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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, 2006 to September 30, 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 the Housing Authority of the City of Bloomington, as of September 30, 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 BLOOMINGTON
BLOOMINGTON, INDIANA**

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

TWELVE MONTHS ENDED SEPTEMBER 30, 2007

**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 financial statements of Housing Authority of the City of Bloomington, as of and for the year ended September 30, 2007, as listed in the table of contents. These 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 the 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 financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Housing Authority of the City of Bloomington, as of September 30, 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 February 28, 2008, on my consideration of the Housing Authority of the City of Bloomington's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 7, are not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. 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 conducted for the purpose of forming opinions 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 financial statements of the Housing Authority of the City of Bloomington. 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 financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Decatur, Illinois
February 28, 2008


Certified Public Accountant

MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2007

The management of the Bloomington Housing Authority (PHA) offers this narrative overview and analysis of its audited financial statements for fiscal year ended September 30, 2007. The goal is for the reader to better understand the Authority's financial activities and its overall financial position and to show whether current year revenues covered current year expenses and the extent to which the Authority has invested its capital assets. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begins on page 8

FINANCIAL HIGHLIGHTS:

- The assets of the PHA exceed its liabilities as of September 30, 2007 by \$8,124,498 (Net Assets).
- The PHA's investment in Capital Assets-net of related debt as of September 30, 2007 was \$3,640,354.
- The PHA's total revenue for the calendar year end September 30, 2007 was \$10,753,067.
- The PHA's total expenses for the calendar year end September 30, 2007 was \$10,163,181. Therefore, the PHA's total revenue exceeded its total expenses by \$589,886.

OVERVIEW OF THE FINANCIAL STATEMENTS:

The following financial statements are included in this report:

- *Statement of Net Assets* - reports the Authority current financial resources: its cash and other current assets, its current and non-current liabilities and comparing those two elements, the resulting net assets of the PHA. A comparison between this year and the preceding year is also provided.
- *Statement of Revenue and Expenses* - reports the PHA's various revenue and expenses and provides a comparison between this year and the preceding year.

**BLOOMINGTON HOUSING AUTHORITY
BLOOMINGTON, INDIANA**

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**MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

ANALYSIS OF FINANCIAL STATEMENTS:

STATEMENT OF NET ASSETS

	<u>2007</u>	<u>2006</u>	<u>INCREASE (DECREASE)</u>
Cash and investments	\$ 4,772,740	\$ 4,237,509	\$ 535,231
Other current assets	75,957	246,258	(170,301)
Notes receivable	-	-	-
Other assets	73,388	0	73,388
Capital assets	<u>5,863,370</u>	<u>5,673,071</u>	<u>190,299</u>
TOTAL ASSETS	<u>\$ 10,785,455</u>	<u>\$ 10,156,838</u>	<u>\$ 628,617</u>
Current liabilities	\$ 420,736	\$ 261,075	\$ 159,661
Long Term Liabilities	2,240,221	2,328,621	(88,400)
Noncurrent liabilities	-	-	-
TOTAL LIABILITIES	<u>\$ 2,660,957</u>	<u>\$ 2,589,696</u>	<u>\$ 71,261</u>
Invested in capital assets	\$ 3,640,354	\$ 3,398,071	\$ 242,283
Restricted Net Assets	3,140,783	2,201,089	939,694
Unrestricted assets	<u>1,343,361</u>	<u>1,904,460</u>	<u>(561,099)</u>
TOTAL NET ASSETS	<u>\$ 8,124,498</u>	<u>\$ 7,503,620</u>	<u>\$ 620,878</u>

The increase in cash is due to the following: (1) the increase in income of operating grants and other revenues.

The decrease in other current assets is primarily due to the following: (1) a decrease in accounts receivables from tenants. (2) A decrease in accounts receivable from HUD. (3) A decrease in fraud recovery balance. (4) The creation of a fraud recovery allowance for doubtful accounts due to new HUD regulations.

The increase in capital assets is due to the following: (1) increase in capital fund construction work in progress.

The increase in current liabilities is due to the following: (1) Due to the decrease in the accrual of expenses at year end. (2) Increase in the current portion of the Housing Authorities Bond short term debt. (3) Increase in tenant security deposits.

The decrease in long-term liabilities is due to the payment of the Bond.

**BLOOMINGTON HOUSING AUTHORITY
BLOOMINGTON, INDIANA**

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**MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

**ANALYSIS OF STATEMENT OF REVENUE AND EXPENSES
PRIOR AND CURRENT FISCAL YEAR:**

	<u>YEAR ENDING SEPTEMBER 30,</u>		<u>INCREASE (DECREASE)</u>
	<u>2007</u>	<u>2006</u>	
REVENUE			
Tenant revenue	\$ 546,352	\$ 556,477	\$ (10,125)
HUD operating and capital grants	9,791,340	9,232,026	558,314
Other governmental grants	78,480	33,903	44,577
Interest Income	174,998	82,959	92,039
Other revenue	148,156	53,666	94,490
Fraud recovery	24,148	27,492	(3,344)
Gain/loss on disposal of fixed assets	(10,707)	4,000	(14,707)
TOTAL REVENUE	<u>\$ 10,752,767</u>	<u>\$ 9,990,523</u>	<u>\$ 1,273,965</u>
EXPENSES			
Administrative expenses	\$ 915,965	\$ 979,741	\$ (63,776)
Tenant services	79,520	34,391	45,129
Utilities	441,548	501,998	(60,450)
Ordinary maintenance	797,892	510,774	287,118
Protective services	-	-	-
General expenses	134,974	286,841	(151,867)
Interest expense	82,554	28,285	54,269
Housing assistance payments	7,239,409	6,960,314	279,095
Extraordinary maintenance	-	-	-
Depreciation	471,319	457,382	13,937
Depreciation add-back	-	-	-
TOTAL EXPENSES	<u>\$ 10,163,181</u>	<u>\$ 9,759,726</u>	<u>\$ 914,876</u>
EXCESS OF REVENUE OVER EXPENSE	<u>\$ 589,886</u>	<u>\$ 230,797</u>	

The increase in Housing and Urban Development (HUD) Operating & Capital Grants is primarily due to the following: (1) the increase of grant revenue received for all programs.

