	<u>\$ 32,915</u>	<u>\$ 9,293</u>
 <u>Operating Expenses</u>			
Administrative expense	\$ 148	\$ 37,856	\$ 9,620
Tenant services	24,824	0	0
Ordinary maintenance	0	109	0
General	0	1,327	0
Depreciation	<u>0</u>	<u>0</u>	<u>0</u>
Total Operating Expenses	<u>\$ 24,972</u>	<u>\$ 39,292</u>	<u>\$ 9,620</u>
Net Operating Income (Loss)	<u>\$ 0</u>	<u>\$ -6,377</u>	<u>\$ -327</u>
 <u>Nonoperating Income (Expense)</u>			
Interest income	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175</u>
Total Nonoperating Income (Expense)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175</u>
Changes in Net Assets	<u><u>\$ 0</u></u>	<u><u>\$ -6,377</u></u>	<u><u>\$ -152</u></u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CHANGES IN NET ASSETS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Invested in Capital Assets</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Balance at March 31, 2006	\$ 4,306,612	\$ 287,040	\$ 0
Current year net income (loss)	-281,232	159,438	0
Capital Funds transfer	<u>225,073</u>	<u>-225,073</u>	<u>0</u>
Balance at March 31, 2007	<u>\$ 4,250,453</u>	<u>\$ 221,405</u>	<u>\$ 0</u>
 <u>Unrestricted Net Assets</u>			
Balance at March 31, 2006	\$ 369,146	\$ 0	\$ 389,999
Current year net income (loss)	<u>37,910</u>	<u>0</u>	<u>305,179</u>
Balance at March 31, 2007	<u>\$ 407,056</u>	<u>\$ 0</u>	<u>\$ 695,178</u>
Total Net Assets	<u>\$ 4,657,509</u>	<u>\$ 221,405</u>	<u>\$ 695,178</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CHANGES IN NET ASSETS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Unrestricted Net Assets</u>	<u>FEMA</u>	<u>Housing Counseling</u>	<u>Business Activities</u>
Balance at March 31, 2006	\$ 0	\$ 33,252	\$ 23,010
Current year net income (loss)	<u>0</u>	<u>-6,377</u>	<u>-152</u>
Balance at March 31, 2007	<u>\$ 0</u>	<u>\$ 26,875</u>	<u>\$ 22,858</u>
Total Net Assets	<u>\$ 0</u>	<u>\$ 26,875</u>	<u>\$ 22,858</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Activities</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Operating grants	\$ 517,730	\$ 88,823	\$ 6,189,584
Tenant revenue	87,084	0	0
Other revenue	0	0	1,035
Housing assistance payments	0	0	-5,250,570
Payments to employees	-230,977	-26,073	-375,077
Payments to suppliers and contractors	<u>73,981</u>	<u>-62,750</u>	<u>-651,816</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 447,818</u>	<u>\$ 0</u>	<u>\$ -86,844</u>
 <u>Investing Activities</u>			
Investments (purchased) redeemed	\$ -8,095	\$ 0	\$ 0
Interest income	<u>8,430</u>	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 335</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <u>Capital and Related Financing Activities</u>			
HUD grants - capital	\$ 0	\$ 159,438	\$ 0
(Additions) deletions to fixed assets	<u>-1</u>	<u>-159,438</u>	<u>0</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ -1</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Cash	\$ 448,152	\$ 0	\$ -86,844
Cash Balance at March 31, 2006	<u>171,919</u>	<u>0</u>	<u>468,085</u>
Cash Balance at March 31, 2007	<u>\$ 620,071</u>	<u>\$ 0</u>	<u>\$ 381,241</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

