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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, 2012 to December 31, 2012. 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, 2012 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 two findings in the report, found on pages 40 and 41.

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, 2012

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

Report on the Financial Statements

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 December 31, 2012, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 Partnership, L.P., which is a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for Lincoln Estates Redevelopment Partnership, L.P., 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities (primary government) and the discretely presented component units of The Housing Authority of the City of Evansville, Indiana as of December 31, 2012, and the respective changes in net position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages 4-10, as well as the retirement plan schedule of funding process and employee contributions on page 31, 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.

Report on Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards on pages 34-35 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 45-74 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements or the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2013, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Katz, Sappun & Miller, LLP

Indianapolis, Indiana
September 9, 2013

**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, 2012

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, 2012. 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 position, 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 position 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 Position*, the *Statement of Revenue, Expenses and Changes in Net Position* and the *Statement of Cash Flows*. These statements provide current and long-term information about the Authority and its activities.

The *Statement of Net Position* 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 position 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 Position*. 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)
December 31, 2012

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 position decreased by approximately \$4.2 million during 2012 and increased by approximately \$1.2 million during 2011. This decrease is due to no longer receiving funds for an operating subsidy or the American Recovery and Reinvestment Act (ARRA) since that program has ended, as well as continued cuts by HUD to the Housing Choice Voucher Program (HCVP). The increase in 2011 was due to receiving ARRA funds, and higher amounts of HCVP vouchers.
- Operating revenues decreased by \$4.2 million during 2012 and were approximately \$11.1 million for 2012 and \$15.3 million for 2011.
- The total operating expenses for Authority programs increased by approximately \$316 thousand during 2012. Total expenses were approximately \$16.3 million for 2012 and \$16.0 million for 2011.
- Non-operating income for the Authority decreased by \$889 thousand during 2012. Total net non-operating income (expense) was approximately \$1.1 million for 2012 and \$2.0 million for 2011.

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 896 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 1,921 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)

December 31, 2012

Total liabilities of the Authority are \$1,926,575 and \$1,253,002 as of December 31, 2012 and 2011, respectively. Current liabilities include accounts payable, accrued liabilities, unearned revenue and accrued compensated absences. Current liabilities have decreased by \$330,646 due to the decrease in accrued liabilities. Noncurrent liabilities have increased by \$1,004,219 due to new draws on the loan liability for energy efficient renovations.

Net position represents the Authority's equity, a portion of which is restricted for certain use. Net position is 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 position category, restricted component of net position, is reserved for the programs mandated by HUD. The last category, unrestricted component of net position, is available to use for any lawful and prudent purpose of the Authority. Unrestricted component of net position remained consistent with prior year.

Revenue, Expenses and Changes in Net Position

The following table is a condensed summary of revenue, expenses and changes in net position for the years ended December 31, 2012 and 2011.

	2012	2011	\$ Change	% Change
Operating Revenue				
Tenant revenue	\$ 2,540,840	\$ 2,536,754	\$ 4,086	0.2%
HUD operating grants	7,848,876	11,809,946	(3,961,070)	(33.5%)
Capital grants - operating	572,186	434,381	137,805	31.7%
Other government grants	15,346	197,079	(181,733)	(92.2%)
Investment income	13,848	51,961	(38,113)	(73.3%)
Fraud recovery income	20,060	16,304	3,756	23.0%
Other revenue	<u>101,083</u>	<u>246,233</u>	<u>(145,150)</u>	<u>(58.9%)</u>
Total operating revenue	<u>11,112,239</u>	<u>15,292,658</u>	<u>(4,180,419)</u>	<u>(27.3%)</u>
Operating Expenses				
Administration	2,401,833	2,801,180	(399,347)	(14.3%)
Tenant services	15,613	16,407	(794)	(4.8%)
Housing assistance payments	8,488,466	7,915,666	572,800	7.2%
Utilities	963,032	1,051,355	(88,323)	(8.4%)
Ordinary maintenance and operations	1,892,114	1,766,477	125,637	7.1%
Insurance	182,704	163,173	19,531	12.0%
Other general expenses	621,576	683,343	(61,767)	(9.0%)
Interest expense	25,454	7,221	18,233	252.5%
Depreciation expense	<u>1,740,639</u>	<u>1,610,232</u>	<u>130,407</u>	<u>8.1%</u>
Total operating expenses	<u>16,331,431</u>	<u>16,015,054</u>	<u>316,377</u>	<u>2.0%</u>
Operating loss	(5,219,192)	(722,396)	(4,496,796)	622.5%
Nonoperating income (expense), net	<u>1,056,340</u>	<u>1,945,278</u>	<u>(888,938)</u>	<u>(45.7%)</u>
Change in net position	<u>\$ (4,162,852)</u>	<u>\$ 1,222,882</u>	<u>\$ (5,385,734)</u>	<u>(440.4%)</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2012

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

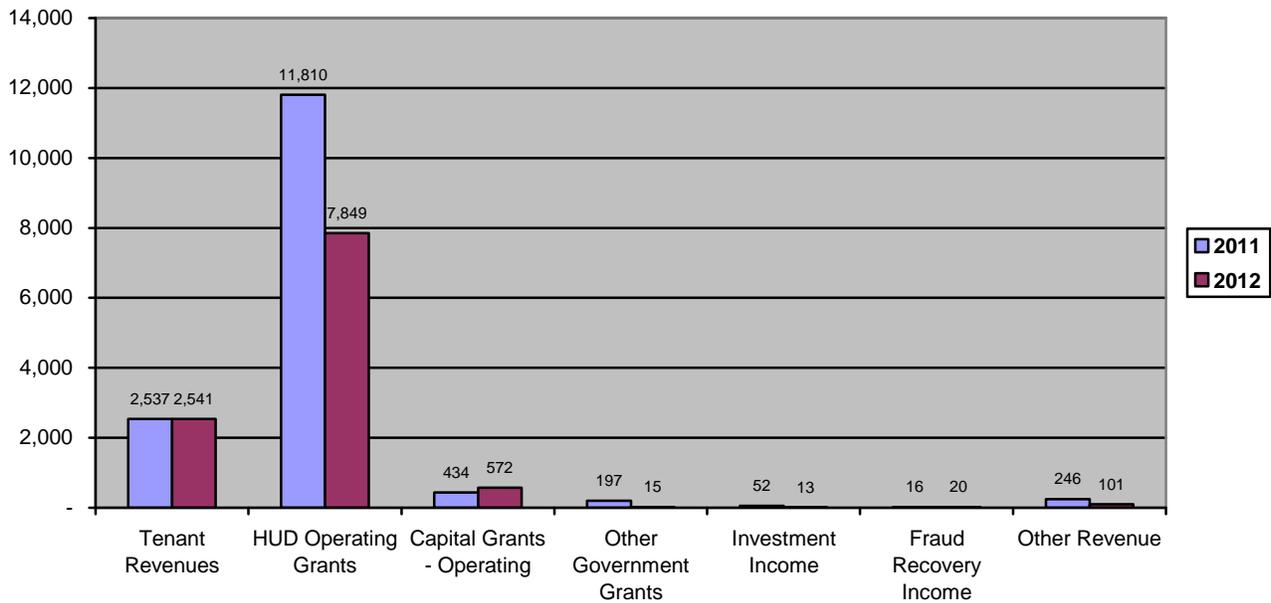
During 2012, the Authority’s operating loss was \$5.2 million. Nonoperating income was \$1.1 million which consisted mostly of capital grant income.

During 2011, the Authority’s operating loss was \$700 thousand. Nonoperating income was \$1.9 million which consisted mostly of capital grant income.