The increase in other Revenue is due to the following: (1) an increase of insurance dividends and claim proceeds received.

The increase in Administrative expenses is due to the following: (1) an increase in employee benefits.

The decrease in utility expenses is due to the following: (1) a decrease in gas charges this year.

**BLOOMINGTON HOUSING AUTHORITY
BLOOMINGTON, INDIANA**

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**MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

**ANALYSIS OF STATEMENT OF REVENUE AND EXPENSES PRIOR AND CURRENT
FISCAL YEAR – Continued:**

The increase in ordinary maintenance is due to the following: (1) an increase in maintenance labor. (2) A large increase in contract costs.

The decrease in general expenses is due to the following: (1) decrease in voucher general expenses.

The increase in Housing assistance payments (HAP) is due to an increase in government grants.

SIGNIFICANT Changes in Housing Authority Operations

Due to new HUD regulations the Bloomington Housing Authority has been required to become a project base organization. The housing authority has opted to become a project based organization early. Due to the following the project based system, the housing authority created two separate AMP projects and one cost center (business entity) this year. Therefore, the cost center received management fees from all programs, six month of Low Rent management fees worth of cash/investments, and capital assets that are directly related to the cost center.

BUDGETARY HIGHLIGHTS

Low-Rent Public Housing (Operation Only)

The board-approved budget anticipated an operating gain of \$55,473. Actual result of operation was an operation loss before depreciation of \$217,803 a budget variance of approximately \$273,276.

The variance is due to the following primary factors: (1) a decrease in rental income. (2) An increase in contract costs. (3) An increase in bond interest.

CAPITAL ASSETS ACTIVITY DURING THE YEAR

PHA had Capital Fund Expenditures of \$599,534. The PHA also purchased multiples new refrigerators and ranges as well as a new laptop PC and projector with screen.

PHA paid \$3,562 in principal on loan.

**BLOOMINGTON HOUSING AUTHORITY
BLOOMINGTON, INDIANA**

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**MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

FUTURE EVENTS (NEW BUSINESS)

None Anticipated

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the PHA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Jennifer J. Osterholt, Executive Director, Bloomington Housing Authority, 1007 North Summit, Bloomington, IN 47404-1815.

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

**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
SEPTEMBER 30, 2007**

ASSETS

CURRENT ASSETS

Cash	\$ 1,631,957
Accounts receivable (interfund eliminated)	24,471
Inventory	22,325
Deferred charges	<u>29,161</u>

Total Current Assets \$ 1,707,914

CAPITAL ASSETS

Land, buildings and equipment	\$ 11,462,923
Less: Accumulated depreciation	<u>-5,599,553</u>

Net Capital Assets \$ 5,863,370

RESTRICTED ASSETS

Cash	\$ <u>3,140,783</u>
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OTHER ASSETS

Other	\$ <u>73,388</u>
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Total Assets \$ 10,785,455

LIABILITIES

CURRENT LIABILITIES

Accounts payable (interfund eliminated)	\$ 238,807
Notes payable	73,873
Accrued liabilities	36,676
Deferred revenue	<u>71,380</u>

Total Current Liabilities \$ 420,736

NONCURRENT LIABILITIES

Notes payable	\$ 2,149,143
Accrued liabilities	19,471
Trust and deposit liabilities	<u>71,607</u>

Total Noncurrent Liabilities \$ 2,240,221

NET ASSETS

Invested in capital assets	\$ 3,640,354
Restricted	3,140,783
Unrestricted	<u>1,343,361</u>

Total Net Assets \$ 8,124,498

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, 2007

Operating Income

Tenant rental revenue	\$ 495,461
Tenant revenue - other	<u>50,891</u>
Total Rental Revenue	\$ 546,352
HUD grants - operating	9,191,806
Other government grants	78,480
Fraud recovery	24,148
Other revenue	148,456
Gain (loss) on sale of fixed assets	<u>-10,707</u>
Total Operating Income	<u>\$ 9,978,535</u>

Operating Expenses

Administration	\$ 915,965
Tenant services	79,520
Utilities	441,548
Ordinary maintenance and operation	797,892
General expense	134,974
Housing assistance payments	7,239,409
Depreciation	<u>471,319</u>
Total Operating Expenses	<u>\$ 10,080,627</u>
Net Operating Income (Loss)	<u>\$ -102,092</u>

Nonoperating Income (Expense)

HUD grants - capital	\$ 599,534
Interest expense	-82,554
Interest income	<u>174,998</u>
Total Nonoperating Income (Expense)	<u>\$ 691,978</u>
Changes in net assets	\$ 589,886
Net assets, beginning of year	7,503,620
Prior period adjustments	<u>30,992</u>
Net assets, end of year	<u>\$ 8,124,498</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, 2007**

Operating Activities

Operating grants	\$ 9,227,070
Tenant revenue	555,317
Other revenue	762,505
Housing assistance payments	-7,239,409
Payments to employees	-713,762
Payments to suppliers and contractors	<u>-2,034,865</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 556,856</u>