Reconciliation of Operating Income (Loss) to Net Cash

<u>Provided (Used) by Operating Activities</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Net operating income (loss)	\$ -251,752	\$ 0	\$ 305,179
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:			
Depreciation	281,233	0	0
(Increase) decrease in accounts receivable	16,537	-17,449	-422,391
(Increase) decrease in deferred charges	-171	0	1,652
(Increase) decrease in other assets	11,256	0	0
Increase (decrease) in accounts payable	365,860	17,449	-2,744
Increase (decrease) in accrued liabilities	25,001	0	31,460
Increase (decrease) in deferred revenues	<u>-146</u>	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 447,818</u>	<u>\$ 0</u>	<u>\$ -86,844</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Operating Activities</u>	<u>FEMA</u>	<u>Housing Counseling</u>	<u>Business Activities</u>
Operating grants	\$ 24,972	\$ 32,915	\$ 0
Other revenue	0	0	9,293
Payments to employees	0	-22,420	0
Payments to suppliers and contractors	<u>-17,944</u>	<u>19,095</u>	<u>-9,646</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,028</u>	<u>\$ 29,590</u>	<u>\$ -353</u>
 <u>Investing Activities</u>			
Interest income	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175</u>
Net Change in Cash	\$ 7,028	\$ 29,590	\$ -178
Cash Balance at March 31, 2006	<u>9,452</u>	<u>36,051</u>	<u>20,602</u>
Cash Balance at March 31, 2007	<u>\$ 16,480</u>	<u>\$ 65,641</u>	<u>\$ 20,424</u>

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED MARCH 31, 2007**

<u>Reconciliation of Operating Income (Loss) to Net Cash</u> <u>Provided (Used) by Operating Activities</u>	<u>FEMA</u>	<u>Housing</u> <u>Counseling</u>	<u>Business</u> <u>Activities</u>
Net operating income (loss)	\$ 0	\$ -6,377	\$ -327
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:			
(Increase) decrease in accounts receivable	0	3,856	-26
(Increase) decrease in deferred charges	0	107	0
Increase (decrease) in accounts payable	0	27,701	0
Increase (decrease) in accrued liabilities	0	4,303	0
Increase (decrease) in deferred credits	<u>7,028</u>	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,028</u>	<u>\$ 29,590</u>	<u>\$ -353</u>

PAMELA J. SIMPSON, C.P.A.

433 WEST PERSHING ROAD

DECATUR, ILLINOIS 62526

(217) 872-1908

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Commissioners
Housing Authority of the City of Anderson
Anderson, Indiana

I have audited the financial statements of the governmental activities and the aggregate discretely presented component unit of Housing Authority of the City of Anderson as of and for the year ended March 31, 2007, which collectively comprise the Housing Authority of the City of Anderson's basic financial statements and have issued my report thereon dated November 28, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Housing Authority of the City of Anderson's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Anderson's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority of the City of Anderson's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employee, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Housing Authority of the City of Anderson's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Housing Authority of the City of Anderson's financial statements that is more than inconsequential will not be prevented or detected by the Housing Authority of the City of Anderson's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Housing Authority of the City of Anderson's internal control.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. This report is intended solely for the information of management, the Board of Commissioners and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Compliance and Other Matters

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

I noted certain matters that we reported to management of Housing Authority of the City of Anderson, in a separate letter dated November 28, 2007.

This reported in intended solely for the information of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Decatur, Illinois
November 28, 2007


Certified Public Accountant

PAMELA J. SIMPSON, C.P.A.

433 WEST PERSHING ROAD

DECATUR, ILLINOIS 62526

(217) 872-1908

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board of Commissioners
Housing Authority of the City of Anderson
Anderson, Indiana

Compliance

I have audited the compliance of Housing Authority of the City of Anderson with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended March 31, 2007. Housing Authority of the City of Anderson's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Housing Authority of the City of Anderson's management. My responsibility is to express an opinion on Housing Authority of the City of Anderson's compliance based on my audit.

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

In my opinion, Housing Authority of the City of Anderson complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended March 31, 2007. However, the results of my auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

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

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

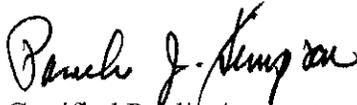
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

In addition, I noticed other matters involving the internal control and its operation that I have reported to management of Housing Authority of the City of Anderson in a separate letter dated November 28, 2007.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Decatur, Illinois
November 28, 2007


Certified Public Accountant

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY
FOR THE YEAR ENDED MARCH 31, 2007**

Summary of Auditor's Results

Low Risk Auditee X _____ yes _____ no

Financial Statements

Type of auditor's report: Unqualified

* Material weakness(es) identified? _____ yes X _____ no

* Reportable condition(s) identified that are not
considered to be material weaknesses? _____ yes X _____ none

reported
Noncompliance material to financial statements noted _____ yes X _____ no

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? _____ yes X _____ no

* Reportable condition(s) identified that are not
considered to be material weaknesses? _____ yes X _____ none

reported
Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in
accordance with section 510(a) of Circular A-133? _____ yes X _____ no

Major Programs: (Threshold \$300,000)

CFDA Number(s)

Public and Indian Housing	14.850
Housing Choice Voucher Program	14.871

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended March 31, 2006 contained no findings.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

FINDINGS, RECOMMENDATIONS AND REPLIES

There were no audit findings discussed with Ms. Cindy Mummert, Executive Director, during the course of the audit or at an exit conference held September 20, 2007.

