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February 11, 2013

Board of Commissioners
Housing Authority of the City of Bloomington
1007 N. Summit Street
Bloomington, IN 47404

We have reviewed the audit report prepared by Pamela J. Simpson, CPA, Independent Public Accountant, for the period October 1, 2005 to September 30, 2006. 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 the Housing Authority of the City of Bloomington, as of September 30, 2006 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.

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

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

TWELVE MONTHS ENDED SEPTEMBER 30, 2006

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

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

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PAMELA J. SIMPSON, C.P.A.

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Independent Auditor's Report

Board of Directors
Housing Authority of the City of Bloomington
Bloomington, Indiana

I have audited the accompanying basic financial statements of the Housing Authority of the City of Bloomington, as of and for the year ended September 30, 2006, 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 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 Housing Authority of the City of Bloomington, as of September 30, 2006 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 March 30, 2007, on my consideration of the Authority's internal control over financial reporting and our 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 14 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 Housing Authority of the City of Bloomington, 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 Housing Authority of the City of Bloomington. 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
March 30, 2007


Certified Public Accountant

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

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As management of the Housing Authority of the City of Bloomington, 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 September 30, 2006. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

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 Fund Net Assets – reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital activities.

Statement of Cash Flows – reports the Authority's cash flow from operating, investing, capital and non-capital activities.

Comparison of budget vs. actual – reports the Authority's actual operating revenues and expenses versus the budgeted amounts.

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 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 owns (assets) to what the Authority owes (liabilities). The change in net assets analysis will assist the reader with measuring the financial position of the Authority.

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

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Over time, significant changes in the Authorities net assets are an indicator of whether its financial position is improving or deteriorating. To fully assess the financial position 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.

To fully understand the financial statements of the Housing Authority, one must start with an understanding of what the Authority actual does. The following is a brief description of the programs that the Authority provides for the residents of Monroe County.

Conventional Public Housing: Under the Conventional Public Housing Program, the Authority rents units (310) that it owns to low-income families. The Public Housing Program is operated under an Annual Contributions Contact (ACC) with HUD, and HUD provides Operating Subsidy and Capital Funds to enable the Housing Authority to provide the housing rent to families that are based upon 30% of the household's adjusted gross income.

Housing Choice Voucher Program: Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords who own property in Monroe County. The BHA subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is operated under an Annual Contributions Contact (ACC) with HUD. HUD provides funding to enable the Authority to structure a lease that sets the family's rent at 30% of the household's adjusted gross income.

Capital Fund Grant Program: These grant programs are awarded by HUD on an annual basis. The purpose of these grants is to improve the Authority's sites and the management of the Authority. The Authority requisitions funds from HUD as the Authority expends funds. The Authority is permitted four years to fully expend and annual award.

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

HOUSING AUTHORITY-WIDE STATEMENTS

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior year.

Table 1

	2006	2005
Current and Other Assets	\$4,420,245	\$2,206,597
Capital Assets	5,673,071	5,528,983
Total Assets	\$10,093,316	\$7,735,580
Current Liabilities	\$ 261,075	\$ 250,208
Long-Term Liabilities	2,328,621	170,074
Total Liabilities	\$ 2,589,696	\$ 420,282
Net Assets Invested in Capital Assets, Net of Related Debt	\$3,398,071	\$5,528,983
Restricted	0	0
Unrestricted	4,105,549	1,786,315
Total Net Assets	\$7,503,620	\$7,315,298

Major Factors Affecting the Statement of Net Assets

Current assets increased by (100%) during the year and total liabilities increased (516%). Total assets increased by (30%) for the year.

Net Assets increased by (3%) with the major reason being renovation to the office building and additional equipment in administration. In addition, unrestricted net assets increased by (130%).

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

Statement of Revenues, Expenses, and Change in Fund Net Assets

The following table compares the revenues and expenses for the current and prior year.

Table 2

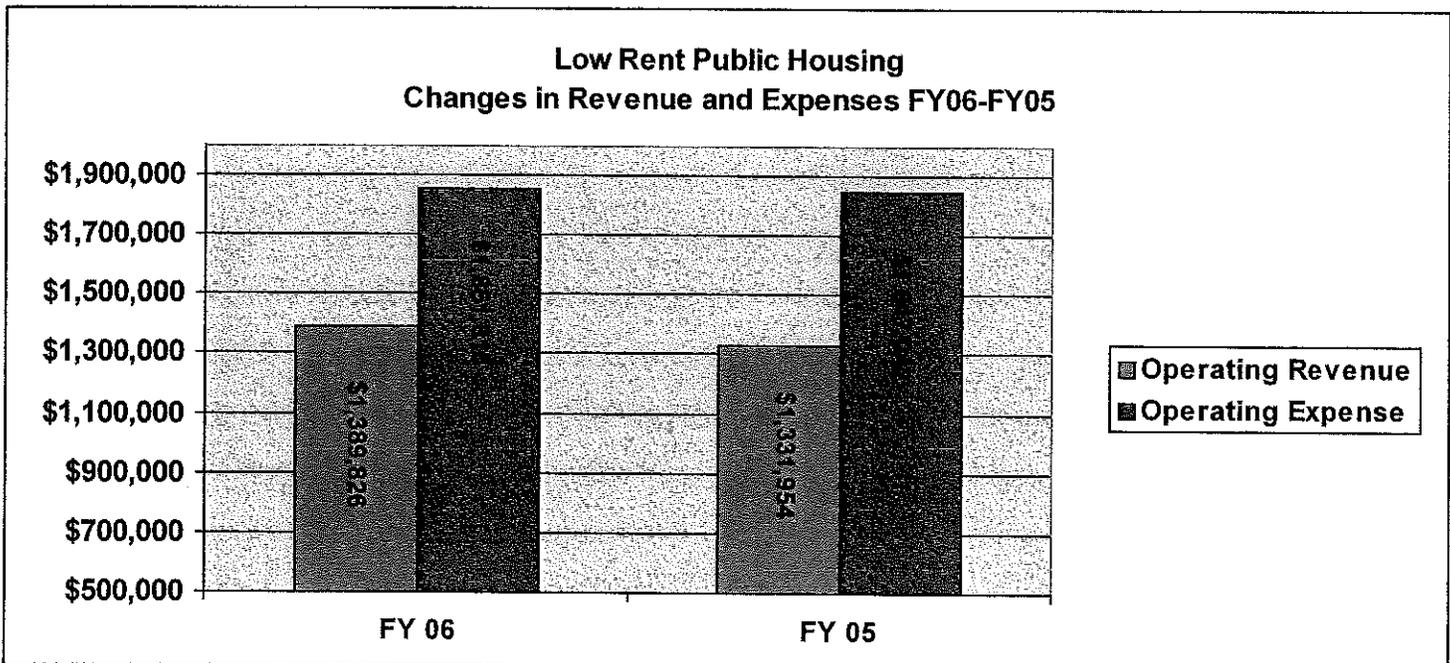
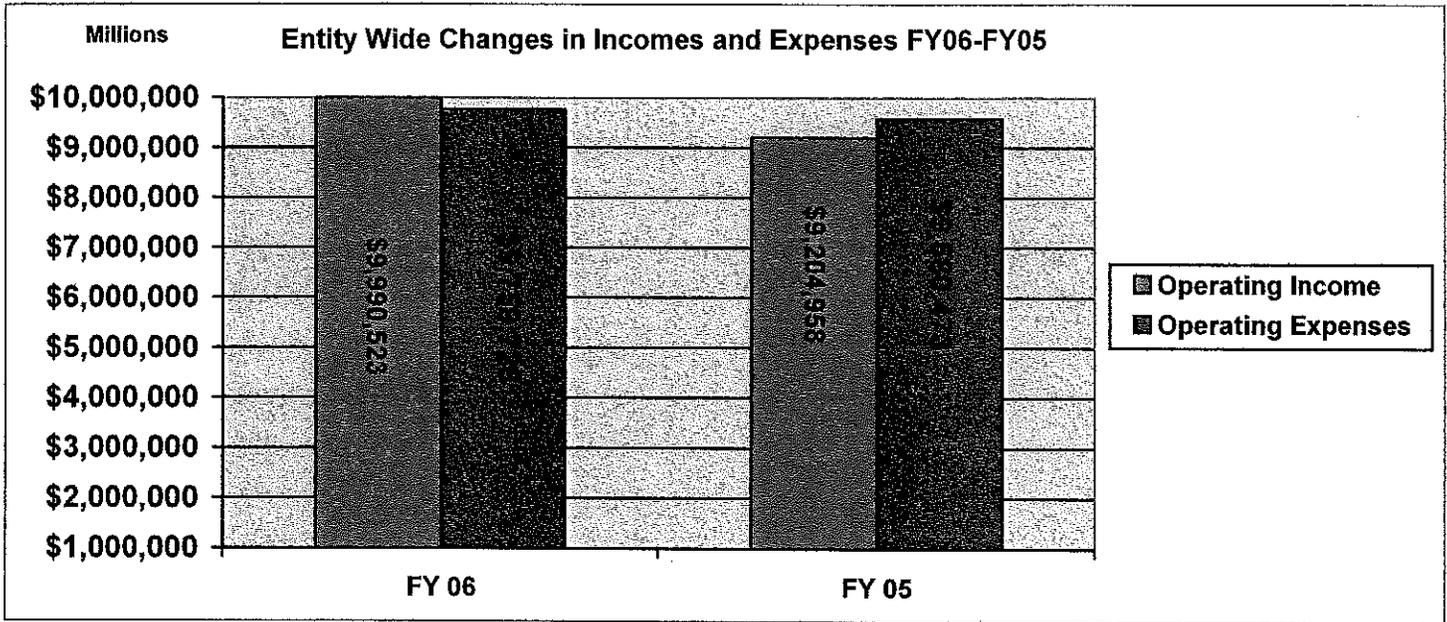
	2006	2005
<i>Operating Revenues</i>		
Tenant Revenue	556,477	529,896
Government Operating Grants	8,672,256	8,375,085
Other Revenue	81,158	45,333
Total Operating Revenue	\$9,309,891	\$8,950,314
<i>Operating Expenses</i>		
Administrative	979,741	928,664
Tenant Services	34,391	28,759
Utilities	501,998	429,405
Maintenance	510,774	471,828
General	286,841	115,711
Housing Assistance Payments	6,960,314	7,000,479
Depreciation	457,382	605,627
Total Operating Expenses	\$9,731,441	\$9,580,473
Operating Income (Loss)	(421,550)	(630,159)
<i>Non operating Revenues (Expenses)</i>		
Interest and Investment Income	82,959	46,728
Miscellaneous Revenue	4,000	1,580
Interest Expense	-28,285	0
Total Non operating Revenue (Expenses)	\$ 58,674	\$48,308
Income (Loss) before contributions and transfers	(362,876)	(581,851)
Capital Grants	593,673	206,336
Change in Net Assets	230,797	(375,515)
Total Net Assets – Beginning	\$7,315,298	\$7,685,439
Prior Period Adjustments	-42,475	5,374
Total Net Assets - Ending	\$7,503,620	\$7,315,298

