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October 1, 2013

Board of Directors
Housing Authority of the City of Evansville
500 Court Street
Evansville, IN 47708

We have reviewed the audit report prepared by Katz, Sapper & Miller, LLP, Independent Public Accountants, for the period January 1, 2011 to December 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Evansville, as of December 31, 2011 and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the five federal findings, addressed on pages 36 through 39.

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

STATE BOARD OF ACCOUNTS



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

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

December 31, 2011

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

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Independent Auditors' Report

Board of Commissioners
The Housing Authority of the City of
Evansville, Indiana

We have audited the accompanying financial statements of the business-type activities (primary government) and the discretely presented component units of The Housing Authority of the City of Evansville, Indiana (the Authority) as of and for the year ended December 31, 2011, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Lincoln Estates Redevelopment, L.P., which is a discretely presented component unit of the Authority, which represent 100% of the assets, net assets, and revenues of Lincoln Estates Redevelopment, L.P. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for Lincoln Estates Redevelopment, L.P., a discretely presented component unit, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Lincoln Estates Redevelopment, L.P. were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of The Housing Authority of the City of Evansville, Indiana as of December 31, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 17, 2012 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages 3 through 9 as well as the retirement plan schedule of funding progress and employer contributions on page 28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Authority taken as a whole. The schedule of expenditures of federal awards on pages 31-32 is presented for purposes of additional analysis as required by 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. The financial data schedule on pages 41-71 is presented for purpose of additional analysis required by the Department of Housing and Urban Development's Real Estate Assessment Center and is also not a required part of the basic financial statements. The schedule of expenditures of federal awards and the financial data schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the schedule of expenditures of federal awards and financial data schedule are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Katz, Saggaw & Miller, LLP

Indianapolis, Indiana
August 17, 2012

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2011

This section of The Housing Authority of the City of Evansville, Indiana's ("the Authority") annual financial report presents management's discussion and analysis of the Authority's financial position, results of operations and cash flows during the fiscal year ended December 31, 2011. This information is being presented to provide additional information regarding the activities of the Authority and to meet the disclosure requirements of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This analysis should be read in conjunction with the Independent Auditors' Report, financial statements and accompanying notes.

Introduction - The Housing Authority of the City of Evansville, Indiana

The Authority is a Public Housing Authority with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal Authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority has two discretely presented component units: Lincoln Estates Redevelopment, LP and Vision 1505, LP. Lincoln Estate Redevelopment, LP prepares separately issued financial statements. The Authority is responsible for their debts and is entitled to surpluses.

The Authority's financial statements include the operations of funds that the Authority has established to achieve its purposes. The financial transactions of the Authority are recorded in the funds that consist of a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenses, as appropriate. The Authority is a self-supporting entity and follows enterprise fund reporting.

This discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any significant changes in net assets of the Authority. Readers are encouraged to consider the information presented in conjunction with the financial statements as a whole, which follow this section.

Financial Statements

The basic financial statements include three required statements, which provide different views of the Authority. They are the *Statement of Net Assets*, the *Statement of Revenue, Expenses and Changes in Net Assets* and the *Statement of Cash Flows*. These statements provide current and long-term information about the Authority and its activities.

The *Statement of Net Assets* includes all assets and liabilities, both financial and capital, and short-term and long-term, using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

All of the current year's revenues and expenses are accounted for in the *Statement of Revenue, Expenses, and Changes in Net Assets*. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all of its costs through externally funded programs, tenant rents and other revenue sources.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

The primary purpose of the *Statement of Cash Flows* is to provide information about the Authority's cash receipts and cash payments during the accounting period. This statement reports cash transactions, including receipts, payments, and net changes resulting from operations, noncapital financing, capital financing, and investing activities.

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Highlights

- The Authority's net assets increased by approximately \$1.2 million during 2011 and \$3.1 million during 2010. These increases in net assets are primarily attributed to increased capital contributions under the capital program which includes funds received from the American Recovery and Reinvestment Act (ARRA). The increase in net assets declined in 2011 as the ARRA funding is winding down. Also, HUD issued fewer vouchers under the Housing Choice Voucher program to require the Authority to start using the reserves.
- Operating revenues decreased by \$375 thousand during 2011 and were approximately \$14.8 million for 2011 and \$15.2 million for 2010.
- The total operating expenses for Authority programs decreased by \$1 million during 2011. Total expenses were approximately \$14.4 million for 2011 and \$15.4 million for 2010.
- Non-operating income for the Authority decreased by \$2.4 million during 2011. Total net non-operating income was approximately \$780 thousand for 2011 and \$3.2 million for 2010.

The Authority has many programs that are consolidated into a single enterprise fund. The programs consist of the following:

Low Rent Public Housing Program

This program is operated under HUD's Annual Contribution Contract (ACC) and consists of the operations of the low-rent public housing properties totaling approximately 958 units. The purpose of this program is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned, maintained, and managed by the Authority. Funding for the program is provided by federal annual contributions and operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition). The Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties

Housing Choice Voucher Program

Under the Housing Choice Voucher Program, the Authority provides rental housing assistance subsidies in support of 1,906 housing units. The purpose of the program is to provide decent affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are maintained and managed by private landlords.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

Other Programs

In addition to the significant programs noted above, the Authority also maintains other programs. Currently, the Authority administers the following smaller programs:

- Business Activities
- Capital Funds
- Youth Build Program
- Resident Opportunity and Supportive Services
- Residential Vocational Training

Net Assets

The following table is a condensed summary of net assets at December 31, 2011 and 2010:

	2011	2010	\$ Change	% Change
Assets				
Current assets	\$ 9,188,342	\$ 6,875,770	\$ 2,312,572	33.6%
Noncurrent investments	258,716	1,966,410	(1,707,694)	(86.8%)
Capital assets, net	18,535,548	18,106,949	428,599	2.4%
Notes and mortgages receivable, long term, net	<u>5,806</u>	<u>13,114</u>	<u>7,308</u>	<u>55.7%</u>
Total assets	<u>\$27,988,412</u>	<u>\$26,962,243</u>	<u>\$ 1,026,169</u>	<u>3.8%</u>
Liabilities				
Current liabilities	\$ 1,095,559	\$ 1,429,974	\$ (334,415)	(23.4%)
Noncurrent liabilities	<u>157,443</u>	<u>19,741</u>	<u>137,702</u>	<u>697.5%</u>
Total liabilities	<u>\$ 1,253,002</u>	<u>\$ 1,449,715</u>	<u>\$ (196,713)</u>	<u>13.0%</u>
Net assets				
Invested in capital assets	\$18,427,608	\$18,106,949	\$ 320,659	1.8%
Restricted	1,764,531	752,480	1,012,051	134.5%
Unrestricted	<u>6,543,271</u>	<u>6,653,099</u>	<u>(109,828)</u>	<u>(1.7%)</u>
Total net assets	<u>\$26,735,410</u>	<u>\$25,512,528</u>	<u>\$1,222,882</u>	<u>4.8%</u>

Major Factors Affecting the Statement of Net Assets

Total assets of the Authority as of December 31, 2011 and 2010 amounted to \$27,988,412 and \$26,962,243, respectively. Current assets primarily consist of cash and equivalents, certificates of deposits and receivables from HUD. Non-current assets primarily consist of certificates of deposits and capital assets. Capital assets include land, land improvements, leasehold improvements, structures, construction in progress and equipment. All capital assets except for land and construction in progress are shown net of accumulated depreciation. The principal changes in assets from December 31, 2010 to December 31, 2011 were increases in investments.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

Total liabilities of the Authority are \$1,253,002 and \$1,449,715 as of December 31, 2011 and 2010, respectively. Current liabilities include accounts payable, accrued liabilities, deferred revenue, accrued compensated absences, and notes payable. Current liabilities have decreased by \$334,415 due to the decrease in accounts payable. Noncurrent liabilities have increased by \$137,702 due to the new loan liability for energy efficient renovations.

Net assets represent the Authority's equity, a portion of which is restricted for certain use. Net assets are divided into three major categories. The first category, invested in capital assets, net of related debt shows the Authority's equity in land, structures, construction in progress, and equipment, net of related capital debt outstanding. The next net asset category, restricted net assets, is reserved for the programs mandated by HUD. The last category, unrestricted net assets, is available to use for any lawful and prudent purpose of the Authority. Unrestricted net assets remained consistent with prior year.

Revenue, Expenses and Changes in Net Assets

The following table is a condensed summary of revenue, expenses and changes in net assets for the years ended December 31, 2011 and 2010.

	2011	2010	\$ Change	% Change
Operating Revenue				
Tenant revenue	\$ 2,536,754	\$ 2,320,114	\$ 216,640	9.3%
HUD grants	11,809,946	11,836,557	(26,611)	(0.2%)
Investment income	51,961	98,853	(46,892)	(47.4%)
Other governmental grants	197,079	534,144	(337,065)	(63.1%)
Fraud recovery income	16,304	29,724	(13,420)	(45.1%)
Other revenue	<u>235,530</u>	<u>317,573</u>	<u>(82,043)</u>	<u>(25.8%)</u>
Total operating revenue	<u>14,847,574</u>	<u>15,136,965</u>	<u>(289,391)</u>	<u>(2.5%)</u>
Operating Expenses				
Administration	2,801,180	3,283,782	(482,602)	(10.9%)
Tenant services	16,407	13,186	3,221	24.4%
Housing assistance payments	7,915,666	8,759,684	(844,018)	(9.7%)
Utilities	1,051,355	989,769	61,586	6.6%
Ordinary maintenance and operations	1,766,477	2,072,794	(306,317)	(10.3%)
Insurance	163,173	192,938	(29,765)	(15.4%)
Other general expenses	683,343	178,855	504,488	147.8%
Interest on notes payable	7,221	5,794	1,427	24.6%
Depreciation	<u>1,610,232</u>	<u>1,432,572</u>	<u>177,660</u>	<u>12.40%</u>
Total operating expenses	<u>16,015,054</u>	<u>16,929,374</u>	<u>(914,320)</u>	<u>(5.4%)</u>
Operating income (loss)	(1,167,480)	(1,792,409)	624,929	(34.87%)
Nonoperating income (expense)	<u>2,390,362</u>	<u>4,870,284</u>	<u>(2,479,922)</u>	<u>(50.92%)</u>
Change in net assets	<u>\$ 1,222,882</u>	<u>\$ 3,077,875</u>	<u>\$(1,854,993)</u>	<u>(60.3%)</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

