



STATE OF INDIANA
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February 29, 2016

Board of Commissioners
Housing Authority of the City of Bloomington
1007 North Summitt Street
Bloomington, IN 47404

We have reviewed the audit report prepared by Pamela J. Simpson, CPA, Independent Public Accountant, for the period October 1, 2013 to September 30, 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 Housing Authority of the City of Bloomington, as of September 30, 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 blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

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

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

TWELVE MONTHS ENDED SEPTEMBER 30, 2014

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

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Independent Auditor's Report

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

I have audited the accompanying financial statements of the Housing Authority of the City of Bloomington, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington, as of September 30, 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 7 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 Housing Authority of the City of Bloomington'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 42 to 46 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 February 20, 2015 on my consideration of the Housing Authority of the City of Bloomington'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.



Certified Public Accountant

Decatur, Illinois
February 20, 2015

BLOOMINGTON HOUSING AUTHORITY
Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

The management of the Bloomington Housing Authority (PHA) offers this narrative overview and analysis of its unaudited financial statements for fiscal year ended September 30, 2014. The goal is for the reader to better understand the Authority's financial activities and its overall financial position and to show whether current year revenues covered current year expenses and the extent to which the Authority has invested its capital assets. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS:

- The assets of the PHA exceed its liabilities as of September 30, 2014 by \$8,311,086 (Net Position).
- The PHA's Investment in Capital Assets-net of related debt as of September 30, 2014 was \$5,899,560.
- The PHA's total revenue for the fiscal year end September 30, 2014 was \$10,754,218.
- The PHA's total expenses for the fiscal year end September 30, 2014 was \$10,958,984.
- Therefore, the PHA's total expenses exceed its' total revenues by \$204,766.

OVERVIEW OF THE FINANCIAL STATEMENTS:

The following financial statements are included in this report:

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

BLOOMINGTON HOUSING AUTHORITY
Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

ANALYSIS OF FINANCIAL STATEMENTS:

STATEMENT OF NET POSITION

	<u>2014</u>	<u>2013</u>	<u>Increase (Decrease)</u>	Percentage Variances
Cash & Investments	2,789,779	2,582,082	207,697	8%
Other Current Assets	161,839	188,006	(26,167)	-14%
Capital Assets (net)	8,012,005	8,539,377	(527,372)	-6%
Total Assets	10,963,623	11,309,465	(345,842)	-3%
Deferred Outflows of Revenue	-	-	-	0%
TOTAL	10,963,623	11,309,465	(345,842)	-3%
Current Liabilities	450,616	415,523	35,093	8%
Long Term Liabilities	2,201,921	2,378,090	(176,169)	-7%
Total Liabilities	2,652,537	2,793,613	(141,076)	-5%
Deferred Inflows of Revenue	-	-	-	0%
Invested in Capital Assets	5,899,560	6,255,502	(355,942)	-6%
Restricted Net Position	416,836	377,531	39,305	10%
Unrestricted Net Position	1,994,690	1,882,819	111,871	6%
Total Net Assets	8,311,086	8,515,852	(204,766)	-2%
TOTAL	10,963,623	11,309,465	(345,842)	-3%

The decrease in other current assets is due mostly to the following: (1) A much larger allowance for fraud receivables balance than in 2013. This increased balance is a result of estimation of what amount would be uncollectible.

The decrease in capital assets is due to the following: (1) depreciation expense staying consistent with prior year.

The increase in current liabilities is primarily due to the increase in vendor payables.

BLOOMINGTON HOUSING AUTHORITY
Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

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

	<u>Year Ending September 30</u>		<u>Increase</u> <u>(Decrease)</u>	Percentage Variances
	<u>2014</u>	<u>2013</u>		
REVENUE				
Tenant Revenue	862,719	702,164	160,555	23%
HUD Operating and Capital Grants	9,684,807	9,005,131	679,676	8%
Other Governmental Grants	67,086	3,654	63,432	1736%
Interest-Unrestricted	1,574	2,079	(505)	-24%
Interest-Restricted	281	101	180	178%
Other Revenue	31,761	315,580	(283,819)	-90%
Fraud Recovery	98,790	106,746	(7,956)	-8%
Gain(Loss) on Sale of Asset	7,200	-	7,200	0%
Total Revenue	10,754,218	10,135,455	618,763	6%
EXPENSES				
Administrative expenses	1,051,965	1,097,972	(46,007)	-4%
Tenant Services	157,937	163,878	(5,941)	-4%
Utilities	421,317	429,975	(8,658)	-2%
Ordinary Maintenance	545,917	564,800	(18,883)	-3%
Protective Services	17,640	18,220	(580)	-3%
General Expenses	273,135	165,158	107,977	65%
Insurance Expense	110,191	108,643	1,548	1%
Interest Expense	103,496	111,021	(7,525)	-7%
Housing Assistance Payments	7,389,250	7,390,022	(772)	0%
Extraordinary Maintenance	93,931	314,930	(220,999)	-70%
Casualty Losses	-	8,439	(8,439)	-100%
HAP Portability In	-	-	-	0%
Fraud Losses	25,561	74,483	(48,922)	-66%
Depreciation	768,644	793,421	(24,777)	-3%
Total Expenses	10,958,984	11,240,962	(281,978)	-3%
Excess of Revenue Over Expenses	\$ (204,766)	\$ (1,105,507)		

BLOOMINGTON HOUSING AUTHORITY
Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

The increase in Housing and Urban Development (HUD) Operating & Capital Grants is primarily due to the following: (1) Higher funding levels from HUD for Calendar Year 2014.

The increase in Other Governmental Grants is primarily due to us receiving a \$50,000 Community Development Block Grant (CDBG) from the City of Bloomington. We also administered the HOME program for the City and received about \$16,000 for HAP payments that were made.

The decrease in Other Revenue is due to (1) the cleanup of old fraud/move-out debts owed to the BHA. This task has been completed now and should remain showing lower balances.

The decrease in Administrative expenses is due to the following: (1) decrease in sundry expenses.

The increase in general expenses relates to old payment agreement accounts that were written off due to inactivity on the accounts.

The decrease in extraordinary maintenance is mainly due to fewer unforeseen projects throughout this past year.

The Casualty Loss decrease is because we had no major claims in this fiscal year.