As seen in the chart below, the most important factor affecting the change in net position in 2012 was the decrease in HUD Operating Grants. HUD funding decreased in 2012 by \$4 million for Low Rent and HCVP from 2011 levels. These were the result of changes in Federal funding policies. Overall activity within the Authority has been fairly consistent so the expenses are comparable to prior year, while the revenue dropped considerably due to the federal cuts mentioned.

Operating revenues are shown in detail in the chart below:

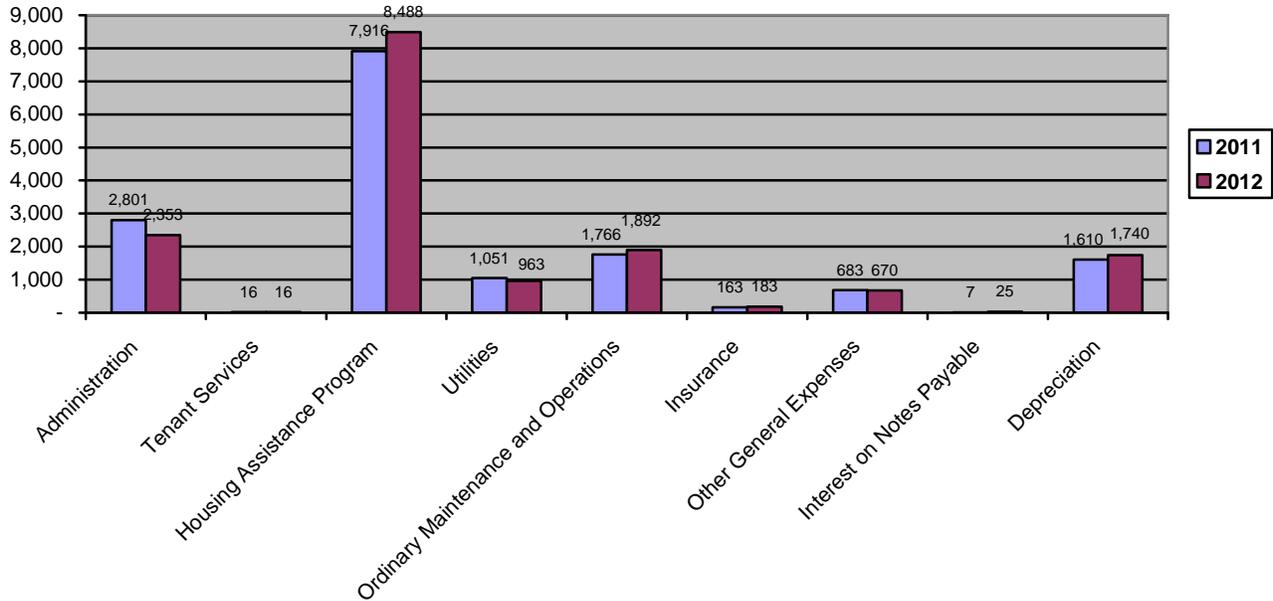
Operating Revenues – 2011 and 2012 (Dollars in Thousands)



THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2012

Operating Expenses are shown in detail in the chart below:

Operating Expenses – 2011 and 2012 (Dollars in Thousands)



Capital Assets

As of December 31, 2012 and 2011, the Authority had \$19.3 and \$18.5 million, respectively, invested in a variety of capital assets as reflected in the following table:

	2012	2011
Land	\$ 1,389,080	\$ 1,383,316
Buildings and improvements	47,716,165	45,360,943
Furniture, equipment and machinery	2,280,819	2,205,218
Construction in progress	24,819	113,775
Accumulated depreciation	<u>(32,158,002)</u>	<u>(30,527,704)</u>
Net capital assets	<u>\$ 19,252,881</u>	<u>\$ 18,535,548</u>

In 2012, the Authority made capital expenditures of \$2.5 million while recognizing depreciation expense of \$1.7 million and disposing of \$126,000 worth of equipment.

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.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
December 31, 2012

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 POSITION
December 31, 2012**

	ASSETS		
	Primary Government	Component Units	
		Lincoln Estates Redevelopment, LP	Vision 1505, LP
CURRENT ASSETS			
Cash and equivalents	\$ 1,503,975	\$ 8,763	\$ 30,392
Restricted cash	24,028	119,258	
Restricted cash - tenant security deposits	136,736	32,923	647
Investments	3,189,654		
Accounts receivable - HUD	135,170		
Accounts receivable - tenants, net	20,649	6,568	
Accounts receivable - other	5,319	652	
Notes and mortgages receivable	2,807		
Accrued interest receivable	858		
Prepaid expense and other current assets	89,678		55,000
Properties held for sale	122,708		
Total Current Assets	<u>5,231,582</u>	<u>168,164</u>	<u>86,039</u>
CAPITAL ASSETS			
Land	1,389,080	467,800	126,000
Buildings and improvements	47,716,165	6,716,057	6,534,070
Furniture, equipment and machinery - dwellings	920,441	691,164	469,190
Furniture, equipment and machinery - administrative	1,360,378		
Construction in progress	24,819		
	<u>51,410,883</u>	<u>7,875,021</u>	<u>7,129,260</u>
Less: Accumulated depreciation	(32,158,002)	(2,964,358)	
Total Capital Assets	<u>19,252,881</u>	<u>4,910,663</u>	<u>7,129,260</u>
OTHER ASSETS			
Investments - noncurrent	14,670		
Loan and tax credit charges, net of accumulated amortization of \$55,465		46,148	54,239
Total Other Assets	<u>14,670</u>	<u>46,148</u>	<u>54,239</u>
TOTAL ASSETS	<u>\$ 24,499,133</u>	<u>\$ 5,124,975</u>	<u>\$ 7,269,538</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

STATEMENT OF NET POSITION (CONTINUED)

December 31, 2012

LIABILITIES AND NET POSITION

	Component Units		
	Primary	Lincoln Estates	Vision
	Government	Redevelopment, LP	1505, LP
CURRENT LIABILITIES			
Accounts payable	\$ 53,470	\$ 41,896	\$ 3,478
Accounts payable - HUD	3,464		
Tenant security deposits	136,736	26,650	647
Unearned revenue	9,377	30	
Accrued compensated absences - current portion	132,102		
Accrued wages and payroll taxes	98,273		
Accrued expenses	260,288	157,961	
Other current liabilities	36,460		522,706
Current portion of long-term debt	34,743	33,348	
Total Current Liabilities	<u>764,913</u>	<u>259,885</u>	<u>526,831</u>
NONCURRENT LIABILITIES			
Other liabilities	97,223		1,050,000
Accrued compensated absences, net of current portion	35,113		
Loan payable, net of current portion	1,029,326		4,527,389
IHCDA Development Fund Loan			500,000
Mortgage payable, net of current portion		1,798,425	
Notes payable and advances, due to primary government		1,149,507	
Total Noncurrent Liabilities	<u>1,161,662</u>	<u>2,947,932</u>	<u>6,077,389</u>
Total Liabilities	<u>1,926,575</u>	<u>3,207,817</u>	<u>6,604,220</u>
NET POSITION			
Invested in capital assets, net of related debt	18,188,812	1,929,383	1,051,871
Restricted component of net position	159,318		
Unrestricted component of net position	4,224,428	(12,225)	(386,553)
Total Net Position	<u>22,572,558</u>	<u>1,917,158</u>	<u>665,318</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 24,499,133</u></u>	<u><u>\$ 5,124,975</u></u>	<u><u>\$ 7,269,538</u></u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
Year Ended December 31, 2012