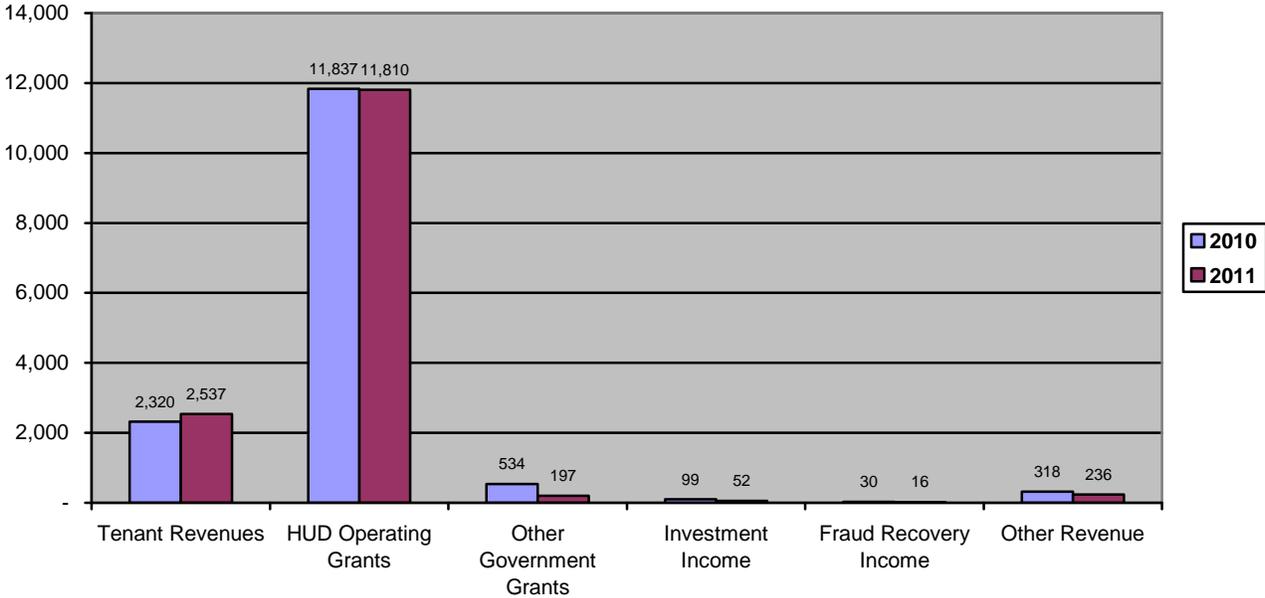
Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Assets

During 2011, the Authority’s operating loss was \$1.2 million. Nonoperating income was \$2.4 million which consisted mostly of capital grant income.

During 2010, the Authority’s operating loss was \$1.8 million. Nonoperating income was \$4.9 million which consisted mostly of capital grant income.

Operating revenues are shown in detail in the chart below:

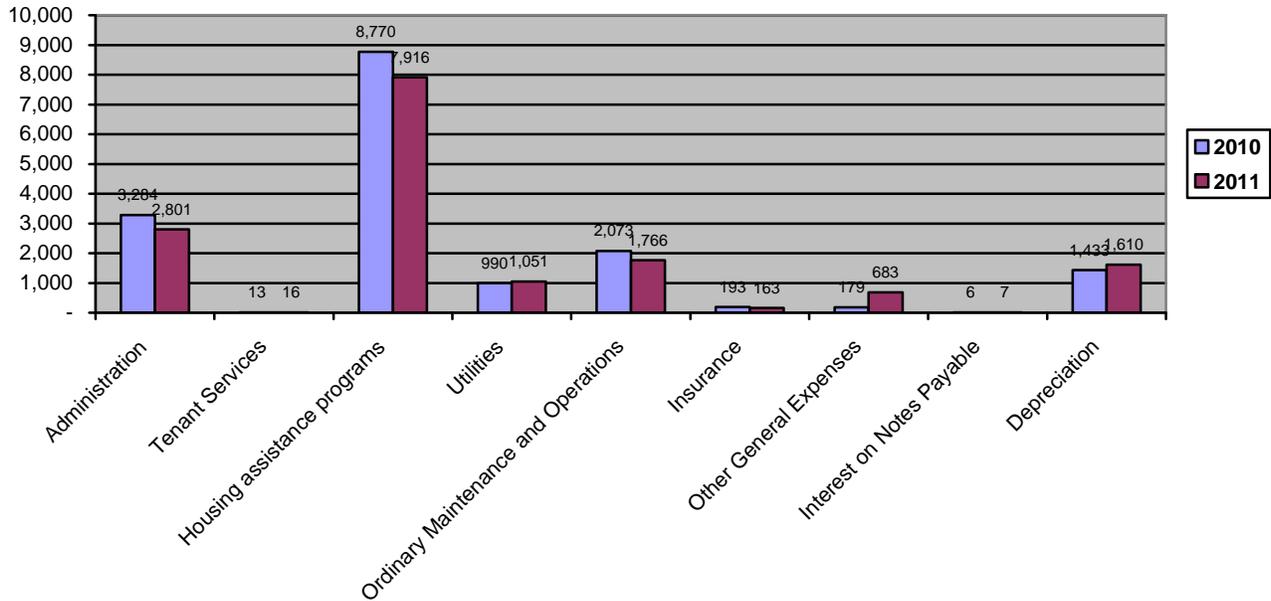
Operating Revenues – 2010 and 2011 (Dollars in Thousands)



THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

Operating Expenses are shown in detail in the chart below:

Operating Expenses – 2010 and 2011 (Dollars in Thousands)



Capital Assets

As of December 31, 2011 and 2010, the Authority had \$18.5 million and \$18.1 million, respectively, invested in a variety of capital assets as reflected in the following table:

	2011	2010
Land	\$ 1,383,316	\$ 1,372,716
Buildings and improvements	45,360,943	43,648,481
Furniture, equipment and machinery	2,205,218	2,306,772
Construction in progress	113,775	16,250
Accumulated depreciation	<u>(30,527,704)</u>	<u>(29,237,270)</u>
Net capital assets	<u>\$ 18,535,548</u>	<u>\$ 18,106,949</u>

In 2011, the Authority made capital expenditures of \$2.2 million while recognizing depreciation expense of \$1.6 million and disposing of \$170,000 worth of equipment.

In 2010, the Authority made capital expenditures of \$3.9 million while recognizing depreciation expense of \$1.4 million.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
December 31, 2011

Requests of Information

This financial report is designed to provide a general overview of the Authority's finances and resources. Questions concerning any of this information should be addressed to The Housing Authority of the City of Evansville, Indiana, 500 Court Street, Evansville, Indiana, 47708.

Requests for full financial information of the Component Units should be addressed to The Housing Authority of the City of Evansville, Indiana, 500 Court Street, Evansville, Indiana, 47708.

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

BASIC FINANCIAL STATEMENTS

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**STATEMENT OF NET ASSETS
December 31, 2011**

ASSETS

	Primary Government	Component Units Lincoln Estates Redevelopment, LP	Component Units Vision 1505, LP
CURRENT ASSETS			
Cash and equivalents	\$ 1,178,987	\$ 41,557	
Restricted cash	191,531	130,739	
Restricted cash - tenant security deposits	135,102	27,577	
Investments	6,117,857		
Restricted investments	1,314,284		
Accounts receivable - HUD	161,329		
Accounts receivable - other government	6,516		
Accounts receivable - tenants, net	14,864	14,458	
Accounts receivable - other	16,809		
Accrued interest receivable	2,063		
Prepaid expense and other current assets	48,300		\$ 21,031
Notes and mortgages receivable - current portion	700	535	
Total Current Assets	<u>9,188,342</u>	<u>214,866</u>	<u>21,031</u>
CAPITAL ASSETS			
Land	1,383,316	467,800	126,000
Buildings and improvements	45,360,943	6,716,057	
Furniture, equipment and machinery - dwellings	862,310	691,164	
Furniture, equipment and machinery - administrative	1,342,908		
Construction in progress	113,775		804,881
	<u>49,063,252</u>	<u>7,875,021</u>	<u>930,881</u>
Less: Accumulated depreciation	<u>(30,527,704)</u>	<u>(2,741,295)</u>	
Total Capital Assets	<u>18,535,548</u>	<u>5,133,726</u>	<u>930,881</u>
OTHER ASSETS			
Notes and mortgages receivable, net of current portion	5,806		
Restricted investments - long term	258,716		
Deferred charges, net of accumulated amortization of \$50,384		51,229	
Total Other Assets	<u>264,522</u>	<u>51,229</u>	
TOTAL ASSETS	<u>\$ 27,988,412</u>	<u>\$ 5,399,821</u>	<u>\$951,912</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

STATEMENT OF NET ASSETS (CONTINUED)
December 31, 2011

LIABILITIES AND NET ASSETS

	Primary Government	Component Units Lincoln Estates Redevelopment, LP	Vision 1505, LP
CURRENT LIABILITIES			
Accounts payable	\$ 80,860	\$ 33,079	
Tenant security deposits	135,102	27,627	
Deferred revenue	6,474		
Accrued compensated absences - current portion	176,158		
Accrued wages and payroll taxes	93,568		
Accrued expenses	470,547	147,042	
Other current liabilities	63,139		
Current portion of long-term debt	69,711	30,038	
Total Current Liabilities	<u>1,095,559</u>	<u>237,786</u>	
NONCURRENT LIABILITIES			
Other liabilities	18,601		
Accrued compensated absences, net of current portion	50,613		
Loan liability, net of current portion	88,229		
Mortgage payable, net of current portion		1,833,619	\$ 236,253
Notes payable and advances, due to primary government		1,149,507	
Total Noncurrent Liabilities	<u>157,443</u>	<u>2,983,126</u>	<u>236,253</u>
Total Liabilities	<u>1,253,002</u>	<u>3,220,912</u>	<u>236,253</u>
NET ASSETS			
Invested in capital assets, net of related debt	18,427,608	2,120,562	694,628
Restricted net assets	1,764,531		
Unrestricted net assets	6,543,271	58,347	21,031
Total Net Assets	<u>26,735,410</u>	<u>2,178,909</u>	<u>715,659</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 27,988,412</u>	<u>\$ 5,399,821</u>	<u>\$ 951,912</u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN
NET ASSETS**

Year Ended December 31, 2011

	<u>Primary Government</u>	<u>Lincoln Estates Redevelopment, LP</u>	<u>Component Units Vision 1505, LP</u>
OPERATING REVENUE			
Tenant revenue	\$ 2,536,754	\$ 630,722	
HUD PHA operating grants	11,809,946		
Other government grants	197,079		
Investment income - unrestricted	51,961		
Fraud recovery income	16,304		
Other revenue	246,233	14,423	
Loss on sale of capital assets	<u>(10,703)</u>		
Total Operating Revenue	<u>14,847,574</u>	<u>645,145</u>	
OPERATING EXPENSES			
Administration	2,801,180	111,957	
Tenant services	16,407		
Housing assistance payments	7,915,666		
Utilities	1,051,355	76,254	
Ordinary maintenance and operations	1,766,477	186,636	
Insurance	163,173	17,625	
Other general expenses	683,343	84,319	
Interest expense	7,221	120,072	
Depreciation expense	<u>1,610,232</u>	<u>276,108</u>	
Total Operating Expenses	<u>16,015,054</u>	<u>872,971</u>	
Operating Loss	<u>(1,167,480)</u>	<u>(227,826)</u>	
NONOPERATING INCOME (EXPENSE)			
Insurance proceeds		46,103	
Extraordinary maintenance	(6,500)		
Capital grants	<u>2,396,862</u>		
Total Nonoperating Income (Expense)	<u>2,390,362</u>	<u>46,103</u>	
INCREASE (DECREASE) IN NET ASSETS	1,222,882	(181,723)	
CAPITAL CONTRIBUTIONS			\$ 715,659
NET ASSETS			
Beginning of Year	<u>25,512,528</u>	<u>2,360,632</u>	
End of Year	<u><u>\$ 26,735,410</u></u>	<u><u>\$ 2,178,909</u></u>	<u><u>\$ 715,659</u></u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**STATEMENT OF CASH FLOWS
Year Ended December 31, 2011**