Major Factors Affecting the Change in Net Assets

Tenant revenue increased due to sternness of monthly rental collection and increased unit turn over. Operating subsidies and grants increased \$297,171 from the prior year. This increase was primarily due to HUD PHA Operating Grants.

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

The total expenses increased by \$179,253 for the year. This is mainly due to additional cost of utilities and maintenance material and labor. In the units we have installed blinds in all windows and purchased energy efficient light bulbs. The major increase in utilities is the increased rates.



Housing Authority of the City of Bloomington, Indiana

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MANAGEMENT DISCUSSION AND ANALYSIS

Year Ending September 30, 2006

Capital Assets at Year End

As of year- end, the Housing Authority had \$5,673,071 invested in a various capital assets as reflected in the following table, which represents a net increase of \$144,088 from the prior year.

Table 3

Capital Assets at Year End (Net of Depreciation)

	2006	2005
Land	934,929	934,929
Buildings	6,077,676	4,667,182
Equipment- Administrative	584,730	557,156
Equipment – Dwelling	191,377	191,377
Leasehold Improvement	6,636,854	6,636,854
Accumulated Depreciation	(9,039,985)	(8,582,601)
Construction in Progress	287,490	1,124,086
Total	\$5,673,071	\$5,528,983

Change in Capital Assets

The following reconciliation summarizes the change in Capital Assets:

Table 4

Beginning Balance	5,528,983
Additions	1,438,066
Net of Construction in Progress	(836,596)
Depreciation	(457,382)
Leasehold Improvement	0
Ending Balance	\$5,673,071

This year's major changes are:

Buildings increased by 30%

Construction in Progress decreased by 74%

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006

Overview of Budgets

The Housing Authority adopts annual operating budgets for all programs. The Low Rent budget is adopted on the requirement prescribed by the U.S. Department of Housing & Urban Development, which differs from the generally accepted accounting principles. The Section 8 Voucher Program budget is approved by HUD's Financial Management Center.

Low Rent Public Housing Budget Highlights

Management prepared a budget that anticipated a profit of \$69,174. Actual results of operations showed a loss of \$13,776 (excluding depreciation expense).

