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October 1, 2015

Board of Commissioners  
Washington Housing Authority  
520 S. E. 2<sup>nd</sup> Street  
Washington, IN 47501

We have reviewed the audit report prepared by Pamela J. Simpson, CPA, Independent Public Accountant, for the period January 1, 2014 to December 31, 2014. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountant's opinion, the financial statements included in the report present fairly the financial condition of the Washington Housing Authority, as of December 31, 2014 and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

A handwritten signature in dark ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

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

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**TWELVE MONTHS ENDED DECEMBER 31, 2014**

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

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## Independent Auditor's Report

Board of Commissioners  
Washington Housing Authority  
Washington, Indiana

I have audited the accompanying financial statements of the Washington Housing Authority, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Washington Housing 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 of America; 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.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the Washington Housing Authority'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 Washington Housing Authority's internal control. Accordingly, I 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 the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Washington Housing Authority, as of December 31, 2014 and the changes in its net position and its cash flows for the year end in accordance with accounting principles generally accepted in the United States of America.

## **Report on Required Supplemental Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 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. I have applied certain limited procedures on the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

## **Report on Supplemental Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Washington Housing Authority's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statements. Further, the financial data schedules shown on pages 30 to 34 are presented for purposes of additional analysis as required by *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the above described supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

## **Report Issued in Accordance with Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated August 18, 2015 on my consideration of the Washington Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of a *Government Auditing Standards* and should be considered in assessing the results of my audit.



Decatur, Illinois  
August 18, 2015

Certified Public Accountant

# ***Washington Housing Authority Management's Discussion and Analysis For the Year Ended December 31, 2014***

## **Introduction**

This Management's Discussion and Analysis (MD&A) of the Washington Housing Authority (Authority) provides an introduction and overview to the financial statements of the Washington Housing Authority for the fiscal year ended December 31, 2014. The Washington Housing Authority presents this discussion and analysis of its financial performance during the fiscal year ended December 31, 2014, to assist the reader in focusing on significant financial issues.

The primary focus of the Authority's financial statements is on the statements of its single enterprise fund encompassing all programs administered by the Washington Housing Authority. The information contained herein this MD&A should be considered in conjunction with the Authority's financial statements and related notes to the financial statements.

The Authority has three individual programs. They include the Low Rent Public Housing Program, the Capital Fund Program, and the Neighborhood Stabilization Program.

- The Low Rent Program consists of 190 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula.
- The Capital Fund Program (CFP) is also a formula based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.
- The Neighborhood Stabilization Program (NSP) consists of 6 dwelling units. This program was established to revitalize and rebuild local neighborhoods. Funding is provided based on dwelling rents paid by the tenants.

## **Overview of the Financial Statements**

This overview of the financial statement is intended to inform and introduce the reader to the Authority's financial statements. The financial statements are comprised of three individual statements. These statements include:

- The Statement of Net Position
- The Statement of Revenues, Expenses, and Changes in Net Position
- The Statement of Cash Flows

***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

The Statement of Net Position presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the differences between them being reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial situation of the Authority is improving or deteriorating. Net Position is comprised of three individual components:

- Net Investment in Capital Assets consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with the acquisition of these assets.
- Restricted component of net position consists of resources that are restricted by limitations placed on these resources by an external source or imposed by law through enabling legislation.
- Unrestricted component of net position represents the remaining resources available that do not meet the definition of the above categories. The unrestricted component of Net Position is basically the amount of resources available for future year appropriations.

The Statement of Revenues, Expenses, and Changes in Net Position reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Authority for the fiscal year ended December 31, 2014, to determine the net change in net position for the fiscal year.

The Statement of Cash Flows reports cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended December 31, 2014.

### **Financial Highlights**

The Washington Housing Authority's net position decreased from \$2,854,363 to \$2,683,054, a decrease of \$171,309 or 6%. Total assets also decreased by \$170,179 or 6%.

Total revenue decreased from \$1,460,290 to \$1,085,270, a decrease of \$402,020 or 28%.

Total expenses decreased by \$65,032, from \$1,294,611 to \$1,229,579 for the current year. This represents a decrease of 5%.

### **Housing Authority Activities & Highlights**

The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the summary of net position for the year ended December 31, 2014, and December 31, 2013.

***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

**Summary Statement of Net Position**

<b><u>Category</u></b>	<b><u>FYE 2014</u></b>	<b><u>FYE 2013</u></b>	<b><u>Change \$</u></b>	<b><u>Change %</u></b>
Current Assets	\$ 475,836	\$ 487,018	\$ ( 11,182)	-2%
Noncurrent Assets	\$ 2,286,076	\$ 2,445,073	\$ (158,997)	-7%
Total Assets	\$ 2,761,912	\$ 2,932,091	\$ (170,179)	-6%
Deferred Outflows of Resources	\$ -	\$ -	\$ -	NA
<b>Total</b>	<b>\$ 2,761,912</b>	<b>\$ 2,932,091</b>	<b>\$ (170,179)</b>	<b>-6%</b>
Current Liabilities	\$ 78,858	\$ 77,728	\$ 1,130	1%
Total Liabilities	\$ 78,858	\$ 77,728	\$ 1,130	1%
Deferred Inflows of Resources	\$ -	\$ -	\$ -	NA
Unrestricted	\$ 396,978	\$ 409,290	\$ (12,312)	-3%
Net Investment in Capital Assets	\$ 2,286,076	\$ 2,445,073	\$ (158,997)	-7%
Total Net Position	\$ 2,683,054	\$ 2,854,363	\$ (171,309)	-6%
<b>Total</b>	<b>\$ 2,761,912</b>	<b>\$ 2,932,091</b>	<b>\$ (170,179)</b>	<b>-6%</b>

**Current Assets**

The Authority's current asset balances decreased by \$11,182. This was due primarily to a reduction in investments by cashing in one certificate of deposit.