Investing Activities

Interest income	<u>\$ 174,998</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 174,998</u>

Capital and Related Financing Activities

HUD grants - capital	\$ 599,534
Additions (deletions) to fixed assets	-661,619
Interest expense	-82,554
Issuance (retirement) of debt	<u>-51,984</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ -196,623</u>

Net Change in Cash	\$ 535,231
Cash Balance at September 30, 2006	<u>4,237,509</u>
Cash Balance at September 30, 2007	<u>\$ 4,772,740</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, 2007**

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

Net operating income (loss)	\$ -102,092
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Depreciation	471,319
Adjustments to net assets	30,992
(Increase) decrease in accounts receivable	106,600
(Increase) decrease in deferred charges	2,795
(Increase) decrease in inventory	-2,616
(Increase) decrease in other assets	-73,388
Increase (decrease) in accounts payable	154,413
Increase (decrease) in accrued liabilities	-1,822
Increase (decrease) in deferred revenues	-21,373
Increase (decrease) in other liabilities	<u>-7,972</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 556,856</u>

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

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007**

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, 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
- * Section 8 Single Room Occupancy
- * Capital Fund Program
- * Multifamily Housing Service Coordinator

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, 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.

(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, 2007
(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, 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 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.

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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 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>Fund</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Low Rent	\$ 3,290,672	\$ 3,344,179
Voucher	<u>1,482,068</u>	<u>1,479,685</u>
Total	<u>\$ 4,772,740</u>	<u>\$ 4,823,864</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007
(CONTINUED)**

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.

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). Employees' (hired before December 31, 2006) vacation time will be earned according to the following guidelines:

<u>Years of Employment</u>	<u>Full-Time Accrued Monthly</u>	<u>Part-Time Accrued Monthly</u>
0-1 year	5.83 hours	2.92 hours
2-4 years	8.75 hours	4.37 hours
5-9 years	11.66 hours	5.83 hours
10 years +	14.58 hours	7.29 hours

Regular full and part-time employees' (hired after December 31, 2006) vacation time will be earned according to the following guidelines:

<u>Years of Employment</u>	<u>Full-Time Accrued Monthly</u>	<u>Part-Time Accrued Monthly</u>
0-1 year	2.92 hours	1.46 hours
2-4 years	5.83 hours	2.92 hours
5-9 years	8.75 hours	4.38 hours
10 years +	11.66 hours	5.83 hours

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007
(CONTINUED)**

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, 2007 were \$44,283.

Note 5 - Accounts Receivable

Accounts receivable consists of the following accounts:

Tenants accounts receivable (net)	\$ 6,209
Accounts receivable - miscellaneous	338
Fraud recovery	<u>17,924</u>
Subtotal	\$ 24,471
Interfund	<u>108,874</u>
Total	<u>\$ 133,345</u>

Note 6 - Deferred Charges

This classification includes the following accounts:

Prepaid insurance	<u>\$ 29,161</u>
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Note 7 - Fixed Assets

Balance as of September 30, 2007	\$ 5,863,370
Balance as of September 30, 2006	<u>5,673,071</u>
Net Increase (Decrease)	<u>\$ 190,299</u>

Reconciliation

Property betterments and additions	\$ 666,628
Loss on disposal of assets	-5,010
Current year depreciation expense	<u>-471,319</u>
Net Increase (Decrease)	<u>\$ 190,299</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007
(CONTINUED)**

Note 7 - Fixed Assets (Continued)

<u>Analysis</u>	<u>10/01/06 Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>09/30/07 Balance</u>
Land	\$ 934,929	\$ 0	\$ 0	\$ 934,929
Buildings	6,077,676	0	0	6,077,676
Equipment and furniture	776,107	17,244	316,015	477,336
Leasehold improvements	6,636,854	0	3,600,746	3,036,108
Construction in progress	<u>287,490</u>	<u>649,384</u>	<u>0</u>	<u>936,874</u>
 Total	 \$ 14,713,056	 \$ 666,628	 \$ 3,916,761	 \$ 11,462,923
 Accumulated depreciation	 <u>-9,039,985</u>	 <u>-471,319</u>	 <u>-3,911,751</u>	 <u>-5,599,553</u>
 Net Assets	 <u>\$ 5,673,071</u>	 <u>\$ 195,309</u>	 <u>\$ 5,010</u>	 <u>\$ 5,863,370</u>

Note 8- Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 183,831
Tenants security deposits	47,993
HUD payable	<u>6,983</u>
 Subtotal	 \$ 238,807
 Interfund	 <u>108,874</u>
 Total	 <u>\$ 347,681</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, 2007
(CONTINUED)**

Note 10 - Accrued Liabilities

Current Portion:

Accrued wages	\$	6,252
Accrued compensated absences		<u>30,424</u>
Total Current	\$	36,676

Noncurrent Portion:

Accrued compensated absences		<u>19,471</u>
Total	\$	<u>56,147</u>

Note 11 - Trust and Deposit Liabilities

This classification consists of the following accounts:

FSS escrow accounts	\$	<u>71,607</u>
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Note 12 - Deferred Revenue

This classification consists of the following accounts:

Tenants prepaid rent	\$	11,559
Other deferred revenue		<u>59,821</u>
Total	\$	<u>71,380</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007
(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	4.75%	8/22/06	2/1/25	\$ <u>73,873</u>	\$ <u>2,149,143</u>	\$ <u>2,223,016</u>

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>
2008	\$ 73,873
2009	77,396
2010	81,154
2011	85,094
2012	89,225
Thereafter	1,816,274

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 on a calendar year budget.