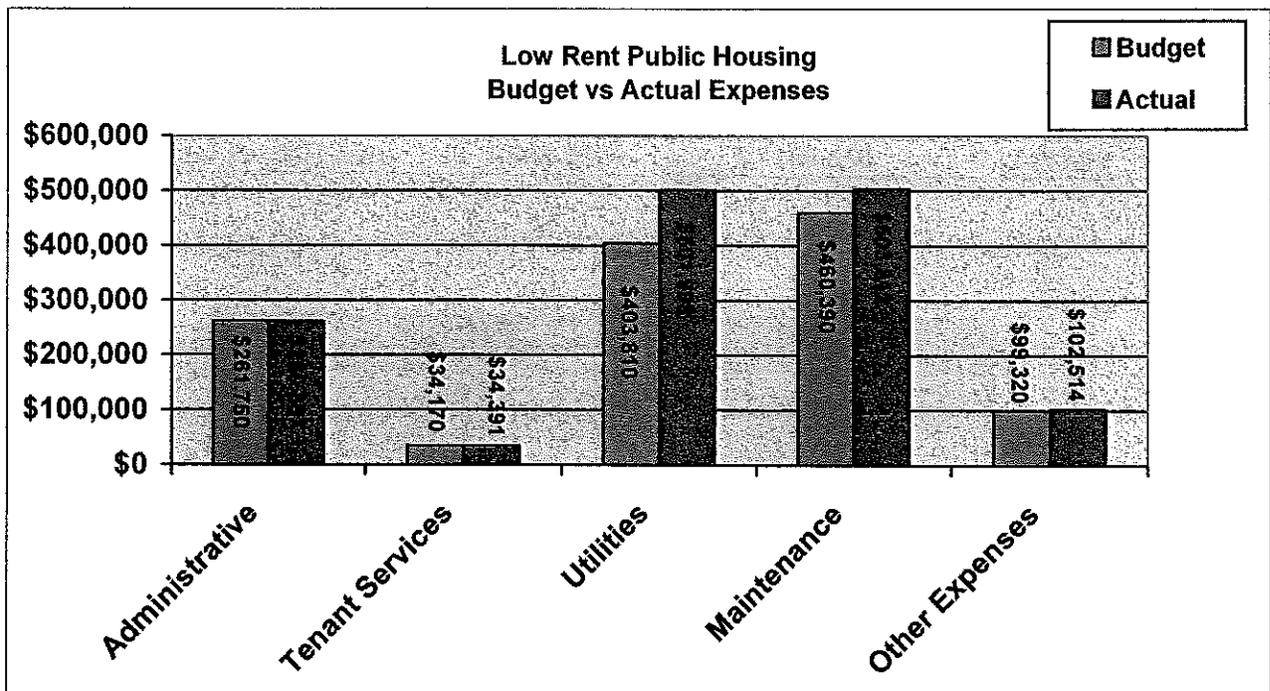
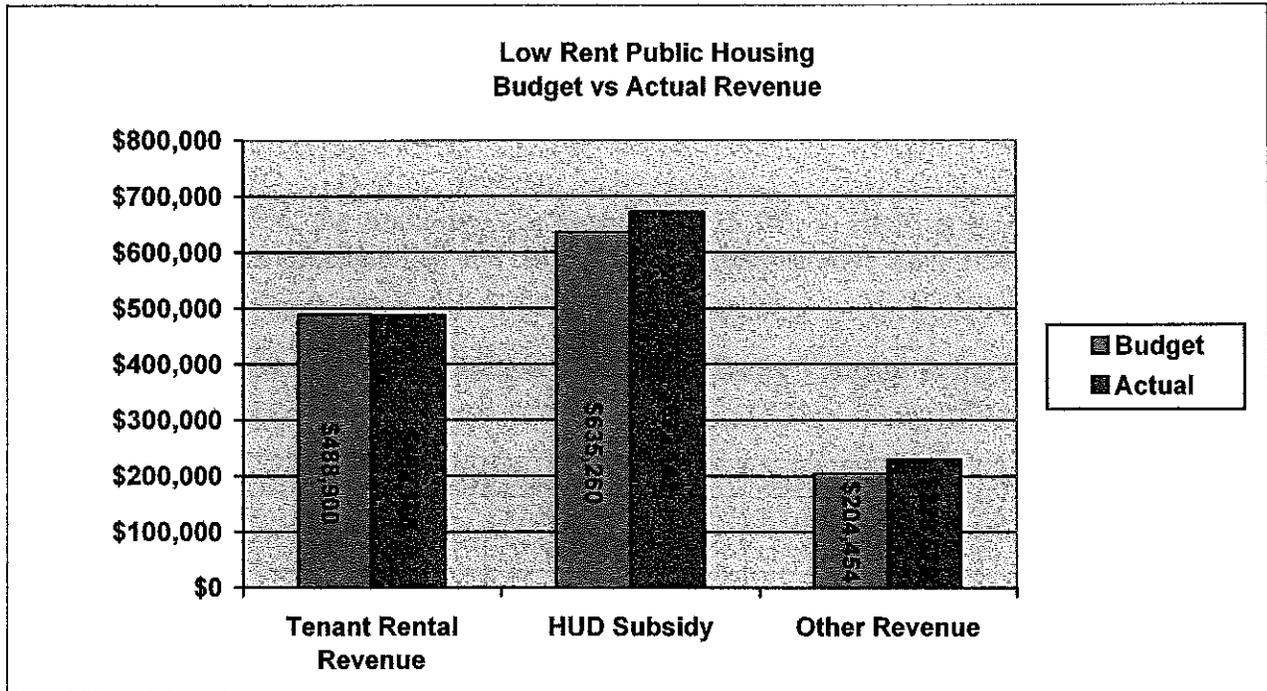
Other Revenues exceeded the budget by \$25,125. This excess revenue is from interest earning on investments at a higher rate and additional income from services charged.

Operating Expenditures were over budget by \$144,162. This is due to the increased cost of utilities.

Comparison Budget vs. Actual – Low Rent Public Housing

	Budget	Actual	Variance
Tenant Rental Revenue	488,900	488,105	(795)
HUD Subsidy	635,260	672,142	36,882
Other Revenue	204,454	229,579	25,125
Total Operating Revenue	1,328,614	1,389,826	61,212
Operating Expenses:			
Administrative	261,750	260,887	863
Tenant Services	34,170	34,391	(221)
Utilities	403,810	501,998	(98,188)
Maintenance	460,390	503,812	(43,422)
Other Operating Expenses	99,320	102,514	(3,194)
Total Operating Expenses	1,259,440	1,403,602	(144,162)
Budget vs Actual Profit (Loss)	69,174	(13,776)	(82,950)

Housing Authority of the City of Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ending September 30, 2006



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

**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
SEPTEMBER 30, 2006**

ASSETS

CURRENT ASSETS

Cash	\$ 2,036,420
Accounts receivable (interfund eliminated)	131,071
Inventory	19,709
Deferred charges	<u>31,956</u>

Total Current Assets \$ 2,219,156

RESTRICTED ASSETS

Cash - restricted	<u>\$ 2,201,089</u>
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Total Restricted Assets \$ 2,201,089

CAPITAL ASSETS

Land, buildings and equipment	\$ 14,713,056
Less: Accumulated depreciation	<u>-9,039,985</u>

Net Capital Assets \$ 5,673,071

Total Assets \$ 10,093,316

LIABILITIES

CURRENT LIABILITIES

Accounts payable (interfund eliminated)	\$ 84,395
Notes payable	47,114
Accrued liabilities	36,813
Deferred revenue	<u>92,753</u>

Total Current Liabilities \$ 261,075

NONCURRENT LIABILITIES

Notes payable	\$ 2,227,886
Accrued liabilities	21,156
Trust and deposit liabilities	<u>79,579</u>

Total Noncurrent Liabilities \$ 2,328,621

NET ASSETS

Invested in capital assets	\$ 3,398,071
Restricted	1,904,460
Unrestricted	<u>2,201,089</u>

Total Net Assets \$ 7,503,620

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

**STATEMENT OF REVENUE AND EXPENDITURES - PROPRIETARY FUNDS
AND CHANGES IN NET ASSETS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

Operating Income

Tenant rental revenue	\$ 488,105
Tenant revenue - other	<u>68,372</u>
Total Rental Revenue	\$ 556,477
HUD grants - operating	8,638,353
Other government grants	33,903
Fraud recovery	27,492
Other revenue	53,666
Gain (loss) on sale of fixed assets	<u>4,000</u>
Total Operating Income	\$ <u>9,313,891</u>

Operating Expenses

Administration	\$ 979,741
Tenant services	34,391
Utilities	501,998
Ordinary maintenance and operation	510,774
General expense	286,841
Housing assistance payments	6,960,314
Depreciation	<u>457,382</u>
Total Operating Expenses	\$ <u>9,731,441</u>
Net Operating Income (Loss)	\$ <u>-417,550</u>

Nonoperating Income (Expense)

HUD grants - capital	\$ 593,673
Interest expense	-28,285
Interest income	<u>82,959</u>
Total Nonoperating Income (Expense)	\$ <u>648,347</u>
Changes in net assets	\$ 230,797
Net assets, beginning of year	7,315,298
Prior period adjustments	<u>-42,475</u>
Net assets, end of year	\$ <u>7,503,620</u>

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

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

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

Operating Activities

Operating grants	\$ 8,654,190
Tenant revenue	552,352
Other revenue	85,158
Housing assistance payments	-6,960,314
Payments to employees	-736,372
Payments to suppliers and contractors	<u>-1,711,592</u>

Net Cash Provided (Used) by Operating Activities	\$ <u>-116,578</u>
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Investing Activities

Investments (purchased) redeemed	\$ 2,017,971
Interest income	<u>82,959</u>

Net Cash Provided (Used) by Investing Activities	\$ <u>2,100,930</u>
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Capital and Related Financing Activities

HUD grants - capital	\$ 593,673
Additions to fixed assets	-601,471
Interest expense	-28,285
Issuance/retirement of debt	<u>2,275,000</u>