	Primary Government	Component Units	
		Lincoln Estates Redevelopment, LP	Vision 1505, LP
OPERATING REVENUE			
Tenant revenue	\$ 2,540,840	\$ 584,042	
HUD operating grants	7,848,876		
Capital grants - operating	572,186		
Other government grants	15,346		
Investment income - unrestricted	13,848		
Fraud recovery income	20,060		
Other revenue	101,083	14,822	
Total Operating Revenue	<u>11,112,239</u>	<u>598,864</u>	
OPERATING EXPENSES			
Administration	2,401,833	104,754	\$ 5,341
Tenant services	15,613		
Housing assistance payments	8,488,466		
Utilities	963,032	76,746	
Ordinary maintenance and operations	1,892,114	291,729	
Insurance	182,704	25,849	
Other general expenses	621,576	105,520	
Interest expense	25,454	117,718	
Depreciation expense	1,740,639	228,144	
Total Operating Expenses	<u>16,331,431</u>	<u>950,460</u>	<u>5,341</u>
Operating Loss	<u>(5,219,192)</u>	<u>(351,596)</u>	<u>(5,341)</u>
NONOPERATING INCOME (EXPENSE)			
Insurance proceeds		89,845	
Loss on sale of capital assets	(38,116)		
Capital grants - hard costs	1,094,456		
Total Nonoperating Income (Expense)	<u>1,056,340</u>	<u>89,845</u>	
DECREASE IN NET POSITION	(4,162,852)	(261,751)	(5,341)
Syndication Costs			(45,000)
NET POSITION			
Beginning of Year	<u>26,735,410</u>	<u>2,178,909</u>	<u>715,659</u>
End of Year	<u>\$22,572,558</u>	<u>\$ 1,917,158</u>	<u>\$ 665,318</u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**STATEMENT OF CASH FLOWS
Year Ended December 31, 2012**

	<u>Primary Government</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from dwelling rent	\$ 2,537,958
Cash received from HUD grants	7,844,621
Cash received from other governmental grants	594,048
Cash received from other sources	169,199
Cash payments to employees for services	(2,394,764)
Cash payments for employee benefits	(797,139)
Cash payments to participants in the Housing Choice Voucher Program	(8,488,466)
Cash payments to other suppliers for goods and services	<u>(3,233,278)</u>
Net Cash Used by Operating Activities	<u><u>(3,767,821)</u></u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(2,496,093)
Repayment of loan payable	(77,244)
Proceeds from loan payable	983,373
Capital grants received	<u>1,124,870</u>
Net Cash Used by Capital and Related Financing Activities	<u><u>(465,094)</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from release of restricted cash	172,520
Net redemptions of certificates of deposit	4,486,532
Interest received	15,053
Purchase of properties held for sale	(122,708)
Principal payments on mortgages receivable	<u>6,506</u>
Net Cash Provided by Investing Activities	<u><u>4,557,903</u></u>
INCREASE IN CASH AND EQUIVALENTS	324,988
CASH AND EQUIVALENTS	
Beginning of Year	<u>1,178,987</u>
End of Year	<u><u>\$ 1,503,975</u></u>
Reconciliation of Decrease in Net Position to Net Cash Used by Operating Activities:	
Decrease in net position	\$ (4,162,852)
Depreciation expense	1,740,640
Capital grants revenue	(1,094,456)
Loss on sale of capital assets	38,117
Interest revenue	(13,848)
Decrease in allowance for doubtful accounts - tenants receivable	(852)
(Increase) decrease in certain current assets:	
Restricted cash - escrow accounts	(5,017)
Accounts receivable - HUD	(4,255)
Accounts receivable - other government	6,516
Accounts receivable - tenants	(4,931)
Accounts receivable - other	11,490
Prepaid expenses and other current assets	(44,185)
Increase (decrease) in certain liabilities:	
Accounts payable	(27,388)
Accounts payable - HUD	3,464
Unearned revenue	2,903
Other liabilities	<u>(213,167)</u>
Net Cash Used by Operating Activities	<u><u>\$ (3,767,821)</u></u>

See accompanying notes.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

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 896 public housing units and administers 1,788 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 896 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 1,921 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. 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 December 31, 2012

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. Lincoln Estates 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"). Vision 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 began during 2013.

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.

Recent Accounting Pronouncements: The Authority has adopted the following required GASB Pronouncements;

- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No.34*
- GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*
- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

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

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.

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. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred.

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, 2012, the allowance for doubtful accounts totaled \$10,149. 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, 2012, allowance for doubtful accounts totaled \$1,149,507.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

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 2012.

Loan and Tax Credit Charges: Certain loan and tax credit charges 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 Position: The Authority classifies net position for accounting and financial reporting purposes in the following net position categories:

- Invested in capital assets, net of related debt – This component of net position 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 component of net position - This component of net position consists of constraints placed on net position 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 component of net position – This component of net position consists of net position 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, except on those properties held for sale. The Authority expenses property taxes on properties held for sale in the year of lien on the property.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

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 2012, the Authority made \$150,248 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 September 9, 2013, the date the financial statements were available to be issued.

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

During the year ended December 31, 2012, 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, 2012, 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. At December 31, 2012, 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, 2012, the Authority had \$4,867,263 of cash and investments, with a maximum risk of \$1,800.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

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, 2012, the cash deposits and investments of the Authority with financial institutions were insured as follows:

	Balance per Statement of Net Position	Bank Balance
Cash and equivalents insured by FDIC (up to \$250,000 per bank for interest bearing, unlimited for non-interest bearing)	\$1,662,938	\$1,808,801
Certificates of deposit insured by FDIC (up to \$250,000 per bank)	<u>3,204,325</u>	<u>3,204,325</u>
Total Insured	4,867,263	5,013,126
Uninsured	<u>1,800</u>	<u>1,800</u>
Total Cash and Equivalents and Investments	<u>\$4,869,063</u>	<u>\$5,014,926</u>

At December 31, 2012, 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>\$ 3,204,324</u>	<u>\$ 3,189,654</u>	<u>\$ 14,670</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

NOTE 2 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Component Unit Deposits – As of December 31, 2012, Lincoln Estates' carrying amount of deposits (excluding petty cash) was \$160,944. As of December 31, 2012, Visions' carrying amount of deposits (excluding petty cash) was \$31,039. The bank balances held with financial institutions are entirely insured and are classified as cash and equivalents on the statement of net position.

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, 2012, amounts held for security deposits totaled:

Security Deposits – Primary Government	\$136,736
Security Deposits – Lincoln Estates	32,923
Security Deposits – Vision 1505	647

Pursuant to various agreements, the Authority and its Component Units must hold amounts in escrow for restricted use. At December 31, 2012, amounts held in escrow totaled:

Escrow Deposits – Primary Government	\$ 24,028
Escrow Deposits – Lincoln Estates	119,258

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, 2012 was \$2,807.