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 BLOOMINGTON
BLOOMINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2007
(CONTINUED)**

Note 16 - Prior Period Adjustments

Prior period adjustments posted directly to surplus are detailed below:

Prior year HUD settlement	\$ -78,387
Reclassify fraud per new regulation	33,839
Reclassify of payroll per PHA	2,899
CFP costs reclassified	-1,371
Reclassify payroll withholding	-534
CFFP equity not recorded in 2006 for bond fee interest premium	<u>74,546</u>
Total	<u>\$ 30,992</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 in the current or past three years.

Note 18 - Economic Dependency

The Housing Authority received most of its revenue (86%) 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, 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:						
Low Rent Public Housing*	14.850a	C-894	FYE 09/31/07	\$ 836,121	\$ 836,121	\$ 836,121
Lower Income Housing Assistance Program - Single Room Occupancy	14.249	C-2013	FYE 09/30/07	\$ 19,759	\$ 19,759	\$ 19,759
Housing Choice Vouchers*	14.871	C-2013	FYE 09/30/07	\$ 7,937,577	\$ 7,937,577	\$ 7,937,577
Public Housing - Capital Fund*	14.872	C-894	FYE 09/30/07	\$ 762,965	\$ 762,965	\$ 762,965
Total Federal Assistance				<u>\$ 9,556,422</u>	<u>\$ 9,556,422</u>	<u>\$ 9,556,422</u>

*Denotes major program.

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS (SEFA)
TWELVE MONTHS ENDED SEPTEMBER 30, 2007**

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.

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

**PROGRAM LEVEL STATEMENT OF NET ASSETS
AS OF SEPTEMBER 30, 2007**

<u>ASSETS</u>	<u>Total Amps</u>	<u>Capital Funds</u>	<u>Voucher</u>	<u>Multi-Family</u>
CURRENT ASSETS				
Cash	\$ 765,936	\$ 0	\$ 637,077	\$ 0
Accounts receivable	6,209	59,821	17,924	0
Inventory	22,325	0	0	0
Deferred charges	<u>24,964</u>	<u>0</u>	<u>2,662</u>	<u>0</u>
Total Current Assets	<u>\$ 819,434</u>	<u>\$ 59,821</u>	<u>\$ 657,663</u>	<u>\$ 0</u>
CAPITAL ASSETS				
Land, buildings and equipment	\$ 10,284,158	\$ 900,588	\$ 28,238	\$ 0
Less: Accumulated depreciation	<u>-5,417,969</u>	<u>-3,870</u>	<u>-19,808</u>	<u>0</u>
Net Capital Assets	<u>\$ 4,866,189</u>	<u>\$ 896,718</u>	<u>\$ 8,430</u>	<u>\$ 0</u>
RESTRICTED ASSETS				
Cash	<u>\$ 2,295,792</u>	<u>\$ 0</u>	<u>\$ 844,991</u>	<u>\$ 0</u>
OTHER ASSETS				
Other	<u>\$ 73,388</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Assets	<u>\$ 8,054,803</u>	<u>\$ 956,539</u>	<u>\$ 1,511,084</u>	<u>\$ 0</u>
<u>LIABILITIES</u>				
CURRENT LIABILITIES				
Accounts payable	\$ 281,003	\$ 0	\$ 55,245	\$ 0
Notes payable	73,873	0	0	0
Accrued liabilities	15,748	0	6,222	0
Deferred revenue	<u>11,559</u>	<u>59,821</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>\$ 382,183</u>	<u>\$ 59,821</u>	<u>\$ 61,467</u>	<u>\$ 0</u>
NONCURRENT LIABILITIES				
Notes payable	\$ 2,149,143	\$ 0	\$ 0	\$ 0
Accrued liabilities	6,488	0	0	0
Trust and deposit liabilities	<u>0</u>	<u>0</u>	<u>71,607</u>	<u>0</u>
Total Noncurrent Liabilities	<u>\$ 2,155,631</u>	<u>\$ 0</u>	<u>\$ 71,607</u>	<u>\$ 0</u>
<u>NET ASSETS</u>				
Invested in capital assets	\$ 2,643,173	\$ 896,718	\$ 8,430	\$ 0
Restricted	2,295,792	0	844,991	0
Unrestricted	<u>578,024</u>	<u>0</u>	<u>524,589</u>	<u>0</u>
Total Net Assets	<u>\$ 5,516,989</u>	<u>\$ 896,718</u>	<u>\$ 1,378,010</u>	<u>\$ 0</u>