BLOOMINGTON HOUSING AUTHORITY
Bloomington, Indiana
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING SEPTEMBER 30, 2014

ANALYSIS OF CAPITAL ASSET ACTIVITY

	2014	2013	Net Change	Percent Variance
Land	934,929	934,929	0	0%
Buildings	13,274,088	13,005,461	268,627	2%
Furniture, Equipment, & Machinery - Dwelling	38,048	38,048	0	0%
Furniture, Equipment, & Machinery - Administrative	162,359	156,259	6,100	4%
Leasehold Improvements	3,455,937	3,431,723	24,214	1%
Construction in Process	181,186	238,855	(57,669)	-24%
Total Fixed Assets	18,046,547	17,805,275	241,272	1%
Accumulated Depreciation	10,034,542	9,265,898	768,644	8%
Net Fixed Assets	8,012,005	8,539,377	(527,372)	-6%

Additional information related to Capital Assets can be located in the "Notes to Financial Statements" section of this report.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

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

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

**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2014**

ASSETS

Cash - operating	\$ 1,754,059
Cash - restricted	660,746
Receivables, net	49,563
Accrued interest receivable	26
Investments	374,974
Inventory	65,998
Prepaid expenses	46,252
Capital assets:	
Land, land improvements and construction in progress	\$ 1,116,115
Other capital assets, net of depreciation	<u>6,895,890</u>
Total Capital Assets	<u>\$ 8,012,005</u>
Total Assets	<u>\$ 10,963,623</u>

DEFERRED OUTFLOWS OF RESOURCES \$ 0

TOTAL \$ 10,963,623

LIABILITIES

Accounts payable	\$ 173,746
Notes payable	179,670
Other liabilities	80,682
Unearned revenue	16,518
Noncurrent liabilities:	
Notes payable	1,932,775
FSS escrow	169,487
Earned compensated absences	<u>99,659</u>
Total Liabilities	<u>\$ 2,652,537</u>

DEFERRED INFLOWS OF RESOURCES \$ 0

NET POSITION

Net investment in capital assets	\$ 5,899,560
Restricted	416,836
Unrestricted	<u>1,994,690</u>
Total Net Position	<u>\$ 8,311,086</u>
TOTAL	<u>\$ 10,963,623</u>

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

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET FUND POSITION -
PROPRIETARY FUNDS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014**

<u>Operating Income</u>	
Tenant rental revenue	\$ 649,636
Tenant revenue - other	<u>213,083</u>
Total Rental Revenue	\$ 862,719
HUD grants - operating	9,499,633
Other government grants	67,086
Fraud recovery	98,790
Other revenue	31,761
Gain (loss) on sale of capital assets	<u>7,200</u>
Total Operating Income	<u>\$ 10,567,189</u>
<u>Operating Expenses</u>	
Administration	\$ 1,051,965
Tenant services	157,937
Utilities	421,317
Ordinary maintenance and operation	545,917
Protective services	17,640
General expense	383,326
Extraordinary maintenance	93,931
Housing assistance payments	7,389,250
Depreciation	768,644
Fraud losses	<u>25,561</u>
Total Operating Expenses	<u>\$ 10,855,488</u>
Net Operating Income (Loss)	<u>\$ -288,299</u>
<u>Nonoperating Income (Expense)</u>	
Interest and bond amortization expense	\$ -103,496
Interest income	<u>1,855</u>
Total Nonoperating Income (Expense)	<u>\$ -101,641</u>
<u>Capital Contributions</u>	
Capital fund grants	<u>\$ 185,174</u>
Total Capital Contributions	<u>\$ 185,174</u>
Changes in net position	\$ -204,766
Net position, beginning of year	<u>8,515,852</u>
Net position, end of year	<u><u>\$ 8,311,086</u></u>

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

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

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014**

Operating Activities

Operating grants	\$ 9,574,969
Tenant revenue	863,631
Other revenue	137,751
Housing assistance payments	-7,389,250
Payments to employees	-1,036,091
Payments to suppliers and contractors	<u>-1,614,181</u>

Net Cash Provided (Used) by Operating Activities \$ 536,829

Investing Activities

Investments (purchased) redeemed	\$ -377
Interest income	<u>1,892</u>

Net Cash Provided (Used) by Investing Activities \$ 1,515

Capital and Related Financing Activities

HUD grants - capital	\$ 185,174
(Additions) deletions to capital assets	-241,272
Interest and bond amortization expense	-103,496
Issuance (retirement) of debt	<u>-171,430</u>

Net Cash Provided (Used) by
Capital and Related Financing Activities \$ -331,024

Net Change in Cash \$ 207,320

Cash Balance at September 30, 2013 2,207,485

Cash Balance at September 30, 2014 \$ 2,414,805

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

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014**

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

Net operating income (loss)	\$ -288,299
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Depreciation	768,644
(Increase) decrease in accounts receivable	20,659
(Increase) decrease in prepaid expenses	388
(Increase) decrease in inventory	-2,578
(Increase) decrease in deferred outflows	7,661
Increase (decrease) in accounts payable	105,234
Increase (decrease) in other liabilities	2,018
Increase (decrease) in unearned revenues	313
Increase (decrease) in FSS escrow	2,940
Increase (decrease) in deferred inflows	<u>-80,151</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 536,829</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014**

Note 1 - Summary of Significant Accounting Policies

(a) Organization and Reporting Entity -

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

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

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City of Bloomington and concluded that the City does not maintain an oversight responsibility for the Authority's operations. An independent Board of Commissioners, appointed by the 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 Housing Authority of the City of Bloomington is a separate reporting entity. All funds and programs of the Housing Authority are included in these statements. The Housing Authority has no component units.

(b) Method of Accounting -

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

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 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
- * Capital Funds Program
- * Community Development Block Grants/Entitlement Grants
- * Section 8 Housing Choice Vouchers
- * Section 8 Moderate Rehabilitation Single Room Occupancy
- * Public Housing Family Self-Sufficiency under ROSS
- * HOME Investment Partnership Program
- * State and Local
- * COCC

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 practice 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 six (6) 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 assets and have been eliminated in the basic financial statements.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 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 September 30, 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 two thousand dollars (\$2,000) 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.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(j) Fixed Assets - Continued

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	5-7	years
Computers	5	years
Transportation equipment	7	years
Furniture and fixtures	7	years
Leasehold improvements	15	years

(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 as a non-profit corporation 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.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

- (n) The Housing Authority adopts a budget annually. The budget and any subsequent revisions are submitted to the Board 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.
- (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.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

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

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

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

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

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

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

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

Category 3 - Deposits which are not collateralized or insured.