**Noncurrent Assets**

The Authority's noncurrent asset balance decreased primarily due to the accumulation of depreciation. Please note the capital asset portion presented in a later section.

**Net Position**

The net position of the Authority decreased \$171,019 compared to the previous fiscal year.

The Authority's unrestricted component of net position changed from \$409,290 to \$396,978, a decrease of \$12,312, or 3% for the current year. The primary reason for the decrease was due to excess operating expenditures over operating revenues for the current year. The unrestricted component of net position is the amount available for future appropriations. This balance is subject to program specific guidelines. Individual program balances that comprise the unrestricted component of net position are as follows:

Low Rent Housing Program	\$ 378,869
NSP Program	<u>18,109</u>
Total Unrestricted Net Assets	<u>\$ 396,978</u>



***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

**Summary Statement of Revenues & Expenses and Changes in Net Position  
Years Ended December 31, 2014 and 2013**

<b>Category</b>	<b>FYE 2014</b>	<b>FYE 2013</b>	<b>Change \$</b>	<b>Change %</b>
Tenant Revenue	\$ 604,017	\$ 596,764	\$ 7,253	1%
HUD Operating Grants	\$ 422,323	\$ 359,847	\$ 62,476	17%
Capital Grants	\$ 11,673	\$ 497,180	\$ (485,507)	-98%
Interest Income	\$ 6,488	\$ 2,205	\$ 4,283	194%
Other Revenue	\$ 13,769	\$ 4,294	\$ 9,475	221%
Total Revenue	\$ 1,058,270	\$ 1,460,290	\$ (402,020)	-28%
Administration	\$ 310,773	\$ 341,819	\$ (31,046)	-9%
Tenant Service	\$ 18,123	\$ 19,507	\$ (1,384)	-7%
Utilities	\$ 308,003	\$ 302,740	\$ 5,263	2%
Ordinary Maintenance	\$ 315,212	\$ 393,018	\$ (77,806)	-20%
Protective Services	\$ 2,308	\$ 2,752	\$ (444)	-16%
General Expense	\$ 100,990	\$ 74,567	\$ 26,423	35%
Depreciation	\$ 174,170	\$ 160,208	\$ 13,962	9%
Total Expenses	\$ 1,229,579	\$ 1,294,611	\$ (65,032)	-5%
Special Items	\$ -	\$ 820,000	\$ (820,000)	-100%
Increase (Decrease) in Net Position	\$ (171,309)	\$ 985,679	\$ (1,156,988)	-117%
Net Position, Beginning of Year	\$ 2,854,363	\$ 1,868,684	\$ 985,679	53%
Net Position, End of Year	\$ 2,683,054	\$ 2,854,363	\$ (171,309)	-6%

***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

**Results of Operations**

Revenues of the Authority are generated principally Federal and State funding grant income. The Authority's revenue decreased by \$402,020 compared to the previous fiscal year.

- Tenant revenue increased by \$7,253. This was primarily due to an increase in units months leased associated with the NSP program from 62 units months leased in the prior year to 84 units months leased in the current year.
- HUD operating grants increased by \$62,476. This was due to an increase in CFP operating grants in the amount of \$71,534. In contrast, operating grants associated with the Low Rent program decreased by \$9,058.
- Capital grants decreased by \$485,507. This was due to a reduction in capital improvement projects associated with the CFP program.
- Interest income increased by \$4,283 due to higher rates earned on investment accounts.
- Other revenue increased by \$9,475 due to an increase in gains on sale of capital assets for \$3,500.