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

**PROGRAM LEVEL STATEMENT OF NET ASSETS
AS OF SEPTEMBER 30, 2007**

<u>ASSETS</u>	<u>SRO</u>	Central Office <u>Cost Center</u>	<u>Elimination</u>	<u>Total</u>
CURRENT ASSETS				
Cash	\$ 0	\$ 228,944	\$ 0	\$ 1,631,957
Accounts receivable	5,509	43,882	-108,874	24,471
Inventory	0	0	0	22,325
Deferred charges	<u>0</u>	<u>1,535</u>	<u>0</u>	<u>29,161</u>
Total Current Assets	<u>\$ 5,509</u>	<u>\$ 274,361</u>	<u>\$ -108,874</u>	<u>\$ 1,707,914</u>
CAPITAL ASSETS				
Land, buildings and equipment	\$ 0	\$ 249,939	\$ 0	\$ 11,462,923
Less: Accumulated depreciation	<u>0</u>	<u>-157,906</u>	<u>0</u>	<u>-5,599,553</u>
Net Capital Assets	<u>\$ 0</u>	<u>\$ 92,033</u>	<u>\$ 0</u>	<u>\$ 5,863,370</u>
RESTRICTED ASSETS				
Cash	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,140,783</u>
OTHER ASSETS				
Other	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 73,388</u>
Total Assets	<u>\$ 0</u>	<u>\$ 366,394</u>	<u>\$ 0</u>	<u>\$ 10,785,455</u>
<u>LIABILITIES</u>				
CURRENT LIABILITIES				
Accounts payable	\$ 7,455	\$ 3,978	\$ -108,874	\$ 238,807
Notes payable	0	0	0	73,873
Accrued liabilities	47	14,659	0	36,676
Deferred revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>71,380</u>
Total Current Liabilities	<u>\$ 7,502</u>	<u>\$ 18,637</u>	<u>\$ -108,874</u>	<u>\$ 420,736</u>
NONCURRENT LIABILITIES				
Notes payable	\$ 0	\$ 0	\$ 0	\$ 2,149,143
Accrued liabilities	0	12,983	0	19,471
Trust and deposit liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>71,607</u>
Total Noncurrent Liabilities	<u>\$ 0</u>	<u>\$ 12,983</u>	<u>\$ 0</u>	<u>\$ 2,240,221</u>
<u>NET ASSETS</u>				
Invested in capital assets	\$ 0	\$ 92,033	\$ 0	\$ 3,640,354
Restricted	0	0	0	3,140,783
Unrestricted	<u>-1,993</u>	<u>242,741</u>	<u>0</u>	<u>1,343,361</u>
Total Net Assets	<u>\$ -1,993</u>	<u>\$ 334,774</u>	<u>\$ 0</u>	<u>\$ 8,124,498</u>

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

**PROGRAM LEVEL STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED SEPTEMBER 30, 2007**

<u>Operating Income</u>	<u>Total Amps</u>	<u>Capital Funds</u>	<u>Voucher</u>	<u>Multi-Family</u>
Tenant rental revenue	\$ 495,461	\$ 0	\$ 0	\$ 0
Tenant revenue - other	<u>50,891</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Rental Revenue	\$ 546,352	\$ 0	\$ 0	\$ 0
HUD grants - operating	836,121	211,358	8,124,568	\$ 0
Other government grants	55,545	0	22,935	0
Fraud recovery	0	0	24,148	0
Other revenue	121,599	0	10,947	0
Gain/loss on sale of fixed assets	<u>-8,724</u>	<u>0</u>	<u>-1,983</u>	<u>0</u>
Total Operating Income	<u>\$ 1,550,893</u>	<u>\$ 211,358</u>	<u>\$ 8,180,615</u>	<u>\$ 0</u>
 <u>Operating Expenses</u>				
Administration	\$ 444,505	\$ 50,139	\$ 544,758	\$ 0
Tenant services	4,646	4,793	69,788	0
Utilities	424,548	0	0	0
Ordinary maintenance and operation	794,842	0	0	0
General expense	100,155	0	29,717	0
Housing assistance payments	0	0	7,224,670	0
Depreciation	<u>448,655</u>	<u>3,163</u>	<u>4,930</u>	<u>0</u>
Total Operating Expenses	<u>\$ 2,217,351</u>	<u>\$ 58,095</u>	<u>\$ 7,873,863</u>	<u>\$ 0</u>
Net Operating Income (Loss)	<u>\$ -666,458</u>	<u>\$ 153,263</u>	<u>\$ 306,752</u>	<u>\$ 0</u>
 <u>Nonoperating Income (Expense)</u>				
HUD grants - capital	\$ 0	\$ 599,534	\$ 0	\$ 0
Interest expense	-82,554	0	0	0
Interest income	129,391	0	45,607	0
Transfer	<u>156,426</u>	<u>-156,426</u>	<u>0</u>	<u>0</u>
Total Nonoperating Income (Expense)	<u>\$ 203,263</u>	<u>\$ 443,108</u>	<u>\$ 45,607</u>	<u>\$ 0</u>
Changes in Net Assets	<u>\$ -463,195</u>	<u>\$ 596,371</u>	<u>\$ 352,359</u>	<u>\$ 0</u>

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

**PROGRAM LEVEL STATEMENT OF REVENUE AND EXPENDITURES
TWELVE MONTHS ENDED SEPTEMBER 30, 2007**

<u>Operating Income</u>	<u>SRO</u>	Central Office <u>Cost Center</u>	<u>Elimination</u>	<u>Total</u>
Tenant rental revenue	\$ 0	\$ 0	\$ 0	\$ 495,461
Tenant revenue - other	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,891</u>
Total Rental Revenue	\$ 0	\$ 0	\$ 0	\$ 546,352
HUD grants - operating	19,759	0	0	9,191,806
Other government grants	0	0	0	78,480
Fraud recovery	0	0	0	24,148
Other revenue	0	527,331	-511,421	148,456
Gain/loss on sale of fixed assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>-10,707</u>
Total Operating Income	<u>\$ 19,759</u>	<u>\$ 527,331</u>	<u>\$ -511,421</u>	<u>\$ 9,978,535</u>
 <u>Operating Expenses</u>				
Administration	\$ 5,317	\$ 382,667	\$ -511,421	\$ 915,965
Tenant services	0	293	0	79,520
Utilities	0	17,000	0	441,548
Ordinary maintenance and operation	0	3,050	0	797,892
General expense	0	5,102	0	134,974
Housing assistance payments	14,759	0	0	7,239,409
Depreciation	<u>0</u>	<u>14,571</u>	<u>0</u>	<u>471,319</u>
Total Operating Expenses	<u>\$ 20,056</u>	<u>\$ 422,683</u>	<u>\$ -511,421</u>	<u>\$ 10,592,048</u>
Net Operating Income (Loss)	<u>\$ -297</u>	<u>\$ 104,648</u>	<u>\$ 0</u>	<u>\$ -102,092</u>
 <u>Nonoperating Income (Expense)</u>				
HUD grants - capital	\$ 0	\$ 0	\$ 0	\$ 599,534
Interest expense	0	0	0	-82,554
Interest income	0	0	0	174,998
Transfer	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Income (Expense)	<u>\$ 0</u>	<u>\$ 104,648</u>	<u>\$ 0</u>	<u>\$ 691,978</u>
Changes in Net Assets	<u>\$ 0</u>	<u>\$ 104,648</u>	<u>\$ 0</u>	<u>\$ 589,886</u>