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

<u>Program</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Public and Indian Housing	\$ 709,358	\$ 703,992
Central Office Cost Center	716,790	716,610
Section 8 Housing Choice Vouchers	<u>988,657</u>	<u>1,000,987</u>
Total	<u>\$ 2,414,805</u>	<u>\$ 2,421,589</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 2 - Cash and Investments (Continued)

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	\$ 229,817	\$ 229,817
Section 8 Housing Choice Vouchers	<u>145,157</u>	<u>145,157</u>
Total	<u>\$ 374,974</u>	<u>\$ 374,974</u>

Note 3 - Compensated Absences

Sick Leave

Full-time employees will earn monthly 5.83 hours of sick leave for each month worked beginning on the first date of employment. Part-time employees are not eligible for sick leave. Eligible employees may use sick leave after it is earned and may accumulate a maximum of 420 hours.

Employees not actively working at least one-half of their normally scheduled hours (excluding use of vacation time) over any four week period will not earn sick leave during that time.

The minimum amount of sick time taken at any one time shall be no less than one half hour. Additional time off after the first half hour on any occasion may be taken in increments of 15 minutes.

Chronic absenteeism or patterns of abuse of sick leave will be subject to disciplinary action up to and including termination of employment. Any combination of infractions may constitute a pattern of abuse of unscheduled time. Any occurrences of unscheduled time off, of more than 49 hours or 7 occurrences will be considered excessive absenteeism. An occurrence is defined as any consecutive unscheduled absences.

Employees generally will be paid for accrued but unused sick leave. However, employees who are terminated for gross misconduct or resign without providing two weeks' notice will forfeit their right to receive this payment.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

Vacation

Employees receive vacation hours consistent with their years of service. For full-time employees in their first year of employment, vacation hours are credited upon commencement of employment in accordance with Chart 1. Following the first year of employment, vacation hours are credited on January 1 of each year in accordance with Chart 2. Probationary employees may use up to 7 hours of their vacation time during the probationary period with the approval of their supervisor.

The following department heads shall receive credited vacation through the negotiation process with the approval of the Board of Commissioners: Controller, Administrative Director. The Executive Director's vacation hours will be determined by contract.

Employees not actively working at least one half of their regularly schedules hours (excluding use of vacation time) over any four week period will have their credited vacation hours reduced by 1/12 for each four week period the employee does not actively work the minimum amount of time as stated.

Vacation time may not be taken in increments of less than one hour. While employees are credited with the full complement of their vacation time on January 1 of each year, employees may utilize no more than 50 percent of their total annual vacation allotment in the first half of each calendar year. Exceptions may be granted in rare circumstances with approval of the Executive Director.

During the probation period established, probationary employees may only use up to 7 credited vacation hours at the discretion of their Supervisor until the end of their probationary status.

Employees may carry over one year's worth of credited vacation hours. Any additional accrued but unused vacation hours will be lost on December 31.

Employees generally will be paid for accrued but unused vacation. However, employees who are terminated for gross misconduct or resign without providing two weeks' notice will forfeit their right to receive this payment.

The BHA offers all employees who qualify an opportunity to annually roll over accrued but unused vacation hours into their sick time. The program allows employees the opportunity to "sell back" sick hours to the BHA once a year.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

For full time employees other than those specifically mentioned in the employee handbook:

Employees hired before 2007 will be locked into their current leave time until the point in time they reach leave time on the new schedule that is greater than what they currently accumulate.

CHART 1	MONTH OF HIRE	HOURS CREDITED	CHART 2	CALENDAR YEAR OF EMPLOYMENT	HOURS CREDITED
	January	35		2	77
	February	35		3	84
	March	28		4	91
For Full Time	April	28		5	126
Employees In	May	28	For Full Time	6	126
Their 1st	June	21	Employees In	7	126
Calendar	July	21	At Least Their	8	142
Year of	August	14	2nd Year of	9	142
Employment	September	14	Employment	10	175
	October	7		11	175
	November	7		12	175
	December	7		13	184
				14	184
				15	184

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

CHART A	MONTH	PERCENTAGE OF VACATION CREDITED	CHART B	YEARS OF EMPLOYMENT	HOURS
	January 1-31	0		3	21
	February 1-29	10		4	28
Pay For Unused	March 1-31	20		5	35
Credited Vacation	April 1-30	30		6	42
Time in the Current	May 1-31	40		7	49
Year Upon	June 1-30	50		8	56
Separation From	July 1-31	60		9	63
Employment	August 1-31	70	Pay For Earned	10	70
	September 1-30	80	Sick Time Upon	11	77
	October 1-31	90	Separation From	12	84
	November 1-30	1	Employment	13	91
				14	98
				15	105
				16	112
				17	119
				18	126
				19	133
				20+	140

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 3 - Compensated Absences (Continued)

Each year full time employees in good standing are given the opportunity to roll over vacation hours, up to a maximum of 35 hours annually, into their earned sick time. Employees must have a minimum of 112 hours of vacation time before they can roll over any hours into sick time. The BHA will buy back hours at an hourly rate of \$10. The BHA will buy back a maximum of hours according to the chart below:

MINIMUM HOURS IN SICK BANK	MAXIMUM HOURS OF BUY BACK	BENEFIT BEFORE TAXES
112	7	\$70.00
147	14	\$140.00
182	21	\$210.00
217	28	\$280.00
252	35	\$350.00
287	42	\$420.00
322	49	\$490.00
357	56	\$560.00
392	63	\$630.00
420	70	\$700.00

Note 4 - Defined Contribution Plan

The Housing Authority provides pension benefits for all of its regular full-time employees through a defined contribution plan administered by One American (American United Life). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan requires the Housing Authority to contribute 10% of the employees annual salary to pension after 6 months, the next enrollment period. This rate was established by the Board of Directors. Housing Authority contributions forfeited by employees who leave employment prior to vesting are used to reduced current costs and contribution requirements. Pension plan contributions made for the fiscal year ended September 30, 2014 were \$89,636 related to \$1,037,133 salaries/wages paid.