	<u>Primary Government</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from dwelling rent	\$ 2,537,458
Cash received from HUD grants	11,799,297
Cash received from other governmental grants	218,613
Cash received from other sources	386,753
Cash payments to employees for services	(2,564,276)
Cash payments for employee benefits	(775,904)
Cash payments to participants in the Housing Choice Voucher Program	(7,915,666)
Cash payments to other suppliers for goods and services	<u>(5,005,577)</u>
Net Cash Provided by Operating Activities	<u>(1,319,302)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(2,152,985)
Proceeds from sale of capital assets	103,451
Capital grants received	<u>3,465,730</u>
Net Cash Provided by Capital and Related Financing Activities	<u>1,416,196</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from release of restricted cash	97,070
Net purchase of certificates of deposit	(3,241,697)
Interest received	55,206
Principal payments on mortgages receivable	<u>7,658</u>
Net Cash Used by Investing Activities	<u>(3,081,763)</u>
DECREASE IN CASH AND EQUIVALENTS	(2,984,869)
CASH AND EQUIVALENTS	
Beginning of Year	<u>2,553,624</u>
End of Year	<u><u>\$ (431,245)</u></u>
Reconciliation of Increase in Net Assets to Net Cash Provided by Operating Activities:	
Increase in net assets	\$ 1,222,882
Depreciation expense	1,610,232
Loss on sale of capital assets	10,703
Capital grants revenue	(2,396,862)
Interest revenue	(51,961)
Decrease in allowance for doubtful accounts - tenants receivable	(25,484)
(Increase) decrease in certain current assets:	
Restricted cash - escrow accounts	51,606
Accounts receivable - HUD	(10,649)
Accounts receivable - other government	21,534
Accounts receivable - tenants	25,837
Accounts receivable - other	72,610
Prepaid expenses and other current assets	(38,193)
Increase (decrease) in certain liabilities:	
Accounts payable	(632,471)
Deferred revenue	351
Other liabilities	<u>430,795</u>
Net Cash Provided by Operating Activities	<u><u>\$ 290,930</u></u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2011

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Housing Authority of the City of Evansville, Indiana (the "Authority") is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States and have been consistently applied in the preparation of the financial statements.

Nature of Operations: The Authority, a governmental entity, is organized under the laws of the State of Indiana ("State") for the purpose of engaging in the development and administration of low-rent housing programs. The Authority owns and operates 958 public housing units and administers 1,906 Section 8 units under an Annual Contributions Contract (ACC) in Evansville, Indiana.

The Authority's activities include the following programs:

Low Rent Public Housing Program – This program is operated under HUD's ACC and consists of the operations of the low-rent public housing properties totaling approximately 958 units. The purpose of this program is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned, maintained, and managed by the Authority. Funding for the program is provided by federal annual contributions and operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition). The Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority provides rental housing assistance subsidies in support of 1,906 housing units. The purpose of the program is to provide decent affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are maintained and managed by private landlords.

Other Programs: In addition to the significant programs noted above, the Authority also maintains other programs. Currently, the Authority administers the following smaller programs:

- Business Activities
- Capital Funds
- Youth Build Program
- Resident Opportunity and Supportive Services
- Residential Vocational Training

Reporting Entity: Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity, Omnibus*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of these statements, the Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The 7-member Board of Commissioners of the Authority is appointed to 4 year staggering terms by the Mayor of the City of Evansville, but the Authority designates its own management. The City of Evansville is not financially accountable for the Authority as it cannot impose its will on the Authority, and there is no potential for the Authority to provide financial benefits to, or impose financial burdens on the City of Evansville. Accordingly, the Authority is not a component unit of the financial reporting entity of the City of Evansville.

The Authority has included as blended component units the activities for Advantix Development, Inc., a non-profit organization, Lincoln Estates Redevelopment, Inc., a non-profit organization, and ADCV1505, Inc., a for-profit organization. Advantix Development, Inc., Lincoln Estates Redevelopment, Inc. and ADCV1505, Inc. are shown as blended component units because the Authority has financial accountability and control over their boards of directors and management.

The Authority has included, as a discretely presented component unit, the activity for Lincoln Estates Redevelopment Partnership, L.P. ("Lincoln Estates"). The discrete method presents the financial statements of the component unit outside of the basic financial statement totals of the primary government. This entity is shown as a discretely presented component unit because the Authority is financially accountable for it; however, they do not have full ownership over the entity. Lincoln Estates Redevelopment, Inc. (which is included as a blended component of the Authority) has a .01% general partner interest in Lincoln Estates. Lincoln Estates is a 112 unit, residential apartment project known as Lincoln Estates Apartments located in Evansville, Indiana

The Authority has also included, as a discretely presented component unit, the activity for Vision 1505, L.P. ("Vision"). This entity is shown as a discretely presented component unit because the Authority is financially accountable for it; however, they do not have full ownership over the entity. ADC V1505, Inc. (which is included as a blended component of the Authority) has a .001% general partner interest in Vision. Vision is a 32 unit, residential supportive apartment project known as Vision 1505 located in Evansville, Indiana. Rental operations for Vision is expected to begin during 2012.

Requests for full financial information of the Component Units should be addressed to The Housing Authority of the City of Evansville, Indiana, 500 Court Street, Evansville, Indiana, 47708.

Basis of Presentation: The Authority's financial statements have been prepared in accordance with accounting principles generally accepted in the United States as prescribed by the Governmental Accounting Standards Board (GASB). The Authority accounts for all of its activity as a Proprietary Fund which includes Business-Type activities that are financed in whole or in part by fees charged to external parties.

Estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (and disclosure of contingent assets and liabilities, if any) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The Authority applies all applicable Governmental Accounting Standards Board (GASB) pronouncements, as well as all Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 and those issued after that date which do not contradict any previously issued GASB pronouncements.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Principal operating revenues are tenant rents and HUD grants. Operating expenses include administration, maintenance, insurance, depreciation, utilities, housing assistance payments and other general expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses. This includes capital subsidy for the capital fund program.

Revenue Recognition: Tenant rent revenue is recorded as rentals become due. Rental payments received in advance, if any, are deferred until earned.

The Authority has entered into ACCs with HUD to develop, manage and own public housing projects and to administer the federal Section 8 programs whereby the Authority pays the owner a portion of the rent, a housing assistance payment (HAP), on behalf of the family. Such contributions are reflected as HUD grants in the accompanying financial statements.

The Component Units recognize net rent revenue in the period in which the rent is earned. In accordance with HUD financial reporting requirements, gross potential rent revenue represents total possible rent revenue as if all units are 100% occupied during the year. Net rent revenue earned represents gross potential rent revenue less vacancies. Rents collected in advance are deferred until the rental income is earned.

Cash and Equivalents: For purposes of reporting cash flows, cash and equivalents include cash on hand and on deposit and investments with an original maturity of three months or less.

Investments: All investments are reflected at fair value. Investments are restricted by the provisions of the HUD regulations. Investments consist primarily of bank certificates of deposits with original maturities greater than three months.

Accounts Receivable: Receivables consist of amounts invoiced to tenants for rents. The Authority provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and economic conditions. Delinquent accounts are written off based on management's review of the specific circumstances of each tenant. As of December 31, 2011, the allowance for doubtful accounts totaled \$11,001. In addition, other receivables consist of amounts due from HUD under reimbursements due under grants.

Notes and Mortgages Receivable: Notes and mortgages receivable are carried at the principal amount outstanding net of an allowance for doubtful accounts. As of December 31, 2011, allowance for doubtful accounts totaled \$1,149,507.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2011

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets: Capital assets are recorded at cost. Maintenance and repairs are charged to expense as incurred; renewals or betterments are capitalized. The Authority is in the practice of capitalizing capital asset purchases over \$500. Gain or loss on retirements and disposition of assets is credited or charged to operations, and respective costs and accumulated depreciation are eliminated from the accounts.

Capital assets are depreciated using the straight-line method over the estimated useful lives as follows:

Buildings and improvements	10-39 years
Furniture, equipment and machinery	5-7 years

The Authority evaluates prominent events or changes in circumstances affecting capital assets to determine when impairment of a capital asset has occurred. Impaired capital assets that will no longer be used are reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally should be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written-off. No such impairment loss was incurred during 2011.

Deferred Charges: Certain loan costs are being amortized on the straight-line method over the life of the related loan, which approximate the effective interest method.

Compensated Absences: Compensated absences are those for which employees will be paid, such as vacation. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside of the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.

Net Assets: The Authority classifies net assets for accounting and financial reporting purposes in the following net asset categories:

- Invested in capital assets, net of related debt – This component of net assets consists of capital assets, net of accumulated depreciation, costs to be recovered from future revenues, and unamortized debt expense reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - This component of net assets consists of constraints placed on net assets use through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Use of Restricted and Unrestricted Resources: When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, and then unrestricted resources as they are needed.

Property Taxes: The component units expense real estate and personal property taxes in the year of lien on the property. The Authority is exempt from state and local property taxes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 1 – SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payments in Lieu of Taxes: Pursuant to an agreement with the County, the Authority may make payments in lieu of taxes (PILOT). During 2011, the Authority made \$144,130 of payments in lieu of taxes to the office of Vanderburgh County Treasurer.

Primary Government Income Taxes: Income received or generated by the Authority is not subject to federal income tax, pursuant to Internal Revenue Code Section 115. Interest paid on obligations issued by the Authority is excludable from the gross income of the recipients, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended. Contributions to the Authority are tax deductible contributions, pursuant to Sections 170(b)(1)(A)(v) and 170(c)(1) of the Internal Revenue Code of 1986, as amended.

Component Units Income Taxes: No provision for federal or state income taxes has been made in the component units' financial statements as the federal and state income tax effect on the component units' activities accrues to their partners.

Subsequent Events: The Authority has evaluated the financial statements for subsequent events occurring through August 17, 2012, the date the financial statements were available to be issued. .

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

During the year ended December 31, 2011, the Authority held cash deposits and investments with several financial institutions. Investments are primarily certificates of deposit.