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

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
PHASE IN36P022501-04**

1. The Actual Modernization Costs of Phase IN36P022501-04 are as follows:

Funds approved	\$ 551,426
Funds expended	<u>551,426</u>
Excess of Funds Approved	<u><u>\$ 0</u></u>
Funds advanced	
HUD grants	\$ 551,426
Funds expended	<u>551,426</u>
Excess of Funds Advanced	<u><u>\$ 0</u></u>

2. The distribution of costs by project, as shown on the final Statement of Modernization Cost, dated March 22, 2007, 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 the Housing Authority of the City of Bloomington as of and for the year ended September 30, 2007, which collectively comprise the Housing Authority of the City of Bloomington's basic financial statements and have issued my report thereon dated February 28, 2008. 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 Bloomington'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 Bloomington's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority of the City of Bloomington'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 Bloomington'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 Bloomington's financial statements that is more than inconsequential will not be prevented or detected by the Housing Authority of the City of Bloomington'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 Bloomington'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 Bloomington'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 Bloomington, in a separate letter dated February 28, 2008.

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
February 28, 2008

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, 2007. 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 of Housing Authority of the City of Bloomington's compliance with those requirements.

In my opinion, Housing Authority of the City of Bloomington 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 September 30, 2007. The results of my auditing procedures disclosed no instances of noncompliance 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 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 Bloomington'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 Bloomington'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 Bloomington in a separate letter dated February 28, 2008.

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
February 28, 2008

Certified Public Accountant

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

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended September 30, 2006 contained no findings.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

Section I - 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	14.850a
Housing Voucher Program	14.855
Capital Funds Program	14.872

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
CURRENT FINDINGS AND RECOMMENDATIONS**

Section II - Financial Statement Findings

There were no financial statement audit findings discussed with Jennifer J. Osterholt, Executive Director, during the audit and at an exit conference held February 28, 2008.

Section III - Federal Award Findings

There were no federal award audit findings discussed with Jennifer J. Osterholt, Executive Director, during the audit and at an exit conference held February 28, 2008.

HOUSING AUTHORITY OF THE CITY OF BLOOMINGTON
BLOOMINGTON, INDIANA

SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2007

<u>Low Rent</u>	<u>Audit</u> <u>Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting</u> <u>Account Number</u>
(1)				
Interfund	1295.901	\$ 44.00		2145.501
Maintenance materials	1-4420		\$ 44.00	1-4420
(To reverse a portion of JV5383 - correcting reclassification entry)				

(2)				
Administrative wage expense	11-4110	\$ 1,536.34		11-4110
Administrative wage expense	31-4110	910.88		31-4110
Accrued wages	2135		\$ 2,447.22	2135
(To set up accrued wages per subsequent payments examined)				

(3)				
Other federal grants	----		\$ 55,545.37	----
CFFP fed home grant	2120.2	\$ 55,545.37		2120.2
(To reclassify Home Loan Grant to income statement. Funds received are not loans)				

Capital Funds

(1)				
Revenue HUD grants	501-004-3401		\$ 44.00	501-004-3401
Dwelling structures	7-3-501-004-1460	\$ 44.00		7-3-501-004-1460
Deferred revenue 2004	2290.004	44.00		2290.004
Interfund (due to) from PHA	1295.50		44.00	1295.50
(To reverse a portion of JV5383 - correcting reclassification entry)				

Voucher

(1)				
Fraud recovery	1121	\$ 11,877.85		1121
Allowance for doubtful acct.	1121.017		\$ 11,877.85	1121.01
(To adjust accounts to actual per detail listing of repayments agreements)				

(2)				
Fund balance - HAP	2810.001	\$ 9,135.00		2810.001
Accounts receivable - HUD	1125		\$ 9,135.00	1125
(To write off accounts receivable - HUD per correspondence)				

(3)				
Administrative salary expense	4110	\$ 1,534.92		4110
Accrued wages	2135		\$ 1,534.92	2135
(To set up accrued wages)				

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2007
CONTINUED**

<u>SRO</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Unrestricted net assets	2810.512	\$ 7,881.00		2810.512
Revenues - HUD grants	3410		\$ 7,881.00	3410
(To adjust subsidy by prior year HUD settlement FY 2006)				
(2)				
Administrative salary expense	4110	\$ 47.25		4110
Accrued wages	2135		\$ 47.25	2135
(To set up accrued wages)				
(3)				
Revenues - HUD grants	3410	\$ 6,983.00		3410
Accounts payable - HUD	2118		\$ 6,983.00	2118
(To record payable for FY 2007 settlement)				
 <u>Central Office Cost Center</u>				
(1)				
Administrative salary	4110	\$ 2,223.45		4110
Accrued wages	2135		\$ 2,223.45	2135
(To set up accrued wages)				