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
MARCH 31, 2007**

<u>Low Rent</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Prepaid insurance	1211	\$ 6,977.00		1211
Accounts payable - VO	1157	281.05		1157
Insurance expense	4510		\$ 7,258.05	2806
(To correct prepaid insurance to actual)				
(2)				
Water and sewage	4310	\$ 4,409.00		2806
Sundry		4190	485.98	
2806				
Travel		4150	1,125.15	
2806				
Vendor payable	2111		\$ 6,020.13	2111
(To record accounts payable on books)				
(3)				
Depreciation expense	4800	\$ 2,659.07		2802
Accumulated depreciation	1400.05		\$ 2,659.07	1400.05
(To adjust accumulated depreciation to schedule)				
<u>Voucher</u>				
(1)				
Prepaid insurance	1211	\$ 1,228.35		1211
Accounts payable - H/C	1157.02	563.53		1157.02
Insurance expense	4510		\$ 1,510.83	2806
Accounts receivable - LR	1157.01		281.05	1157.01
(To adjust prepaid insurance to actual)				
(2)				
Sundry		4190	\$ 1,503.34	
2806				
Vendor payable	2111		\$ 1,503.34	2111
(To put payable on books)				
<u>Housing Counseling</u>				
(1)				
Insurance expense	4510	\$ 563.53		2806
Accounts receivable - VO	1157		\$ 563.53	1157
(To adjust insurance expense to actual)				

PHA: IN006 FYED: 03/31/2007

Line Item No.	Account Description	Business Activities	Housing Counseling Assistance Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Component Units	Emergency Food and Shelter National Board Program	Total
111	Cash - Unrestricted	\$20,424	\$65,641	\$586,335	\$381,241	\$0	\$19,985	\$16,480	\$1,090,106
114	Cash - Tenant Security Deposits	\$0	\$0	\$33,736	\$0	\$0	\$0	\$0	\$33,736
100	Total Cash	\$20,424	\$65,641	\$620,071	\$381,241	\$0	\$19,985	\$16,480	\$1,123,842
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0	\$32,817	\$0	\$0	\$32,817
125	Accounts Receivable - Miscellaneous	\$2,434	\$0	\$0	\$0	\$0	\$480	\$0	\$2,914
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$2,732	\$0	\$0	\$0	\$0	\$2,732
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$-1,762	\$0	\$0	\$0	\$0	\$-1,762
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$0	\$379	\$0	\$0	\$0	\$0	\$379
120	Total Receivables, net of allowances for doubtful accounts	\$2,434	\$0	\$1,349	\$0	\$32,817	\$480	\$0	\$37,080
131	Investments - Unrestricted	\$0	\$0	\$240,907	\$0	\$0	\$0	\$0	\$240,907
132	Investments Restricted	\$0	\$0	\$0	\$0	\$0	\$55,280	\$0	\$55,280
142	Prepaid Expenses and Other Assets	\$0	\$494	\$24,581	\$5,266	\$0	\$0	\$0	\$30,341
143	Inventories	\$0	\$0	\$12,294	\$0	\$0	\$0	\$0	\$12,294
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$-12,294	\$0	\$0	\$0	\$0	\$-12,294
144	Interprogram Due From	\$0	\$0	\$0	\$423,825	\$0	\$0	\$0	\$423,825
150	Total Current Assets	\$22,858	\$66,135	\$886,908	\$810,332	\$32,817	\$75,745	\$16,480	\$1,911,275
161	Land	\$0	\$0	\$324,548	\$0	\$0	\$10,600	\$0	\$335,148
162	Buildings	\$0	\$0	\$7,514,491	\$0	\$0	\$113,000	\$0	\$7,627,491
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$253,989	\$0	\$0	\$0	\$0	\$253,989
164	Furniture, Equipment & Machinery - Administration	\$0	\$0	\$856,199	\$27,843	\$0	\$2,000	\$0	\$886,042
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	\$0	\$0	\$-4,698,774	\$-27,843	\$0	\$-30,514	\$0	\$-4,757,131
167	Construction In Progress	\$0	\$0	\$0	\$0	\$221,405	\$0	\$0	\$221,405
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$0	\$4,250,453	\$0	\$221,405	\$95,086	\$0	\$4,566,944
174	Other Assets	\$0	\$0	\$0	\$0	\$0	\$72,733	\$0	\$72,733
180	Total Non-Current Assets	\$0	\$0	\$4,250,453	\$0	\$221,405	\$167,819	\$0	\$4,639,677
190	Total Assets	\$22,858	\$66,135	\$5,137,361	\$810,332	\$254,222	\$243,564	\$16,480	\$6,550,952