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.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 6 - Accounts Receivable

Accounts receivable consists of the following accounts:

Accounts receivable - HUD other projects	\$ 6,018
Accounts receivable - PHA projects	19
Accounts receivable - other government	1,958
Accounts receivable - miscellaneous	1,353
Tenants accounts receivable	7,308
Allowance for doubtful accounts - tenants	-2,375
Fraud recovery	148,385
Allowance for doubtful accounts - fraud	<u>-113,103</u>
Subtotal	\$ 49,563
Interfund	<u>356,060</u>
Total	<u>\$ 405,623</u>

Note 7 - Investments

At September 30, 2014 investments consist of the following:

	<u>Rate</u>	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	0.20%	<u>\$ 374,974</u>	<u>\$ 374,974</u>

Note 8 - Prepaid Expenses

This classification includes the following accounts:

Prepaid insurance	<u>\$ 46,252</u>
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Note 9 - Capital Assets

Balance as of September 30, 2014	\$ 8,012,055
Balance as of September 30, 2013	<u>8,539,577</u>
Net Increase (Decrease)	<u>\$ -527,372</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 9 - Capital Assets (Continued)

Reconciliation

Property betterments and additions	\$ 235,172
Replacement of nonexpendable equipment	6,100
Current year depreciation expense	<u>-768,644</u> *
Net Increase (Decrease)	<u>\$ -527,372</u>

<u>Analysis</u>	<u>10/01/2013 Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>09/30/2014 Balance</u>
Land	\$ 934,929	\$ 0	\$ 0	\$ 934,929
Buildings	13,005,461	268,627	0	13,274,088
Equipment and furniture	194,307	6,100	0	200,407
Leasehold improvements	3,431,723	79,447	55,233	3,455,937
Construction in progress	<u>238,855</u>	<u>149,518</u>	<u>207,187</u>	<u>181,186</u>
Total	\$ 17,805,275	\$ 503,692	\$ 262,420	\$ 18,046,547
Accumulated depreciation	<u>-9,265,898</u>	<u>0</u>	<u>768,644</u> *	<u>* -10,034,542</u>
Net Assets	<u>\$ 8,539,377</u>	<u>\$ 503,692</u>	<u>\$ 1,031,064</u>	<u>\$ 8,012,005</u>

* Current year depreciation expense.

Note 10- Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 29,083
Accounts payable - HUD	86,758
Tenants security deposits	<u>57,905</u>
Subtotal	\$ 173,746
Interfund	<u>356,060</u>
Total	<u>\$ 529,806</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 11 - Notes Payable

On August 4, 1987, the U.S. Department of Housing and Urban Development (HUD) issued notice PIH 87-212 to implement the provisions of the Housing and Community Development Reconciliation Amendments of 1985 (PL 99-272, enacted April 7, 1986). This notice states, in part, the following:

Project debt to HUD (HUD-held notes) will be forgiven after a debt forgiveness amendment to the consolidated Annual Contributions Contract has been executed by HUD and the Public Housing Authority and after the Actual Development Cost Certificate has been included in an audit and approved.

As a part of the HUD mandated GAAP conversion and the above referenced notice, all HUD-held notes were recorded as debt forgiveness during a prior fiscal year.

Note 12 - Other Liabilities

Current Portion:

Wages/payroll taxes payable	\$	11,534
Earned compensated absences		37,087
Utilities payable		<u>32,061</u>
 Total Current Portion	 \$	 80,682

Noncurrent Portion:

Earned compensated absences		<u>99,659</u>
 Total	 \$	 <u>180,341</u>

Note 13 - Summary of Long Term Liabilities

The change in long term liabilities for the year ended September 30, 2014 is summarized as:

	10/01/2013			09/30/2014
	<u>Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u>
Notes payable	\$ 2,112,326	\$ 0	\$ 179,551	\$ 1,932,775
Earned compensated absences	99,217	442	0	99,659
FSS Escrow	<u>166,547</u>	<u>2,940</u>	<u>0</u>	<u>169,487</u>
 Total	 <u>\$ 2,378,090</u>	 <u>\$ 3,382</u>	 <u>\$ 179,551</u>	 <u>\$ 2,201,921</u>

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 14 - Unearned Revenue

This classification consists of the following accounts:

Tenants prepaid rent	\$ <u>16,518</u>
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Note 15 - Long Term Debt

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

<u>Due Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 179,670	\$ 95,255
2016	188,128	86,796
2017	197,083	77,841
2018	206,415	68,510
2019	216,189	58,736
2020-2024	787,197	171,728
2025-2026	337,763	5,039

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

	<u>Rate</u>	<u>Issue Date</u>	<u>Due Date</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Total</u>
Fannie Mae	4.75%	8/22/06	2/1/25	\$ 102,861	\$ 1,519,749	\$ 1,622,610
Bond Premium	-	-	2026	60	645	705
Energy Contract	4.42%	12/20/07	6/20/20	<u>76,749</u>	<u>412,381</u>	<u>489,130</u>
Total				<u>\$ 179,670</u>	<u>\$ 1,932,775</u>	<u>\$ 2,283,875</u>

Note 16 - Administrative Fee

The PHA receives an "Administrative Fee" as part of the annual contribution from HUD to cover the costs (including overhead) of administering the HAP Program. The fee is calculated by HUD on a quarterly/annual basis.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 17 - Allocation of Costs

The PHA allocated expenses not attributable to a specific program to all programs under management. The basis for this allocation was the number of units in each program. Management considers this to be an equitable method of allocation.

Note 18 - 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 19 - Contracts/Commitments

As of September 30, 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 501-12	\$ 428,088	\$ 399,370
CFP 501-13	389,957	132,852
CFP 501-14	<u>453,355</u>	<u>1,987</u>
Total	<u>\$ 1,271,400</u>	<u>\$ 534,209</u>

Note 20 - Risk Management

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

For insured programs there has been no significant reduction in insurance coverage. Settled claims have not exceeded insurance coverage in the current or past three years.

Note 21 - Economic Dependency

The Housing Authority received most of its revenue (90%) from the United States Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

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

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(CONTINUED)**

Note 22 - Restricted Net Position

Restricted net position is restricted for the following:

HAP	\$ 221,438
Modernization and Development	<u>195,398</u>
Total	<u>\$ 416,836</u>

SUPPLEMENTAL DATA

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 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-894	FYE 09/30/14	\$ 1,14,774	\$ 1,145,774	\$ 1,145,774
Capital Funds Program *	14.872	C-894	FYE 09/30/14	\$ 1,743,915	\$ 403,614	\$ 403,614
Section 8 Housing Choice Vouchers	14.871	C-2014	FYE 09/30/14	\$ 8,061,303	\$ 8,061,303	\$ 8,061,303
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	C-2014	FYE 09/30/14	\$ 16,816	\$ 16,816	\$ 16,816
Public Housing Family Self-Sufficiency under ROSS	14.877	C-2014	FYE 09/30/14	\$ 57,300	\$ 57,300	\$ 57,300
Total Assistance				\$ 11,025,108	\$ 9,684,807	\$ 9,684,807

*Denotes major program.

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS (SEFA)
TWELVE MONTHS ENDED SEPTEMBER 30, 2014**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Bloomington (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 September 30, 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 September 30, 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.