PHA: IN022 FYED: 09/30/2007

Line Item No.	Account Description	Business Activities	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$228,944	\$0	\$0	\$717,943	\$637,077	\$0	\$1,583,964
112	Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$2,295,792	\$0	\$0	\$2,295,792
113	Cash - Other Restricted	\$0	\$0	\$0	\$0	\$844,991	\$0	\$844,991
114	Cash - Tenant Security Deposits	\$0	\$0	\$0	\$47,993	\$0	\$0	\$47,993
100	Total Cash	\$228,944	\$0	\$0	\$3,061,728	\$1,482,068	\$0	\$4,772,740
125	Accounts Receivable - Miscellaneous	\$338	\$0	\$0	\$0	\$0	\$0	\$338
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$0	\$0	\$14,628	\$0	\$0	\$14,628
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$-8,419	\$0	\$0	\$-8,419
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
128	Fraud Recovery	\$0	\$0	\$0	\$0	\$83,573	\$0	\$83,573
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$-65,649	\$0	\$-65,649
120	Total Receivables, net of allowances for doubtful accounts	\$338	\$0	\$0	\$6,209	\$17,924	\$0	\$24,471
142	Prepaid Expenses and Other Assets	\$1,535	\$0	\$0	\$24,964	\$2,662	\$0	\$29,161
143	Inventories	\$0	\$0	\$0	\$22,325	\$0	\$0	\$22,325
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$43,544	\$0	\$5,509	\$0	\$0	\$59,821	\$108,874
150	Total Current Assets	\$274,361	\$0	\$5,509	\$3,115,228	\$1,502,654	\$69,821	\$4,957,571
161	Land	\$35,060	\$0	\$0	\$899,869	\$0	\$0	\$934,929
162	Buildings	\$128,035	\$0	\$0	\$5,949,641	\$0	\$0	\$6,077,676
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$175,574	\$0	\$3,695	\$179,269
164	Furniture, Equipment & Machinery - Administration	\$86,844	\$0	\$0	\$167,421	\$28,238	\$15,564	\$298,067
165	Leasehold Improvements	\$0	\$0	\$0	\$3,036,108	\$0	\$0	\$3,036,108
166	Accumulated Depreciation	\$-157,906	\$0	\$0	\$-5,417,969	\$-19,808	\$-3,870	\$-5,599,553
167	Construction In Progress	\$0	\$0	\$0	\$55,545	\$0	\$881,329	\$936,874
160	Total Fixed Assets, Net of Accumulated Depreciation	\$92,033	\$0	\$0	\$4,866,189	\$8,430	\$896,718	\$5,863,370
174	Other Assets	\$0	\$0	\$0	\$73,388	\$0	\$0	\$73,388
180	Total Non-Current Assets	\$92,033	\$0	\$0	\$4,939,577	\$8,430	\$896,718	\$5,936,758
190	Total Assets	\$366,394	\$0	\$5,509	\$8,054,803	\$1,511,084	\$956,539	\$10,894,329

PHA: IN022 FYED: 09/30/2007

Line Item No.	Account Description	Business Activities	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
312	Accounts Payable <= 90 Days	\$3,978	\$0	\$0	\$173,189	\$6,664	\$0	\$183,831
321	Accrued Wage/Payroll Taxes Payable	\$2,223	\$0	\$47	\$2,447	\$1,535	\$0	\$6,252
322	Accrued Compensated Absences - Current Portion	\$12,436	\$0	\$0	\$13,301	\$4,687	\$0	\$30,424
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$6,983	\$0	\$0	\$0	\$6,983
341	Tenant Security Deposits	\$0	\$0	\$0	\$47,993	\$0	\$0	\$47,993
342	Deferred Revenues	\$0	\$0	\$0	\$11,559	\$0	\$59,821	\$71,380
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$0	\$73,873	\$0	\$0	\$73,873
347	Interprogram Due To	\$0	\$0	\$472	\$59,821	\$48,581	\$0	\$108,874
310	Total Current Liabilities	\$18,637	\$0	\$7,502	\$382,183	\$61,467	\$59,821	\$529,610
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$0	\$2,149,143	\$0	\$0	\$2,149,143
354	Accrued Compensated Absences - Non Current	\$12,983	\$0	\$0	\$6,488	\$0	\$0	\$19,471
353	Noncurrent Liabilities - Other	\$0	\$0	\$0	\$0	\$71,607	\$0	\$71,607
350	Total Noncurrent Liabilities	\$12,983	\$0	\$0	\$2,155,631	\$71,607	\$0	\$2,240,221
300	Total Liabilities	\$31,620	\$0	\$7,502	\$2,537,814	\$133,074	\$59,821	\$2,769,831
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$92,033	\$0	\$0	\$2,643,173	\$8,430	\$896,718	\$3,640,354
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$2,295,792	\$844,991	\$0	\$3,140,783
512.1	Unrestricted Net Assets	\$242,741	\$0	\$-1,993	\$578,024	\$524,589	\$0	\$1,343,361
513	Total Equity/Net Assets	\$334,774	\$0	\$-1,993	\$5,516,989	\$1,378,010	\$896,718	\$8,124,498
600	Total Liabilities and Equity/Net Assets	\$366,394	\$0	\$5,509	\$8,054,803	\$1,511,084	\$956,539	\$10,894,329

