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May 19, 2016

Board of Commissioners  
Housing Authority of the City of Huntingburg  
1102 Friendship Village  
Kokomo, IN 47542

We have reviewed the audit report prepared by Goldie Roberts, CPA, for the period January 1, 2013 to December 31, 2013. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Huntingburg, as of December 31, 2013 and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' 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 HUNTINGBURG

AUDITED FINANCIAL STATEMENTS

Huntingburg, Indiana

December 31, 2013

*Goldie Roberts*

Certified Public Accountant

8518 S Kays Chapel Rd  
Fredericksburg, IN 47120  
812-472-3527

870 Cinderella Court  
Decatur, GA 30033  
404-297-9881

HUNTINGBURG  
HOUSING AUTHORITY

Huntingburg, Indiana  
December 31, 2013

## TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	i
<u>FINANCIAL STATEMENTS</u>	
Statement of Net Position	3
Statement of Revenue, Expenses and Changes in Fund Net Position	4
Statement of Cash Flows	5
Notes to Financial Statements	7
<u>SUPPLEMENTAL FINANCIAL INFORMATION</u>	
Combining Schedule of Program Net Position	16
Combining Schedule of Revenue, Expenses and Program Changes in Fund Net Position	17
Statement and Certification of Actual Capital Fund Grant Costs-Completed	18
Financial Data Schedule	19
<u>OTHER REPORTS</u>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	29
Schedule of Findings and Responses	31

# Goldie Roberts

## Certified Public Accountant

8518 S Kays Chapel Rd  
Fredericksburg, IN 47120

### INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Housing Authority of the  
City of Huntingburg  
1102 Friendship Village  
Huntingburg, Indiana

#### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Housing Authority of the City of Huntingburg ("the Authority") which comprise the Statement of Net Position as of December 31, 2013, and the related Statements of Revenues, Expenses and Changes in Fund 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 Huntingburg's 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 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 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 evaluating 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 financial position of the Housing Authority of the City of Huntingburg as of December 31, 2013, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Report on Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages i through vi be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to 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 financial statements, and other knowledge I obtained during my audit of the 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 Other Supplementary Information***

My audit was conducted for the purpose of forming an opinion on the Authority's financial statements as a whole. The accompanying Financial Data Schedule and the other supplemental information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying Financial Data Schedule and the other supplemental information as listed in the table of contents, 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated July 11, 2014 on my consideration of the Housing Authority of the City of Huntingburg's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Housing Authority of the City of Huntingburg's internal control over financial reporting and compliance.

  
Certified Public Accountant

Fredericksburg, Indiana  
July 11, 2014

**HUNTINGBURG HOUSING AUTHORITY  
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)  
HUNTINGBURG, INDIANA  
DECEMBER 31, 2013**

**Management's Discussion and Analysis**

As management of the Huntingburg Housing Authority, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Heidi Reller, Executive Director of the Huntingburg Housing Authority at 812-683-2513.

**Overview of the Financial Statements**

The financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- Statement of Net Position – reports the Authority's current financial resources (short term spendable resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses, and Changes in Fund Net Position reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows – reports the Authority's cash flows from operating, investing, capital and non-capital activities.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authorities finances is "Is the Authority as a whole better or worse off as a result of the year's activities?"

The attached analysis of entity wide Net Position, revenues, and expenses are provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues and expenses when earned regardless of when cash is received or paid.

Our analysis also presents the Authority's Net Position and changes in them. One can think of the Authority's Net Position as the difference between what the Authority own's (assets) to what the Authority owes (liabilities). The change in Net Position analysis will assist the reader with measuring the health or financial position of the Authority.

**HUNTINGBURG HOUSING AUTHORITY  
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)  
HUNTINGBURG, INDIANA  
DECEMBER 31, 2013  
(Continued)**

Over time, significant changes in the Authorities Net Position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authorities capital assets.

To fully understand the financial statements of the Housing Authority, one must start with an understanding of what the Authority actual does. The following is a brief description of the programs and services that the Authority provides for the residents of the City of Huntingburg:

***Low Income Public Housing***

The Housing Authority owns 50 units at 1 site in Huntingburg. The 50 units are separated into two areas, League Circle which is a family site with 20 units and Friendship Village which has 30 elderly units. The Authority is responsible for the management, maintenance and utilities for all units and sites. On an annual basis, the Authority submits a request for funding known as the Calculation of Operating Fund Subsidy. The basic concept of the Calculation of Operating Subsidy is that the Authority has an Allowable Expense Level, Allowable Utilities Expense Level and Audit Costs and that HUD will fund the difference between the Allowable Expenses and the amount of rents that the Authority can charge the Authority's tenants.

**Future Events (New Business)**

There are no future events planned by the Authority during the fiscal year ending December 31, 2013 that will significantly affect the Authority's Net Position either positively or negatively.