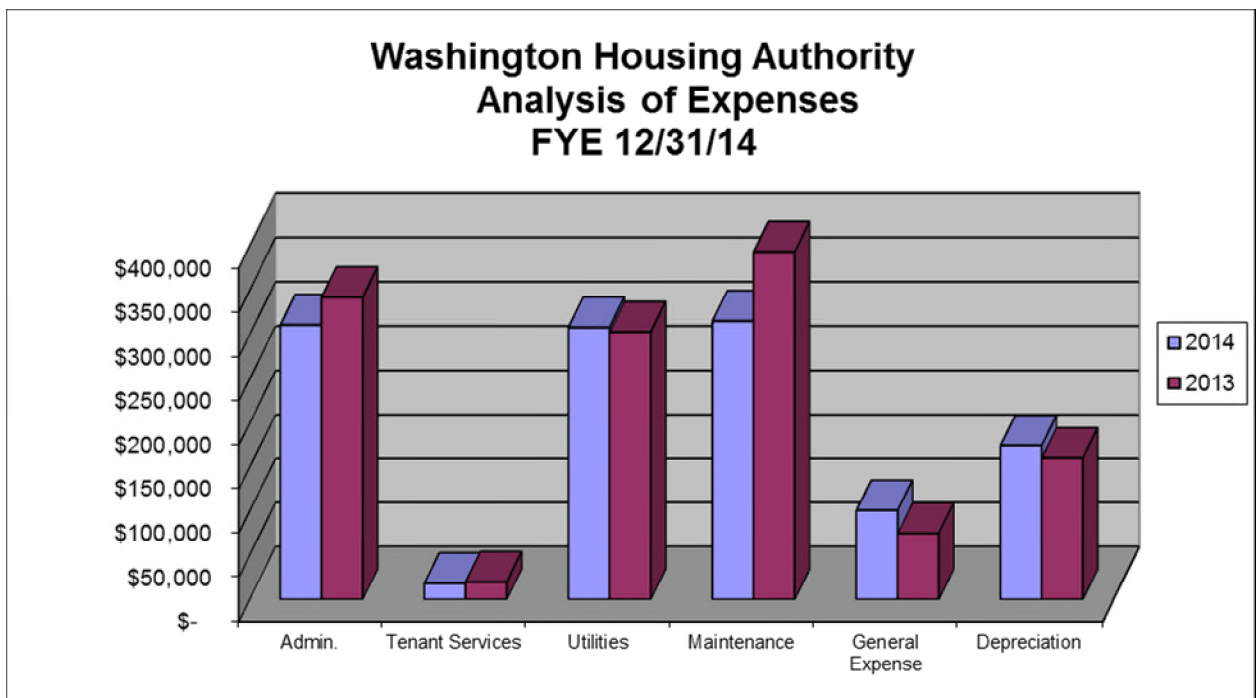
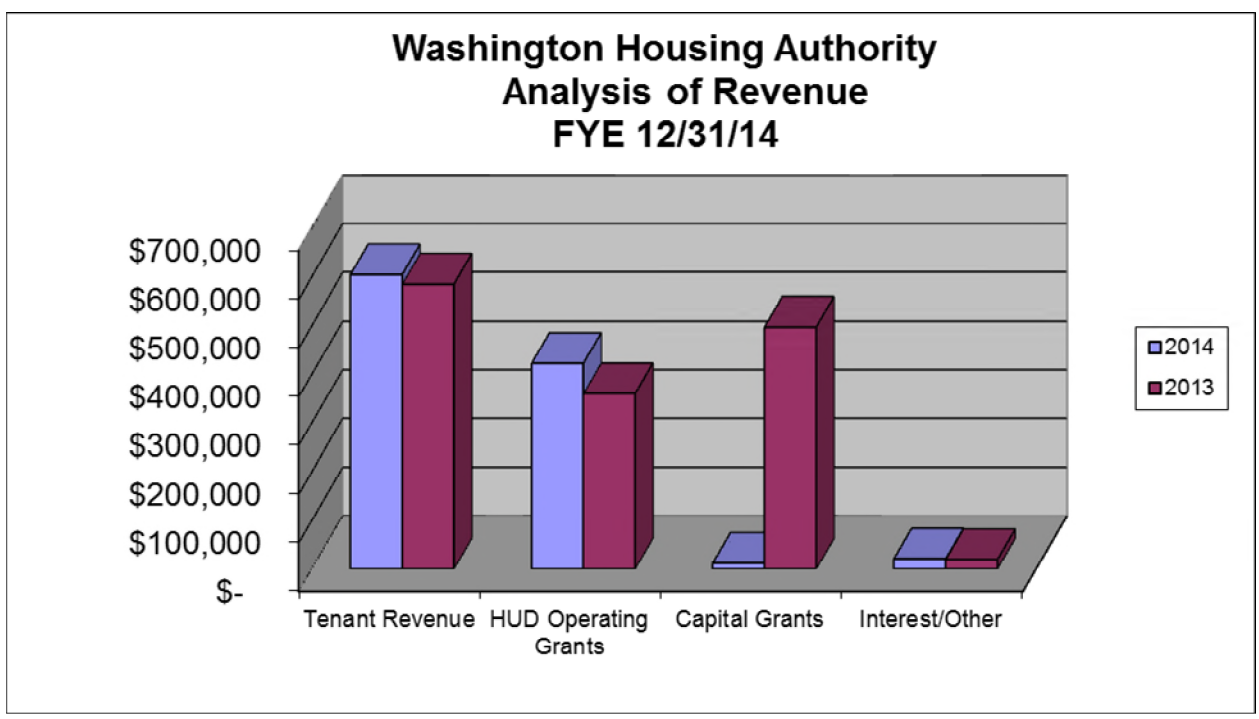
Total expenses decreased by \$65,032. Significant variances include the following:

- Administration decreased by \$31,046. This was due to a reduction in admin benefits in the amount of \$11,649 due to a change in health insurance companies, advertising expense in the amount of \$7,672, office expenses in the amount of \$5,088, travel in the amount of \$4,395, and other administrative expenses in the amount of \$2,039.
- Ordinary maintenance decreased \$77,806 due primarily to a reduction in maintenance staff resulting in lower salary and benefit expenses in the amount of \$61,324. In addition, maintenance materials decreased by \$10,668 and pest control decreased by \$4,970.
- Other general expenses increased by \$26,423. This was primarily due to an increase in insurance expenses in the amount of \$13,945. Other increases include compensated absences in the amount of \$9,261 and bad debt in the amount of \$2,997.

Special items were the result of the Authority receiving a transfer of property associated with the NSP program in the amount of \$820,000 in the prior year, but none in the current year.

***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

The following presentations have been provided to demonstrate the revenues and expenses by summarized account category:



***Washington Housing Authority  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014***

**Capital Assets**

As of December 31, 2014, the Washington Housing Authority's net investment in capital assets was \$2,286,076. This investment includes building improvements and equipment.