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
December 31, 2012**

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in the capital assets of the Authority for the year ended December 31, 2012:

	Balance at January 1, 2012	Additions	Disposals	Transfers	Balance at December 31, 2012
Non-depreciable capital assets:					
Land	\$ 1,383,316	\$ 5,764			\$ 1,389,080
Construction in progress	<u>113,775</u>	<u>18,982</u>	<u> </u>	<u>\$(107,938)</u>	<u>24,819</u>
 Total Non-Depreciable Capital Assets	 <u>1,497,091</u>	 <u>24,746</u>	 <u> </u>	 <u>(107,938)</u>	 <u>1,413,899</u>
Depreciable capital assets:					
Buildings and improvements	45,360,943	2,247,284		107,938	47,716,165
Furniture, equipment and machinery	<u>2,205,218</u>	<u>201,563</u>	<u>\$125,962</u>	<u> </u>	<u>2,280,819</u>
 Total Depreciable Capital Assets	 <u>47,566,161</u>	 <u>2,448,847</u>	 <u>125,962</u>	 <u>107,938</u>	 <u>49,996,984</u>
 Total Accumulated Depreciation	 <u>30,527,704</u>	 <u>1,740,133</u>	 <u>109,835</u>	 <u> </u>	 <u>32,158,002</u>
Total Depreciable Capital Assets, Net	<u>17,038,457</u>	<u>708,714</u>	<u>16,127</u>	<u>107,938</u>	<u>17,838,982</u>
 Total Capital Assets, Net	 <u>\$18,535,548</u>	 <u>\$ 733,460</u>	 <u>\$ 16,127</u>	 <u> </u>	 <u>\$19,252,881</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

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, 2012:

	Balance at January 1, 2012	Additions	Disposals	Transfers	Balance at December 31, 2012
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>2,741,295</u>	\$ 223,063	_____	_____	<u>2,964,358</u>
Total Depreciable Capital Assets, Net	<u>4,665,926</u>	<u>(223,063)</u>	_____	_____	<u>4,442,863</u>
Total Capital Assets, Net	<u>\$5,133,726</u>	<u>\$(223,063)</u>	=====	=====	<u>\$4,910,663</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

NOTE 4 - CAPITAL ASSETS (CONTINUED)

The following is a summary of changes in the capital assets of Vision for the year ended December 31, 2012:

	Balance at January 1, 2012	Additions	Disposals	Transfers	Balance at December 31, 2012
Non-depreciable capital assets:					
Land	\$126,000				\$ 126,000
Construction in progress	<u>804,881</u>	<u>\$6,198,379</u>	<u> </u>	<u>\$(7,003,260)</u>	<u> </u>
Total Non-Depreciable Capital Assets	<u>930,881</u>	<u>6,198,379</u>	<u> </u>	<u>(7,003,260)</u>	<u>126,000</u>
Non-depreciable capital assets:					
Buildings and improvements				6,534,070	6,534,070
Furniture, equipment				<u>469,190</u>	<u>469,190</u>
Total Depreciable Capital Assets					<u>7,003,260</u>
Total Accumulated Depreciation					<u>7,003,260</u>
Total Depreciable Capital Assets, Net					<u>7,003,260</u>
Total Capital Assets, Net	<u>\$930,881</u>	<u>\$6,198,379</u>	<u> </u>	<u> </u>	<u>\$7,129,260</u>

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE 5 - RETIREMENT PLAN

Plan Description

The Authority elected to become a participating employer in the Indiana Public Retirement System (INPRS). 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 are required to contribute 3% of compensation to an annuity savings account. Legislation permits an INPRS employer to make the participant's contributions on behalf of the participant. Participants 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 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 6.5% 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 December 31, 2011

NOTE 5 - RETIREMENT PLAN (CONTINUED)

Annual Pension Cost

For the 2012 plan year, the Authority's annual contribution of \$134,932 was less than the required contribution of \$230,394. The Authority recorded a net pension obligation of \$73,967. 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, 2012 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 \$152,664 at December 31, 2012.

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 was to cover predevelopment fees for the Vision 1505, LP project. The loan was disbursed to the Authority on January 31, 2011. The loan bore an interest rate of 10% annually, and was paid off during 2012.

On November 23, 2011, the Authority entered into a financing agreement to purchase energy efficient equipment for \$1,079,391. As of December 31, 2012, \$1,071,602 had been drawn on the loan. Effective July 15, 2012, the Authority began making monthly payments of \$7,533, which include principle and interest. 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
December 31, 2012**

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

Debt service requirements of the Authority as of December 31, 2012 are as follows:

Payable In	Principal	Interest
2013	\$ 34,743	\$ 49,478
2014	47,044	47,463
2015	52,201	45,142
2016	57,691	42,572
2017	63,534	39,736
2018-2022	407,524	146,045
2023-2026	<u>401,332</u>	<u>77,964</u>
Total Requirements	<u>\$1,064,069</u>	<u>\$448,400</u>

	Balance at January 1, 2012	Additions/ Transfers	Retirements	Balance December 31, 2012	Due within one year
Loan payable to the Corporation for Supportive Housing	\$ 50,000		\$50,000		
Loan payable to bank	<u>107,940</u>	<u>\$983,373</u>	<u>27,244</u>	<u>\$1,064,069</u>	<u>\$34,743</u>
Total Loans Payable	<u>\$157,940</u>	<u>\$983,373</u>	<u>\$77,244</u>	<u>\$1,064,069</u>	<u>\$34,743</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 2.25%. The effective rate as of December 31, 2012 was 5.5%. At December 31, 2012, the note had an outstanding balance of \$1,831,773. The note matures on October 8, 2036.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

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

Debt service requirements of Lincoln Estates as of December 31, 2012 are as follows:

Payable In	Principal	Interest
2013	\$ 33,348	\$ 135,949
2014	37,023	133,788
2015	41,095	131,463
2016	45,615	127,031
2017	50,632	137,956
2018-2022	233,388	587,952
2023-2027	337,081	484,259
2028-2032	486,844	334,496
2033-2036	<u>566,747</u>	<u>126,879</u>
Total Requirements	<u>\$1,831,773</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, 2012	Additions/ Transfers	Retirements	Balance December 31, 2012	Due within one year
Mortgage payable to Class B Special Limited Partner	\$1,863,657		\$31,884	\$1,831,773	\$33,348
Loans payable to primary government	959,800			959,800	
Advances due to primary government (see Note 11)	<u>189,707</u>			<u>189,707</u>	
Total Notes Payable and Advances	<u>\$3,013,164</u>		<u>\$31,884</u>	<u>\$2,981,280</u>	<u>\$33,348</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, 2012, \$500,000 was drawn on the loan.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**NOTES TO FINANCIAL STATEMENTS
December 31, 2012**

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

In September 2011, Vision obtained a construction loan from Salin Bank and Trust Company, with borrowings allowed up to a maximum of \$5,327,649. The loan bears interest at the greater of one-month LIBOR plus 425 basis points or 4.50%, which accrues on all advances during construction and is payable monthly. The loan is set to mature in 2013; however upon completion of the construction, which occurred in January 2013, the loan converted to a term note. The loan matures on September 30, 2031. At December 31, 2012, \$4,527,389 was drawn on the loan.

	Balance at January 1, 2012	Additions/ Transfers	Retirements	Balance December 31, 2012	Due within one year
Loan payable to IHADA	\$236,253	\$ 263,747		\$ 500,000	
Loan payable to bank	<u> </u>	<u>4,527,389</u>		<u>4,527,389</u>	
Total Loans Payable	<u>\$236,253</u>	<u>\$4,791,136</u>	<u>\$</u>	<u>\$5,027,389</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 72% of its total revenue from a single Federal Agency during the year ended December 31, 2012. 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 HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE 10 - CONTINGENCIES (CONTINUED)

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 position.

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, 2012.