**Condensed Comparative Financial Statements**

***Analysis of Entity Wide Net Position (Statement of Net Position)***

**Total Assets** for FYE 2013 was \$640,751 and at FYE 2012 the amount was \$656,403. This represents a net decrease of \$15,652.

**Cash** increased by \$28,426. Cash increased as a result of the Authority's operating receipts exceeding operating expenditures. The Authority also received a donation from Dubois County Community Foundation for the construction of a computer center for \$15,000 that will be expected in the first half of fiscal year ending 2014.

**Other Current Assets** decreased by \$1,805. Other current assets decreased mainly due to a decrease in materials inventory.

**Capital Assets** decreased by \$42,273. The change in Capital Assets will be presented in the section entitled Analysis of Capital Asset Activity.



**HUNTINGBURG HOUSING AUTHORITY  
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)  
HUNTINGBURG, INDIANA  
DECEMBER 31, 2013  
(Continued)**

**Condensed Comparative Financial Statements (Continued)**

**Current Liabilities** increased by \$1,458. The Authority's accrued utilities increased as compared to the prior year because of the timing of the receipt of the invoices from the utility companies.

**Long Term Liabilities** decreased by \$353. Long term liabilities decreased because of changes in the accrual of compensated absences.

The table below illustrates our analysis:

	<u>2013</u>	<u>2012</u>	<u>Net Change</u>	<u>Percent Variance</u>
Cash	\$ 220,342	\$ 191,916	\$ 28,426	14.8%
Other Current Assets	10,730	12,535	(1,805)	-14.4%
Capital Assets	409,679	451,952	(42,273)	-9.4%
<b>Total Assets</b>	<b>\$ 640,751</b>	<b>\$ 656,403</b>	<b>\$ (15,652)</b>	<b>-2.4%</b>
Current Liabilities	\$ 29,770	\$ 28,312	\$ 1,458	5.1%
Long Term Liabilities	584	937	(353)	-37.7%
<b>Total Liabilities</b>	<b>\$ 30,354</b>	<b>\$ 29,249</b>	<b>\$ 1,105</b>	<b>3.8%</b>
Net Investment in Capital Assets	\$ 409,679	\$ 451,952	\$ (42,273)	-9.4%
Unrestricted Net Position	200,718	175,202	25,516	14.6%
<b>Total Net Position</b>	<b>\$ 610,397</b>	<b>\$ 627,154</b>	<b>\$ (16,757)</b>	<b>-2.7%</b>

***Analysis of Entity Wide Revenues (Statement of Activities)***

**Total Revenue** for FYE 2013 was \$322,978 and at FYE 2012 the amount was \$291,809 for an increase of \$31,169.

**Tenant Revenue** increased by \$6,542 or 5%. Tenant revenue increased because of changing tenant characteristics and an overall increase in the amount of dwelling rental that the Authority could charge to its tenants.

**Other Income** increased by \$17,137 or 6% because the Authority received a donation from Dubois County Community Foundation for the construction of a computer center.

**HUNTINGBURG HOUSING AUTHORITY  
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)  
HUNTINGBURG, INDIANA  
DECEMBER 31, 2013  
(Continued)**

**Investment Income** decreased by \$430 or 41% because the interest rates the Authority obtained on its CD's has decreased as compared to prior years.

	<u>2013</u>	<u>2012</u>	<u>Net Change</u>	<u>Percentage Change</u>
Total Tenant Revenue	\$ 152,975	\$ 146,433	\$ 6,542	5%
HUD Operating Grants	150,066	142,281	7,785	6%
Other Income	19,507	2,370	17,137	723%
Investment Income	<u>430</u>	<u>725</u>	<u>(295)</u>	<u>-41%</u>
Total Revenue	<u>\$ 322,978</u>	<u>\$ 291,809</u>	<u>\$ 31,169</u>	<u>11%</u>

The Authority administers the following programs and the revenues generated from these programs during Fiscal Year Ending 2013 were as follows:

<u>Program</u>	<u>Revenues Generated</u>
Low Income Public Housing	\$ 271,633
Public Housing Capital Fund Program	<u>51,345</u>
Total Revenue	<u>\$ 322,978</u>

***Analysis of Entity Wide Expenditures***

**Total Expenditures** for Fiscal Year Ending December 31, 2013 were \$339,735 as compared to the \$319,039 of total expenditures for Fiscal Year Ending December 31, 2012. Comparatively, Fiscal Year Ending 2013 expenditures increased by \$20,696 or 14% from Fiscal Year Ending 2012 expenditures. Changes by major expense category will be presented below.

**HUNTINGBURG HOUSING AUTHORITY**  
**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**  
**HUNTINGBURG, INDIANA**  
**DECEMBER 31, 2013**  
**(Continued)**

**Administrative** expenditures decreased by \$5,765 or 6%. The decrease was primarily due to a decrease employee benefits and other administrative expenses.

**Utilities** expenses increased by \$11,076 or 20%. Gas, water and sewer expenses increased because of increasing rates and consumption.