Net Cash Provided (Used) by Capital and Related Financing Activities	\$ <u>2,238,917</u>
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Net Change in Cash	\$ 4,223,269
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Cash Balance at September 30, 2005	<u>14,240</u>
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Cash Balance at September 30, 2006	<u>\$ 4,237,509</u>
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**HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
BLOOMINGTON, INDIANA**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

Reconciliation of Operating Income (Loss) to Net Cash
Provided (Used) by Operating Activities

Net operating income (loss)	\$ -417,550
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Depreciation	457,382
Adjustments to net assets	-42,475
(Increase) decrease in accounts receivable	76
(Increase) decrease in deferred charges	-2,092
(Increase) decrease in inventory	-2,128
(Increase) decrease in other assets	318
Increase (decrease) in accounts payable	-36,206
Increase (decrease) in accrued liabilities	8,630
Increase (decrease) in deferred revenues	1,452
Increase (decrease) in other liabilities	<u>-83,985</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ -116,578</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

Note 1 - Summary of Significant Accounting Policies

(a) Organization and Reporting Entity -

The Housing Authority of the City of Bloomington was established by the City of Bloomington 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 Bloomington 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 Bloomington is a separate reporting entity. All funds and programs of the Housing Authority are included in these statements. The Housing Authority has no component units.

(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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(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
- * Section 8 Moderate Rehabilitation
- * Capital Fund Program
- * Multifamily Housing

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 1 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 September 30, 2006, 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.

(f) Inventories and Materials -

Inventories and materials are stated at cost which approximates market determined on a first-in, first-out basis.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(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 \$50 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	40	years
Equipment	10	years
Transportation equipment	7	years
Furniture and fixtures	7	years
Leasehold improvements		term of lease

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(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 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 submitted to the Department of Housing and Urban Development for approval. Subsequent budget revisions may also be required to be submitted to HUD 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.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

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>Fund</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Low Rent	\$ 853,957	\$ 888,061
Capital Funds (restricted)	2,201,089	2,201,089
Voucher	1,178,733	1,197,122
Multifamily Housing	<u>3,730</u>	<u>3,730</u>
Total	<u>\$ 4,237,509</u>	<u>\$ 4,290,002</u>

Note 3 - Compensated Absences

Compensatory time for exempt personnel may be accrued to a total of forty (40) actual hours worked, all shall be accumulated at a rate of one-and-one half (1 ½) hours to each hour worked, and must be taken within the calendar year earned (January through December). After sixty (60) hours accumulated, compensatory time shall cease to accrue. Prior approval must be granted by the supervisor or time will not accrue. Supervisors may require employees to work compensatory time or overtime.

Permanent and Special Full-Time employees who are not on probationary status and who have worked for one (1) full year as Permanent and Special Full-Time employees are entitled to paid vacation leave incurred on the employees anniversary date. Vacation must be taken during the year it is incurred and shall not be allowed to accumulate from year to year; however, at the request of the employee's supervisor, (35) hours may be carried over into the first three (3) months after the anniversary date.

An employees who is permanently separated shall be paid in a lump sum fee for any accumulated vacation at his/her current rate of pay, except where separation is due to misconduct or wrongdoing.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

Vacation

All regular full and part-time employees are eligible to accrue vacation time beginning on the date of employment. Vacation time is accrued monthly from employee anniversary date. Vacation time should be used in minimum increments of half days 3.5 (hours). Regular full time employees' vacation time will be earned according to the following guidelines:

<u>Years of Employment</u>	<u>Accrued Monthly</u>
0-1 year	5.83 hours
2-4 years	8.75 hours
5-9 years	11.66 hours
10+ years	14.58 hours

Regular part time employees' vacation time will be earned according to the following guidelines:

<u>Years of Employment</u>	<u>Accrued Monthly</u>
0-1 year	2.92 hours
2-4 years	4.37 hours
5-9 years	5.83 hours
10+ years	7.29 hours

Note 4 - Defined Contribution Plan

The Housing Authority provides pension benefits for all of its regular full-time and part-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan requires the Housing Authority to contribute 14.5% of covered wages. Housing Authority contributions forfeited by employees who leave employment prior to vesting are used to reduced current costs and contribution requirements. Pension plan contributions made for the fiscal year ended September 30, 2006 were \$56,738.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 5 - Accounts Receivable

Accounts receivable consists of the following accounts:

Tenants accounts receivable (net)	\$ 15,984
Accounts receivable - HUD	35,264
Fraud recovery	<u>79,823</u>
Subtotal	\$ 131,071
Interfund	<u>63,522</u>
Total	<u>\$ 194,593</u>

Note 6 - Deferred Charges

This classification includes the following accounts:

Prepaid insurance	<u>\$ 31,956</u>
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Note 7 - Fixed Assets

Balance as of September 30, 2006	\$ 5,673,071
Balance as of September 30, 2005	<u>5,528,983</u>
Net Increase (Decrease)	<u>\$ 144,088</u>

Reconciliation

Property betterments and additions	\$ 601,470
Current year depreciation expense	<u>-457,382</u>
Net Increase (Decrease)	<u>\$ 144,088</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 7 - Fixed Assets (Continued)

<u>Analysis</u>	<u>09/30/05 Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>09/30/06 Balance</u>
Land	\$ 934,929	\$ 0	\$ 0	\$ 934,929
Buildings	4,667,182	1,410,494	0	6,077,676
Equipment and furniture	748,533	58,138	30,564	776,107
Leasehold improvements	6,636,854	0	0	6,636,854
Construction in progress	<u>1,124,086</u>	<u>136,877</u>	<u>973,473</u>	<u>287,490</u>
Total	\$ 14,111,584	\$ 1,605,509	\$ 1,004,037	\$ 14,713,056
Accumulated depreciation	<u>-8,582,601</u>	<u>0</u>	<u>457,384</u>	<u>-9,039,985</u>
Net Assets	<u>\$ 5,528,983</u>	<u>\$ 1,605,509</u>	<u>\$ 1,461,421</u>	<u>\$ 5,673,071</u>

Note 8- Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 38,554
Tenants security deposits	46,697
Payroll taxes payable	<u>-856</u>
Subtotal	\$ 84,395
Interfund	<u>63,522</u>
Total	<u>\$ 147,917</u>

Note 9 - 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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 10 - Accrued Liabilities

Current Portion:

Accrued wages	\$ 6,085
Accrued compensated absences	<u>30,728</u>
Total Current	\$ 36,813

Noncurrent Portion:

Accrued compensated absences	<u>21,156</u>
Total	<u>\$ 57,969</u>

Note 11 - Trust and Deposit Liabilities

This classification consists of the following accounts:

FSS escrow accounts	<u>\$ 79,579</u>
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Note 12 - Deferred Revenue

This classification consists of the following accounts:

Tenants prepaid rent	\$ 12,369
Fraud recovery	79,823
Other deferred revenue	<u>561</u>
Total	<u>\$ 92,753</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 13 - Long Term Debt

The detail of the Housing Authority's long term debt at year end is set forth below:

	<u>Rate</u>	<u>Issue Date</u>	<u>Due Date</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Total</u>
Fannie Mae Loan	4.75%	8/22/06	2/1/25	\$ 47,114	\$ 2,227,886	\$ 2,275,000

Debt service requirements for the long term debt for the next five years are as follows:

<u>Due Fiscal Year Ending</u>	<u>Principal</u>
2007	\$ 47,114
2008	73,522
2009	77,091
2010	80,834
2011	84,758
Thereafter	1,911,681

Note 14 - 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 a variable rate set by HUD.