Investment Policy: It is the policy of the Authority to invest its funds in a manner, which will provide the highest investment return with maximum security while meeting the daily cash flow needs of the Authority, and comply with all federal, state and local statutes or ordinances governing the investment of public funds. The Authority's investment policy requires investment in instruments authorized by HUD Notice PIH 96-33.

Custodial Credit Risk: Custodial credit risk is the risk that the Authority will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party if the counterparty fails. Investment securities are exposed to risk if the securities are uninsured, are not registered in the name of the Authority, and are held by either the counterparty of the counterparty's trust department or agent but not in the Authority's name. As of December 31, 2011, the Authority had not entered into any agreements subject to custodial credit risk.

Cash is exposed to risk if it is not covered by depository insurance in the pledging financial institution. The Authority's cash is held at multiple financial institutions and is insured up to the FDIC limit of \$250,000 for interest bearing accounts, and unlimited insurance for non-interest bearing accounts. As of December 31, 2011, the Authority had \$9,196,477 of cash and investments, with a maximum risk of \$1,776.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates of investments will adversely affect the fair value of an investment. The Authority's investment policy limits investments to provide the optimum return on the investment consistent with the cash management program of the Authority.

Investments are made based upon prevailing market conditions at the time of the transaction. The Authority reviews its cash and investments in order to maintain adequate liquidity to meet its cash flow needs. Investments will typically be limited to certificates of deposit maturing in periods of up to one year, or such lesser period that coincides with expected disbursements by the Authority.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of Credit Risk: The Authority's investment policy requires diversification of the overall portfolio to eliminate the risk of loss resulting from an over concentration of assets in a specific maturity, a specific issuer and/or a specific class of securities.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect fair value of an investment or a deposit. All of the Authority's cash deposits and investments are denominated in United States currency.

At December 31, 2011, the cash deposits and investments of the Authority with financial institutions were insured as follows:

	Balance per Statement of Net Assets	Bank Balance
Cash and equivalents insured by FDIC (up to \$250,000 per bank for interest bearing, unlimited for non-interest bearing)	\$1,503,844	\$1,563,680
Certificates of deposit insured by FDIC (up to \$250,000 per bank)	<u>7,690,857</u>	<u>7,690,857</u>
Total Insured	9,194,701	9,254,537
Uninsured	<u>1,776</u>	<u>1,776</u>
Total Cash and Equivalents and Certificates of Deposit	<u>\$9,196,477</u>	<u>\$9,256,313</u>

At December 31, 2011, the Authority had the following investments and maturities:

	Credit Rating	Investment Maturities (in years)		
		Fair Value	<1	1 - <5
Certificates of deposit	N/A	<u>\$ 7,690,857</u>	<u>\$ 7,432,141</u>	<u>\$ 258,716</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Component Unit Deposits – As of December 31, 2011, Lincoln Estates' carrying amount of deposits (excluding petty cash) was \$199,873. The bank balances held with financial institutions are entirely insured and are classified as cash and equivalents on the statement of net assets.

Restricted Deposits – Regulations of the U.S. Department of Housing and Urban Development require that security deposits be segregated from general funds of the Authority. Accordingly, the Authority and its Component Units hold all security deposits in a separate interest-bearing account. At December 31, 2011, amounts held for security deposits totaled:

Security Deposits – Primary Government	\$135,102
Security Deposits – Lincoln Estates	27,577

Pursuant to various agreements, the Authority and its Component Units must hold amounts in escrow for restricted use. At December 31, 2011, amounts held in escrow totaled:

Escrow Deposits – Primary Government	\$ 18,601
Escrow Deposits – Lincoln Estates	130,739

Pursuant to regulations of the U.S. Department of Housing and Urban Development, housing assistance payment funds must be restricted. At December 31, 2011, the amount held in restriction for these payments totaled:

Housing Assistance Payments – Primary Government	\$172,930
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NOTE 3 – NOTES AND MORTGAGES RECEIVABLE

To aid low income families in purchasing homes through the Homebuyers Program, the Authority loans the buyer a down payment on the mortgage and takes a promissory note secured by a subordinated deed of trust upon the real estate. Providing the borrower does not refinance, sell, or transfer the property and is not in default of any other deed of trust on the property, no payments are required and, in fact, the Authority is forgiving a portion of the loan over a period of time. The balance of the mortgage receivable as of December 31, 2011 was \$6,506.

The Authority has gross notes receivable and advances and an offsetting allowance of \$1,149,507 for a loan made to the Component Unit. The allowance fully covers the loan which is payable to the Authority and dependent on uncertain cash flows.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011

NOTE 4 – CAPITAL ASSETS

The following is a summary of changes in the capital assets of the Authority for the year ended December 31, 2011:

	Balance at January 1, 2011	Additions	Disposals	Transfers	Balance at December 31, 2011
Non-depreciable capital assets:					
Land	\$ 1,372,716	\$ 10,600			\$ 1,383,316
Construction in progress	<u>16,250</u>	<u>113,775</u>	<u> </u>	<u>\$ (16,250)</u>	<u>113,775</u>
Total Non-Depreciable Capital Assets	<u>1,388,966</u>	<u>124,375</u>	<u> </u>	<u>(16,250)</u>	<u>1,497,091</u>
Depreciable capital assets:					
Buildings and improvements	43,648,481	1,956,258	\$260,046	16,250	45,360,943
Furniture, equipment and machinery	<u>2,306,772</u>	<u>72,352</u>	<u>173,906</u>	<u> </u>	<u>2,205,218</u>
Total Depreciable Capital Assets	<u>45,955,253</u>	<u>2,028,610</u>	<u>433,952</u>	<u>16,250</u>	<u>47,566,161</u>
Total Accumulated Depreciation	<u>29,237,270</u>	<u>1,610,232</u>	<u>319,798</u>	<u> </u>	<u>30,527,704</u>
Total Depreciable Capital Assets, Net	<u>16,717,983</u>	<u>418,378</u>	<u>114,154</u>	<u> </u>	<u>17,038,457</u>
Total Capital Assets, Net	<u>\$18,106,949</u>	<u>\$ 542,753</u>	<u>\$114,154</u>	<u> </u>	<u>\$18,535,548</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011

NOTE 4 – CAPITAL ASSETS (CONTINUED)

The following is a summary of changes in the capital assets of Lincoln Estates for the year ended December 31, 2011:

	Balance at January 1, 2011	Additions	Disposals	Transfers	Balance at December 31, 2011
Non-depreciable capital assets:					
Land	\$ 467,800	_____	_____	_____	\$ 467,800
Total Non-Depreciable Capital Assets	<u>467,800</u>	_____	_____	_____	<u>467,800</u>
Depreciable capital assets:					
Buildings and improvements	6,716,057				6,716,057
Furniture, equipment and machinery	<u>691,164</u>	_____	_____	_____	<u>691,164</u>
Total Depreciable Capital Assets	<u>7,407,221</u>	_____	_____	_____	<u>7,407,221</u>
Total Accumulated Depreciation	<u>2,470,267</u>	\$ 271,028	_____	_____	<u>2,741,295</u>
Total Depreciable Capital Assets, Net	<u>4,936,954</u>	<u>(271,028)</u>	_____	_____	<u>4,665,926</u>
Total Capital Assets, Net	<u>\$5,404,754</u>	<u>\$ (271,028)</u>	=====	=====	<u>\$5,133,726</u>

The following is a summary of changes in the capital assets of Vision for the year ended December 31, 2011:

	Balance at January 1, 2011	Additions	Disposals	Transfers	Balance at December 31, 2011
Non-depreciable capital assets:					
Land		\$ 126,000			\$ 126,000
Construction in progress	_____	<u>804,881</u>	_____	_____	<u>804,881</u>
Total Non-Depreciable Capital Assets	_____	<u>930,881</u>	_____	_____	<u>930,881</u>
Total Capital Assets	=====	<u>\$ 930,881</u>	=====	=====	<u>\$ 930,881</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 5 – RETIREMENT PLAN

Plan Description

The Authority elected to become a participating employer in the Indiana Public Retirement System (INPRS). INPRS resulted from legislation passed in 2010 that merged the Public Employees' Retirement Fund (PERF) and the Teachers' Retirement Fund (TRF), with the merger of the funds being effective July 1, 2011. The Authority contributes to the INPRS, an agent multiple-employer retirement system that acts as a common investment and administrative agent for units of state and local government in Indiana. INPRS is governed by state statutes I.C.S. 5-10.2 and 5-10.3. As such, it is INPRS's responsibility to administer the law in accordance with the expressed intent of the Indiana General Assembly. INPRS is a qualified plan under the Internal Revenue Code Section 401(a) and is tax exempt.

INPRS is a contributory defined benefit plan that covers substantially all Authority employees. INPRS retirement benefits vest after 10 years of service. Senate Bill 74 enabled INPRS participants to be eligible for early retirement with 100% of the defined benefit pension if certain conditions were met. A participant may retire with full benefits at age 60 with 15 or more years of service or at age 55 if the participant's age plus years of service equals 85 or more (Rule of 85). If neither of the above conditions is met, a participant may retire with 100% of the pension benefit at age 65 with 10 or more years of service. This annual pension benefit is equal to 1.1% times the average annual salary times the number of years and months of INPRS-covered employment. The average annual salary used for calculating the pension benefit is an average of the participant's highest five years of employment earning within the 10 years preceding retirement.

Participants who retire between the ages of 50 and 65 with 15 or more years of service receive a pension benefit that is reduced by various percentages according to the participant's age.

Participants have two choices regarding their annuity savings account. They may elect to receive the contributions and accumulated earnings in a lump sum at retirement, or, they may choose to receive the annuity amount as a monthly supplement to their employer-provided pension described in the paragraph above.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to INPRS, One North Capitol, Suite 001, Indianapolis, Indiana 46204.

Funding Policy

The Authority contributes the participant's required contribution of 3% of their annual salary to an annuity savings account that may be withdrawn at any time with interest should a participant terminate employment. The Authority is required by State statute to contribute at an actuarially determined rate. The current rate is 7.0% of annual covered payroll. The contribution requirements of participants are determined by State statute.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED) December 31, 2011

NOTE 5 – RETIREMENT PLAN (CONTINUED)

Annual Pension Cost

For the 2011 plan year, the Authority's annual contribution of \$113,857 was less than the required contribution of \$215,725. The INPRS funding policy provides for actuarially determined periodic contributions at rates that change so that sufficient assets will be available to pay benefits when due. The required contributions were determined as part of the June 30, 2011 actuarial valuation using the entry age normal cost method. The asset valuation method is 4-year smoothing of gains/losses on market value with a 20% corridor. The actuarial assumptions included (a) a rate of return on investment of present and future assets of 7.0% per year, compounded annually; (b) projected salary increases based on INPRS experience from 2005 to 2010; and (c) assumed annual post retirement benefit increases of 1.0%. INPRS uses the method of establishing a new gain or loss base each year to amortize the unfunded liability over a 30-year open period.