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 \$151,739 during 2012 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, 2012, 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, 2012, 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, 2012, \$7,500 was charged to operations. As of December 31, 2012, \$60,000 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, 2012.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 11 - RELATED PARTY INFORMATION (CONTINUED)

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, 2012, 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, 2012

<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, 2012	\$ 2,100,639	\$3,798,243	(\$1,697,604)	55%	\$ 2,728,542	62%	\$ 230,394	59%
June 30, 2011	2,246,115	3,447,863	(1,201,748)	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%

**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, 2012

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

We have audited, in accordance with the 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, the financial statements of the business-type activities 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, 2012, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated September 9, 2013. Our report includes a reference to other auditors who have audited the financial statements of Lincoln Estates Redevelopment Partnership, L.P., as described in our report on the Authority'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 of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Katz, Saggaw & Miller, LLP

Indianapolis, Indiana
September 9, 2013

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012**

Federal Grantor	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Low Rent Public Housing	14.850a	\$ 18,567
Section 8 Housing Choice Vouchers (a)	14.871	9,378,745
Capital Fund Program Cluster:		
Public Housing Capital Fund	14.872	1,413,295
ARRA - Public Housing Capital Fund Stimulus*	14.885	253,348
Public Housing Family Self-Sufficiency under Resident Opportunity and Supportive Services	14.877	52,932
Resident Opportunity and Supportive Services - Service Coordinators	14.870	53,500
U.S. DEPARTMENT OF LABOR		
ARRA - Youthbuild*	17.274	<u>21,937</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 11,192,324</u></u>

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

(a) The Authority's expenditures include \$8,488,053 of Housing Assistance Payments.

See accompanying notes to schedule of expenditures of federal awards.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS December 31, 2012

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of The Housing Authority of the City of Evansville, Indiana (the Authority), a governmental entity. The information in the 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 the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indiana Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

*Independent Auditors' Report on Compliance
for Each Major Program and Report
on Internal Control Over Compliance*

Year Ended December 31, 2012

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

Report on Compliance for Each Major Federal Program

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 *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, 2012. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of 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, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, 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 2012-01 and 2012-02. Our opinion on each major federal program is not modified with respect to these matters.

The Authority's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. *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.

Our consideration of 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2012-01 and 2012-02, that we consider to be significant deficiencies.

The Authority's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Katz, Sappan & Miller, LLP

Indianapolis, Indiana
September 9, 2013

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012

SECTION I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued [*unmodified, modified, adverse, or disclaimer*]: Unmodified

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 [*unmodified, modified, adverse, or disclaimer*]: Unmodified

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>
14.871	Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs: \$300,000

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, 2012

SECTION II – Financial Statement Findings

None

SECTION III – Federal Award Findings and Questioned Costs

U.S. Department of Housing and Urban Development

2012-01 Section 8 Housing Choice Vouchers – CFDA #14.871

Significant Deficiency – Allowable Costs/Cost Principles

Criteria: According to OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, the distributions of salaries or wages for employees who work on multiple activities or cost objectives generally must be supported by personnel activity reports, such as timesheets.

Condition and Context: We selected 40 employee timesheets for our testing of compliance with allowable cost requirements related to compensation. One of the timesheets could not be located by management.

Cause and Effect: A significant deficiency in internal control over compliance exists, as adequate documentation of the allocation of payroll costs was not maintained for all employees throughout the year. A failure in the payroll cost allocation process could result in unauthorized or unallowable disbursements.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure that all timesheets are maintained for each employee for each pay period.

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, 2012

U.S. Department of Housing and Urban Development

2012-02 Section 8 Housing Choice Vouchers – CFDA #14.871

Significant Deficiency – Special Tests – Selection from the Waiting List

Criteria: Per 24 CFR sections 982.202 through 982.207, HUD requires there to be a written policy in the Section 8 Housing Choice Voucher Program administrative plan for selecting applicants from the waiting list and the Authority's documentation must show that the Authority follows these policies when selecting applicants for admission from the waiting list. All families admitted to the program must be selected from the waiting list.

Condition and Context: We selected 40 participant files for our testing of compliance with selection from the waiting list requirements. We noted that 1 of the participant files did not contain documentation of the date the tenant was admitted to the waiting list. Thus, we were unable to verify the Authority's compliance with its administrative plan 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 a tenant being inappropriately admitted to the program.

Recommendations: The Authority should implement adequate internal controls and procedures to ensure all files include the proper documentation to determine that the tenant was selected from the waiting list.

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, 2012

U.S. Department of Housing and Urban Development

2011-01 Section 8 Housing Choice Vouchers – CFDA #14.871

Significant Deficiency – Allowable Costs/Cost Principles

Condition: This finding was a significant deficiency in internal control related to approval of allowable costs. The auditors noted certain purchase requisitions that did not match what was ordered on the purchase order.

Recommendations: The auditors recommend that the Authority implement adequate internal controls and procedures to ensure that purchases do not exceed the amount approved on the purchase requisitions.

Current Status: Management has implemented the recommended procedures. Now if a purchase requisition does not match the purchase order, a new purchase order must be created to account for the difference, which must be reviewed at the appropriate level. No similar findings were noted in the 2012 audit.

2011-02 Section 8 Housing Choice Vouchers – CFDA #14.871

Significant Deficiency – Special Tests – Housing Assistance Payments

Condition: This finding was a significant deficiency in internal control related to a HAP contract between the Authority and the owner of the unit occupied by a housing choice voucher program participant. One participant file 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 has implemented the recommended procedures. No similar findings were noted in the 2012 audit.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)

Year Ended December 31, 2012

U.S. Department of Housing and Urban Development

2011-03 Section 8 Housing Choice Vouchers – CFDA #14.871

Significant Deficiency – Special Tests – Housing Assistance Payments

Condition: This finding was a significant deficiency in internal control related to the matching of the rental payment amount on the HAP contract and the amount on the Form 50058. The auditors noted one participant file HUD Form 50058 rental payment did not match the rental payment in the HAP contract.

Recommendations: The auditors recommend that the Authority implement adequate internal controls and procedures to ensure that the HUD Forms 50058 rental payments match the HAP contracts.

Current Status: Management has implemented the recommended procedures. No similar findings were noted in the 2012 audit.

2011-04 Low Rent Housing Program – CFDA #14.850a

Significant Deficiency – Allowable Costs – Missing Timecard

Condition: This finding was a significant deficiency in internal control related to a missing timecard of an employee whose wages are allocated to the Low Rent Housing Program.

Recommendations: The auditors recommended that 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.

Current Status: Management has implemented the recommended procedures, with respect to the Low Rent Housing Program. However, a similar finding was noted within the Section 8 Housing Choice Vouchers program in the 2012 audit.

THE HOUSING AUTHORITY OF THE CITY OF EVANSVILLE, INDIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED) Year Ended December 31, 2012

U.S. Department of Housing and Urban Development

2011-05 Low Rent Housing Program – CFDA #14.850a

Significant Deficiency – Special Tests – Declaration of Trust

Condition: This finding was a significant deficiency in internal control related to having a current Declaration of Trust (DOT) on file. HUD requires the Authority to have a DOT 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. 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.

Recommendations: The auditors recommended 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.

Current Status: Management has implemented 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: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
111 Cash - Unrestricted	\$1,036,499	\$0	\$324,472		\$39,155
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$410		\$23,618		\$119,258
114 Cash - Tenant Security Deposits	\$133,736				\$33,570
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$1,170,645	\$0	\$348,090	\$0	\$191,983
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$120,375	\$5,219			
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$0				\$652
126 Accounts Receivable - Tenants	\$27,085				\$6,568
126.1 Allowance for Doubtful Accounts - Tenants	-\$10,144				\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$858				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$138,174	\$5,219	\$0	\$0	\$7,220
131 Investments - Unrestricted	\$3,204,324				\$0
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$6,810		\$7,571		\$55,000
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: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$3,390				
145 Assets Held for Sale					\$0
150 Total Current Assets	\$4,523,343	\$5,219	\$355,661	\$0	\$254,203
161 Land	\$1,319,398				\$593,800
162 Buildings	\$44,574,916				\$13,250,127
163 Furniture, Equipment & Machinery - Dwellings	\$909,542				\$1,160,354
164 Furniture, Equipment & Machinery - Administration	\$607,811		\$164,337		
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$29,781,144		-\$110,621		-\$2,964,358
167 Construction in Progress	\$23,620				\$0
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$17,654,143	\$0	\$53,716	\$0	\$12,039,923
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					\$100,387
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$17,654,143	\$0	\$53,716	\$0	\$12,140,310
190 Total Assets	\$22,177,486	\$5,219	\$409,377	\$0	\$12,394,513
311 Bank Overdraft	\$0	\$4,888			
312 Accounts Payable <= 90 Days	\$32,345	\$200	\$8,601		\$29,237