<u>Category</u>	<u>FYE 2014</u>	<u>FYE 2013</u>	<u>Change \$</u>	<u>Change %</u>
Land	\$ 99,607	\$ 99,607	\$ -	0%
Buildings	\$ 7,040,083	\$ 6,517,738	\$ 522,345	8%
Equipment	\$ 277,267	\$ 274,405	\$ 2,862	1%
Construction in Progress	\$ 1,398	\$ 522,345	\$ (520,947)	-100%
Accumulated Depreciation	\$ (5,132,279)	\$ (4,969,022)	\$ (163,257)	3%
Total Net Fixed Assets	\$ 2,286,076	\$ 2,445,073	\$ (158,997)	-7%

Buildings increased by due to the completion of an elevator replacement project funded by the 2009, 2010, 2011, and 2012 CFP program and the Low Rent program.

Equipment increased due to the purchase of a tractor funded by the 2013 CFP program.

Additional information regarding capital assets can be found in "Notes to Financial Statements".

**Subsequent Event**

As of the time of this analysis, HUD has not finalized the funding levels for the 2015 calendar year. It has been projected operating subsidy for the Low Rent Housing Program will be 89%. There are presently no lawsuits and or grievances. Future CFP monies will be used for operations, update of appliances, flooring and needed unit repairs.

We are a high performer but budget concerns limiting labor to keep up these standards are a huge concern. Funding is critical to maintain these high standards.

**Request for Information**

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Washington Housing Authority  
William O'Brian, Executive Director  
520 S.E. 2<sup>nd</sup> Street  
Washington, IN 47501

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS  
AS OF DECEMBER 31, 2014**

**ASSETS**

Cash - operating	\$ 252,313
Cash - restricted	29,425
Receivables (net)	2,291
Accrued interest receivable	1,110
Investments	174,931
Inventory (net)	923
Prepaid expenses	14,843

Capital assets:

Land, land improvements and construction in progress	\$ 101,005
Other capital assets, net of depreciation	<u>2,185,071</u>

Total Capital Assets \$ 2,286,076

Total Assets \$ 2,761,912

**DEFERRED OUTFLOWS OF RESOURCES** \$ 0

**TOTAL** \$ 2,761,912

**LIABILITIES**

Accounts payable	\$ 23,308
Other liabilities	48,765
Unearned revenue	<u>6,785</u>

Total Liabilities \$ 78,858

**DEFERRED INFLOWS OF RESOURCES** \$ 0

**NET POSITION**

Net investment in capital assets	\$ 2,286,076
Unrestricted	<u>396,978</u>

Total Net Position \$ 2,683,054

**TOTAL** \$ 2,761,912

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -  
PROPRIETARY FUNDS  
TWELVE MONTHS ENDED DECEMBER 31, 2014**

Operating Income

Tenant rental revenue	\$ 554,862
Excess utilities	<u>49,155</u>
Total Rental Income	\$ 604,017
HUD grants - operating	422,323
Other revenue	10,269
Gain or (loss) on sale of capital assets	<u>3,500</u>
Total Operating Income	<u>\$ 1,040,109</u>

Operating Expenses

Administration	\$ 310,773
Tenant services	18,123
Utilities	308,003
Ordinary maintenance and operation	315,212
General expense	100,990
Protective services	2,308
Depreciation	<u>174,170</u>
Total Operating Expenses	<u>\$ 1,229,579</u>
Net Operating Income (Loss)	\$ -189,470

Nonoperating Income (Expense)

Interest income	6,488
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Capital Contributions

Capital fund grants	<u>11,673</u>
Changes in net position	\$ -171,309
Net position, beginning of year	<u>2,854,363</u>
Net position, end of year	<u>\$ 2,683,054</u>

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

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
TWELVE MONTHS ENDED DECEMBER 31, 2014**

Operating Activities

Operating grants	\$ 421,962
Tenant revenue	606,872
Other revenue	13,769
Payments to employees	-332,057
Payments to suppliers and contractors	<u>-709,833</u>

Net Cash Provided (Used) by Operating Activities \$ 713

Investing Activities

Investments (purchased) redeemed	\$ 21,612
Interest income	<u>6,495</u>

Net Cash Provided (Used) by Investing Activities \$ 28,107

Capital and Related Financing Activities

HUD grants - capital	\$ 11,673
(Additions) deletions to fixed assets	<u>-15,173</u>

Net Cash Provided (Used) by  
Capital and Related Financing Activities \$ -3,500

Net Change in Cash \$ 25,320

Cash Balance at December 31, 2013 256,418

Cash Balance at December 31, 2014 \$ 281,738

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
TWELVE MONTHS ENDED DECEMBER 31, 2014**

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

Net operating income (loss)	\$ -189,470
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Depreciation	174,170
(Increase) decrease in accounts receivable	79
(Increase) decrease in prepaid expenses	13,365
(Increase) decrease in inventories	1,439
Increase (decrease) in accounts payable	-767
Increase (decrease) in other liabilities	-179
Increase (decrease) in unearned revenues	<u>2,076</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 713</u></u>

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



**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014**

Note 1 - Summary of Significant Accounting Policies

(a) Organization and Reporting Entity -

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

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

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City of Washington and concluded that the City does not maintain an oversight responsibility for the Authority's operations. An independent Board of Commissioners, appointed by the Mayor, is responsible for the activities of the Authority. The Authority recruits and employs its executive staff and has substantial legal authority to control its affairs without requiring approval of the City government. Debt incurred by the Authority is not an obligation of the City; the City does not review or approve the Authority's budget, is not entitled to any surplus funds generated by the Authority's operations and is not responsible for any deficits incurred by the Authority.