NOTE 6 – COMPENSATED ABSENCES

Authority employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave is not vested and is not paid to an employee upon separation. Vested or accumulated vacation is recorded as an expense and liability as the benefits accrue to employees. Sick leave is recorded as an expense as the employee utilizes it. A liability has been recorded for compensated absences totaling \$226,771 at December 31, 2011.

NOTE 7 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Primary Government

On November 29, 2010, the Authority obtained a loan from the Corporation for Supportive Housing, in the amount of \$50,000. The note is to cover predevelopment fees for the Vision 1505, LP project. The loan bears an interest rate of 10% annually, matures at the earlier of either December 31, 2012, or the closing of the construction financing. The loan was disbursed to the Authority on January 31, 2011. All principle and interest is due upon maturity. As of December 31, 2011, the principle balance was \$50,000.

On November 23, 2011, the Authority entered into a financing agreement to purchase energy efficient equipment for \$1,079,391. As of December 31, 2011, \$107,940 had been drawn on the loan. Beginning July 15, 2012, monthly payments of \$7,533, including principle and interest are required. The loan bears interest at 4.70% annually and matures November 15, 2026. The loan is secured by the purchased equipment.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011**

NOTE 7 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements of the Authority as of December 31, 2011 are as follows:

Payable In	Principal	Interest
2012	\$ 69,711	\$ 30,488
2013	4,221	4,555
2014	4,704	4,746
2015	5,201	4,514
2016	5,769	4,257
2017-2021	37,952	16,450
2022-2026	<u>30,382</u>	<u>6,029</u>
Total Requirements	<u>\$157,940</u>	<u>\$ 71,039</u>

	Balance at January 1, 2011	Additions/ Transfers	Retirements	Balance December 31, 2011	Due within one year
Loan payable to the Corporation for Supportive Housing		\$ 50,000		\$ 50,000	\$ 50,000
Loan payable to bank	<u> </u>	107,940	<u> </u>	<u>107,940</u>	<u>19,711</u>
Total Loans Payable	<u> </u>	<u>\$157,940</u>	<u> </u>	<u>\$157,940</u>	<u>\$ 69,711</u>

Component Unit – Lincoln Estates

The mortgage note, dated February 8, 2002, is due to the Class B Special Limited Partner. The note was originally due in monthly installments of principal and interest through February 8, 2022, at which time the remaining balance was due. The mortgage note had an original balance of \$2,060,000. The note is secured by a first deed of trust on the rental property and an assignment of tenant rents.

On January 13, 2009, the terms of the note were modified. Effective March 8, 2009, monthly payments, including principal and interest of \$13,689 were required. The loan bore interest at 7.375% annually through February 8, 2011. On March 8, 2011, the lender at its option adjusted the interest rate to the prime rate plus 3.1%. The effective rate as of December 31, 2011 was 6.35%. At December 31, 2011, the note had an outstanding balance of \$1,863,657. The note now matures on October 8, 2036.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011

NOTE 7 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements of Lincoln Estates as of December 31, 2011 are as follows:

Payable In	Principal	Interest
2012	\$ 30,038	\$ 137,956
2013	33,348	135,949
2014	37,023	133,788
2015	41,095	131,463
2016	45,615	127,031
2017-2021	233,388	587,952
2022-2026	337,081	484,259
2027-2031	486,844	334,496
2032-2036	<u>619,225</u>	<u>126,879</u>
Total Requirements	<u>\$1,863,657</u>	<u>\$2,199,773</u>

On June 4, 1999, Lincoln Estates obtained a loan from the primary government, in the amount of \$567,800. The loan is noninterest-bearing, matures in 2029 and is secured by a second deed of trust on the rental property and an assignment of rents.

Also on June 4, 1999, Lincoln Estates obtained a loan from the Original General Partner, in the amount of \$392,000. The loan is noninterest bearing, matures in 2029 and is secured by a third deed of trust on the rental property and an assignment of rents. In 2007, the loan was assigned to the primary government.

	Balance at January 1, 2011	Additions/ Transfers	Retirements	Balance December 31, 2011	Due within one year
Mortgage payable to Class B Special Limited Partner	\$1,894,033		\$30,376	\$1,863,657	\$30,038
Loans payable to primary government	959,800			959,800	
Advances due to primary government (see Note 12)	<u>189,707</u>			<u>189,707</u>	
Total Notes Payable and Advances	<u>\$3,043,540</u>		<u>\$30,376</u>	<u>\$3,013,164</u>	<u>\$30,038</u>

Component Unit – Vision

In October 2011, Vision obtained a loan from the Indiana Housing and Community Development Authority (IHCDA), in the amount of \$500,000. The loan bears interest at 3%, which accrues on all advances during construction with a one-time interest payment at the conversion date. The loan matures on October 1, 2028. The term of the loan is 17 years with a two year construction term, when the loan will convert to a term note. The loan requires annual payments of \$25,510 beginning on September 1, 2014. At December 31, 2011, \$236,253 was drawn on the loan.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2011

NOTE 7 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (CONTINUED)

	Balance at January 1, 2011	Additions/ Transfers	Retirements	Balance December 31, 2011	Due within one year
Loan payable to IHEDA	<u> </u>	<u>\$236,253</u>	<u> </u>	<u>\$236,253</u>	<u> </u>

NOTE 8 – RISK MANAGEMENT

The Authority is exposed to various risks of loss from torts, theft of, damages to, or destruction of assets, business interruption, errors or omissions, job related illnesses or injuries to employees, and natural disasters. The Authority has purchased commercial insurance to mitigate its exposure to such losses. The various insurance policies are subject to deductible amounts and maximum coverages. If the deductible and maximums are exceeded, this could cause the Authority to suffer losses if a loss is incurred from any such incidents. The ultimate outcome of such uninsured losses cannot presently be determined, and no provision for any liability that may result, if any, has been made in the financial statements. Settled claims to date have not exceeded coverage levels, and insurance coverage levels, and insurance coverage, by major categories of risk, is consistent with coverage in the prior year.

NOTE 9 – CONCENTRATIONS

The Authority is substantially funded by federal awards. The Authority received 82% of its total revenue from a single Federal Agency during the year ended December 31, 2011. Management does not anticipate any material change in funding.

A portion of the labor costs of the Authority are attributable to employees under a collective bargaining agreement. Consequently, the Authority is subject to this agreement with respect to wages and other labor-related matters.

NOTE 10 – CONTINGENCIES

The Authority is party to various legal proceedings, which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority.

The Authority has received several federal grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

Pursuant to the HUD Office of Inspector General audits conducted in 2002 and 2004, the Authority had an initial contingent repayment of \$1,518,517 to HUD which was subsequently reduced to \$1,145,883. The Authority and HUD have agreed to negotiated terms for resolution of these audits that requires the Authority to continue with its Homeownership program. As long as the Authority is maintaining the Homeownership program, HUD will not seek repayment of the amounts due from the audits and eventually, over time as homes continue to be sold, the contingent liability will be reduced to zero. Therefore this contingent repayment is not recorded as a liability on the statement of net assets.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2011

NOTE 11 – RELATED PARTY INFORMATION

The Authority has advanced funds to Lincoln Estates in the amount of \$1,149,507 during prior years. Management has declared the entire amount uncollectible and has set up an allowance for doubtful accounts in the amount of \$1,149,507 as of December 31, 2011.

Also, the Authority has transacted certain activity with various entities that are managed by a member of the Board of Commissioners. The Board member does not have any ownership in these entities. The Board member's management company receives a management fee for managing the operations of these entities. These entities (not the Board member) received housing assistance payments of approximately \$167,158 during 2011 through the Authority's Housing Choice Voucher Program. The HUD Indianapolis office has provided the Authority a waiver allowing the Board member to serve in the capacity as a commissioner and continue his role in managing these entities.

Component Unit – Lincoln Estates

Advances

The original general partner had advanced funds to the Project in order for it to meet financial obligations. These advances were assigned to the Authority. As of December 31, 2011, outstanding advances amounted to \$133,713.

The Authority also advanced funds in the amount of \$55,994 to the Project in order for it to meet financial obligations. As of December 31, 2011, the outstanding advances amounted to \$55,994.

Limited Partner Reporting Fee

The partnership agreement provides that an annual limited partner reporting fee of \$7,500 be paid to the Limited Partner from available net operating income. During the year ended December 31, 2011, \$7,500 was charged to operations. As of December 31, 2011, \$52,500 was payable to the Limited Partner.

Incentive Management Fee

The partnership agreement provides that an incentive management fee be paid to the General Partner for services in connection with the management of the Project. The fee is equal to 70% of available net operating income and does not accrue. No incentive management fee was incurred for the year ended December 31, 2011.

Net Operating Income

Net Operating Income, as defined in the partnership agreement, is available for distribution after year end in accordance with the partnership agreement. As of December 31, 2011, there was no Net Operating Income available for distribution.

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

REQUIRED SUPPLEMENTARY INFORMATION

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**RETIREMENT PLAN SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS (UNAUDITED)
Year Ended December 31, 2011**

<u>Asset Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability (AAL) Entry Age</u>	<u>(2-1) (Unfunded) Overfunded AAL (UAAL)</u>	<u>(1/2) Funded Ratio</u>	<u>(3) Covered Payroll</u>	<u>[(2-1)/3] UAAL as a Percentage of Covered Payroll</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>
June 30, 2011	\$ 2,246,115	\$ 3,447,863	(\$1,201,758)	65%	\$2,666,116	45%	\$217,045	52%
June 30, 2010	2,544,119	3,096,665	(\$552,546)	82%	2,659,454	21%	125,835	90%
June 30, 2009	3,284,134	2,848,922	435,212	100%	2,631,337	-17%	102,637	104%

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

OTHER REPORTS AND SUPPLEMENTARY INFORMATION

*Independent Auditors' Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards*

Year Ended December 31, 2011

Board of Commissioners
The Housing Authority of the City of Evansville, Indiana

We have audited the financial statements of the business-type activities (primary government) and the discretely presented component units of The Housing Authority of the City of Evansville, Indiana (the "Authority") as of and for the year ended December 31, 2011, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 17, 2012. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of Lincoln Estates Redevelopment Partnership, L.P., as described in our report on The Housing Authority of the City of Evansville, Indiana's financial statements. The financial statements of Lincoln Estates Redevelopment Partnership, L.P. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A deficiency in internal control 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Authority in a separate letter dated August 17, 2012.