Note 15 - 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 16 - 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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006
(CONTINUED)**

Note 17 - Prior Period Adjustments

Prior period adjustments posted directly to surplus are detailed below:

Prior year HUD payable	\$ -20,530
Prior year HUD receivable	-20,120
Adjust receivable	-3,530
Voided checks add back to cash	<u>1,705</u>
 Total	 <u>\$ -42,475</u>

Note 18 - 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 in the current or past three years.

Note 19 - Economic Dependency

The Housing Authority received most of its revenue (92%) from the United States 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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<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:						
Low Rent Public Housing*	14.850	C-894	FYE 09/31/06	\$ 672,142	\$ 672,142	\$ 672,142
Lower Income Housing Assistance Program - Moderate Rehabilitation	14.249	C-2013	FYE 09/30/06	\$ 26,856	\$ 26,856	\$ 26,856
Multifamily Housing	14.191	C-894	FYE 09/30/06	\$ 87,500	\$ 65,625	\$ 65,625
Housing Choice Vouchers*	14.871	C-2013	FYE 09/30/06	\$ 7,714,738	\$ 7,714,738	\$ 7,714,738
Public Housing - Capital Fund*	14.872	C-894	FYE 09/30/06	\$ 1,679,043	\$ 752,665	\$ 752,665
Other Federal - Katrina	14.871	-----	FYE 09/30/06	\$ 4,385	\$ 4,385	\$ 4,385
Total Federal Assistance				<u>\$ 10,184,664</u>	<u>\$ 9,236,411</u>	<u>\$ 9,236,411</u>

*Denotes major program.

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS (SEFA)
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

Note 1: Expenditures to the Housing Choice Voucher Program are reported as 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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**STATEMENT OF NET ASSETS
AS OF SEPTEMBER 30, 2006**

<u>ASSETS</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
CURRENT ASSETS			
Cash	\$ 853,957	\$ 2,201,089	\$ 1,178,733
Accounts receivable	73,285	26,129	88,958
Inventory	19,709	0	0
Deferred charges	<u>28,306</u>	<u>0</u>	<u>3,650</u>
Total Current Assets	<u>\$ 975,257</u>	<u>\$ 2,227,218</u>	<u>\$ 1,271,341</u>
CAPITAL ASSETS			
Land, buildings and equipment	\$ 13,815,098	\$ 760,537	\$ 137,421
Less: Accumulated depreciation	<u>-8,910,898</u>	<u>-3,555</u>	<u>-125,532</u>
Net Capital Assets	<u>\$ 4,904,200</u>	<u>\$ 756,982</u>	<u>\$ 11,889</u>
Total Assets	<u>\$ 5,879,457</u>	<u>\$ 2,984,200</u>	<u>\$ 1,283,230</u>
 <u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	\$ 80,517	\$ 25,573	\$ 41,827
Notes payable	0	47,114	0
Accrued liabilities	22,127	0	14,219
Deferred revenue	<u>12,369</u>	<u>556</u>	<u>79,828</u>
Total Current Liabilities	<u>\$ 115,013</u>	<u>\$ 73,243</u>	<u>\$ 135,874</u>
NONCURRENT LIABILITIES			
Notes payable	\$ 0	\$ 2,227,886	\$ 0
Accrued liabilities	12,398	0	8,758
Trust and deposit liabilities	<u>0</u>	<u>0</u>	<u>79,579</u>
Total Noncurrent Liabilities	<u>\$ 12,398</u>	<u>\$ 2,227,886</u>	<u>\$ 88,337</u>
 <u>NET ASSETS</u>			
Invested in capital assets	\$ 4,904,200	\$ -1,518,018	\$ 11,889
Unrestricted	<u>847,846</u>	<u>2,201,089</u>	<u>1,047,130</u>
Total Net Assets	<u>\$ 5,752,046</u>	<u>\$ 683,071</u>	<u>\$ 1,059,019</u>

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

**STATEMENT OF NET ASSETS
AS OF SEPTEMBER 30, 2006**

<u>ASSETS</u>	Multifamily Housing	<u>SRO</u>	Other Federal- Katrina
CURRENT ASSETS			
Cash	\$ 3,730	\$ 0	\$ 0
Accounts receivable	<u>0</u>	<u>6,221</u>	<u>0</u>
Total Assets	<u>\$ 3,730</u>	<u>\$ 6,221</u>	<u>\$ 0</u>
 <u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accrued liabilities	\$ <u>431</u>	\$ <u>36</u>	\$ <u>0</u>
Total Current Liabilities	<u>\$ 431</u>	<u>\$ 36</u>	<u>\$ 0</u>
 <u>NET ASSETS</u>			
Unrestricted	\$ <u>3,299</u>	\$ <u>6,185</u>	\$ <u>0</u>
Total Net Assets	<u><u>\$ 3,299</u></u>	<u><u>\$ 6,185</u></u>	<u><u>\$ 0</u></u>

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

**STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Operating Income</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Tenant rental revenue	\$ 488,105	\$ 0	\$ 0
Tenant revenue - other	<u>68,372</u>	<u>0</u>	<u>0</u>
Total Rental Revenue	<u>\$ 556,477</u>	<u>\$ 0</u>	<u>\$ 0</u>
HUD grants - operating	672,142	158,992	7,714,738
Other government grants	0	0	29,518
Fraud recovery	0	0	27,492
Other revenue	23,941	0	29,725
Gain/loss on sale of fixed assets	<u>4,000</u>	<u>0</u>	<u>0</u>
Total Operating Income	<u>\$ 1,256,560</u>	<u>\$ 158,992</u>	<u>\$ 7,801,473</u>
 <u>Operating Expenses</u>			
Administration	\$ 260,887	\$ 107,776	\$ 532,316
Tenant services	34,391	0	0
Utilities	501,998	0	0
Ordinary maintenance and operation	503,812	0	6,962
General expense	102,514	0	184,327
Housing assistance payments	0	0	6,943,753
Depreciation	<u>448,008</u>	<u>2,699</u>	<u>6,675</u>
Total Operating Expenses	<u>\$ 1,851,610</u>	<u>\$ 110,475</u>	<u>\$ 7,674,033</u>
Net Operating Income (Loss)	<u>\$ -595,050</u>	<u>\$ 48,517</u>	<u>\$ 127,440</u>
 <u>Nonoperating Income (Expense)</u>			
HUD grants - capital	\$ 0	\$ 593,673	\$ 0
Interest expense	0	-28,285	0
Interest income	35,790	634	46,535
Transfer	<u>97,476</u>	<u>-97,476</u>	<u>0</u>
Total Nonoperating Income (Expense)	<u>\$ 133,266</u>	<u>\$ 468,546</u>	<u>\$ 46,535</u>
Changes in Net Assets	<u>\$ -461,784</u>	<u>\$ 517,063</u>	<u>\$ 173,975</u>

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

**STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Operating Income</u>	Multifamily <u>Housing</u>	<u>SRO</u>	Other Federal- <u>Katrina</u>
HUD grants - operating	\$ 65,625	\$ 26,856	\$ 0
Other government grants	<u>0</u>	<u>0</u>	<u>4,385</u>
Total Operating Income	<u>\$ 65,625</u>	<u>\$ 26,856</u>	<u>\$ 4,385</u>
 <u>Operating Expenses</u>			
Administration	\$ 74,087	\$ 3,615	\$ 1,060
Housing assistance payments	<u>0</u>	<u>13,236</u>	<u>3,325</u>
Total Operating Expenses	<u>\$ 74,087</u>	<u>\$ 16,851</u>	<u>\$ 4,385</u>
Net Operating Income (Loss)	<u>\$ -8,462</u>	<u>\$ 10,005</u>	<u>\$ 0</u>
Changes in Net Assets	<u><u>\$ -8,462</u></u>	<u><u>\$ 10,005</u></u>	<u><u>\$ 0</u></u>