**Maintenance** expenditures decreased by \$18,567 or 24%. Contract costs decreased based on the utilization and presentation of capital fund awards that were used primarily for non-routine activities

**Extraordinary Maintenance** increased by \$25,073 for extraordinary one time maintenance expenditures made during the fiscal year.

The table below illustrates our analysis:

	<u>2013</u>	<u>2012</u>	<u>Net Change</u>	<u>Percent Variances</u>
Administrative	\$ 86,997	\$ 92,762	\$ (5,765)	-6%
Tenant Services	812	154	658	427%
Utilities	66,541	55,465	11,076	20%
Maintenance	57,812	76,379	(18,567)	-24%
General Expense	27,668	28,654	(986)	-3%
Extraordinary Maintenance	26,402	1,329	25,073	1887%
Depreciation Expense	73,503	68,850	4,653	7%
<b>Total Expenses</b>	<u><u>\$ 339,735</u></u>	<u><u>\$ 319,039</u></u>	<u><u>\$ 20,696</u></u>	<u><u>-14%</u></u>

**HUNTINGBURG HOUSING AUTHORITY  
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)  
HUNTINGBURG, INDIANA  
DECEMBER 31, 2013  
(Continued)**

*Analysis of Capital Asset Activity*

**Buildings** increased by \$6,400. The Authority performed weatherization improvements that were capitalized.

**Furniture, Equipment, & Machinery-Administration** increased by \$24,830. The Authority purchased a new truck

**Accumulated Depreciation** increased by \$73,503. This is the amount of depreciation expense recognized during the fiscal year.

	<u>2013</u>	<u>2012</u>	<u>Net Change</u>	<u>Percent Variance</u>
Land	\$ 14,750	\$ 14,750	\$ -	0.0%
Buildings	2,273,742	2,267,342	6,400	0.3%
Furniture, Equip., & Mach. - Dwelling	141,836	141,836	0	0.0%
Furniture, Equip., & Mach. - Administrative	191,697	166,867	24,830	14.9%
Infrastructure	108,120	108,120	0	0.0%
<b>Total Capital Assets</b>	<b>2,730,145</b>	<b>2,698,915</b>	<b>31,230</b>	<b>1.2%</b>
Accumulated Depreciation	2,320,466	2,246,963	73,503	3.3%
<b>Net Capital Assets</b>	<b>\$ 409,679</b>	<b>\$ 451,952</b>	<b>\$ (42,273)</b>	<b>-9.4%</b>

## FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

STATEMENT OF NET POSITION  
DECEMBER 31, 2013

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 210,743
Restricted cash and cash equivalents	9,599
Accounts receivable, net	653
Prepaid insurance	2,048
Inventory	8,029

Total Current Assets	231,072
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CAPITAL ASSETS

Land and other nondepreciable assets	14,750
Depreciable capital assets, net	394,929
Total Capital Assets	409,679

Total Assets	640,751
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LIABILITIES

CURRENT LIABILITIES

Accounts payable	2,233
Accrued liabilities	15,178
Payable from restricted cash and cash equivalents:	
Tenant's security deposits	9,599
Unearned revenue	2,760

Total Current Liabilities	29,770
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NONCURRENT LIABILITIES

Compensated absences	584
Total Noncurrent Liabilities	584

Total Liabilities	30,354
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NET POSITION

Net investment in capital assets	409,679
Unrestricted	200,718

TOTAL NET POSITION	\$ 610,397
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The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013

OPERATING REVENUES

Rental income	\$ 152,975
Other revenue	<u>19,507</u>

TOTAL OPERATING REVENUES	<u>172,482</u>
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OPERATING EXPENSES

Administrative	86,997
Tenant services	812
Utilities	66,541
Ordinary maintenance and operation	84,214
General expense	27,668
Depreciation expense	<u>73,503</u>

TOTAL OPERATING EXPENSES	<u>339,735</u>
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OPERATING INCOME (LOSS)	<u>(167,253)</u>
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NONOPERATING REVENUES (EXPENSES)

Federal operating grants	150,066
Interest income	<u>430</u>

TOTAL NONOPERATING REVENUES	<u>150,496</u>
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CAPITAL CONTRIBUTIONS	0
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CHANGE IN NET POSITION	(16,757)
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NET POSITION, BEGINNING OF YEAR	<u>627,154</u>
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NET POSITION, END OF YEAR	<u><u>\$ 610,397</u></u>
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The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from residents and other deposits	\$ 153,283
Payments to suppliers	(205,434)
Payments to/for employees	<u>(57,580)</u>
 Net Cash Flows Provided (Used) by Operating Activities	  <u>(90,840)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>430</u>
 Net Cash Provided by Investing Activities	 <u>430</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital assets purchased	<u>(31,230)</u>
 Net Cash Provided (Used) from Capital and Related Financing Activities	  <u>(31,230)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Federal operating grants received	<u>150,066</u>
Net Cash Flows Provided by Noncapital Financing Activities	<u>150,066</u>