Note 3 – Type 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 and had no federal insurance as of September 30, 2014.

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

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
PHASE IN36P022501-10**

1. The Actual Modernization Costs of Phase IN36P022501-10 are as follows:

Funds approved	\$ 550,916
Funds expended	<u>550,916</u>
Excess of Funds Approved	<u><u>\$ 0</u></u>
Funds advanced Grants	\$ 550,916
Funds expended	<u>550,916</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 October 18, 2012, 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.

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

**PHA's STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
PHASE IN36P022501-11**

1. The Actual Modernization Costs of Phase IN36P022501-11 are as follows:

Funds approved	\$ 472,515
Funds expended	<u>472,515</u>
Excess of Funds Approved	<u><u>\$ 0</u></u>
Funds advanced	
Grants	\$ 472,515
Funds expended	<u>472,515</u>
Excess of Funds Advanced	<u><u>\$ 0</u></u>

2. The distribution of costs by project, as shown on the final Statement of Modernization Cost, dated March 11, 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
Housing Authority of the City of Bloomington
Bloomington, 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 Housing Authority of the City of Bloomington, which comprise the statement of net position as of September 30, 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 Housing Authority of the City of Bloomington's basic financial statements and have issued my report thereon dated February 20, 2015.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington's internal control. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington'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 Housing Authority of the City of Bloomington's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Decatur, Illinois
February 20, 2015



Certified Public Accountant



**Independent Auditor's Report on Compliance For Each Major Federal Program;
Report on Internal Control Over Compliance Required by OMB Circular A-133**

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

Report on Compliance for Each Major Program

I have audited the Housing Authority of the City of Bloomington's 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 Housing Authority of the City of Bloomington's major federal programs for the year ended September 30, 2014. The Housing Authority of the City of Bloomington's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Housing Authority of the City of Bloomington's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (OMB Circular A-133)*. Those standards and *OMB Circular A-133* require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a material effect on the major federal programs occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Bloomington's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major program. However, my audit does not provide a legal determination of the Housing Authority of the City of Bloomington's compliance.

Opinion on Each Major Program

In my opinion, the Housing Authority of the City of Bloomington complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Other Matters

The results of my auditing procedures disclosed no material instances of noncompliance which are to be reported in accordance with *OMB Circular A-133*.

Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Bloomington is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Housing Authority of the City of Bloomington's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the Housing Authority of the City of Bloomington's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirements 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 will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or 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 the attention by those charged with governance.

My 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*. I did not identify any deficiencies in internal control over compliance that I consider to be *material weaknesses*, as defined above. However, material weaknesses may exist that have not been identified.

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



Certified Public Accountant

Decatur, Illinois
February 20, 2015

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

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended September 30, 2013 contained no findings.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report: Unqualified

* Material weakness(es) identified? _____ yes X no

* Significant deficiency (ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? _____ yes X no

* Significant deficiency (ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unqualified

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.850	Public and Indian Housing
14.872	Capital Funds Program

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

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

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

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

Section II - Financial Statement Findings

There were no financial statement audit findings discussed with Jennifer J. Osterholt, Executive Director and other members of management, during the audit or at an exit conference held February 20, 2015.

Section III - Federal Award Findings

There were no federal award audit findings discussed with Jennifer J. Osterholt, Executive Director and other members of management, during the audit or at an exit conference held February 20, 2015.

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2014**

<u>Amp 1</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
A/R - ROSS	----	\$ 5,801.97		----
Operating subsidy	3691	561.00		2810.512
A/R - other	1124		\$ 6,362.97	1124
(To adjust accounts to actual per reconciliation of ROSS revenues and expenses)				
(2)				
Interfund due to/from COCC	1295.900	\$ 103,000.23		1295.900
Interfund due to/from VO	1295.020	99,756.69		1295.020
A/P - other	2119	36,486.86		2119
Interfund due to/from Amp 2	1295.030		\$ 21,678.98	1295.030
Interfund due to/from VO	1295.020		14,807.88	1295.020
A/R - other	1124		202,756.92	1124
(To reclassify interfunds to proper accounts)				
(3)				
Property insurance	2810.512	\$ 3,324.72		2810.512
Worker's comp insurance	3401.010	352.34		2810.512
Other insurance	1211	272.24		1211
Other insurance	4510	680.19		2810.512
Property insurance	1211.001		\$ 3,324.72	1211.001
General liability	1211.002		887.72	1211.002
Worker's comp	1211.004		352.34	1211.004
Fidelity bond/insurance	1211.003		22.87	1211.003
Liability insurance	4510.020		41.84	2810.512
(To adjust accounts to actual per insurance analysis)				
(4)				
Landscaping	4430.011	\$ 2,175.00		2810.512
Pest control	4430.004	901.59		2810.512
Maintenance materials	4420	1,563.82		2810.512
Painting	4430.01	1,850.00		2810.512
Vendor payable	2111		\$ 6,490.41	2111
(To record additional vendor payable per examination of subsequent payments)				
(5)				
Accrued payroll	2135	\$ 3,185.48		2135
Administration salaries	4110		\$ 1,499.44	2810.512
Maintenance labor	4410		1,686.04	2810.512
(To adjust accrued payroll to correct spreadsheet per correct rates and allocation)				

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2014**

<u>Amp 2</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
A/P - other	2119	\$ 27,374.60		2119
Interfund due to/from Amp 1	1295.010	21,678.98		1295.010
Interfund due to/from COCC	1295.900		\$ 24,555.00	1295.900
A/R - other	1124		21,678.98	1124
Interfund due to/from VO	1295.020		2,819.60	1295.020
(To reclassify interfunfs to proper accounts)				
(2)				
Landscaping	4430.011	\$ 1,915.00		2810.512
Pest control	4430.004	1,203.19		2810.512
Maintenance materials	4420	1,437.27		2810.512
Painting	4430.01	1,440.00		2810.512
Vendor payable	2111		\$ 5,995.46	2111
(To record additional vendor payable per examination of subsequent payments)				
(3)				
Accrued payroll	2135	\$ 1,716.02		2135
Administration salaries	4110		\$ 804.03	2810.512
Maintenance labor	4410		911.99	2810.512
(To adjust accrued payroll to correct spreadsheet per correct rates and allocation)				
<u>Voucher</u>				
(1)				
Due to/from HOME	1295.08		\$ 14,807.88	1295.08
Due from Amp 1	1295.010	\$ 14,807.88		1295.010
(To adjust receivable from HOME for city funds received prior to 09/30/2014 and deposited in Amp 1 Account)				
(2)				
Interfund due to/from Amp 2	1295.030	\$ 2,819.60		1295.030
A/R - other	1124		\$ 2,819.60	1124
(To reverse JV #11507)				
(3)				
Accrued payroll	2135	\$ 2,007.72		2135
Admin salaries	4110		\$ 2,007.72	2810.002
(To adjust accrued payroll to corrected spreadsheet per correct rates and allocation)				
<u>SRO</u>				
(1)				
HUD subsidy	5-1-3410	\$ 6,606.84		2810.512
HAP	5-1-4715.010		\$ 6,606.84	2810.512
(To reverse JV #11507)				