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

**CHANGES IN NET ASSETS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Invested in Capital Assets</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Balance at September 30, 2005	\$ 4,345,810	\$ 1,164,608	\$ 18,565
Current year net income (loss)	-440,210	-1,684,026	-6,676
Capital transfer	<u>998,600</u>	<u>-998,600</u>	<u>0</u>
Balance at September 30, 2006	<u>\$ 4,904,200</u>	<u>\$ -1,518,018</u>	<u>\$ 11,889</u>
 <u>Unrestricted</u>			
Balance at September 30, 2005	\$ 889,540	\$ 0	\$ 900,595
Current year net income (loss)	-21,574	2,201,089	180,651
Transfer	0	0	-11,761
Prior period adjustments	<u>-20,120</u>	<u>0</u>	<u>-22,355</u>
Balance at September 30, 2006	<u>\$ 847,846</u>	<u>\$ 2,201,089</u>	<u>\$ 1,047,130</u>
Total Net Assets	<u>\$ 5,752,046</u>	<u>\$ 683,071</u>	<u>\$ 1,059,019</u>

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

**CHANGES IN NET ASSETS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Unrestricted</u>	Multifamily <u>Housing</u>	<u>SRO</u>	Other Federal- <u>Katrina</u>
Balance at September 30, 2005	\$ 0	\$ -3,820	\$ 0
Current year net income (loss)	-8,462	10,005	0
Transfer	<u>11,761</u>	<u>0</u>	<u>0</u>
Balance at September 30, 2006	<u>\$ 3,299</u>	<u>\$ 6,185</u>	<u>\$ 0</u>
Total Net Assets	<u>\$ 3,299</u>	<u>\$ 6,185</u>	<u>\$ 0</u>

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

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Operating Activities</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Operating grants	\$ 672,142	\$ 137,082	\$ 7,764,786
Tenant revenue	552,352	0	0
Other revenue	27,941	0	57,217
Housing assistance payments	0	0	-6,943,753
Payments to employees	-319,144	-35,172	-307,256
Payments to suppliers and contractors	<u>-1,112,130</u>	<u>-50,694</u>	<u>-563,679</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ -178,839</u>	<u>\$ 51,216</u>	<u>\$ 7,315</u>
 <u>Investing Activities</u>			
Investments (purchased) redeemed	\$ 905,817	\$ 0	\$ 1,112,154
Interest income	<u>35,790</u>	<u>634</u>	<u>46,535</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 941,607</u>	<u>\$ 634</u>	<u>\$ 1,158,689</u>
 <u>Capital and Related Financing Activities</u>			
HUD grants - capital	\$ 0	\$ 593,673	\$ 0
Additions to fixed assets	-7,798	-593,673	0
Interest expense	0	-28,285	0
Issuance/retirement of debt	0	2,275,000	0
Transfer	<u>97,476</u>	<u>-97,476</u>	<u>0</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ 89,678</u>	<u>\$ 2,149,239</u>	<u>\$ 0</u>
Net Change in Cash	\$ 852,446	\$ 2,201,089	\$ 1,166,004
Cash Balance at September 30, 2005	<u>1,511</u>	<u>0</u>	<u>12,729</u>
Cash Balance at September 30, 2006	<u>\$ 853,957</u>	<u>\$ 2,201,089</u>	<u>\$ 1,178,733</u>

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

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>	<u>Low Rent</u>	<u>Capital Funds</u>	<u>Voucher</u>
Net operating income (loss)	\$ -595,050	\$ 48,517	\$ 127,440
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:			
Depreciation	448,008	2,699	6,675
Adjustments to net assets	-20,120	0	-34,116
(Increase) decrease in accounts receivable	-5,488	-21,910	20,829
(Increase) decrease in deferred charges	-1,975	0	-117
(Increase) decrease in inventory	-2,128	0	0
(Increase) decrease in other assets	0	0	318
Increase (decrease) in accounts payable	-12,032	21,354	-28,842
Increase (decrease) in accrued liabilities	8,756	0	-593
Increase (decrease) in deferred revenues	1,190	556	-294
Increase (decrease) in other liabilities	<u>0</u>	<u>0</u>	<u>-83,985</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ -178,839</u>	<u>\$ 51,216</u>	<u>\$ 7,315</u>

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

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Operating Activities</u>	Multifamily <u>Housing</u>	SRO	Other Federal- <u>Katrina</u>
Operating grants	\$ 65,625	\$ 10,170	\$ 4,385
Housing assistance payments	0	-13,236	-3,325
Payments to employees	-71,292	-3,508	0
Payments to suppliers and contractors	<u>9,397</u>	<u>6,574</u>	<u>-1,060</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,730</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Cash	\$ 3,730	\$ 0	\$ 0
Cash Balance at September 30, 2005	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance at September 30, 2006	<u>\$ 3,730</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

**STATEMENT OF CASH FLOWS
TWELVE MONTHS ENDED SEPTEMBER 30, 2006**

<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>	<u>Multifamily Housing</u>	<u>SRO</u>	<u>Other Federal- Katrina</u>
Net operating income (loss)	\$ -8,462	\$ 10,005	\$ 0
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:			
Adjustment to net assets	11,761	0	0
(Increase) decrease in accounts receivable	0	6,645	0
Increase (decrease) in accounts payable	0	-16,686	0
Increase (decrease) in accrued liabilities	<u>431</u>	<u>36</u>	<u>0</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,730</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
PHASE IN36P022501-03**

1. The Actual Modernization Costs of Phase IN36P022501-03 are as follows:

Funds approved	\$ 471,232
Funds expended	<u>471,232</u>
Excess of Funds Approved	<u>\$ 0</u>
Funds advanced	
HUD grants	\$ 471,232
Funds expended	<u>471,232</u>
Excess of Funds Advanced	<u>\$ 0</u>

2. The distribution of costs by project, as shown on the final Actual Comprehensive Grant Cost Certificate, dated April 6, 2006, accompanying the Actual Comprehensive Grant Cost Certificate submitted to HUD for approval, is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

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

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
PHASE IN36P022502-03**

1. The Actual Modernization Costs of Phase IN36P022502-03 are as follows:

Funds approved	\$ 99,529
Funds expended	<u>99,529</u>
Excess of Funds Approved	<u>\$ 0</u>
Funds advanced	
Project notes, non-HUD	\$ 99,529
Funds expended	<u>99,529</u>
Excess of Funds Advanced	<u>\$ 0</u>

2. The distribution of costs by project, as shown on the final Actual Comprehensive Grant Cost Certificate, dated April 27, 2006, accompanying the Actual Comprehensive Grant Cost Certificate submitted to HUD for approval, is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

PAMELA J. SIMPSON, C.P.A.

433 WEST PERSHING ROAD
DECATUR, ILLINOIS 62526
(217) 872-1908

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

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

I have audited the financial statements of Housing Authority of the City of Bloomington as of and for the year ended September 30, 2006, and have issued my report thereon dated March 30, 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.

Compliance

As part of obtaining reasonable assurance about whether Housing Authority of the City of Bloomington's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Housing Authority of the City of Bloomington's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use 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.

Decatur, Illinois
March 30, 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 Internal Control Over Compliance in Accordance With OMB Circular A-133

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

Compliance

I have audited the compliance of Housing Authority of the City of Bloomington 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 September 30, 2006. Housing Authority of the City of Bloomington'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 Bloomington's management. My responsibility is to express an opinion on Housing Authority of the City of Bloomington'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 Bloomington'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 on Housing Authority of the City of Bloomington's compliance with those requirements.

Internal Control Over Compliance

The management of Housing Authority of the City of Bloomington is responsible for establishing and maintaining effective internal control over compliance with 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 Bloomington's internal control over compliance with 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

I have audited the financial statements of the Housing Authority of the City of Bloomington as of and for the year ended September 30, 2006, and have issued my report hereon dated March 30, 2007. My audit was performed for the purpose of forming an opinion on the financial statements taken as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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 any one other than these specified parties.