Net Increase (Decrease) in Cash and Cash Equivalents 28,426

Beginning Cash and Cash  
Cash - Beginning of year 191,916

Ending Cash and Cash  
Cash - End of year \$ 220,342

Reconciliation of Cash  
Unrestricted \$ 210,743  
Restricted 9,599  
\$ 220,342

Continued



HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
(CONTINUED)

RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income (loss)	\$	(167,253)
Adjustments to reconcile net operating income to net cash Provided by operating activities:		
Depreciation		73,503
(Increase) Decrease in:		
Accounts receivable		(308)
Prepaid expenses		(69)
Inventory		2,182
Increase (Decrease) in:		
Accounts payable		894
Accrued liabilities		1,576
Deferred revenue		<u>(1,365)</u>
Net Cash Flows Provided (Used) by Operating Activities	\$	<u><u>(90,840)</u></u>

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE A - Summary of Significant Accounting Policies:**

The HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG ("the Authority") is a political subdivision both corporate and politic which was organized under the laws of the State of Indiana to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD) and other Federal Agencies to be the Administrator of a Public Housing Program.

**Reporting Entity** - The entity is a public corporation, legally separate, fiscally independent, and governed by the Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of the Housing Authority of the City of Huntingburg, a primary government. There are no component units to be included herewith, but this report does include all programs which are controlled by the entity's governing body.

The financial statements of the HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG include Low-Income Public Housing under Annual Contributions Contract C-543.

The authority had 50 units in management at December 31, 2013:

<u>Project</u>	<u>Units</u>
Authority owned	50

The authority was also administering Capital Fund Programs.

**Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as applicable to special purpose governments engaged only in business type activities.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflow of resources, liabilities, and deferred inflow of resources are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in net position. Under the Accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

This special purpose government engaged in activities similar to business activities uses an enterprise fund to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following net position categories:

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Continued)

**NOTE A - Summary of Significant Accounting Policies:** (Continued)

**Net Investment in Capital Assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. The Authority has no debt.

**Restricted:** Net position whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or that expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

**Unrestricted:** Net position that are not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

**Accounting Policies** - The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**Use of Enterprise Accounting** - The Authority presents its financial statements using enterprise accounting, as allowed by governments. Although the Authority accounts for its programs using accounts for its internal reporting, the Authority is considered to be a unified enterprise fund for reporting purposes. Accordingly, the Authority uses the economic resources measurement focus and the related accrual basis of accounting. Under the economic resources measurement focus, the Authority accounts for all assets and liabilities. Under the accrual basis of accounting expenses are recorded when the goods and services are received, irrespective of when paid for, and revenues are recorded as earned, irrespective of when cash is received.

**Budgets** - Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a "project length" basis.

Budget compared to Actual presentation has been omitted because the Authority does not annually adopt a legally authorized budget. The Authority's budget is adopted by the Authority's board and approved by HUD. This budget does not represent an appropriated budget that has been signed into law or a nonappropriated budget authorized by constitution. The Authority's budget represents budgetary execution and management by its board and HUD; therefore, budgetary data and presentation is not required.

**Cash and Cash Equivalents** - Deposits consist of Checking accounts and Certificates of Deposits and are stated at fair value. Deposits are fully collateralized or vested in securities of the United States Government and are identified specifically in the name of the Authority. Certificates of deposit that are redeemable immediately with little or no penalty are considered cash equivalents.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013  
(Continued)

NOTE A - Summary of Significant Accounting Policies: (Continued)

For the purposes of the Statement of Cash Flows, the Authority considers all highly liquid deposits (including restricted assets) with a maturity of three months or less when purchased and non negotiable certificates of deposit to be cash equivalents. There were no noncash investing, non capital, capital and financing activities during the year.

Tenant Receivables - Receivables for rentals and service charges are reported net of an allowance for doubtful accounts. The Housing Authority Board takes monthly action as required to write off specific uncollectable accounts receivable balances.

Prepaid - Prepaids, when present, represent payments made to vendors for services that will benefit beyond December 31, 2013.

Inventories - Inventories are valued at cost, which approximates market value, using the first-in/first/out (FIFO) method. The consumption method is applied and expense is charged when inventory items are used for the units.

Interprogram Due From and Due To - During the course of its operations, the authority has interprogram transactions to finance operations and provide services. Interprogram accounts receivable and payable have been recorded to recognize transactions between programs for which the applicable cash transfer had not been made as of the balance sheet date. Interprogram receivables and payables have been eliminated for financial statement presentation.

Capital Assets - Capital assets purchased in the proprietary fund types are capitalized at the time of purchase. Such assets are recorded at cost. Donated assets are recorded at fair market value at the date of donation. Because developments and major capital repairs or improvements are financed through cash advances from HUD, there are no capitalized interest costs in current programs. The Authority's policy is to capitalize assets costing \$500 or more.