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

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
SEPTEMBER 30, 2014**

<u>ROSS</u>	<u>Audit</u> <u>Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting</u> <u>Account Number</u>
(1)				
A/P - vendor	2111.001	\$ 6,362.97		2111.001
Due to/from Amp 1	1295.012		\$ 6,362.97	1295.012
(To correcting posting of prior year audit adjustment)				
(2)				
ROSS salary/benefits	4110.001	\$ 278.22		2810.512
Revenue - HUD grants	2135		\$ 278.22	2135
(To correct accrued payroll to corrected spreadsheet per correct rates and allocation)				
 <u>HOME</u>				
(1)				
Due to/from Voucher	8-1295.010	\$ 14,807.88		1295.010
Accounts receivable	8-1124.000		\$ 14,807.88	1124
(To adjust receivable from City for TBRA funds received prior to 09/30/2014)				
 <u>COCC</u>				
(1)				
A/P - other	2119	\$ 103,000.23		2119
Interfund due to/from Voucher	1295.020	68,915.00		1295.020
Interfund due to/from Amp 2	1295.002	24,555.00		1295.002
A/R - other	1124		\$ 93,470.00	1124
Interfund due to/from Amp 1	1295.001		103,000.23	1295.001
(To reclassify interfunfs to proper accounts)				
(2)				
Accrued payroll	2135	\$ 626.06		2135
Administrative salaries	4110		\$ 626.06	2810.512
(To adjust accrued payroll to corrected spreadsheet per correct rates and allocation)				

Housing Authority of the City of Bloomington (IN022)

BLOOMINGTON, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	Project Total	14.216 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.877 Public Housing Family Self-Sufficiency under ROSS	14.239 HOME Investment Partnerships Program	2 State/Local	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$439,537		\$597,732					\$716,790	\$1,754,059		\$1,754,059
112 Cash - Restricted - Modernization and Development	\$195,398								\$195,398		\$195,398
113 Cash - Other Restricted			\$390,925						\$390,925		\$390,925
114 Cash - Tenant Security Deposits	\$57,905								\$57,905		\$57,905
115 Cash - Restricted for Payment of Current Liabilities	\$16,518		\$0						\$16,518		\$16,518
100 Total Cash	\$709,358	\$0	\$988,657	\$0	\$0	\$0	\$0	\$716,790	\$2,414,805	\$0	\$2,414,805
121 Accounts Receivable - PHA Projects			\$19						\$19		\$19
122 Accounts Receivable - HUD Other Projects					\$6,018				\$6,018		\$6,018
124 Accounts Receivable - Other Government						\$1,958			\$1,958		\$1,958
125 Accounts Receivable - Miscellaneous	\$1,245		\$108			\$0			\$1,353		\$1,353
126 Accounts Receivable - Tenants	\$7,308								\$7,308		\$7,308
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,375								-\$2,375		-\$2,375
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current											
128 Fraud Recovery	\$50,876		\$97,509						\$148,385		\$148,385
128.1 Allowance for Doubtful Accounts - Fraud	-\$46,315		-\$66,788						-\$113,103		-\$113,103
129 Accrued Interest Receivable	\$26								\$26		\$26
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$10,765	\$0	\$30,848	\$0	\$6,018	\$1,958	\$0	\$0	\$49,589	\$0	\$49,589
131 Investments - Unrestricted	\$229,817		\$145,157						\$374,974		\$374,974
132 Investments - Restricted											
135 Investments - Restricted for Payment of Current Liability											
142 Prepaid Expenses and Other Assets	\$35,376		\$6,670					\$4,206	\$46,252		\$46,252
143 Inventories	\$65,998								\$65,998		\$65,998
143.1 Allowance for Obsolete Inventories	\$0								\$0		\$0
144 Inter Program Due From	\$211,918		\$25,787	\$10,239					\$247,944		\$247,944
145 Assets Held for Sale							\$96	\$108,020	\$356,060	-\$356,060	\$0
150 Total Current Assets	\$1,263,232	\$0	\$1,197,119	\$10,239	\$6,018	\$1,958	\$96	\$829,016	\$3,307,678	-\$356,060	\$2,951,618
161 Land	\$899,869								\$899,869		\$899,869
162 Buildings	\$13,146,053							\$35,060	\$934,929		\$934,929
163 Furniture, Equipment & Machinery - Dwellings	\$38,048							\$128,035	\$13,274,088		\$13,274,088
164 Furniture, Equipment & Machinery - Administration	\$46,806		\$35,321						\$38,048		\$38,048
165 Leasehold Improvements	\$3,455,642							\$80,232	\$162,359		\$162,359
166 Accumulated Depreciation	-\$9,823,932		-\$29,036					\$295	\$3,455,937		\$3,455,937
167 Construction in Progress	\$181,186							-\$181,574	-\$10,034,542		-\$10,034,542
168 Infrastructure									\$181,186		\$181,186
160 Total Capital Assets, Net of Accumulated Depreciation	\$7,943,672	\$0	\$6,285	\$0	\$0	\$0	\$0	\$62,048	\$8,012,005	\$0	\$8,012,005
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	\$0								\$0		\$0
176 Investments in Joint Ventures											
180 Total Non-Current Assets	\$7,943,672	\$0	\$6,285	\$0	\$0	\$0	\$0	\$62,048	\$8,012,005	\$0	\$8,012,005
200 Deferred Outflow of Resources											
290 Total Assets and Deferred Outflow of Resources	\$9,206,904	\$0	\$1,203,404	\$10,239	\$6,018	\$1,958	\$96	\$891,064	\$11,319,683	-\$356,060	\$10,963,623