Decatur, Illinois
March 30, 2007


Certified Public Accountant

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

Summary of Auditor's Results

Low Risk Auditee _____ yes X 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 Voucher Program	14.855
Capital Funds Program	14.872

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

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended September 30, 2005 contained one finding.

Finding 1: Lack of Documentation in Tenant Files

In the prior year, it was noted that there were errors in calculations or lack of documentation to support calculations in eight of twenty five files. During the review of files in the current year, no errors were noted. This finding is considered closed.

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

CURRENT FINDINGS AND RECOMMENDATIONS

There were no audit findings discussed with Jennifer J. Osterholt, Executive Director, during the audit and at an exit conference held March 30, 2007.

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2006**

<u>Low Rent</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Prepaid insurance	1211		\$ 397.62	1211
Insurance expense	4510	\$ 563.62		2810.512
Rent	4180		166.00	2810.512
(To correct prepaid insurance expense to analysis and correct posting of checks #24818 and #24821)				
(2)				
Tenants accounts receivable	1122	\$ 11,443.68		1122
Prepaid rent	2240		\$ 11,443.68	2240
(To adjust TAR and prepaid rent per analysis of 09/06 DSO and aged receivable report)				
(3)				
Collection loss	4570	\$ 8,901.09		2810.512
Allowance for doubtful a/c	1122.01		\$ 8,901.09	1122.01
(To adjust allowance account - original calculation did not include all of the vacated TAR balance)				
(4)				
Building - CFP 501-01	1400.070		\$ 47,300.00	1400.070
Invested in capital assets	2802.508	\$ 47,300.00		2802.508
Depreciation expense	4800		591.25	2802.508
Accumulated depreciation	1400.150	591.25		1400.150
(To adjust basis of building improvements - CFP 501-01 for operating transfer of \$47,300 completed in FYE 2004)				
(5)				
Employee benefit contribution	4182	\$ 4,171.04		2810.512
Pension withholding	2117.067		\$ 4,171.04	2117.067
(To reverse check #26039 - contribution for payroll period ending 09/30/06)				
(6)				
PILOT	2137	\$ 2,971.31		2137
PILOT expense	4520		\$ 2,971.31	2810.512
(To record the City's forgiveness of 09/30/06 PILOT)				

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2006
CONTINUED**

<u>Low Rent (Continued)</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(7)				
Computer equipment	1400.09		\$ 210.66	1400.09
Maintenance materials	4420	\$ 210.66		2806
Depreciation expense	4800		21.06	2802.508
Accumulated depreciation	1405	21.06		1405
(To reclassify materials charged to fixed assets instead of expenses)				
(8)				
Administrative salaries	4110	\$ 3,880.22		2810.512
Accrued wages	2135		\$ 3,880.22	2135
(To accrue wages earned @ 09/30/06, paid 10/04/06)				
(9)				
Unrestricted net assets	2810.512	\$ 20,120.26		2810.512
Interfund - CFP	1295.501		\$ 20,120.26	1295.501
(To adjust interfund for prior year's accounts due from HUD not collected)				
<u>Voucher</u>				
(1)				
Accounts receivable - HUD	1125	\$ 9,135.00		1125
Expendable fund balance	2806		\$ 9,135.00	2806
(To record HUD settlement per calculation of excess reserves)				
(2)				
Fraud recovery	1121	\$ 27,716.83		1121
Deferred revenue - fraud recovery	2690		\$ 27,716.83	2690
(To adjust fraud recovery per new accounts added in FYE 2006)				
(3)				
FSS liability	2182	\$ 4,243.00		2182
FSS investment	1166		\$ 4,243.00	1166
(To adjust to actual)				
(4)				
Accounts payable to Voucher	2119.05	\$ 9,374.00		2119.05
HAP HOME program	4715.02	20,144.00		2806
Remove HOME program	3413		\$ 29,518.00	2806
(To reclassify HOME deposits for FYE 2006)				

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2006
CONTINUED**

<u>Voucher (Continued)</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(5)				
Administrative wages	4110	\$ 1,738.46		2806
Accrued wages payable	2135		\$ 1,738.46	2135
(To accrue wages through 09/30/06, paid 10/04/06)				
 <u>Capital Funds</u>				
(1)				
Accumulated depreciation	07-0-000-000-1400.150	\$ 855.55		1400.150
Depreciation expense	07-01-000-000-4801		\$ 855.55	2802
(To adjust accounts to actual per fee accountant's depreciation schedules)				
(2)				
Interfund	1295.501	\$ 20,120.26		1295.501
Deferred credit - 2003	2290.003	9,584.79		2290.003
Accounts receivable - HUD	1125.004		\$ 19,642.76	1125.004
Accounts receivable - HUD	1125.203		10,062.29	1125.203
(To adjust accounts to actual)				
 <u>SRO</u>				
(1)				
Administrative salaries	4110	\$ 35.62		2806
Accrued wages payable	2135		\$ 35.62	2135
(To set up accrual for wages @ 09/30/06, paid 10/04/06)				
 <u>Multifamily Housing</u>				
(1)				
Administrative salaries	4110	\$ 430.58		2806
Accrued wages	2135		\$ 430.58	2135
(To accrue wages through 09/30/06, paid 10/04/06)				

PHA: IN022 FYED: 09/30/2006

Line Item No.	Account Description	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Other Federal Program 1	Total
111	Cash - Unrestricted	\$3,730	\$0	\$807,260	\$1,099,154	\$0	\$0	\$1,910,144
112	Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$2,201,089	\$0	\$2,201,089
113	Cash - Other Restricted	\$0	\$0	\$0	\$79,579	\$0	\$0	\$79,579
114	Cash - Tenant Security Deposits	\$0	\$0	\$46,697	\$0	\$0	\$0	\$46,697
100	Total Cash	\$3,730	\$0	\$853,957	\$1,178,733	\$2,201,089	\$0	\$4,237,509
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$9,135	\$26,129	\$0	\$35,264
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$27,146	\$0	\$0	\$0	\$27,146
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$-11,162	\$0	\$0	\$0	\$-11,162
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
128	Fraud Recovery	\$0	\$0	\$0	\$79,823	\$0	\$0	\$79,823
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120	Total Receivables, net of allowances for doubtful accounts	\$0	\$0	\$15,984	\$88,958	\$26,129	\$0	\$131,071
142	Prepaid Expenses and Other Assets	\$0	\$0	\$28,306	\$3,650	\$0	\$0	\$31,956
143	Inventories	\$0	\$0	\$19,709	\$0	\$0	\$0	\$19,709
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$6,221	\$57,301	\$0	\$0	\$0	\$63,522
150	Total Current Assets	\$3,730	\$6,221	\$975,257	\$1,271,341	\$2,227,218	\$0	\$4,483,767
161	Land	\$0	\$0	\$934,929	\$0	\$0	\$0	\$934,929
162	Buildings	\$0	\$0	\$5,640,655	\$0	\$437,021	\$0	\$6,077,676
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$191,377	\$0	\$0	\$0	\$191,377
164	Furniture, Equipment & Machinery - Administration	\$0	\$0	\$411,283	\$137,421	\$36,026	\$0	\$584,730
165	Leasehold Improvements	\$0	\$0	\$6,636,854	\$0	\$0	\$0	\$6,636,854
166	Accumulated Depreciation	\$0	\$0	\$-8,910,898	\$-125,532	\$-3,555	\$0	\$-9,039,985
167	Construction In Progress	\$0	\$0	\$0	\$0	\$287,490	\$0	\$287,490
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$0	\$4,904,200	\$11,889	\$756,982	\$0	\$5,673,071
180	Total Non-Current Assets	\$0	\$0	\$4,904,200	\$11,889	\$756,982	\$0	\$5,673,071
190	Total Assets	\$3,730	\$6,221	\$5,879,457	\$1,283,230	\$2,984,200	\$0	\$10,156,838