Depreciation of property and equipment is computed by the straight-line method based upon the estimated useful lives of the assets as follows:

<u>Class</u>	<u>Life</u>
Building & Improvements	15-40 years
Furniture, Equipment & Fixtures	3-7 years

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

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013  
(Continued)

NOTE A - Summary of Significant Accounting Policies: (Continued)

the date of the financial statements and reported amounts of revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Operating Revenues and Expenses - Operating revenues and expenses generally result from providing and producing goods and/or services in connection with providing low income housing programs. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Restricted Assets - When both restricted and unrestricted resources are available for use, it is the Authority's policy to use unrestricted resources first, then restricted resources as they are allowed.

Leasing Activities (as Lessor) - The Authority is the lessor of dwelling units primarily to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Income associated with these leases are recorded in the financial statements and schedules as "Rental income". Rental income per resident generally remains consistent from year to year, but is affected by general economic conditions which impact personal income, such as local job availability.

NOTE B - Deposits, Cash and Cash Equivalents:

1. HUD Deposit Restrictions

HUD requires Authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

2. Risk Disclosures

A. Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the Authority's investment portfolio to maturities not to exceed two years at time of purchase. At December 31, 2013, the Authority's deposits and investments were not limited and all of which are either available on demand or have maturities of less than two years.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Continued)

**NOTE B - Deposits, Cash and Cash Equivalents:** (Continued)

B. **Credit Risk:** This is a risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority's investment policy is that none of its total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and instrumentalities.

C. **Custodial Credit Risk:** This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All of the Authority's investments in securities are held in the name of the Authority. The Authority's custodial agreement policy prohibits counterparties holding securities not in the Authority's name.

At December 31, 2013, the carrying amount of the Authority's deposits was \$220,342. The deposits are either covered by federal depository insurance, by collateral held by the Authority's agent in the Authority's name or by the Federal Reserve Banks acting as third party agents or by a collateralization agreement. Restricted cash consists of tenant security deposits.

Deposits consist of the following:

Checking accounts	\$ 115,094
Certificates of Deposit	<u>105,248</u>
Total	<u>\$ 220,342</u>

**NOTE C - Accounts Receivable:**

Accounts receivable at December 31, 2013, consist of the following:

Tenants accounts receivable - net allowance for doubtful accounts of \$728	\$ 628
Accrued interest	<u>25</u>
Total	<u>\$ 653</u>

**NOTE D - Prepaid Expenses:**

Prepaid expenses at December 31, 2013, consist of the following:

Prepaid insurance	<u>\$ 2,048</u>
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**NOTE E - Inventory:**

Inventory at December 31, 2013, consist of the following:

Materials and supplies	<u>\$ 8,029</u>
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Materials inventories are recorded at the lower of cost or market. The first-in first-out (FIFO) inventory flow assumption is used to determine expenses. Expenses are recorded when inventory is consumed.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Continued)

**NOTE F - Capital Assets:**

A summary in changes in capital assets is as follows:

	Beginning Balance <u>12/31/12</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance <u>12/31/13</u>
Capital assets, not being depreciated:				
Land	\$ 14,750	\$ 0	\$ 0	\$ 14,750
Total Capital Assets, not being depreciated	<u>14,750</u>	<u>0</u>	<u>0</u>	<u>14,750</u>
Capital Assets, being depreciated:				
Buildings & Improvements	2,375,462	6,400	0	2,381,862
Furniture, Equipment & Machinery	<u>308,703</u>	<u>24,830</u>	<u>0</u>	<u>333,533</u>
Total Capital Assets, being depreciated	<u>2,684,165</u>	<u>31,230</u>	<u>0</u>	<u>2,715,395</u>
Less Accumulated Depreciation for:				
Buildings & Improvements	(1,968,629)	( 59,524)	0	(2,028,153)
Furniture, Equipment and Machinery	<u>( 278,334)</u>	<u>( 13,979)</u>	<u>0</u>	<u>( 292,313)</u>
Total Accumulated Depreciation	<u>(2,320,466)</u>	<u>( 73,503)</u>	<u>0</u>	<u>(2,320,466)</u>
Total Capital Assets, being depreciated, net	<u>437,202</u>	<u>( 42,273)</u>	<u>0</u>	<u>394,929</u>
Capital Assets, Net	<u>\$ 451,952</u>	<u>\$ ( 42,273)</u>	<u>\$ 0</u>	<u>\$ 409,679</u>

Depreciation expense for the year ended December 31, 2013, was \$73,503.