The Authority is governed by a Board of Commissioners appointed by the office of the Mayor, and has governance responsibilities over all activities related to all housing activities within the City. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the Mayor, i.e. they can only be removed for cause. The Authority's Board elects its own chairperson.

Consequently, in accordance with evaluating the criteria set forth in Section 2100 and 2600 of the Governmental Accounting Standards Board Codification, management has concluded that the Washington Housing Authority is a separate reporting entity. All funds and programs of the Housing Authority are included in these statements. The Housing Authority has no component units.

(b) Method of Accounting -

The financial statements of the Housing Authority have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities. The Housing Authority applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(c) Financial Statement Presentation

Although a formal policy has not been adopted, in financial statement preparation 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.

(d) Funds -

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

- \* Public and Indian Housing
- \* Public Housing Capital Funds
- \* Community Development Block Grants/State Programs

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

*Proprietary Fund Types:*

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

(e) Cash and Cash Equivalents -

For purposes of the statement of cash flows, the policy of the Housing Authority is to consider all highly liquid investments to be cash equivalents. The term "highly liquid" refers to investments with a maturity of three (3) months or less when purchased to be cash equivalents.

(f) Interprogram Receivables and Payables

During the course of operations, numerous transactions occur within individual programs that may result in amounts owed between these programs. These receivables and payables are classified as "due from other programs" or "due to other programs" on the combining statement of net position and have been eliminated in the basic financial statements.

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(g) Accounts Receivable -

The tenants accounts receivable discloses the gross amount due from the tenants at December 31, 2014, and does not take into consideration prepaid amounts. The Housing Authority provides for an allowance for doubtful accounts, based on the estimated collections of current accounts receivables. The Housing Authority periodically writes off uncollectible accounts receivable to the allowance account based on a review of the current status of existing receivables and the determination that the receivable will not be collected.

(h) Inventories and Materials -

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

(i) Investments -

Investments are stated at cost which approximates market.

(j) Fixed Assets -

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

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

Land, buildings and equipment contains the following:

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

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

Buildings	15 - 40	years
Equipment	3 - 5	years
Leasehold improvements	15	years

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(k) Net Position -

GASB Statement 63 requires the classification of net position into three components as defined below:

- 1) Net investment in capital assets - capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt and deferred inflows of resources related to the acquisition, construction or improvement of those assets.
- 2) Restricted - restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- 3) Unrestricted - amounts not required to be reported in the other components of net position.

(l) Income Tax -

The Authority, organized under Indiana state law as a political subdivision subsidized by the Federal government, is exempt from Federal and State income taxes.

(m) Annual Contributions/Subsidies and Other Grants

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

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

- (n) The Housing Authority adopts a budget annually. The budget is submitted to the Department of Housing and Urban Development for approval. Subsequent budget revisions may also be required to be submitted to HUD for approval.
- (o) The preparation of financial statements in conformity with generally accepted accounting principles require the Housing Authority to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- (p) Leasing activities (as lessor) - the Authority is the lessor of dwelling units mainly to low income and/or elderly and disabled residents. The rents under the lease are determined generally by the resident's income as adjusted by eligible deductions regulated by HUD, although the resident may elect for a flat rent option. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

- (q) Rental income is recognized as rents become due.
- (r) At any time during the year and at year end, there are construction projects in process. These projects include modernizing rental units. The projects are funded by HUD and funds are requested periodically as costs are incurred.

Note 2 - Cash and Investments

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

All cash and investments are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company of the depository financial institutions. The deposits exceeding the insured or registered limits are public funds covered by the State of Indiana Public Deposit Fund.

*Custodial Credit Risk*

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

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

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

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

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

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

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

Category 1 - Deposits which are insured or collateralized with securities held by the Housing Authority or by its agent in the Housing Authority's name.

Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Housing Authority's name.

Category 3 - Deposits which are not collateralized or insured.

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

<u>Program</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Public and Indian Housing	\$ 249,191	\$ 272,050
Community Development Block Grants	<u>32,547</u>	<u>32,622</u>
Total	<u>\$ 281,738</u>	<u>\$ 304,672</u>

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

Category 1 - Investments that are insured, registered or collateralized with securities held by the Housing Authority or by its agent in the Housing Authority's name.

Category 2 - Investments which are uninsured and unregistered held by the counter-party's trust department or agent in the Housing Authority's name.

Category 3 - Uninsured or unregistered investments held by the counter-party, its trust or its agent, but not in the Housing Authority's name.

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

<u>Program</u>	<u>Book Balance</u>	<u>Market Value</u>
Public and Indian Housing	<u>\$ 174,931</u>	<u>\$ 174,931</u>

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 3 - Compensated Absences

Annual Leave

Vacation time is earned in one fiscal/calendar year, but cannot be taken until the following fiscal or calendar year. While time is earned on a monthly basis for convenience sake the Authority posts the whole year's worth of anticipated annual leave on the 1<sup>st</sup> of January. No annual leave will be carried over into the next year.

All regular full-time employees earn paid annual leave in the following manner:

Years 1	5	days per year
Years 2-10	10	days per year
Over 11 years	15	days per year

Sick Leave

Sick Leave will be accumulated by all full-time employees at the rate of 4 hours per month for a total of 48 hours per calendar year. Sick leave may accumulate to 60 workdays. In no event shall an employee be paid for sick leave not taken.