Housing Authority of the City of Bloomington (IN022)
BLOOMINGTON, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.877 Public Housing Family Self-Sufficiency under ROSS	14.239 HOME Investment Partnerships Program	2 State/Local	COCC	Subtotal	ELIM	Total
311 Bank Overdraft											
312 Accounts Payable <= 90 Days	\$21,881		\$4,341					\$2,861	\$29,083		\$29,083
313 Accounts Payable >90 Days Past Due											
321 Accrued Wage/Payroll Taxes Payable	\$2,569		\$4,637		\$1,225			\$3,103	\$11,534		\$11,534
322 Accrued Compensated Absences - Current Portion	\$14,364		\$9,803					\$12,920	\$37,087		\$37,087
324 Accrued Contingency Liability											
325 Accrued Interest Payable											
331 Accounts Payable - HUD PHA Programs			\$80,151	\$6,607					\$86,758		\$86,758
332 Account Payable - PHA Projects											
333 Accounts Payable - Other Government											
341 Tenant Security Deposits	\$57,905								\$57,905		\$57,905
342 Unearned Revenue	\$16,518		\$0						\$16,518		\$16,518
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$179,670								\$179,670		\$179,670
344 Current Portion of Long-term Debt - Operating Borrowings											
345 Other Current Liabilities											
346 Accrued Liabilities - Other	\$32,061								\$32,061		\$32,061
347 Inter Program - Due To	\$88,087		\$179,057		\$5,071	\$1,958	\$96	\$81,781	\$356,060	-\$356,060	\$0
348 Loan Liability - Current											
310 Total Current Liabilities	\$413,065	\$0	\$277,989	\$6,607	\$6,296	\$1,958	\$96	\$100,665	\$806,676	-\$356,060	\$450,616
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$1,932,775								\$1,932,775		\$1,932,775
352 Long-term Debt, Net of Current - Operating Borrowings											
353 Non-current Liabilities - Other			\$169,487						\$169,487		\$169,487
354 Accrued Compensated Absences - Non Current	\$35,125		\$21,625					\$42,909	\$99,659		\$99,659
355 Loan Liability - Non Current											
356 FASB 5 Liabilities											
357 Accrued Pension and OPEB Liabilities											
350 Total Non-Current Liabilities	\$1,967,900	\$0	\$191,112	\$0	\$0	\$0	\$0	\$42,909	\$2,201,921	\$0	\$2,201,921
300 Total Liabilities	\$2,380,965	\$0	\$469,101	\$6,607	\$6,296	\$1,958	\$96	\$143,574	\$3,008,597	-\$356,060	\$2,652,537
400 Deferred Inflow of Resources											
508.4 Net Investment in Capital Assets	\$5,831,227		\$6,285					\$62,048	\$5,899,560		\$5,899,560
511.4 Restricted Net Position	\$195,398		\$221,438						\$416,836		\$416,836
512.4 Unrestricted Net Position	\$799,314	\$0	\$506,580	\$3,632	-\$278	\$0	\$0	\$685,442	\$1,994,690		\$1,994,690
513 Total Equity - Net Assets / Position	\$6,825,939	\$0	\$734,303	\$3,632	-\$278	\$0	\$0	\$747,490	\$8,311,086	\$0	\$8,311,086
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$9,206,904	\$0	\$1,203,404	\$10,239	\$6,018	\$1,958	\$96	\$891,064	\$11,319,683	-\$356,060	\$10,963,623

Housing Authority of the City of Bloomington (IN022)

BLOOMINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.877 Public Housing Family Self-Sufficiency under ROSS	14.239 HOME Investment Partnerships Program	2 State/Local	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$649,636								\$649,636		\$649,636
70400 Tenant Revenue - Other	\$213,083								\$213,083		\$213,083
70500 Total Tenant Revenue	\$862,719	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$862,719	\$0	\$862,719
70600 HUD PHA Operating Grants	\$1,364,214		\$8,061,303	\$16,816	\$57,300				\$9,499,633		\$9,499,633
70610 Capital Grants	\$185,174								\$185,174		\$185,174
70710 Management Fee								\$228,572	\$228,572	-\$228,572	\$0
70720 Asset Management Fee								\$189,240	\$189,240	-\$189,240	\$0
70730 Book Keeping Fee								\$146,874	\$146,874	-\$146,874	\$0
70740 Front Line Service Fee											
70750 Other Fees											
70700 Total Fee Revenue								\$564,686	\$564,686	-\$564,686	\$0
70800 Other Government Grants		\$50,000				\$16,766	\$320		\$67,086		\$67,086
71100 Investment Income - Unrestricted	\$658		\$581					\$335	\$1,574		\$1,574
71200 Mortgage Interest Income											
71300 Proceeds from Disposition of Assets Held for Sale											
71310 Cost of Sale of Assets											
71400 Fraud Recovery			\$98,790						\$98,790		\$98,790
71500 Other Revenue	\$27,241		\$4,470					\$50	\$31,761		\$31,761
71600 Gain or Loss on Sale of Capital Assets	\$7,200								\$7,200		\$7,200
72000 Investment Income - Restricted	\$178		\$103						\$281		\$281
70000 Total Revenue	\$2,447,384	\$50,000	\$8,165,247	\$16,816	\$57,300	\$16,766	\$320	\$565,071	\$11,318,904	-\$564,686	\$10,754,218
91100 Administrative Salaries	\$164,035		\$195,962	\$5,213				\$271,041	\$636,251		\$636,251
91200 Auditing Fees	\$3,500		\$2,000					\$2,034	\$7,534		\$7,534
91300 Management Fee	\$228,572		\$0						\$228,572	-\$228,572	\$0
91310 Book-keeping Fee	\$27,661		\$119,213						\$146,874	-\$146,874	\$0
91400 Advertising and Marketing	\$381								\$381		\$381
91500 Employee Benefit contributions - Administrative	\$73,897		\$89,495					\$108,216	\$271,608		\$271,608
91600 Office Expenses	\$6,532		\$13,110					\$4,775	\$24,417		\$24,417
91700 Legal Expense	\$183		\$435					\$1,673	\$2,291		\$2,291
91800 Travel	\$3,596		\$5,025					\$9,838	\$18,459		\$18,459
91810 Allocated Overhead											
91900 Other	\$23,986		\$19,428				\$820	\$46,790	\$91,024		\$91,024
91000 Total Operating - Administrative	\$532,343	\$0	\$444,668	\$5,213	\$0	\$0	\$820	\$444,367	\$1,427,411	-\$375,446	\$1,051,965
92000 Asset Management Fee	\$30,240		\$159,000						\$189,240	-\$189,240	\$0
92100 Tenant Services - Salaries			\$84,287		\$44,315				\$128,602		\$128,602
92200 Relocation Costs	\$1,684								\$1,684		\$1,684
92300 Employee Benefit Contributions - Tenant Services											
92400 Tenant Services - Other	\$4,847		\$72		\$13,100			\$9,632	\$27,651		\$27,651
92500 Total Tenant Services	\$6,531	\$0	\$84,359	\$0	\$57,415	\$0	\$0	\$9,632	\$157,937	\$0	\$157,937