**NOTE G - Accounts Payable:**

Accounts payable at December 31, 2013, consist of the following:

Vendors' and contractors	<u>\$ 2,233</u>
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**NOTE H - Accrued Liabilities:**

Accrued liabilities at December 31, 2013, consist of the following:

Payment in lieu of taxes	\$ 7,190
Accrued Compensated Absences	65
Accrued Utilities	<u>7,923</u>
Total	<u>\$ 15,178</u>

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013  
(Continued)

NOTE I - Unearned revenue:

Unearned revenue at December 31, 2013, consists of the following:

Prepaid Rent	\$ 1,580
Huntingburg Assistance Fund	<u>1,180</u>
Total	<u>\$ 2,760</u>

NOTE J - Noncurrent Liabilities:

Noncurrent liabilities at December 31, 2013, consist of the following:

	<u>12/31/12</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/13</u>
Long term compensated absences	\$ 937	\$ 0	\$ (353)	<u>\$ 584</u>

NOTE K - Federal Operating Grants:

HUD contributed the following operating subsidies approved in the operating budgets under the Annual Contributions Contracts:

Low Rent Public Housing	\$ 98,721
Capital Fund Program	<u>51,345</u>
Total	<u>\$ 150,066</u>

NOTE L - Federal Capital Grants:

The Authority receives capital grants from HUD for capital fund program improvements. Capital contributions for the fiscal year ended December 31, 2013 were \$0.

NOTE M - Pension Plan:

Plan Description

The Authority contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the Authority the power to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

The Authority's contributions were calculated using the base salary amount of \$35,525. During the year ended December 31, 2013, the Authority's required and actual contributions amounted to \$3,525, which was 10% of its current-year covered payroll in the amount of \$35,525.



HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

(Continued)

NOTE M - Pension Plan: (Continued)

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employee's Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

**Basis of Accounting** - The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Valuation of Investments** - Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

NOTE N - Economic Dependency:

The Authority receives approximately 46% of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's operations could be adversely affected.

NOTE O - Commitments and Contingencies:

**Examinations** - The Authority is subject to possible examinations made by federal and state authorities who determine compliance with terms, conditions, laws, and regulations governing other grants given to the Authority in the current and prior years. There were no examinations during the year ended December 31, 2013.

**Grant Disallowances** - Amounts received or receivable from HUD are subject to audit and adjustment by HUD. Any disallowed claims, including amounts already collected, may constitute a liability of the Authority. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

**Construction Projects** - There are certain major construction projects in progress at December 31, 2013. These include modernizing rental units at the project sites. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013  
(Continued)

NOTE P - Risk Management:

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance coverage for these risks to the extent deemed prudent by Authority management. Settled claims have not exceeded this commercial coverage in any of the past 3 years.

NOTE Q - Conduit Type Debt:

Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by the United States Department of HUD. There is no debt or pledge of faith and credit on the part of the Authority. Accordingly, this debt has not been recorded in the financial statements of the Housing Authority of the City of Huntingburg.

HUD no longer provides the Authority with debt service information since the Authority has no obligation for the debt.

SUPPLEMENTAL FINANCIAL INFORMATION

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

COMBINING SCHEDULE OF PROGRAM NET POSITION  
DECEMBER 31, 2013

	A C C		
	C-543	C-543	
	Low	Capital	
	Income	Fund	
	Public		
	Housing	Programs	Total
<b><u>ASSETS</u></b>			
<b><u>CURRENT ASSETS</u></b>			
Cash and cash equivalents	\$ 210,743	\$ 0	\$ 210,743
Restricted cash and cash equivalents	9,599	0	9,599
Accounts receivable, net	653	0	653
Prepaid insurance	2,048	0	2,048
Inventory	8,029	0	8,029
<b>Total Current Assets</b>	<b>231,072</b>	<b>0</b>	<b>231,072</b>
<b><u>CAPITAL ASSETS</u></b>			
Land and other nondepreciable assets	14,750	0	14,750
Depreciable capital assets, net	394,929	0	394,929
<b>Total Capital Assets</b>	<b>409,679</b>	<b>0</b>	<b>409,679</b>
<b>Total Assets</b>	<b>640,751</b>	<b>0</b>	<b>640,751</b>
<b><u>LIABILITIES</u></b>			
<b><u>CURRENT LIABILITIES</u></b>			
Accounts payable	2,233	0	2,233
Accrued liabilities	15,178	0	15,178
Payable from restricted cash and cash equivalents:			
Tenant's security deposits	9,599	0	9,599
Unearned revenue	2,760	0	2,760
<b>Total Current Liabilities</b>	<b>29,770</b>	<b>0</b>	<b>29,770</b>
<b><u>NONCURRENT LIABILITIES</u></b>			
Compensated absences	584	0	584
<b>Total Noncurrent Liabilities</b>	<b>584</b>	<b>0</b>	<b>584</b>
<b>Total Liabilities</b>	<b>30,354</b>	<b>0</b>	<b>30,354</b>
<b><u>NET POSITION</u></b>			
Net Investment in capital assets	409,679	0	409,679
Unrestricted	200,718	0	200,718
<b>TOTAL NET POSITION</b>	<b>\$ 610,397</b>	<b>\$ 0</b>	<b>\$ 610,397</b>