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
313 Accounts Payable >90 Days Past Due					\$16,137
321 Accrued Wage/Payroll Taxes Payable	\$26,772		\$11,419		\$0
322 Accrued Compensated Absences - Current Portion	\$52,544		\$21,387		
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$0				
331 Accounts Payable - HUD PHA Programs			\$3,464		
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$133,736				\$27,297
342 Deferred Revenues	\$9,354				\$30
343 Current Portion of Long-term Debt - Capital Projects/Mortgage	\$34,743				\$33,348
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$10,422		\$18,854		\$157,961
346 Accrued Liabilities - Other	\$245,332	\$131	\$360		\$0
347 Inter Program - Due To	\$3,350		\$140		
348 Loan Liability - Current					\$522,706
310 Total Current Liabilities	\$548,598	\$5,219	\$64,225	\$0	\$786,716
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$1,029,326				\$7,975,321
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$410		\$22,847		\$1,050,000
354 Accrued Compensated Absences - Non Current	\$14,100		\$5,608		
355 Loan Liability - Non Current	\$0				
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$28,403		\$13,140		
350 Total Non-Current Liabilities	\$1,072,239	\$0	\$41,595	\$0	\$9,025,321

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
300 Total Liabilities	\$1,620,837	\$5,219	\$105,820	\$0	\$9,812,037
508.1 Invested In Capital Assets, Net of Related Debt	\$16,590,074		\$53,716		\$2,981,254
511.1 Restricted Net Assets	\$0		\$159,318		\$0
512.1 Unrestricted Net Assets	\$3,966,575	\$0	\$90,523	\$0	-\$398,778
513 Total Equity/Net Assets	\$20,556,649	\$0	\$303,557	\$0	\$2,582,476
600 Total Liabilities and Equity/Net Assets	\$22,177,486	\$5,219	\$409,377	\$0	\$12,394,513

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
111 Cash - Unrestricted	\$108,570	\$0	\$16,882	\$0	\$20,366
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits		\$0	\$3,000		
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$108,570	\$0	\$19,882	\$0	\$20,366
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects				\$9,576	
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$0	\$5,319		
126 Accounts Receivable - Tenants		\$0	\$1,962	\$0	
126.1 Allowance for Doubtful Accounts -Tenants		\$0	\$0	\$0	
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current	\$2,807		\$0		
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud		\$0			
129 Accrued Interest Receivable	\$0				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,807	\$0	\$7,281	\$9,576	\$0
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
144 Inter Program Due From					
145 Assets Held for Sale	\$122,708				
150 Total Current Assets	\$234,085	\$0	\$27,163	\$9,576	\$20,366
161 Land		\$0	\$16,800		
162 Buildings		\$0	\$1,707,458		
163 Furniture, Equipment & Machinery - Dwellings		\$0	\$10,899		
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation		\$0	-\$801,808		
167 Construction in Progress	\$0	\$0	\$1,199		
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$934,548	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets	\$0				
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$934,548	\$0	\$0
190 Total Assets	\$234,085	\$0	\$961,711	\$9,576	\$20,366
311 Bank Overdraft				\$9,576	
312 Accounts Payable <= 90 Days	\$4,789	\$0	\$220		
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$0	\$19		
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		\$0	\$3,000		
342 Deferred Revenues		\$0	\$23		
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	\$69	\$0	\$7,992		\$3,932
347 Inter Program - Due To		\$0	\$143,000		
348 Loan Liability - Current					
310 Total Current Liabilities	\$4,858	\$0	\$154,254	\$9,576	\$3,932
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					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities			\$178		
350 Total Non-Current Liabilities	\$0	\$0	\$178	\$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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
300 Total Liabilities	\$4,858	\$0	\$154,432	\$9,576	\$3,932
508.1 Invested In Capital Assets, Net of Related Debt	\$0	\$0	\$934,548		
511.1 Restricted Net Assets			\$0		
512.1 Unrestricted Net Assets	\$229,227	\$0	-\$127,269	\$0	\$16,434
513 Total Equity/Net Assets	\$229,227	\$0	\$807,279	\$0	\$16,434
600 Total Liabilities and Equity/Net Assets	\$234,085	\$0	\$961,711	\$9,576	\$20,366

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$11,650	\$1,557,594	-\$14,464	\$1,543,130
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$143,286		\$143,286
114 Cash - Tenant Security Deposits		\$170,306		\$170,306
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$11,650	\$1,871,186	-\$14,464	\$1,856,722
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$135,170		\$135,170
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous	\$0	\$5,971		\$5,971
126 Accounts Receivable - Tenants	\$1,746	\$37,361		\$37,361
126.1 Allowance for Doubtful Accounts -Tenants	\$0	-\$10,144		-\$10,144
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$2,807		\$2,807
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud		\$0		\$0
129 Accrued Interest Receivable		\$858		\$858
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,746	\$172,023	\$0	\$172,023
131 Investments - Unrestricted		\$3,204,324	-\$14,670	\$3,189,654
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$75,297	\$144,678		\$144,678
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: 12/31/2012

	COCC	Subtotal	ELIM	Total
144 Inter Program Due From	\$143,000	\$146,390	-\$146,390	\$0
145 Assets Held for Sale		\$122,708		\$122,708
150 Total Current Assets	\$231,693	\$5,661,309	-\$175,524	\$5,485,785
161 Land	\$50,000	\$1,979,998	\$2,882	\$1,982,880
162 Buildings	\$1,436,673	\$60,969,174	-\$2,882	\$60,966,292
163 Furniture, Equipment & Machinery - Dwellings		\$2,080,795		\$2,080,795
164 Furniture, Equipment & Machinery - Administration	\$588,230	\$1,360,378		\$1,360,378
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$1,464,429	-\$35,122,360		-\$35,122,360
167 Construction in Progress		\$24,819		\$24,819
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$610,474	\$31,292,804	\$0	\$31,292,804
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0		\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets		\$100,387	\$14,670	\$115,057
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$610,474	\$31,393,191	\$14,670	\$31,407,861
190 Total Assets	\$842,167	\$37,054,500	-\$160,854	\$36,893,646
311 Bank Overdraft		\$14,464	-\$14,464	\$0
312 Accounts Payable <= 90 Days	\$9,154	\$84,546	-\$1,839	\$82,707
313 Accounts Payable >90 Days Past Due		\$16,137		\$16,137

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
321 Accrued Wage/Payroll Taxes Payable	\$60,082	\$98,273		\$98,273
322 Accrued Compensated Absences - Current Portion	\$58,152	\$132,102	\$0	\$132,102
324 Accrued Contingency Liability				
325 Accrued Interest Payable		\$0		\$0
331 Accounts Payable - HUD PHA Programs		\$3,464		\$3,464
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits		\$164,033		\$164,033
342 Deferred Revenues		\$9,407		\$9,407
343 Current Portion of Long-term Debt - Capital Projects/Mortgage		\$68,091		\$68,091
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities	\$3,294	\$190,531	\$1,939	\$192,470
346 Accrued Liabilities - Other	\$4,423	\$262,239		\$262,239
347 Inter Program - Due To		\$146,490	-\$146,490	\$0
348 Loan Liability - Current		\$522,706		\$522,706
310 Total Current Liabilities	\$135,105	\$1,712,483	-\$160,854	\$1,551,629
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$9,004,647		\$9,004,647
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$1,073,257		\$1,073,257
354 Accrued Compensated Absences - Non Current	\$15,405	\$35,113		\$35,113
355 Loan Liability - Non Current		\$0		\$0
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$32,245	\$73,966		\$73,966
350 Total Non-Current Liabilities	\$47,650	\$10,186,983	\$0	\$10,186,983