PHA: IN006 FYED: 03/31/2007

Line Item No.	Account Description	Business Activities	Housing Counseling Assistance Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Component Units	Emergency Food and Shelter National Board Program	Total
312	Accounts Payable <= 90 Days	\$0	\$0	\$6,020	\$1,503	\$0	\$0	\$0	\$7,523
321	Accrued Wage/Payroll Taxes Payable	\$0	\$465	\$5,699	\$7,220	\$0	\$0	\$0	\$13,384
322	Accrued Compensated Absences - Current Portion	\$0	\$1,105	\$8,226	\$21,709	\$0	\$0	\$0	\$31,040
333	Accounts Payable - Other Government	\$0	\$0	\$1,974	\$0	\$0	\$0	\$0	\$1,974
341	Tenant Security Deposits	\$0	\$0	\$33,736	\$0	\$0	\$0	\$0	\$33,736
342	Deferred Revenues	\$0	\$0	\$18	\$0	\$0	\$0	\$16,480	\$16,498
347	Interprogram Due To	\$0	\$27,742	\$363,266	\$0	\$32,817	\$0	\$0	\$423,825
310	Total Current Liabilities	\$0	\$29,312	\$418,939	\$30,432	\$32,817	\$0	\$16,480	\$527,980
354	Accrued Compensated Absences - Non Current	\$0	\$9,948	\$60,913	\$84,722	\$0	\$0	\$0	\$155,583
350	Total Noncurrent Liabilities	\$0	\$9,948	\$60,913	\$84,722	\$0	\$0	\$0	\$155,583
300	Total Liabilities	\$0	\$39,260	\$479,852	\$115,154	\$32,817	\$0	\$16,480	\$683,563
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$0	\$4,250,453	\$0	\$221,405	\$95,086	\$0	\$4,566,944
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$22,858	\$26,875	\$407,056	\$695,178	\$0	\$148,478	\$0	\$1,300,445
513	Total Equity/Net Assets	\$22,858	\$26,875	\$4,657,509	\$695,178	\$221,405	\$243,564	\$0	\$5,867,389
600	Total Liabilities and Equity/Net Assets	\$22,858	\$66,135	\$5,137,361	\$810,332	\$254,222	\$243,564	\$16,480	\$6,550,952

PHA: IN006 FYED: 03/31/2007

Line Item No.	Account Description	Business Activities	Housing Counseling Assistance Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Component Units	Emergency Food and Shelter National Board Program	Total
703	Net Tenant Rental Revenue	\$0	\$0	\$75,666	\$0	\$0	\$0	\$0	\$75,666
704	Tenant Revenue - Other	\$0	\$0	\$11,864	\$0	\$0	\$0	\$0	\$11,864
705	Total Tenant Revenue	\$0	\$0	\$87,530	\$0	\$0	\$0	\$0	\$87,530
706	HUD PHA Operating Grants	\$0	\$19,215	\$517,730	\$6,189,584	\$106,272	\$0	\$24,972	\$6,857,773
706.1	Capital Grants	\$0	\$0	\$0	\$0	\$159,438	\$0	\$0	\$159,438
708	Other Government Grants	\$0	\$13,700	\$0	\$0	\$0	\$88,239	\$0	\$101,939
711	Investment Income - Unrestricted	\$175	\$0	\$8,430	\$0	\$0	\$65	\$0	\$8,670
714	Fraud Recovery	\$0	\$0	\$0	\$734	\$0	\$0	\$0	\$734
715	Other Revenue	\$9,293	\$0	\$0	\$301	\$0	\$2,650	\$0	\$12,244
720	Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$218	\$0	\$218
700	Total Revenue	\$9,468	\$32,915	\$613,690	\$6,190,619	\$265,710	\$91,172	\$24,972	\$7,228,546