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

Katz, Sappan & Miller, LLP

Indianapolis, Indiana
August 17, 2012

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2011

Federal Grantor	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:		
Low Rent Public Housing	14.850a	\$ 2,087,276
Section 8 Housing Choice Vouchers (a)	14.871	8,895,673
Capital Fund Program Cluster:		
Public Housing Capital Fund Program	14.872	1,348,460
ARRA - Public Housing Capital Fund Competitive*	14.884	19,462
ARRA - Public Housing Capital Fund Stimulus*	14.885	1,028,940
Public Housing Family Self-Sufficiency under Resident Opportunity and Supportive Services	14.877	7,940
Resident Opportunity and Supportive Services - Service Coordinators	14.870	38,194
U.S. DEPARTMENT OF LABOR		
ARRA - Youthbuild*	17.274	<u>197,079</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 13,623,024</u></u>

* Grant relates to the American Recovery and Reinvestment Act of 2009

(a) The Authority's expenditures include \$7,915,666 of Housing Assistance Payments.

See accompanying note to schedule of expenditures of federal awards.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The Housing Authority of the City of Evansville, Indiana (the Authority), a governmental entity. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

*Independent Auditors' Report on Compliance with
Requirements that Could Have a Direct and
Material Effect on Each Major Program and
on Internal Control over Compliance
in Accordance with OMB Circular A-133*

Year Ended December 31, 2011

Board of Commissioners
The Housing Authority of the City of Evansville, Indiana

Compliance

We have audited The Housing Authority of the City of Evansville, Indiana's (the "Authority") compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2011. The Authority's major federal programs are identified in the summary of auditors' 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 the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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 we 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 the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2011-02, 2011-03, 2011-04, and 2011-05.

Internal Control Over Compliance

Management of the Authority 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 our audit, we considered the Authority'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 our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-01, 2011-02, 2011-03, 2011-04, and 2011-05. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Authority's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's responses and, accordingly, we express no opinion on the responses.

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

Katz, Saggaw & Miller, LLP

Indianapolis, Indiana
August 17, 2012

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended December 31, 2011

SECTION I – Summary of Auditors’ Results

Financial Statements

Type of auditor’s report issued [*unqualified, qualified, adverse, or disclaimer*]: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes ✓ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported
- Noncompliance material to financial statements noted? _____ yes ✓ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes ✓ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ✓ yes _____ none reported

Type of auditor’s report issued on compliance for major programs [*unqualified, qualified, adverse, or disclaimer*]: Unqualified

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
14.850a	Low Rent Public Housing
14.871	Section 8 Housing Choice Vouchers
14.872	Public Housing Capital Fund Program (CFP Cluster)
14.884	ARRA – Public Housing Capital Fund Competitive (CFP Cluster)
14.885	ARRA – Public Housing Capital Fund Stimulus (CFP Cluster)

Dollar threshold used to distinguish between type A and type B programs: \$408,691

Auditee qualified as low-risk auditee? _____ yes ✓ no

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended December 31, 2011

SECTION II – Financial Statement Findings

None

SECTION III – Federal Award Findings and Questioned Costs

U.S. Department of Housing and Urban Development

2011-01 Section 8 Housing Choice Voucher Program – CFDA #14.871

Significant Deficiency – Allowable Costs

Criteria: Per 24 CFR sections 982.151 and 982.152, PHAs may use HCVP funds only for housing assistance payments to participating owners and for administration fees. Therefore, internal controls should be in place to ensure purchases related to Federal programs are appropriately authorized.

Condition and Context: We selected 40 disbursements for our testing of compliance with allowable cost requirements. We noted that two of the disbursement's department purchase requisition (DPR) did not match what was ordered on the purchase order (PO). The amount ordered was greater than the amount approved per the DPR.

Cause and Effect: A significant deficiency in internal control over compliance exists, as adequate approval for purchases with Federal funding was not maintained for all disbursements. A failure in the purchase approval process could result in unauthorized or unallowable disbursements.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure that purchases do not exceed the amount approved on DPRs.

Management Response: Management agrees with this finding. The recommended procedures will be implemented as described above.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2011

2011-02 Section 8 Housing Choice Voucher Program – CFDA 14.871

Significant Deficiency – Special Tests – Housing Assistance Payments

Criteria: Per 24 CFR section 982.158 and 982 subpart K, HUD requires there to be a written agreement between the Authority and the owner of the unit occupied by a housing choice voucher program participant, known as a HAP contract. In addition, per 24 CFR sections 982.4, 982.54(d)(15), 982.158(f)(7), and 982.507, HUD requires that the tenant and the owner enter and execute a written lease for a unit. These documents should be maintained in the tenant files. There should be proper controls in place to prevent and detect when the tenant files are incomplete.

Condition and Context: We selected 40 participant files for our testing of compliance with eligibility requirements. We noted that 1 of the participant files did not contain a signed lease agreement or a signed HAP contract. Thus, we were unable to verify the Authority's compliance with the related requirements for this file.

Cause and Effect: A significant deficiency in internal control over compliance exists, as adequate documentation to demonstrate compliance with requirements was not maintained in all participant files. Inadequate documentation could result in an incorrect housing assistance payment being made on behalf of a participating family.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure that required documentation is maintained in the participant files.

Management Response: Management agrees with this finding. The recommended procedures will be implemented as described above.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2011

2011-03

Section 8 Housing Choice Voucher Program – CFDA 14.871

Significant Deficiency – Special Tests – Housing Assistance Payments

Criteria: HUD requires the Authority to fill out a HUD form 50058 every time a change in status occurs. The rental payment amount per the HUD-50058 must match the HAP contract, which is an agreement between the Authority and the owner of the unit, per 24 CFR section 982.158 and 982 subpart K.

Condition and Context: We selected 40 participant files for our testing of compliance with special test requirements. We noted that 1 of the participant files' HUD form 50058 rental payment did not match the rental payment in the HAP contract. Thus, we were unable to verify the Authority's compliance with the related requirements for this file.

Cause and Effect: A significant deficiency in internal control over compliance exists, as the rental payment per the HUD-50058 did not match the HAP contract for all participant files. Inconsistencies in the documentation could result in an incorrect housing assistance payment being made on behalf of a participating family.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure that the HUD-50058 form's rental payments match the HAP contracts

Management Response: Management agrees with this finding. The recommended procedures will be implemented as described above.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2011

2011-04 Low Rent Housing Program – CFDA 14.850a

Significant Deficiency – Allowable Costs – Missing Timecard

Criteria: OMB Circular A-87 requires the Authority to maintain personnel activity reports supporting the distribution of time charged for employees working on multiple activities or cost objectives.

Condition and Context: We selected 40 timecards for our testing of compliance with allowable costs. We noted that 1 of the 40 timecards was unable to be located. Thus, the Authority did not maintain adequate documentation for all personnel costs selected.

Cause and Effect: A significant deficiency in internal controls over compliance resulted in the missing timecard. Thus, the Authority was not in compliance with OMB Circular A-87 for the selected cost item.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure that all timecards are maintained for each pay period in which an employee is charging time directly to the grant.

Management Response: Management agrees with this finding. The recommended procedures will be implemented as described above.

2011-05 Low Rent Housing Program – CFDA 14.850a

Significant Deficiency – Special Tests – Declaration of Trust

Criteria: The Authority is required under 24 CFR part 941, subpart F, to have on file a current Declaration of Trust (DOT) in a form acceptable by HUD for every public housing property owned by the Authority that has been acquired, developed, maintained, or assisted with funds from the Low Rent Housing funding.

Condition and Context: The Authority maintains 15 properties with Low Rent Housing Funding. Of these 15 properties, only 8 were found to have current Declaration of Trust documents on file.

Cause and Effect: A significant deficiency in internal control over compliance resulted in the Authority failing to maintain current Declaration of Trust documents. Thus, the Authority was not in compliance with the related requirement.

Recommendations: We recommend that the Authority implement adequate internal controls to ensure that Declarations of Trust documents are filed for every property maintained by the Low Rent Housing Program

Management Response: Management agrees with this finding. The recommended procedures will be implemented as described above.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended December 31, 2011

U.S. Department of Housing and Urban Development

2010-03 Section 8 Housing Choice Voucher Program – CFDA #14.871

Special Tests and Provisions – General Depository Agreement

Condition: This finding was a significant deficiency in internal control related to general depository agreements maintained with banking institutions. The Authority maintains Housing Choice Voucher funds with two banking institutions. The required depository agreement was in place with only one banking institution as of the beginning of the year. A depository agreement was obtained for the other institution in September 2010. A similar finding was noted in the 2009 schedule of findings and questioned costs as finding 09-03.

Recommendations: The auditors recommend that the Authority implement adequate internal controls to ensure that general depository agreements are obtained from all banks in which the Authority's funds are deposited.

Current Status: The Authority obtained HUD Form 51999 in September 2010 from the second banking institution, in response to the similar finding noted in the 2009 schedule of findings and questioned costs. The Authority now has depository agreements with both banking institutions. No similar findings were noted in the 2011 audit.

2010-04 Section 8 Housing Choice Voucher Program – CFDA 14.871

Eligibility – Incomplete Tenant Files

Condition: This finding was a compliance finding related to incomplete tenant files. One of the 40 participant files selected by the auditors for testing did not contain a signed lease agreement or a signed HAP contract.

Recommendations: The auditors recommended that the Authority should implement adequate internal controls and procedures to ensure that required documentation is maintained in the participant files.

Current Status: Management is in the process of implementing the recommended procedures.

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
111 Cash - Unrestricted	\$563,483	\$0	\$0	\$213,865	\$41,557
112 Cash - Restricted - Modernization and Development			\$0	\$0	
113 Cash - Other Restricted				\$191,531	\$130,739
114 Cash - Tenant Security Deposits	\$132,302				\$27,577
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$695,785	\$0	\$0	\$405,396	\$199,873
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$150,679				
124 Accounts Receivable - Other Government			\$6,516		
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$23,658				\$14,458
126.1 Allowance for Doubtful Accounts - Tenants	-\$11,001				\$0
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		
127 Notes, Loans, & Mortgages Receivable - Current					\$535
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$1,844		\$0	\$219	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$165,180	\$0	\$6,516	\$219	\$14,993
131 Investments - Unrestricted	\$6,117,857				
132 Investments - Restricted			\$0	\$1,573,000	
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$6,355		\$0	\$8,259	\$21,031
143 Inventories					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$6,985,177	\$0	\$6,516	\$1,986,874	\$235,897
161 Land	\$1,316,516				\$593,800
162 Buildings	\$42,260,163				\$6,716,057
163 Furniture, Equipment & Machinery - Dwellings	\$851,521				\$691,164
164 Furniture, Equipment & Machinery - Administration	\$463,547		\$0	\$153,959	
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$28,189,403		\$0	-\$92,464	-\$2,741,295
167 Construction in Progress	\$107,000				\$804,881
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$16,809,344	\$0	\$0	\$61,495	\$6,064,607
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					\$51,229
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$16,809,344	\$0	\$0	\$61,495	\$6,115,836
190 Total Assets	\$23,794,521	\$0	\$6,516	\$2,048,369	\$6,351,733
311 Bank Overdraft	\$0				
312 Accounts Payable <= 90 Days	\$57,130		\$45	\$1,070	\$33,079