Note 4 - Defined Contribution Plan

*Plan Description.* The Washington Housing Authority contributes to the State of Indiana Public Employees Retirement Fund (PERF), a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS). PERF provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Under Indiana Statutes, employer contribution rates and amounts, as applicable, are adopted annual for each plan by the INPRS Board of Trustees. The State of Indiana assigns the authority to establish and amend benefit provisions to the INPRS Board of Trustees. The Indiana Public Retirement System issues a publicly available report that includes financial statements and the required supplementary information for PERF. The report and actuarial valuation for the period that ended June 30, 2014 is available on-line at:

<https://secure.in.gov/inprs/files/FY2014PARFActuarialValuationReport.pdf>.

*Funding Policy.* Plan members are required to contribute 3% of their annual covered salary and the Housing Authority is required to contribute at an actuarially determined rate. The current rate is 11.2% of annual covered payroll. Employees may exercise an option to voluntarily contribute an additional amount up to a total of 10% of their annual covered salary. The contribution requirements of plan members and Housing Authority are established and may be amended by INPRS Board of Trustees.

For the fiscal year ended December 31, 2014, actual contributions were \$46,432. Total covered payroll expense was \$296,549.

Note 5 - Post-Employment Benefits

The Housing Authority does not provide post employment retirement benefits. As a result there are no disclosures included in these statements as required by GASB 45.

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 6 - Accounts Receivable

Accounts receivable consists of the following accounts:

HUD other projects	\$ 361
Tenants accounts receivable	3,941
Allowance for doubtful accounts - tenants	<u>-2,011</u>
Subtotal	\$ 2,291
Interfund	<u>5,107</u>
Total	<u><u>\$ 7,398</u></u>

Note 7 - Investments

At December 31, 2014 investments consist of the following:

	<u>Rate</u>	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	2.50 - 2.80%	<u>\$ 174,931</u>	<u>\$ 174,931</u>

Note 8 - Prepaid Expenses

This classification includes the following accounts:

Prepaid insurance	<u>\$ 14,843</u>
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Note 9 - Capital Assets

Balance as of December 31, 2014	\$ 2,286,076
Balance as of December 31, 2013	<u>2,445,073</u>
Net Increase (Decrease)	<u><u>\$ -158,997</u></u>

Reconciliation

Betterments and additions	\$ 1,398
Replacement of nonexpendable equipment	13,775
Current year depreciation expense	<u>-174,170</u> *
Net Increase (Decrease)	<u><u>\$ -158,997</u></u>



**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 9 - Capital Assets (Continued)

<u>Analysis</u>	<u>01/01/2014 Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>12/31/2014 Balance</u>
Land	\$ 99,607	\$ 0	\$ 0	\$ 99,607
Buildings	6,517,738	522,345	0	7,040,083
Equipment and furniture	274,405	13,775	10,913	277,267
Construction in progress	<u>522,345</u>	<u>1,398</u>	<u>522,345</u>	<u>1,398</u>
Total	\$ 7,414,095	\$ 537,518	\$ 533,258	\$ 7,418,355
Accumulated depreciation	<u>-4,969,022</u>	<u>10,913</u>	<u>174,170</u>	* <u>-5,132,279</u>
Net Position	<u>\$ 2,445,073</u>	<u>\$ 548,431</u>	<u>\$ 707,428</u>	<u>\$ 2,286,076</u>

\*Current year depreciation expense recognized.

Note 10 - Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 668
Tenants security deposits	<u>22,640</u>
Subtotal	\$ 23,308
Interfund	<u>5,107</u>
Total	<u>\$ 28,415</u>

Note 11 - Other Liabilities

Other liabilities consists of the following:

Current Portion:

Wages/payroll taxes payable	\$ 11,793
Payment in lieu of taxes	27,413
Utilities payable	<u>9,559</u>
Total	<u>\$ 48,765</u>

Note 12 - Unearned Revenue

This classification consists of the following accounts:

Tenants prepaid rent	<u>\$ 6,785</u>
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**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**NOTES TO FINANCIAL STATEMENTS  
TWELVE MONTHS ENDED DECEMBER 31, 2014  
(CONTINUED)**

Note 13 - Contingencies

Federal Grants

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

Note 14 - Contracts/Commitments

As of December 31, 2014, the Housing Authority had entered into the following pending construction projects in progress:

	<u>Funds Approved</u>	<u>Funds Expended To Date</u>
CFP 501-11	\$ 213,782	\$ 204,687
CFP 501-12	191,066	133,641
CFP 501-13	198,336	32,275
CFP 501-14	<u>197,843</u>	<u>82,843</u>
Total	<u>\$ 801,027</u>	<u>\$ 453,446</u>

Note 15 - Risk Management

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

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

Note 16 - Economic Dependency

The Housing Authority received a large percentage of its revenue (41%) from the United States Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

## **SUPPLEMENTAL DATA**

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014**

<u>Federal Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Grant Period</u>	<u>Program Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of HUD</u>						
Direct Programs:						
Public and Indian Housing	14.850	C-590	FYE 12/31/14	\$ 325,419	\$ 325,419	\$ 325,419
Public Housing Capital Fund	14.872	C-590	FYE 12/31/14	\$ 1,045,845	\$ 108,577	\$ 108,577
Total Housing Assistance				\$ 1,371,264	\$ 433,996	\$ 433,996

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS (SEFA)  
TWELVE MONTHS ENDED DECEMBER 31, 2014**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Washington Housing Authority (Authority) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the Authority's consolidated financial statements.