PHA: IN006 FYED: 03/31/2007

Line Item No.	Account Description	Business Activities	Housing Counseling Assistance Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Component Units	Emergency Food and Shelter National Board Program	Total
911	Administrative Salaries	\$0	\$22,434	\$126,142	\$374,808	\$26,073	\$0	\$0	\$549,457
912	Auditing Fees	\$0	\$1,170	\$1,470	\$2,700	\$0	\$1,350	\$0	\$6,690
914	Compensated Absences	\$0	\$4,289	\$27,495	\$31,729	\$0	\$0	\$0	\$63,513
915	Employee Benefit Contributions - Administrative	\$0	\$7,488	\$54,449	\$127,492	\$11,174	\$0	\$0	\$200,603
916	Other Operating - Administrative	\$9,620	\$2,475	\$46,716	\$69,437	\$61,153	\$1,941	\$148	\$191,490
924	Tenant Services - Other	\$0	\$0	\$480	\$0	\$0	\$92,233	\$24,824	\$117,537
931	Water	\$0	\$0	\$37,898	\$238	\$0	\$5,116	\$0	\$43,252
932	Electricity	\$0	\$0	\$16,895	\$1,299	\$0	\$0	\$0	\$18,194
933	Gas	\$0	\$0	\$5,543	\$337	\$0	\$0	\$0	\$5,880
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$104,844	\$0	\$0	\$0	\$0	\$104,844
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$109	\$41,571	\$3,613	\$7,872	\$491	\$0	\$53,656
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$0	\$10,499	\$7,207	\$0	\$145	\$0	\$17,851
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$45,274	\$0	\$0	\$0	\$0	\$45,274
961	Insurance Premiums	\$0	\$1,327	\$45,618	\$16,010	\$0	\$2,624	\$0	\$65,579
962	Other General Expenses	\$0	\$0	\$4,837	\$0	\$0	\$0	\$0	\$4,837
963	Payments in Lieu of Taxes	\$0	\$0	\$1,974	\$0	\$0	\$0	\$0	\$1,974
964	Bad Debt - Tenant Rents	\$0	\$0	\$4,074	\$0	\$0	\$0	\$0	\$4,074
969	Total Operating Expenses	\$9,620	\$39,292	\$575,779	\$634,870	\$106,272	\$103,900	\$24,972	\$1,494,705
970	Excess Operating Revenue over Operating Expenses	\$-152	\$-6,377	\$37,911	\$5,555,749	\$159,438	\$-12,728	\$0	\$5,733,841
973	Housing Assistance Payments	\$0	\$0	\$0	\$5,250,570	\$0	\$0	\$0	\$5,250,570
974	Depreciation Expense	\$0	\$0	\$281,233	\$0	\$0	\$4,110	\$0	\$285,343
900	Total Expenses	\$9,620	\$39,292	\$857,012	\$5,885,440	\$106,272	\$108,010	\$24,972	\$7,030,618
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-152	\$-6,377	\$-243,322	\$305,179	\$159,438	\$-16,838	\$0	\$197,928

PHA: IN006 FYED: 03/31/2007

Line Item No.	Account Description	Business Activities	Housing Counseling Assistance Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Component Units	Emergency Food and Shelter National Board Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$23,010	\$33,252	\$4,675,758	\$389,999	\$287,040	\$256,008	\$0	\$5,665,067
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$225,073	\$0	\$-225,073	\$4,394	\$0	\$4,394
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1120	Unit Months Available	0	0	1,632	12,432	0	0	0	14,064
1121	Number of Unit Months Leased	0	0	1,511	12,432	0	0	0	13,943
1117	Administrative Fee Equity	\$0	\$0	\$0	\$45,181	\$0	\$0	\$0	\$45,181
1118	Housing Assistance Payments Equity	\$0	\$0	\$0	\$649,997	\$0	\$0	\$0	\$649,997

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Date Submission Created: 09/20/2007

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