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
300 Total Liabilities	\$182,755	\$11,899,466	-\$160,854	\$11,738,612
508.1 Invested In Capital Assets, Net of Related Debt	\$610,474	\$21,170,066		\$21,170,066
511.1 Restricted Net Assets		\$159,318		\$159,318
512.1 Unrestricted Net Assets	\$48,938	\$3,825,650		\$3,825,650
513 Total Equity/Net Assets	\$659,412	\$25,155,034	\$0	\$25,155,034
600 Total Liabilities and Equity/Net Assets	\$842,167	\$37,054,500	-\$160,854	\$36,893,646

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
70300 Net Tenant Rental Revenue	\$2,211,292				\$584,042
70400 Tenant Revenue - Other	\$251,757				\$0
70500 Total Tenant Revenue	\$2,463,049	\$0	\$0	\$0	\$584,042
70600 HUD PHA Operating Grants	\$565,419	\$53,500	\$7,723,877	\$25,335	
70610 Capital Grants	\$866,443			\$228,013	
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	\$11,615		\$481		\$0
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$20,060		
71500 Other Revenue	\$53,856		\$8,614		\$14,822
71600 Gain or Loss on Sale of Capital Assets	-\$16,183				
72000 Investment Income - Restricted	\$0		\$0		
70000 Total Revenue	\$3,944,199	\$53,500	\$7,753,032	\$253,348	\$598,864
91100 Administrative Salaries	\$356,843	\$22,523	\$354,372		\$29,861

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
91200 Auditing Fees	\$13,494		\$25,902		\$3,500
91300 Management Fee	\$723,522			\$25,335	\$51,005
91310 Book-keeping Fee	\$77,520		\$96,921		\$2,800
91400 Advertising and Marketing	\$219		\$70		\$1,869
91500 Employee Benefit contributions - Administrative	\$195,285	\$13,669	\$220,643		\$0
91600 Office Expenses	\$147,622	\$4,924	\$63,687		\$20,293
91700 Legal Expense	\$33,867				\$492
91800 Travel	\$587	\$3,188	\$587		\$275
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$1,548,959	\$44,304	\$762,182	\$25,335	\$110,095
92000 Asset Management Fee	\$106,670				
92100 Tenant Services - Salaries	\$534				
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$7,676	\$7,347			
92500 Total Tenant Services	\$8,210	\$7,347	\$0	\$0	\$0
93100 Water	\$150,898				\$48,315
93200 Electricity	\$657,996				\$28,431
93300 Gas	\$129,054				
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: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
93800 Other Utilities Expense					
93000 Total Utilities	\$937,948	\$0	\$0	\$0	\$76,746
94100 Ordinary Maintenance and Operations - Labor	\$571,778				\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$203,743	\$363	\$2,919		\$22,211
94300 Ordinary Maintenance and Operations Contracts	\$711,567				\$269,519
94500 Employee Benefit Contributions - Ordinary Maintenance	\$287,474		\$14,252		
94000 Total Maintenance	\$1,774,562	\$363	\$17,171	\$0	\$291,730
95100 Protective Services - Labor					\$0
95200 Protective Services - Other Contract Costs					\$0
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$117,504	\$677	\$3,154		\$25,849
96120 Liability Insurance					
96130 Workmen's Compensation	\$20,354	\$733	\$8,249		\$0
96140 All Other Insurance					
96100 Total insurance Premiums	\$137,858	\$1,410	\$11,403	\$0	\$25,849
96200 Other General Expenses			\$4,176		
96210 Compensated Absences	\$182,926		\$93,285		
96300 Payments in Lieu of Taxes	\$142,943				\$89,249
96400 Bad debt - Tenant Rents	\$80,887		\$8,008		\$16,270
96500 Bad debt - Mortgages	\$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: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
96600 Bad debt - Other	-\$16,637		-\$741		
96800 Severance Expense	-\$7,971				
96000 Total Other General Expenses	\$382,148	\$0	\$104,728	\$0	\$105,519
96710 Interest of Mortgage (or Bonds) Payable	\$10,001				
96720 Interest on Notes Payable (Short and Long Term)	\$15,454				\$117,718
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$25,455	\$0	\$0	\$0	\$117,718
96900 Total Operating Expenses	\$4,921,810	\$53,424	\$895,484	\$25,335	\$727,657
97000 Excess of Operating Revenue over Operating Expenses	-\$977,611	\$76	\$6,857,548	\$228,013	-\$128,793
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$410		\$8,488,056		
97350 HAP Portability-In					
97400 Depreciation Expense	\$1,573,000		\$7,935		\$228,144
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$6,495,220	\$53,424	\$9,391,475	\$25,335	\$955,801
10010 Operating Transfer In					
10020 Operating transfer Out	\$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: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					\$89,845
10091 Inter Project Excess Cash Transfer In	\$935,000				
10092 Inter Project Excess Cash Transfer Out	-\$935,000				
10093 Transfers between Program and Project - In	\$1,660,530				
10094 Transfers between Project and Program - Out	-\$1,660,530				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$89,845
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$2,551,021	\$76	-\$1,638,443	\$228,013	-\$267,092
11020 Required Annual Debt Principal Payments	\$19,744	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$22,880,591	-\$76	\$1,942,000	-\$934	\$2,894,568
11040 Prior Period Adjustments, Equity Transfers and Correction of	\$227,079			-\$227,079	-\$45,000
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			\$144,239		
11180 Housing Assistance Payments Equity			\$159,318		

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.885 Formula Capital Fund Stimulus Grant	6 Component Units
11190 Unit Months Available	10668		23052		1344
11210 Number of Unit Months Leased	10350		21573		1194
11270 Excess Cash	\$3,602,638				
11610 Land Purchases	\$0				
11620 Building Purchases	\$1,094,457				
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
70300 Net Tenant Rental Revenue	\$0		\$76,693		
70400 Tenant Revenue - Other	\$0		\$1,098		
70500 Total Tenant Revenue	\$0	\$0	\$77,791	\$0	\$0
70600 HUD PHA Operating Grants	\$0			\$52,932	
70610 Capital Grants					
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		\$15,346			
71100 Investment Income - Unrestricted	\$1,752				
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		\$0	\$10,918		\$22,500
71600 Gain or Loss on Sale of Capital Assets	-\$22,302				
72000 Investment Income - Restricted					
70000 Total Revenue	-\$20,550	\$15,346	\$88,709	\$52,932	\$22,500
91100 Administrative Salaries		\$4,230	\$4,679	\$41,972	
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
91300 Management Fee					
91310 Book-keeping Fee					\$2,800
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$6,572	\$959	\$10,030	
91600 Office Expenses	\$4,749	\$454	\$5,493		\$2,256
91700 Legal Expense					\$600
91800 Travel					
91810 Allocated Overhead					
91900 Other					\$410
91000 Total Operating - Administrative	\$4,749	\$11,256	\$11,131	\$52,002	\$6,066
92000 Asset Management Fee					
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	\$0		\$667		
93200 Electricity	\$0		\$1,578		
93300 Gas	\$0		\$765		
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self- Sufficiency under ROSS	5 Fiduciary
93000 Total Utilities	\$0	\$0	\$3,010	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor		\$2,497	\$0		
94200 Ordinary Maintenance and Operations - Materials and Other		\$174	\$2,602		
94300 Ordinary Maintenance and Operations Contracts	\$3,050	\$95	\$10,321		
94500 Employee Benefit Contributions - Ordinary Maintenance		\$15			
94000 Total Maintenance	\$3,050	\$2,781	\$12,923	\$0	\$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			\$2,353		
96120 Liability Insurance					
96130 Workmen's Compensation				\$930	
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$2,353	\$930	\$0
96200 Other General Expenses	\$0	\$0	\$2,163		
96210 Compensated Absences		\$1,696	\$1,210		
96300 Payments in Lieu of Taxes	\$0		\$7,305		
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other	\$0		-\$1,148		