Housing Authority of the City of Bloomington (IN022)

BLOOMINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.877 Public Housing Family Self-Sufficiency under ROSS	14.239 HOME Investment Partnerships Program	2 State/Local	COCC	Subtotal	ELIM	Total
93100 Water	\$50,065								\$50,065		\$50,065
93200 Electricity	\$197,799								\$197,799		\$197,799
93300 Gas	\$102,859								\$102,859		\$102,859
93400 Fuel											
93500 Labor											
93600 Sewer	\$70,594								\$70,594		\$70,594
93700 Employee Benefit Contributions - Utilities											
93800 Other Utilities Expense											
93000 Total Utilities	\$421,317	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$421,317	\$0	\$421,317
94100 Ordinary Maintenance and Operations - Labor	\$167,366								\$167,366		\$167,366
94200 Ordinary Maintenance and Operations - Materials and Other	\$109,003		\$1,206						\$110,209		\$110,209
94300 Ordinary Maintenance and Operations Contracts	\$188,256							\$2,028	\$190,284		\$190,284
94500 Employee Benefit Contributions - Ordinary Maintenance	\$78,058								\$78,058		\$78,058
94000 Total Maintenance	\$542,683	\$0	\$1,206	\$0	\$0	\$0	\$0	\$2,028	\$545,917	\$0	\$545,917
95100 Protective Services - Labor											
95200 Protective Services - Other Contract Costs	\$17,640								\$17,640		\$17,640
95300 Protective Services - Other											
95500 Employee Benefit Contributions - Protective Services											
95000 Total Protective Services	\$17,640	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,640	\$0	\$17,640
96110 Property Insurance	\$61,445								\$61,445		\$61,445
96120 Liability Insurance	\$10,949								\$10,949		\$10,949
96130 Workmen's Compensation	\$18,531		\$7,725					\$6,776	\$33,032		\$33,032
96140 All Other Insurance	\$2,162		\$1,269					\$1,334	\$4,765		\$4,765
96100 Total Insurance Premiums	\$93,087	\$0	\$8,994	\$0	\$0	\$0	\$0	\$8,110	\$110,191	\$0	\$110,191
96200 Other General Expenses	\$1,747		\$7,557						\$9,304		\$9,304
96210 Compensated Absences	\$37,911		\$28,449					\$38,554	\$104,914		\$104,914
96300 Payments in Lieu of Taxes											
96400 Bad debt - Tenant Rents	\$158,917								\$158,917		\$158,917
96500 Bad debt - Mortgages											
96600 Bad debt - Other											
96800 Severance Expense											
96000 Total Other General Expenses	\$198,575	\$0	\$36,006	\$0	\$0	\$0	\$0	\$38,554	\$273,135	\$0	\$273,135
96710 Interest of Mortgage (or Bonds) Payable	\$103,496								\$103,496		\$103,496
96720 Interest on Notes Payable (Short and Long Term)											
96730 Amortization of Bond Issue Costs											
96700 Total Interest Expense and Amortization Cost	\$103,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$103,496	\$0	\$103,496
96900 Total Operating Expenses	\$1,945,912	\$0	\$734,233	\$5,213	\$57,415	\$0	\$820	\$502,691	\$3,246,284	-\$564,686	\$2,681,598
97000 Excess of Operating Revenue over Operating Expenses	\$501,472	\$50,000	\$7,431,014	\$11,603	-\$115	\$16,766	-\$500	\$62,380	\$8,072,620	\$0	\$8,072,620

Housing Authority of the City of Bloomington (IN022)
BLOOMINGTON, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.877 Public Housing Family Self-Sufficiency under ROSS	14.239 HOME Investment Partnerships Program	2 State/Local	COCC	Subtotal	ELIM	Total
97100 Extraordinary Maintenance	\$93,931								\$93,931		\$93,931
97200 Casualty Losses - Non-capitalized											
97300 Housing Assistance Payments			\$7,360,881	\$11,603		\$16,766			\$7,389,250		\$7,389,250
97350 HAP Portability-In											
97400 Depreciation Expense	\$754,150		\$5,469					\$9,025	\$768,644		\$768,644
97500 Fraud Losses			\$25,561						\$25,561		\$25,561
97600 Capital Outlays - Governmental Funds											
97700 Debt Principal Payment - Governmental Funds											
97800 Dwelling Units Rent Expense											
90000 Total Expenses	\$2,793,993	\$0	\$8,126,144	\$16,816	\$57,415	\$16,766	\$820	\$511,716	\$11,523,670	-\$564,686	\$10,958,984
10010 Operating Transfer In	\$229,445								\$229,445	-\$229,445	\$0
10020 Operating transfer Out	-\$179,445	-\$50,000							-\$229,445	\$229,445	\$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	\$50,773								\$50,773	-\$50,773	\$0
10094 Transfers between Project and Program - Out								-\$50,773	-\$50,773	\$50,773	\$0
10100 Total Other financing Sources (Uses)	\$100,773	-\$50,000	\$0	\$0	\$0	\$0	\$0	-\$50,773	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$245,836	\$0	\$39,103	\$0	-\$115	\$0	-\$500	\$2,582	-\$204,766	\$0	-\$204,766
11020 Required Annual Debt Principal Payments	\$174,989	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$174,989		\$174,989
11030 Beginning Equity	\$7,071,775	\$0	\$695,200	\$3,632	-\$163	\$0	\$500	\$744,906	\$8,515,852		\$8,515,852
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$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			\$512,865						\$512,865		\$512,865
11180 Housing Assistance Payments Equity			\$221,438						\$221,438		\$221,438
11190 Unit Months Available	3720		16128	144					19992		19992
11210 Number of Unit Months Leased	3688		15901	99					19688		19688
11270 Excess Cash	\$394,866								\$394,866		\$394,866
11610 Land Purchases	\$0							\$0	\$0		\$0
11620 Building Purchases	\$235,172							\$0	\$235,172		\$235,172
11630 Furniture & Equipment - Dwelling Purchases	\$0							\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$6,100							\$0	\$6,100		\$6,100
11650 Leasehold Improvements Purchases	\$0							\$0	\$0		\$0
11660 Infrastructure Purchases	\$0							\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$177,760							\$0	\$177,760		\$177,760
13901 Replacement Housing Factor Funds	\$0							\$0	\$0		\$0