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013

	C-543 Low Income Public Housing	C-543 Capital Fund Programs	Total
<b><u>OPERATING REVENUES</u></b>			
Rental income	\$ 152,975	\$ 0	\$ 152,975
Other revenue	19,507	0	19,507
<b>TOTAL OPERATING REVENUES</b>	<b>172,482</b>	<b>0</b>	<b>172,482</b>
<b><u>OPERATING EXPENSES</u></b>			
Administrative	86,997	0	86,997
Tenant Services	812	0	812
Utilities	66,541	0	66,541
Ordinary maintenance and operation	84,214	0	84,214
General expense	27,668	0	27,668
Depreciation expense	73,503	0	73,503
<b>TOTAL OPERATING EXPENSES</b>	<b>339,735</b>	<b>0</b>	<b>339,735</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(167,253)</b>	<b>0</b>	<b>(167,253)</b>
<b><u>NONOPERATING REVENUES (EXPENSES)</u></b>			
Federal operating grants	98,721	51,345	150,066
Interest income	430	0	430
<b>TOTAL NONOPERATING REVENUES</b>	<b>99,151</b>	<b>51,345</b>	<b>150,496</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CHANGE IN NET POSITION</b>	<b>(68,102)</b>	<b>51,345</b>	<b>(16,757)</b>
<b>NET POSITION, BEGINNING OF YEAR, as originally stated</b>	<b>627,154</b>	<b>0</b>	<b>627,154</b>
Operating transfers	51,345	(51,345)	0
<b>Total Net Position, Beginning of year, as restated</b>	<b>678,499</b>	<b>(51,345)</b>	<b>627,154</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 610,397</b>	<b>\$ 0</b>	<b>\$ 610,397</b>

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

STATEMENT AND CERTIFICATION OF ACTUAL CAPITAL FUND GRANT COSTS - COMPLETED  
DECEMBER 31, 2013

Annual Contributions Contract C-543

501-12

1. The Capital Fund Grant Costs are as follows:

Funds Approved	\$	51,345
Funds Expended		<u>51,345</u>

Excess / (Deficiency) of Funds Approved	\$	<u>0</u>
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Funds Advanced	\$	51,345
Funds Expended		<u>51,345</u>

Excess / (Deficiency) of Funds Advanced	\$	<u>0</u>
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2. Costs additions totaling \$ 51,345 were made during the current audit period and, accordingly, were audited by Goldie Roberts, CPA.

3. The total amount of the Capital Fund Grant Costs at December 31, 2013 as shown above are in agreement with the Actual Development Cost Certificate submitted to HUD and approved by HUD.

4. All Capital Fund Grant work in connection with the Project has been completed.

5. All liabilities have been paid and there are no undischarged liens against the Project on file in any public office where the same should be filed in order to be valid and the time in which such liens could be filed has expired.

6. There were no budget overruns.

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$210,743	\$210,743		\$210,743
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				
114 Cash - Tenant Security Deposits	\$9,599	\$9,599		\$9,599
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$220,342	\$220,342	\$0	\$220,342
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants	\$1,356	\$1,356		\$1,356
126.1 Allowance for Doubtful Accounts - Tenants	-\$728	-\$728		-\$728
126.2 Allowance for Doubtful Accounts - Other				
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable	\$25	\$25		\$25
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$653	\$653	\$0	\$653
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$2,048	\$2,048		\$2,048
143 Inventories	\$8,029	\$8,029		\$8,029

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	\$0	\$0		\$0
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$231,072	\$231,072	\$0	\$231,072
161 Land	\$14,750	\$14,750		\$14,750
162 Buildings	\$2,273,742	\$2,273,742		\$2,273,742
163 Furniture, Equipment & Machinery - Dwellings	\$141,836	\$141,836		\$141,836
164 Furniture, Equipment & Machinery - Administration	\$191,697	\$191,697		\$191,697
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$2,320,466	-\$2,320,466		-\$2,320,466
167 Construction in Progress				
168 Infrastructure	\$108,120	\$108,120		\$108,120
160 Total Capital Assets, Net of Accumulated Depreciation	\$409,679	\$409,679	\$0	\$409,679
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$409,679	\$409,679	\$0	\$409,679
190 Total Assets	\$640,751	\$640,751	\$0	\$640,751
200 Deferred Outflow of Resources				



Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
290 Total Assets and Deferred Outflow of Resources	\$640,751	\$640,751	\$0	\$640,751
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$2,233	\$2,233		\$2,233
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				
322 Accrued Compensated Absences - Current Portion	\$65	\$65		\$65
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$7,190	\$7,190		\$7,190
341 Tenant Security Deposits	\$9,599	\$9,599		\$9,599
342 Unearned Revenue	\$2,760	\$2,760		\$2,760
343 Current Portion of Long-term Debt - Capital				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other	\$7,923	\$7,923		\$7,923
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$29,770	\$29,770	\$0	\$29,770
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current	\$584	\$584		\$584

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$584	\$584	\$0	\$584
300 Total Liabilities	\$30,354	\$30,354	\$0	\$30,354
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	\$409,679	\$409,679		\$409,679
511.4 Restricted Net Position	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$200,718	\$200,718		\$200,718
513 Total Equity - Net Assets / Position	\$610,397	\$610,397	\$0	\$610,397
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$640,751	\$640,751	\$0	\$640,751