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$1,696	\$9,530	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)	\$0				
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$7,799	\$15,733	\$38,947	\$52,932	\$6,066
97000 Excess of Operating Revenue over Operating Expenses	-\$28,349	-\$387	\$49,762	\$0	\$16,434
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$0		\$64,478		
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$7,799	\$15,733	\$103,425	\$52,932	\$6,066
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: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self- Sufficiency under ROSS	5 Fiduciary
10040 Operating Transfers from/to Component Unit					
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					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$28,349	-\$387	-\$14,716	\$0	\$16,434
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$257,576	\$387	\$821,995	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of					
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			142		

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	8 Other Federal Program 1	17.274 YouthBuild Program	1 Business Activities	14.877 Public Housing Family Self-Sufficiency under ROSS	5 Fiduciary
11210 Number of Unit Months Leased			88		
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: 12/31/2012

	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0	\$2,872,027		\$2,872,027
70400 Tenant Revenue - Other		\$252,855		\$252,855
70500 Total Tenant Revenue	\$0	\$3,124,882	\$0	\$3,124,882
70600 HUD PHA Operating Grants		\$8,421,063		\$8,421,063
70610 Capital Grants		\$1,094,456		\$1,094,456
70710 Management Fee	\$748,857	\$748,857	-\$748,857	\$0
70720 Asset Management Fee	\$106,670	\$106,670	-\$106,670	\$0
70730 Book Keeping Fee	\$174,441	\$174,441	-\$174,441	\$0
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue	\$1,029,968	\$1,029,968	-\$1,029,968	\$0
70800 Other Government Grants		\$15,346	\$0	\$15,346
71100 Investment Income - Unrestricted		\$13,848		\$13,848
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		\$20,060		\$20,060
71500 Other Revenue	\$5,196	\$115,906	\$0	\$115,906
71600 Gain or Loss on Sale of Capital Assets	\$369	-\$38,116		-\$38,116
72000 Investment Income - Restricted		\$0		\$0
70000 Total Revenue	\$1,035,533	\$13,797,413	-\$1,029,968	\$12,767,445
91100 Administrative Salaries	\$471,837	\$1,286,317		\$1,286,317
91200 Auditing Fees	\$7,104	\$50,000		\$50,000

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
91300 Management Fee		\$799,862	-\$748,857	\$51,005
91310 Book-keeping Fee		\$180,041	-\$174,441	\$5,600
91400 Advertising and Marketing	\$300	\$2,458		\$2,458
91500 Employee Benefit contributions - Administrative	\$253,055	\$700,213		\$700,213
91600 Office Expenses	\$102,895	\$352,373		\$352,373
91700 Legal Expense	\$12,021	\$46,980		\$46,980
91800 Travel	\$11,935	\$16,572		\$16,572
91810 Allocated Overhead				
91900 Other		\$410		\$410
91000 Total Operating - Administrative	\$859,147	\$3,435,226	-\$923,298	\$2,511,928
92000 Asset Management Fee		\$106,670	-\$106,670	\$0
92100 Tenant Services - Salaries		\$534		\$534
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other	\$56	\$15,079		\$15,079
92500 Total Tenant Services	\$56	\$15,613	\$0	\$15,613
93100 Water	\$706	\$200,586		\$200,586
93200 Electricity	\$19,981	\$707,986		\$707,986
93300 Gas	\$1,387	\$131,206		\$131,206
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: 12/31/2012

	COCC	Subtotal	ELIM	Total
93000 Total Utilities	\$22,074	\$1,039,778	\$0	\$1,039,778
94100 Ordinary Maintenance and Operations - Labor	\$73	\$574,348		\$574,348
94200 Ordinary Maintenance and Operations - Materials and Other	\$50,303	\$282,315		\$282,315
94300 Ordinary Maintenance and Operations Contracts	\$30,887	\$1,025,439		\$1,025,439
94500 Employee Benefit Contributions - Ordinary Maintenance		\$301,741		\$301,741
94000 Total Maintenance	\$81,263	\$2,183,843	\$0	\$2,183,843
95100 Protective Services - Labor		\$0		\$0
95200 Protective Services - Other Contract Costs		\$0		\$0
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$16,494	\$166,031		\$166,031
96120 Liability Insurance				
96130 Workmen's Compensation	\$12,256	\$42,522		\$42,522
96140 All Other Insurance				
96100 Total insurance Premiums	\$28,750	\$208,553	\$0	\$208,553
96200 Other General Expenses	-\$730	\$5,609		\$5,609
96210 Compensated Absences	\$124,206	\$403,323		\$403,323
96300 Payments in Lieu of Taxes		\$239,497		\$239,497
96400 Bad debt - Tenant Rents		\$105,165		\$105,165
96500 Bad debt - Mortgages		\$0		\$0
96600 Bad debt - Other		-\$18,526		-\$18,526

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
96800 Severance Expense		-\$7,971		-\$7,971
96000 Total Other General Expenses	\$123,476	\$727,097	\$0	\$727,097
96710 Interest of Mortgage (or Bonds) Payable		\$10,001		\$10,001
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$133,172		\$133,172
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$143,173	\$0	\$143,173
96900 Total Operating Expenses	\$1,114,766	\$7,859,953	-\$1,029,968	\$6,829,985
97000 Excess of Operating Revenue over Operating Expenses	-\$79,233	\$5,937,460	\$0	\$5,937,460
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$8,488,466		\$8,488,466
97350 HAP Portability-In				
97400 Depreciation Expense	\$95,226	\$1,968,783		\$1,968,783
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,209,992	\$18,317,202	-\$1,029,968	\$17,287,234
10010 Operating Transfer In				
10020 Operating transfer Out		\$0		\$0
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: 12/31/2012

	COCC	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)		\$89,845		\$89,845
10091 Inter Project Excess Cash Transfer In		\$935,000	-\$935,000	\$0
10092 Inter Project Excess Cash Transfer Out		-\$935,000	\$935,000	\$0
10093 Transfers between Program and Project - In		\$1,660,530	-\$1,660,530	\$0
10094 Transfers between Project and Program - Out		-\$1,660,530	\$1,660,530	\$0
10100 Total Other financing Sources (Uses)	\$0	\$89,845	\$0	\$89,845
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$174,459	-\$4,429,944	\$0	-\$4,429,944
11020 Required Annual Debt Principal Payments	\$0	\$19,744		\$19,744
11030 Beginning Equity	\$833,871	\$29,629,978		\$29,629,978
11040 Prior Period Adjustments, Equity Transfers and Correction of		-\$45,000		-\$45,000
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		\$144,239		\$144,239
11180 Housing Assistance Payments Equity		\$159,318		\$159,318
11190 Unit Months Available		35206		35206

Housing Authority of the City of Evansville (IN016)

EVANSVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	COCC	Subtotal	ELIM	Total
11210 Number of Unit Months Leased		33205		33205
11270 Excess Cash		\$3,602,638		\$3,602,638
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$1,094,457		\$1,094,457
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