PHA: IN022 FYED: 09/30/2006

Line Item No.	Account Description	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Other Federal Program 1	Total
312	Accounts Payable <= 90 Days	\$0	\$0	\$33,820	\$3,878	\$0	\$0	\$37,698
321	Accrued Wage/Payroll Taxes Payable	\$431	\$36	\$3,880	\$1,738	\$0	\$0	\$6,085
322	Accrued Compensated Absences - Current Portion	\$0	\$0	\$18,247	\$12,481	\$0	\$0	\$30,728
341	Tenant Security Deposits	\$0	\$0	\$46,697	\$0	\$0	\$0	\$46,697
342	Deferred Revenues	\$0	\$0	\$12,369	\$79,828	\$556	\$0	\$92,753
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$0	\$0	\$47,114	\$0	\$47,114
347	Interprogram Due To	\$0	\$0	\$0	\$37,949	\$25,573	\$0	\$63,522
310	Total Current Liabilities	\$431	\$36	\$115,013	\$135,874	\$73,243	\$0	\$324,597
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$0	\$0	\$2,227,886	\$0	\$2,227,886
354	Accrued Compensated Absences - Non Current	\$0	\$0	\$12,398	\$8,758	\$0	\$0	\$21,156
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$79,579	\$0	\$0	\$79,579
350	Total Noncurrent Liabilities	\$0	\$0	\$12,398	\$88,337	\$2,227,886	\$0	\$2,328,621
300	Total Liabilities	\$431	\$36	\$127,411	\$224,211	\$2,301,129	\$0	\$2,653,218
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$0	\$4,904,200	\$11,889	\$-1,518,018	\$0	\$3,398,071
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0	\$2,201,089	\$0	\$2,201,089
512.1	Unrestricted Net Assets	\$3,299	\$6,185	\$847,846	\$1,047,130	\$0	\$0	\$1,904,460
513	Total Equity/Net Assets	\$3,299	\$6,185	\$5,752,046	\$1,059,019	\$683,071	\$0	\$7,503,620
600	Total Liabilities and Equity/Net Assets	\$3,730	\$6,221	\$5,879,457	\$1,283,230	\$2,984,200	\$0	\$10,156,838

PHA: IN022 FYED: 09/30/2006

Line Item No.	Account Description	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Other Federal Program 1	Total
703	Net Tenant Rental Revenue	\$0	\$0	\$488,105	\$0	\$0	\$0	\$488,105
704	Tenant Revenue - Other	\$0	\$0	\$68,372	\$0	\$0	\$0	\$68,372
705	Total Tenant Revenue	\$0	\$0	\$556,477	\$0	\$0	\$0	\$556,477
706	HUD PHA Operating Grants	\$65,625	\$26,856	\$672,142	\$7,714,738	\$158,992	\$0	\$8,638,353
706.1	Capital Grants	\$0	\$0	\$0	\$0	\$593,673	\$0	\$593,673
708	Other Government Grants	\$0	\$0	\$0	\$29,518	\$0	\$4,385	\$33,903
711	Investment Income - Unrestricted	\$0	\$0	\$35,790	\$46,535	\$634	\$0	\$82,959
714	Fraud Recovery	\$0	\$0	\$0	\$27,492	\$0	\$0	\$27,492
715	Other Revenue	\$0	\$0	\$23,941	\$29,725	\$0	\$0	\$53,666
716	Gain/Loss on Sale of Fixed Assets	\$0	\$0	\$4,000	\$0	\$0	\$0	\$4,000
700	Total Revenue	\$65,625	\$26,856	\$1,292,350	\$7,848,008	\$753,299	\$4,385	\$9,990,523

PHA: IN022 FYED: 09/30/2006

Line Item No.	Account Description	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Other Federal Program 1	Total
911	Administrative Salaries	\$71,723	\$3,544	\$123,718	\$304,950	\$35,172	\$0	\$539,107
912	Auditing Fees	\$0	\$0	\$1,950	\$1,950	\$1,000	\$0	\$4,900
914	Compensated Absences	\$0	\$0	\$4,874	\$-2,331	\$0	\$0	\$2,543
915	Employee Benefit Contributions - Administrative	\$0	\$71	\$55,224	\$101,836	\$8,167	\$0	\$165,298
916	Other Operating - Administrative	\$2,364	\$0	\$75,121	\$125,911	\$63,437	\$1,060	\$267,893
921	Tenant Services - Salaries	\$0	\$0	\$26,074	\$0	\$0	\$0	\$26,074
924	Tenant Services - Other	\$0	\$0	\$8,317	\$0	\$0	\$0	\$8,317
931	Water	\$0	\$0	\$50,780	\$0	\$0	\$0	\$50,780
932	Electricity	\$0	\$0	\$157,149	\$0	\$0	\$0	\$157,149
933	Gas	\$0	\$0	\$217,255	\$0	\$0	\$0	\$217,255
938	Other Utilities Expense	\$0	\$0	\$76,814	\$0	\$0	\$0	\$76,814
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$169,033	\$1,462	\$0	\$0	\$170,495
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$0	\$85,892	\$0	\$0	\$0	\$85,892
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$0	\$179,610	\$5,500	\$0	\$0	\$185,110
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$69,277	\$0	\$0	\$0	\$69,277
961	Insurance Premiums	\$0	\$0	\$78,564	\$7,832	\$0	\$0	\$86,396
962	Other General Expenses	\$0	\$0	\$0	\$176,495	\$0	\$0	\$176,495
964	Bad Debt - Tenant Rents	\$0	\$0	\$23,950	\$0	\$0	\$0	\$23,950
967	Interest Expense	\$0	\$0	\$0	\$0	\$28,285	\$0	\$28,285
969	Total Operating Expenses	\$74,087	\$3,615	\$1,403,602	\$723,605	\$136,061	\$1,060	\$2,342,030
970	Excess Operating Revenue over Operating Expenses	\$-8,462	\$23,241	\$-111,252	\$7,124,403	\$617,238	\$3,325	\$7,648,493
973	Housing Assistance Payments	\$0	\$13,236	\$0	\$6,943,753	\$0	\$3,325	\$6,960,314
974	Depreciation Expense	\$0	\$0	\$448,008	\$6,675	\$2,699	\$0	\$457,382
900	Total Expenses	\$74,087	\$16,851	\$1,851,610	\$7,674,033	\$138,760	\$4,385	\$9,759,726
1001	Operating Transfers In	\$0	\$0	\$97,476	\$0	\$0	\$0	\$97,476
1002	Operating Transfers Out	\$0	\$0	\$0	\$0	\$-97,476	\$0	\$-97,476
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$97,476	\$0	\$-97,476	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$-8,462	\$10,005	\$-461,784	\$173,975	\$517,063	\$0	\$230,797

PHA: IN022 FYED: 09/30/2006

Line Item No.	Account Description	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Other Federal Program 1	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$0	\$-3,820	\$5,235,350	\$919,160	\$1,164,608	\$0	\$7,315,298
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$11,761	\$0	\$978,480	\$-34,116	\$-998,600	\$0	\$-42,475
1113	Maximum Annual Contributions Commitment (Per ACC)	\$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
1115	Contingency Reserve, ACC Program Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1120	Unit Months Available	0	144	3,720	15,906	0	1	19,771
1121	Number of Unit Months Leased	0	87	3,531	14,321	0	1	17,940
1117	Administrative Fee Equity	\$0	\$0	\$0	\$588,172	\$0	\$0	\$588,172
1118	Housing Assistance Payments Equity	\$0	\$0	\$0	\$470,847	\$0	\$0	\$470,847

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