PHA: IN022 FYED: 09/30/2007

Line Item No.	Account Description	Business Activities	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$0	\$0	\$0	\$495,461	\$0	\$0	\$495,461
704	Tenant Revenue - Other	\$0	\$0	\$0	\$50,891	\$0	\$0	\$50,891
705	Total Tenant Revenue	\$0	\$0	\$0	\$546,352	\$0	\$0	\$546,352
706	HUD PHA Operating Grants	\$0	\$0	\$19,759	\$836,121	\$8,124,568	\$211,358	\$9,191,806
706.1	Capital Grants	\$0	\$0	\$0	\$0	\$0	\$599,534	\$599,534
708	Other Government Grants	\$0	\$0	\$0	\$55,545	\$22,935	\$0	\$78,480
711	Investment Income - Unrestricted	\$0	\$0	\$0	\$32,977	\$20,209	\$0	\$53,186
714	Fraud Recovery	\$0	\$0	\$0	\$0	\$24,148	\$0	\$24,148
715	Other Revenue	\$527,331	\$0	\$0	\$121,599	\$10,947	\$0	\$659,877
716	Gain/Loss on Sale of Fixed Assets	\$0	\$0	\$0	\$-8,724	\$-1,983	\$0	\$-10,707
720	Investment Income - Restricted	\$0	\$0	\$0	\$96,414	\$25,398	\$0	\$121,812
700	Total Revenue	\$527,331	\$0	\$19,759	\$1,680,284	\$8,226,222	\$810,892	\$11,264,488

PHA: IN022 FYED: 09/30/2007

Line Item No.	Account Description	Business Activities	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$232,030	\$0	\$4,940	\$123,146	\$156,997	\$38,369	\$555,482
912	Auditing Fees	\$1,900	\$0	\$0	\$2,000	\$0	\$1,000	\$4,900
913	Outside Management Fees	\$0	\$0	\$0	\$236,003	\$275,418	\$0	\$511,421
914	Compensated Absences	\$2,148	\$0	\$0	\$-547	\$-3,588	\$0	\$-1,987
915	Employee Benefit Contributions - Administrative	\$82,896	\$0	\$377	\$43,167	\$65,340	\$0	\$191,780
916	Other Operating - Administrative	\$63,693	\$0	\$0	\$40,736	\$50,591	\$10,770	\$165,790
922	Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$4,793	\$4,793
924	Tenant Services - Other	\$293	\$0	\$0	\$4,646	\$69,788	\$0	\$74,727
931	Water	\$2,400	\$0	\$0	\$46,979	\$0	\$0	\$49,379
932	Electricity	\$5,600	\$0	\$0	\$151,938	\$0	\$0	\$157,538
933	Gas	\$6,600	\$0	\$0	\$153,610	\$0	\$0	\$160,210
938	Other Utilities Expense	\$2,400	\$0	\$0	\$72,021	\$0	\$0	\$74,421
941	Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$158,279	\$0	\$0	\$158,279
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$0	\$0	\$114,610	\$0	\$0	\$114,610
943	Ordinary Maintenance and Operations - Contract Costs	\$3,050	\$0	\$0	\$467,588	\$0	\$0	\$470,638
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$54,365	\$0	\$0	\$54,365
961	Insurance Premiums	\$5,102	\$0	\$0	\$71,808	\$7,164	\$0	\$84,074
962	Other General Expenses	\$0	\$0	\$0	\$0	\$4,442	\$0	\$4,442
964	Bad Debt - Tenant Rents	\$0	\$0	\$0	\$28,347	\$0	\$0	\$28,347
966	Bad Debt - Other	\$0	\$0	\$0	\$0	\$18,111	\$0	\$18,111
967	Interest Expense	\$0	\$0	\$0	\$82,554	\$0	\$0	\$82,554
969	Total Operating Expenses	\$408,112	\$0	\$5,317	\$1,851,250	\$644,263	\$54,932	\$2,963,874
970	Excess Operating Revenue over Operating Expenses	\$119,219	\$0	\$14,442	\$-170,966	\$7,581,959	\$755,960	\$8,300,614
973	Housing Assistance Payments	\$0	\$0	\$14,739	\$0	\$7,224,670	\$0	\$7,239,409
974	Depreciation Expense	\$14,571	\$0	\$0	\$448,655	\$4,930	\$3,163	\$471,319
900	Total Expenses	\$422,683	\$0	\$20,056	\$2,299,905	\$7,873,863	\$58,095	\$10,674,602
1001	Operating Transfers In	\$0	\$0	\$0	\$156,426	\$0	\$0	\$156,426
1002	Operating Transfers Out	\$0	\$0	\$0	\$0	\$0	\$-156,426	\$-156,426
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$156,426	\$0	\$-156,426	\$0
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$104,648	\$0	\$-297	\$-463,195	\$362,359	\$596,371	\$589,886

PHA: IN022 FYED: 09/30/2007

Line Item No.	Account Description	Business Activities	Multifamily Housing Service Coordinators	Section 8 Moderate Rehabilitation Single Room Occupancy	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$0	\$3,299	\$6,185	\$5,752,046	\$1,059,019	\$683,071	\$7,503,620
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$230,126	\$-3,299	\$-7,881	\$228,138	\$-33,368	\$-382,724	\$30,992
1120	Unit Months Available	0	0	144	3,720	15,408	0	19,272
1121	Number of Unit Months Leased	0	0	116	3,630	15,374	0	19,120
1117	Administrative Fee Equity	\$0	\$0	\$0	\$0	\$612,489	\$0	\$612,489
1118	Housing Assistance Payments Equity	\$0	\$0	\$0	\$0	\$765,521	\$0	\$765,521

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