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$23,303		\$361	\$11,814	
322 Accrued Compensated Absences - Current Portion	\$66,266		\$3,761	\$35,526	
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$132,302				\$27,627
342 Deferred Revenues	\$6,132				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage	\$9,828				\$30,038
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$30,599		\$44	\$28,506	\$147,042
346 Accrued Liabilities - Other	\$464,683		\$183	\$548	
347 Inter Program - Due To	\$6,049		\$26	\$354	
348 Loan Liability - Current			\$0		
310 Total Current Liabilities	\$796,292	\$0	\$6,129	\$77,818	\$237,786
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$9,883				\$2,069,872
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$0	\$18,601	\$1,149,507
354 Accrued Compensated Absences - Non Current	\$19,527		\$0	\$9,950	
355 Loan Liability - Non Current	\$88,228				
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$117,638	\$0	\$0	\$28,551	\$3,219,379

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
300 Total Liabilities	\$913,930	\$0	\$6,129	\$106,369	\$3,457,165
508.1 Invested In Capital Assets, Net of Related Debt	\$16,766,603		\$0	\$61,495	\$2,815,190
509.2 Fund Balance Reserved					
511.2 Unreserved, Designated Fund Balance					
511.1 Restricted Net Assets	\$0		\$0	\$1,764,531	
512.1 Unrestricted Net Assets	\$6,113,988	\$0	\$387	\$115,974	\$79,378
512.2 Unreserved, Undesignated Fund Balance					
513 Total Equity/Net Assets	\$22,880,591	\$0	\$387	\$1,942,000	\$2,894,568
600 Total Liabilities and Equity/Net Assets	\$23,794,521	\$0	\$6,516	\$2,048,369	\$6,351,733

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
111 Cash - Unrestricted	\$251,070	\$50,597		\$0	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits		\$2,800			
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$251,070	\$53,397	\$0	\$0	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects				\$6,266	\$4,384
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$10,428			
126 Accounts Receivable - Tenants		\$2,206			
126.1 Allowance for Doubtful Accounts - Tenants		\$0		\$0	
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$700				
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$700	\$12,634	\$0	\$6,266	\$4,384
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$251,770	\$66,031	\$0	\$6,266	\$4,384
161 Land		\$16,800			
162 Buildings		\$1,667,964			
163 Furniture, Equipment & Machinery - Dwellings		\$10,790			
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation		-\$737,909			
167 Construction in Progress		\$6,633	\$142		
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$964,278	\$142	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$5,806				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$5,806	\$964,278	\$142	\$0	\$0
190 Total Assets	\$257,576	\$1,030,309	\$142	\$6,266	\$4,384
311 Bank Overdraft					
312 Accounts Payable <= 90 Days		\$4,504	\$1,076	\$6,022	\$4,271
313 Accounts Payable >90 Days Past Due				\$320	\$113

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$659			
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits		\$2,800			
342 Deferred Revenues		\$342			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other		\$9			
347 Inter Program - Due To		\$150,000			
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$158,314	\$1,076	\$6,342	\$4,384
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current		\$50,000			
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$50,000	\$0	\$0	\$0

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
300 Total Liabilities	\$0	\$208,314	\$1,076	\$6,342	\$4,384
508.1 Invested In Capital Assets, Net of Related Debt					
509.2 Fund Balance Reserved		\$964,278			
511.2 Unreserved, Designated Fund Balance					
511.1 Restricted Net Assets					
512.1 Unrestricted Net Assets	\$257,576	-\$142,283	-\$934	-\$76	\$0
512.2 Unreserved, Undesignated Fund Balance					
513 Total Equity/Net Assets	\$257,576	\$821,995	-\$934	-\$76	\$0
600 Total Liabilities and Equity/Net Assets	\$257,576	\$1,030,309	\$142	\$6,266	\$4,384

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$111,974	\$1,232,546	-\$12,002	\$1,220,544
112 Cash - Restricted - Modernization and Development		\$0		\$0
113 Cash - Other Restricted		\$322,270		\$322,270
114 Cash - Tenant Security Deposits		\$162,679		\$162,679
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$111,974	\$1,717,495	-\$12,002	\$1,705,493
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$161,329		\$161,329
124 Accounts Receivable - Other Government		\$6,516		\$6,516
125 Accounts Receivable - Miscellaneous	\$6,381	\$16,809		\$16,809
126 Accounts Receivable - Tenants		\$40,322		\$40,322
126.1 Allowance for Doubtful Accounts - Tenants		-\$11,001		-\$11,001
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$1,235		\$1,235
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable		\$2,063		\$2,063
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$6,381	\$217,273	\$0	\$217,273
131 Investments - Unrestricted		\$6,117,857		\$6,117,857
132 Investments - Restricted		\$1,573,000		\$1,573,000
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$33,687	\$69,332		\$69,332
143 Inventories				
143.1 Allowance for Obsolete Inventories				

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	\$158,515	\$158,515	-\$150,000	\$8,515
145 Assets Held for Sale				
150 Total Current Assets	\$310,557	\$9,853,472	-\$162,002	\$9,691,470
161 Land	\$50,000	\$1,977,116		\$1,977,116
162 Buildings	\$1,432,814	\$52,076,998		\$52,076,998
163 Furniture, Equipment & Machinery - Dwellings		\$1,553,475		\$1,553,475
164 Furniture, Equipment & Machinery - Administration	\$725,402	\$1,342,908		\$1,342,908
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$1,507,927	-\$33,268,998		-\$33,268,998
167 Construction in Progress		\$918,656		\$918,656
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$700,289	\$24,600,155	\$0	\$24,600,155
171 Notes, Loans and Mortgages Receivable - Non-Current		\$5,806		\$5,806
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets		\$51,229		\$51,229
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$700,289	\$24,657,190	\$0	\$24,657,190
190 Total Assets	\$1,010,846	\$34,510,662	-\$162,002	\$34,348,660
311 Bank Overdraft		\$12,002	-\$12,002	\$0
312 Accounts Payable <= 90 Days	\$17,751	\$115,088	\$0	\$115,088
313 Accounts Payable >90 Days Past Due				

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
321 Accrued Wage/Payroll Taxes Payable	\$58,090	\$93,568		\$93,568
322 Accrued Compensated Absences - Current Portion	\$69,946	\$176,158		\$176,158
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits		\$162,729		\$162,729
342 Deferred Revenues		\$6,474		\$6,474
343 Current Portion of Long-term Debt - Capital Projects/Mortgage		\$39,866		\$39,866
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities	\$3,988	\$210,179		\$210,179
346 Accrued Liabilities - Other	\$5,012	\$470,435		\$470,435
347 Inter Program - Due To	\$1,051	\$157,480	-\$150,000	\$7,480
348 Loan Liability - Current		\$0		\$0
310 Total Current Liabilities	\$155,838	\$1,443,979	-\$162,002	\$1,281,977
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$2,079,755		\$2,079,755
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$1,168,108		\$1,168,108
354 Accrued Compensated Absences - Non Current	\$21,137	\$50,614		\$50,614
355 Loan Liability - Non Current		\$138,228		\$138,228
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$21,137	\$3,436,705	\$0	\$3,436,705

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
300 Total Liabilities	\$176,975	\$4,880,684	-\$162,002	\$4,718,682
508.1 Invested In Capital Assets, Net of Related Debt				
509.2 Fund Balance Reserved	\$700,289	\$21,307,855		\$21,307,855
511.2 Unreserved, Designated Fund Balance				
511.1 Restricted Net Assets		\$1,764,531		\$1,764,531
512.1 Unrestricted Net Assets	\$133,582	\$6,557,592		\$6,557,592
512.2 Unreserved, Undesignated Fund Balance				
513 Total Equity/Net Assets	\$833,871	\$29,629,978	\$0	\$29,629,978
600 Total Liabilities and Equity/Net Assets	\$1,010,846	\$34,510,662	-\$162,002	\$34,348,660

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
70300 Net Tenant Rental Revenue	\$2,171,645				\$630,722
70400 Tenant Revenue - Other	\$294,018				\$14,423
70500 Total Tenant Revenue	\$2,465,663	\$0	\$0	\$0	\$645,145
70600 HUD PHA Operating Grants	\$2,517,934	\$101,394		\$9,676,536	
70610 Capital Grants	\$917,801	\$927,546			
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$42,695		\$197,079	\$2,062	
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$16,305	
71500 Other Revenue	\$28,284			\$11,996	
71600 Gain or Loss on Sale of Capital Assets	-\$26,516				
72000 Investment Income - Restricted				\$6,342	
70000 Total Revenue	\$5,945,861	\$1,028,940	\$197,079	\$9,713,241	\$645,145
91100 Administrative Salaries	\$336,073		\$51,160	\$414,868	\$111,957

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
91200 Auditing Fees	\$24,511			\$26,153	
91300 Management Fee	\$749,363	\$101,394			
91310 Book-keeping Fee	\$78,316			\$86,634	
91400 Advertising and Marketing				\$472	
91500 Employee Benefit contributions - Administrative	\$157,591		\$25,919	\$239,386	
91600 Office Expenses	\$553,272		\$2,011	\$73,816	\$84,319
91700 Legal Expense	\$57,879			\$325	
91800 Travel	\$11,340			\$189	
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$1,768,345	\$101,394	\$79,090	\$841,843	\$196,276
92000 Asset Management Fee	\$107,630				
92100 Tenant Services - Salaries	\$8,513				
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services	\$0				
92400 Tenant Services - Other	\$7,893				
92500 Total Tenant Services	\$16,406	\$0	\$0	\$0	\$0
93100 Water	\$133,282				
93200 Electricity	\$710,368				\$76,254
93300 Gas	\$175,911				
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
93800 Other Utilities Expense					
93000 Total Utilities	\$1,019,561	\$0	\$0	\$0	\$76,254
94100 Ordinary Maintenance and Operations - Labor	\$573,578		\$58,538		
94200 Ordinary Maintenance and Operations - Materials and Other	\$220,341		\$4,600	\$3,307	
94300 Ordinary Maintenance and Operations Contracts	\$490,141		\$42,247	\$12,171	\$186,636
94500 Employee Benefit Contributions - Ordinary Maintenance	\$263,596		\$3,114		
94000 Total Maintenance	\$1,547,656	\$0	\$108,499	\$15,478	\$186,636
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$119,763			\$2,785	\$17,625
96120 Liability Insurance					
96130 Workmen's Compensation	\$12,207		-\$10	\$7,490	
96140 All Other Insurance					
96100 Total Insurance Premiums	\$131,970	\$0	-\$10	\$10,275	\$17,625
96200 Other General Expenses				\$483	
96210 Compensated Absences	\$208,181		\$9,153	\$91,344	
96300 Payments in Lieu of Taxes	\$144,130				
96400 Bad debt - Tenant Rents	\$70,779			\$15,921	
96500 Bad debt - Mortgages					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14,884 Competitive Capital Fund Stimulus Grant	17,274 YouthBuild Program	14,871 Housing Choice Vouchers	6 Component Units
96600 Bad debt - Other	-\$33,917			-\$3,690	
96800 Severance Expense					
96000 Total Other General Expenses	\$389,173	\$0	\$9,153	\$104,058	\$0
96710 Interest of Mortgage (or Bonds) Payable					\$120,072
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$120,072
96900 Total Operating Expenses	\$4,980,741	\$101,394	\$196,732	\$971,654	\$596,863
97000 Excess of Operating Revenue over Operating Expenses	\$965,120	\$927,546	\$347	\$8,741,587	\$48,282
97100 Extraordinary Maintenance	\$6,500				
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments				\$7,915,666	
97350 HAP Portability-In				\$0	
97400 Depreciation Expense	\$1,424,418			\$8,353	\$276,108
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$6,411,659	\$101,394	\$196,732	\$8,895,673	\$872,971
10010 Operating Transfer In	\$3,723				
10020 Operating transfer Out	-\$3,723				