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$135,744	\$135,744		\$135,744
70400 Tenant Revenue - Other	\$17,231	\$17,231		\$17,231
70500 Total Tenant Revenue	\$152,975	\$152,975	\$0	\$152,975
70600 HUD PHA Operating Grants	\$150,066	\$150,066		\$150,066
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue	\$0	\$0	\$0	\$0
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$430	\$430		\$430
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	\$19,507	\$19,507		\$19,507
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$322,978	\$322,978	\$0	\$322,978
91100 Administrative Salaries	\$35,490	\$35,490		\$35,490

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
91200 Auditing Fees	\$4,139	\$4,139		\$4,139
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$9,568	\$9,568		\$9,568
91600 Office Expenses	\$6,359	\$6,359		\$6,359
91700 Legal Expense				
91800 Travel	\$768	\$768		\$768
91810 Allocated Overhead				
91900 Other	\$30,673	\$30,673		\$30,673
91000 Total Operating - Administrative	\$86,997	\$86,997	\$0	\$86,997
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other	\$812	\$812		\$812
92500 Total Tenant Services	\$812	\$812	\$0	\$812
93100 Water	\$9,442	\$9,442		\$9,442
93200 Electricity	\$21,373	\$21,373		\$21,373
93300 Gas	\$18,834	\$18,834		\$18,834
93400 Fuel				
93500 Labor				
93600 Sewer	\$16,892	\$16,892		\$16,892
93700 Employee Benefit Contributions - Utilities				

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
93800 Other Utilities Expense				
93000 Total Utilities	\$66,541	\$66,541	\$0	\$66,541
94100 Ordinary Maintenance and Operations - Labor	\$10,537	\$10,537		\$10,537
94200 Ordinary Maintenance and Operations - Materials and	\$15,172	\$15,172		\$15,172
94300 Ordinary Maintenance and Operations Contracts	\$30,118	\$30,118		\$30,118
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,985	\$1,985		\$1,985
94000 Total Maintenance	\$57,812	\$57,812	\$0	\$57,812
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance				
96120 Liability Insurance				
96130 Workmen's Compensation				
96140 All Other Insurance	\$19,516	\$19,516		\$19,516
96100 Total Insurance Premiums	\$19,516	\$19,516	\$0	\$19,516
96200 Other General Expenses				
96210 Compensated Absences	-\$392	-\$392		-\$392
96300 Payments in Lieu of Taxes	\$7,476	\$7,476		\$7,476
96400 Bad debt - Tenant Rents	\$1,068	\$1,068		\$1,068
96500 Bad debt - Mortgages				

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$8,152	\$8,152	\$0	\$8,152
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
96900 Total Operating Expenses	\$239,830	\$239,830	\$0	\$239,830
97000 Excess of Operating Revenue over Operating Expenses	\$83,148	\$83,148	\$0	\$83,148
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized	\$26,402	\$26,402		\$26,402
97300 Housing Assistance Payments				
97350 HAP Portability-In				
97400 Depreciation Expense	\$73,503	\$73,503		\$73,503
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$339,735	\$339,735	\$0	\$339,735
10010 Operating Transfer In	\$51,345	\$51,345	-\$51,345	\$0
10020 Operating transfer Out	-\$51,345	-\$51,345	\$51,345	\$0

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
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
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$16,757	-\$16,757	\$0	-\$16,757
11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$627,154	\$627,154		\$627,154
11040 Prior Period Adjustments, Equity Transfers and Correction				
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				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				

Housing Authority of the City of Huntingburg (IN028)  
HUNTINGBURG, IN  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 12/31/2013

	Project Total	Subtotal	ELIM	Total
11190 Unit Months Available	600	600		600
11210 Number of Unit Months Leased	585	585		585
11270 Excess Cash	\$171,240	\$171,240		\$171,240
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0	\$0		\$0
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0



## OTHER REPORTS

# Goldie Roberts

## Certified Public Accountant

8518 S Kays Chapel Rd  
Fredericksburg, IN 47120

### 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*

#### Independent Auditor's Report

Board of Commissioners  
Housing Authority of the  
City of Huntingburg  
1102 Friendship Village  
Huntingburg, 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 Huntingburg, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Huntingburg's basic financial statements and have issued my report thereon dated July 11, 2014.

#### **Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Housing Authority of the City of Huntingburg'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 Huntingburg's internal control. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority of the City of Huntingburg'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 Huntingburg'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 entity's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Goldie Roberts*

Certified Public Accountant

Fredericksburg, Indiana  
July 11, 2014

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG  
Huntingburg, Indiana

DECEMBER 31, 2013

SCHEDULE OF FINDINGS AND RESPONSES

PRIOR YEAR FINDINGS

There were no prior year findings.

CURRENT YEAR FINDINGS

There are no current year findings.