The schedule summarizes the federal funds expended by the Authority under the programs of the federal government during the year ended December 31, 2014. The awards are classified as major and non-major program categories in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-133, *Audits of States Local Governments and Non-Profit Organizations*. The schedule of expenditures of federal awards displays the Authority's expenditures charged to federal programs for the year ended December 31, 2014, and should be read in conjunction with the Authority's consolidated financial statements.

Note 2 – Sources of Funding

The schedule includes all grants and contracts entered into directly between the Authority and agencies and departments of the federal government, as well as federal funds passed-through to the Authority by primary recipients. The Authority provided no part of its direct grant federal dollars to sub-recipients.

The Authority did not receive any non-cash assistance from federal funds, had no federal insurance, nor have any loan or loan guarantees outstanding as of December 31, 2014.

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST  
PHASE IN36P030501-10**

1. The Actual Modernization Costs of Phase IN36P030501-10 are as follows:

Funds approved	\$ 244,818
Funds expended	<u>244,818</u>
Excess of Funds Approved	<u><u>\$ 0</u></u>
Funds advanced	
Grants	\$ 244,818
Funds expended	<u>244,818</u>
Excess of Funds Advanced	<u><u>\$ 0</u></u>

2. The distribution of costs by project, as shown on the final Statement of Modernization Cost, dated July 29, 2014, accompanying the Actual Modernization Cost Certificate submitted to HUD for approval, is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.



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

Board of Commissioners  
Washington Housing Authority  
Washington, Indiana

I have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Washington Housing Authority, which comprise the statement of net position as of December 31, 2014, and the related statements of changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Washington Housing Authority's basic financial statements and have issued my report thereon dated August 18, 2015.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Washington Housing 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Washington Housing Authority's internal control. Accordingly, I do not express an opinion on the effectiveness of the Washington Housing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Washington Housing Authority'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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Washington Housing Authority's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Washington Housing Authority'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 Washington Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Decatur, Illinois  
August 18, 2015

Certified Public Accountant

**WASHINGTON HOUSING AUTHORITY  
WASHINGTON, INDIANA**

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES  
DECEMBER 31, 2014**

<u>Low Rent</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Other miscellaneous revenue	71500.9	\$ 180.34		00512.1
Property insurance	96110.0	4,739.40		00512.1
Liability insurance	96120.0	551.09		00512.1
Worker's compensation	96130.0		\$ 677.48	00512.1
All other insurance	96140.0		4,109.97	00512.1
Prepaid expenses and other assets	00142.0		683.38	00142.0

(To adjust insurance accounts to actual; prior year audit adjustment and workers's comp refunds were posted to miscellaneous revenue)



## Washington Housing Authority (IN030)

WASHINGTON, IN

## Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2014

	Project Total	14.228 Community Development Block Grants/State's Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$223,216	\$29,097	\$252,313		\$252,313
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$19,490	\$3,150	\$22,640		\$22,640
115 Cash - Restricted for Payment of Current Liabilities	\$6,485	\$300	\$6,785		\$6,785
100 Total Cash	\$249,191	\$32,547	\$281,738	\$0	\$281,738
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$361		\$361		\$361
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$1,888	\$2,053	\$3,941		\$3,941
126.1 Allowance for Doubtful Accounts -Tenants	-\$793	-\$1,218	-\$2,011		-\$2,011
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$1,110		\$1,110		\$1,110
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,566	\$835	\$3,401	\$0	\$3,401
131 Investments - Unrestricted	\$174,931		\$174,931		\$174,931
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$14,475	\$368	\$14,843		\$14,843
143 Inventories	\$1,025		\$1,025		\$1,025
143.1 Allowance for Obsolete Inventories	-\$102		-\$102		-\$102
144 Inter Program Due From	\$5,107		\$5,107	-\$5,107	\$0
145 Assets Held for Sale					
150 Total Current Assets	\$447,193	\$33,750	\$480,943	-\$5,107	\$475,836
161 Land	\$97,107	\$2,500	\$99,607		\$99,607
162 Buildings	\$6,222,583	\$817,500	\$7,040,083		\$7,040,083
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	\$273,767	\$3,500	\$277,267		\$277,267
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$5,095,872	-\$36,407	-\$5,132,279		-\$5,132,279
167 Construction in Progress	\$1,398		\$1,398		\$1,398
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,498,983	\$787,093	\$2,286,076	\$0	\$2,286,076
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					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$1,498,983	\$787,093	\$2,286,076	\$0	\$2,286,076
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$1,946,176	\$820,843	\$2,767,019	-\$5,107	\$2,761,912

## Washington Housing Authority (IN030)

WASHINGTON, IN

## Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2014

	Project Total	14.228 Community Development Block Grants/State's Program	Subtotal	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$646	\$22	\$668		\$668
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$11,200	\$593	\$11,793		\$11,793
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$20,944	\$6,469	\$27,413		\$27,413
341 Tenant Security Deposits	\$19,490	\$3,150	\$22,640		\$22,640
342 Unearned Revenue	\$6,485	\$300	\$6,785		\$6,785
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$9,559		\$9,559		\$9,559
347 Inter Program - Due To		\$5,107	\$5,107	-\$5,107	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$68,324	\$15,641	\$83,965	-\$5,107	\$78,858
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					
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$68,324	\$15,641	\$83,965	-\$5,107	\$78,858
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$1,498,983	\$787,093	\$2,286,076		\$2,286,076
511.4 Restricted Net Position	\$0		\$0		\$0
512.4 Unrestricted Net Position	\$378,869	\$18,109	\$396,978	\$0	\$396,978
513 Total Equity - Net Assets / Position	\$1,877,852	\$805,202	\$2,683,054	\$0	\$2,683,054
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,946,176	\$820,843	\$2,767,019	-\$5,107	\$2,761,912