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit		\$0			
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					\$46,103
10080 Special Items (Net Gain/Loss)					\$715,659
10091 Inter Project Excess Cash Transfer In	\$325,000				
10092 Inter Project Excess Cash Transfer Out	-\$325,000				
10093 Transfers between Program and Project - In	\$916,277				
10094 Transfers between Project and Program - Out	-\$1,000,242				
10100 Total Other financing Sources (Uses)	-\$83,965	\$0	\$0	\$0	\$761,762
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$549,763	\$927,546	\$347	\$817,568	\$533,936
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$166,877
11030 Beginning Equity	\$22,485,004	\$0	\$40	\$1,124,432	\$2,360,632
11040 Prior Period Adjustments, Equity Transfers and Correction of	\$945,350	-\$927,546		\$0	
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				\$177,469	
11180 Housing Assistance Payments Equity				\$1,764,531	
11190 Unit Months Available	10449			22872	

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	Project Total	14.884 Competitive Capital Fund Stimulus Grant	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	6 Component Units
11210 Number of Unit Months Leased	10164			19254	
11270 Excess Cash	\$5,803,057				
11610 Land Purchases	\$0				
11620 Building Purchases	\$1,845,259				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
70300 Net Tenant Rental Revenue		\$69,958			
70400 Tenant Revenue - Other		\$1,133			
70500 Total Tenant Revenue	\$0	\$71,091	\$0	\$0	\$0
70600 HUD PHA Operating Grants			\$2,592	\$38,194	\$7,940
70610 Capital Grants			\$16,870		
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$862				
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue		\$46,528			
71600 Gain or Loss on Sale of Capital Assets	\$14,718				
72000 Investment Income - Restricted					
70000 Total Revenue	\$15,580	\$117,619	\$19,462	\$38,194	\$7,940
91100 Administrative Salaries		\$5,897		\$23,244	\$5,085
91200 Auditing Fees					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
91300 Management Fee			\$2,592		
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$774		\$12,499	\$2,855
91600 Office Expenses	\$97	\$790		\$1,417	
91700 Legal Expense		\$49			
91800 Travel				\$440	
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$97	\$7,510	\$2,592	\$37,600	\$7,940
92000 Asset Management Fee			\$0		
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water		\$421			
93200 Electricity		\$1,253			
93300 Gas		\$785			
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
93000 Total Utilities	\$0	\$2,459	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other		\$1,483		\$179	
94300 Ordinary Maintenance and Operations Contracts		\$7,627			
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$9,110	\$0	\$179	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance		\$3,752			
96120 Liability Insurance					
96130 Workmen's Compensation				\$491	
96140 All Other Insurance					
96100 Total Insurance Premiums	\$0	\$3,752	\$0	\$491	\$0
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
96800 Severance Expense					
96000 Total Other General Expenses	\$0	-\$882	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)	\$7,220				
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$7,220	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$7,317	\$21,949	\$2,592	\$38,270	\$7,940
97000 Excess of Operating Revenue over Operating Expenses	\$8,263	\$95,670	\$16,870	-\$76	\$0
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense		\$64,801			
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$7,317	\$86,750	\$2,592	\$38,270	\$7,940
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
10040 Operating Transfers from/to Component Unit			\$0		
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$83,963				
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$83,963	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$92,226	\$30,869	\$16,870	-\$76	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$165,350	\$791,126	\$0	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of			-\$17,804		
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available		214			
11210 Number of Unit Months Leased		140			

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	8 Other Federal Program 1	1 Business Activities	14.885 Formula Capital Fund Stimulus Grant	14.870 Resident Opportunity and Supportive Services	9 Other Federal Program 2
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0	\$2,872,325		\$2,872,325
70400 Tenant Revenue - Other		\$309,574		\$309,574
70500 Total Tenant Revenue	\$0	\$3,181,899	\$0	\$3,181,899
70600 HUD PHA Operating Grants		\$12,344,590		\$12,344,590
70610 Capital Grants		\$1,862,217		\$1,862,217
70710 Management Fee	\$853,345	\$853,345	-\$853,345	\$0
70720 Asset Management Fee	\$107,630	\$107,630	-\$107,630	\$0
70730 Book Keeping Fee	\$164,950	\$164,950	-\$164,950	\$0
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue	\$1,125,925	\$1,125,925	-\$1,125,925	\$0
70800 Other Government Grants		\$197,079		\$197,079
71100 Investment Income - Unrestricted		\$45,619		\$45,619
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		\$16,305		\$16,305
71500 Other Revenue	\$159,425	\$246,233	-\$4	\$246,229
71600 Gain or Loss on Sale of Capital Assets	\$1,095	-\$10,703		-\$10,703
72000 Investment Income - Restricted		\$6,342		\$6,342
70000 Total Revenue	\$1,286,445	\$19,015,506	-\$1,125,929	\$17,889,577
91100 Administrative Salaries	\$544,960	\$1,493,244		\$1,493,244
91200 Auditing Fees	\$17,336	\$68,000		\$68,000

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
91300 Management Fee		\$853,349	-\$853,349	\$0
91310 Book-keeping Fee		\$164,950	-\$164,950	\$0
91400 Advertising and Marketing	\$696	\$1,168		\$1,168
91500 Employee Benefit contributions - Administrative	\$249,462	\$688,486		\$688,486
91600 Office Expenses	\$139,220	\$654,942		\$654,942
91700 Legal Expense	\$11,008	\$69,261		\$69,261
91800 Travel	\$10,387	\$22,356		\$22,356
91810 Allocated Overhead				
91900 Other				
91000 Total Operating - Administrative	\$973,069	\$4,015,756	-\$1,018,299	\$2,997,457
92000 Asset Management Fee		\$107,630	-\$107,630	\$0
92100 Tenant Services - Salaries		\$8,513		\$8,513
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services		\$0		\$0
92400 Tenant Services - Other		\$7,893		\$7,893
92500 Total Tenant Services	\$0	\$16,406	\$0	\$16,406
93100 Water	\$836	\$134,539		\$134,539
93200 Electricity	\$22,048	\$809,923		\$809,923
93300 Gas	\$6,450	\$183,146		\$183,146
93400 Fuel				
93500 Labor				
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$29,334	\$1,127,608	\$0	\$1,127,608
94100 Ordinary Maintenance and Operations - Labor		\$632,116		\$632,116
94200 Ordinary Maintenance and Operations - Materials and Other	\$8,639	\$238,549		\$238,549
94300 Ordinary Maintenance and Operations Contracts	\$76,994	\$815,816		\$815,816
94500 Employee Benefit Contributions - Ordinary Maintenance	-\$79	\$266,631		\$266,631
94000 Total Maintenance	\$85,554	\$1,953,112	\$0	\$1,953,112
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$8,300	\$152,225		\$152,225
96120 Liability Insurance				
96130 Workmen's Compensation	\$8,396	\$28,574		\$28,574
96140 All Other Insurance				
96100 Total insurance Premiums	\$16,696	\$180,799	\$0	\$180,799
96200 Other General Expenses	\$81,976	\$81,133		\$81,133
96210 Compensated Absences	\$99,863	\$408,985		\$408,985
96300 Payments in Lieu of Taxes		\$144,130		\$144,130
96400 Bad debt - Tenant Rents		\$86,700		\$86,700
96500 Bad debt - Mortgages				
96600 Bad debt - Other		-\$37,607		-\$37,607

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
96800 Severance Expense				
96000 Total Other General Expenses	\$181,839	\$683,341	\$0	\$683,341
96710 Interest of Mortgage (or Bonds) Payable		\$120,072		\$120,072
96720 Interest on Notes Payable (Short and Long Term)		\$7,220		\$7,220
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$127,292	\$0	\$127,292
96900 Total Operating Expenses	\$1,286,492	\$8,211,944	-\$1,125,929	\$7,086,015
97000 Excess of Operating Revenue over Operating Expenses	-\$47	\$10,803,562	\$0	\$10,803,562
97100 Extraordinary Maintenance		\$6,500		\$6,500
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$7,915,666		\$7,915,666
97350 HAP Portability-In		\$0		\$0
97400 Depreciation Expense	\$112,659	\$1,886,339		\$1,886,339
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,399,151	\$18,020,449	-\$1,125,929	\$16,894,520
10010 Operating Transfer In		\$3,723		\$3,723
10020 Operating transfer Out		-\$3,723		-\$3,723
10030 Operating Transfers from/to Primary Government				

Housing Authority of the City of Evansville (IN016)
EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit		\$0		\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss		\$46,103		\$46,103
10080 Special Items (Net Gain/Loss)		\$715,659		\$715,659
10091 Inter Project Excess Cash Transfer In		\$325,000		\$325,000
10092 Inter Project Excess Cash Transfer Out		-\$325,000		-\$325,000
10093 Transfers between Program and Project - In		\$1,000,240		\$1,000,240
10094 Transfers between Project and Program - Out		-\$1,000,242		-\$1,000,242
10100 Total Other financing Sources (Uses)	\$0	\$761,760	\$0	\$761,760
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$112,706	\$1,756,817	\$0	\$1,756,817
11020 Required Annual Debt Principal Payments	\$0	\$166,877		\$166,877
11030 Beginning Equity	\$946,577	\$27,873,161		\$27,873,161
11040 Prior Period Adjustments, Equity Transfers and Correction of		\$0		\$0
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity		\$177,469		\$177,469
11180 Housing Assistance Payments Equity		\$1,764,531		\$1,764,531
11190 Unit Months Available		33535		33535
11210 Number of Unit Months Leased		29558		29558

Housing Authority of the City of Evansville (IN016)
 EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2011

	COCC	Subtotal	ELIM	Total
11270 Excess Cash		\$5,803,057		\$5,803,057
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$1,845,259		\$1,845,259
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0	\$0		\$0
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0