Washington Housing Authority (IN030)  
WASHINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2014

	Project Total	14.228 Community Development Block Grants/State's Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$517,272	\$37,590	\$554,862		\$554,862
70400 Tenant Revenue - Other	\$48,768	\$387	\$49,155		\$49,155
70500 Total Tenant Revenue	\$566,040	\$37,977	\$604,017	\$0	\$604,017
70600 HUD PHA Operating Grants	\$422,323		\$422,323		\$422,323
70610 Capital Grants	\$11,673		\$11,673		\$11,673
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$6,488		\$6,488		\$6,488
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	\$10,269		\$10,269		\$10,269
71600 Gain or Loss on Sale of Capital Assets	\$3,500		\$3,500		\$3,500
72000 Investment Income - Restricted					
70000 Total Revenue	\$1,020,293	\$37,977	\$1,058,270	\$0	\$1,058,270
91100 Administrative Salaries	\$162,876	\$7,815	\$170,691		\$170,691
91200 Auditing Fees	\$4,886	\$204	\$5,090		\$5,090
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$369	\$3	\$372		\$372
91500 Employee Benefit contributions - Administrative	\$89,066	\$3,612	\$92,678		\$92,678
91600 Office Expenses	\$18,446	\$692	\$19,138		\$19,138
91700 Legal Expense	\$165		\$165		\$165
91800 Travel	\$168	\$4	\$172		\$172
91810 Allocated Overhead					
91900 Other	\$21,919	\$548	\$22,467		\$22,467
91000 Total Operating - Administrative	\$297,895	\$12,878	\$310,773	\$0	\$310,773
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$18,123		\$18,123		\$18,123
92500 Total Tenant Services	\$18,123	\$0	\$18,123	\$0	\$18,123

Washington Housing Authority (IN030)  
WASHINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2014

	Project Total	14.228 Community Development Block Grants/State's Program	Subtotal	ELIM	Total
93100 Water	\$45,702		\$45,702		\$45,702
93200 Electricity	\$139,890	\$43	\$139,933		\$139,933
93300 Gas	\$48,970	\$35	\$49,005		\$49,005
93400 Fuel					
93500 Labor					
93600 Sewer	\$73,266	\$97	\$73,363		\$73,363
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$307,828	\$175	\$308,003	\$0	\$308,003
94100 Ordinary Maintenance and Operations - Labor	\$143,828	\$7,896	\$151,724		\$151,724
94200 Ordinary Maintenance and Operations - Materials and Other	\$44,313	\$1,300	\$45,613		\$45,613
94300 Ordinary Maintenance and Operations Contracts	\$57,173	\$632	\$57,805	\$0	\$57,805
94500 Employee Benefit Contributions - Ordinary Maintenance	\$56,739	\$3,331	\$60,070		\$60,070
94000 Total Maintenance	\$302,053	\$13,159	\$315,212	\$0	\$315,212
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$2,308		\$2,308		\$2,308
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$2,308	\$0	\$2,308	\$0	\$2,308
96110 Property Insurance	\$24,766	\$1,082	\$25,848		\$25,848
96120 Liability Insurance	\$16,128		\$16,128		\$16,128
96130 Workmen's Compensation	\$7,859	\$424	\$8,283		\$8,283
96140 All Other Insurance	\$7,968		\$7,968		\$7,968
96100 Total Insurance Premiums	\$56,721	\$1,506	\$58,227	\$0	\$58,227
96200 Other General Expenses	\$304		\$304		\$304
96210 Compensated Absences	\$8,712	\$549	\$9,261		\$9,261
96300 Payments in Lieu of Taxes	\$20,944	\$3,741	\$24,685		\$24,685
96400 Bad debt - Tenant Rents	\$6,720	\$1,793	\$8,513		\$8,513
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$36,680	\$6,083	\$42,763	\$0	\$42,763
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,021,608	\$33,801	\$1,055,409	\$0	\$1,055,409
97000 Excess of Operating Revenue over Operating Expenses	-\$1,315	\$4,176	\$2,861	\$0	\$2,861

Washington Housing Authority (IN030)  
WASHINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2014

	Project Total	14.228 Community Development Block Grants/State's Program	Subtotal	ELIM	Total
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$153,091	\$21,079	\$174,170		\$174,170
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,174,699	\$54,880	\$1,229,579	\$0	\$1,229,579
10010 Operating Transfer In	\$96,904		\$96,904	-\$96,904	\$0
10020 Operating transfer Out	-\$96,904		-\$96,904	\$96,904	\$0
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)					
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 Expenses	-\$154,406	-\$16,903	-\$171,309	\$0	-\$171,309
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$2,032,258	\$822,105	\$2,854,363	\$0	\$2,854,363
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	2280	84	2364	0	2364
11210 Number of Unit Months Leased	2267	84	2351	0	2351
11270 Excess Cash	\$278,337		\$278,337		\$278,337
11610 Land Purchases	\$0		\$0		\$0
11620 Building Purchases	\$1,398		\$1,398		\$1,398
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$10,275		\$10,275		\$10,275
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