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June 14, 2016

Board of Directors
Housing Authority of the County of St. Joseph
107 W. Center Street
PO Box 425
North Liberty, IN 46554

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 Auditor's Report, the financial statements included in the report present fairly the financial condition of the Housing Authority of the County of St. Joseph, 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.

We call your attention to the finding contained in the Schedule of Findings and Questioned Costs. Finding 2014-001 is reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control Over Compliance in Accordance with *OMB Circular A-133* as noncompliance and a significant deficiency.

The Independent Auditor'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 COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

TWELVE MONTHS ENDED SEPTEMBER 30, 2014

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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Independent Auditor's Report

Board of Commissioners
Housing Authority of the County of St. Joseph
North Liberty, Indiana

I have audited the accompanying financial statements of the Housing Authority of the County of St. Joseph, 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 County of St. Joseph'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 County of St. Joseph'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 County of St. Joseph'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 County of St. Joseph, 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 County of St. Joseph'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 27 to 31 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 March 10, 2015 on my consideration of the Housing Authority of the County of St. Joseph's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of a *Government Auditing Standards* and should be considered in assessing the results of my audit.



Decatur, Illinois
March 10, 2015

Certified Public Accountant

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2014**

This section of the Housing Authority of the County of St. Joseph, Indiana (Authority) annual financial report presents our management's discussion and analysis of the Authority's financial performance during the fiscal year ended on September 30, 2014. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the financial statements as a whole.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities similar to those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets, all deferred outflows of resources, all liabilities, and all deferred inflows of resources, associated with the operation of these funds are included on the Statement of Net Position. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

FINANCIAL HIGHLIGHTS

- The term "net position" refers to the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The Authority's total net position as of September 30, 2014 was \$38,336. The net position decreased by \$23,949, a decrease of 37.1% from the prior year.
- Revenues for the Authority were \$962,540 for the year ended September 30, 2014. This was an increase of \$17,721 or 1.9% over the prior year.
- Expenses for the Authority were \$987,878 for the year ended September 30, 2014. This was an increase of \$9,750 or 1.0% over the prior year.
- HUD PHA operating grants for the Authority was \$950,913 for the year ended September 30, 2014, an increase of \$13,941 or 1.5% over the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes this *Management Discussion and Analysis* report, the *Basic Financial Statements* and the *Notes to the Financial Statements*. This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information*. The Authority's financial statements are presented as fund level financial statements because the Authority only has proprietary funds.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2014**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Required Financial Statements

The financial statements of the Housing Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets and deferred outflows of resources) and obligations of the Authority creditors (liabilities and deferred inflows of resources). It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and provide more detailed data.

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Data*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authority's to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended September 30, 2014 and is required to be included in the audit reporting package.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2014**

FINANCIAL ANALYSIS

Net position may serve, over time, as a useful indicator of a government's financial position. As stated in the table on the following page, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$40,616 at the close of the year ended September 30, 2014 down from \$64,565 in fiscal year 2013. The decrease in net position of \$23,949 was due to the reasons noted below.

➤ Restricted assets consist of cash and investments and decreased \$24,835 from FY 2013.

The unrestricted net position were \$13,070 as of September 30, 2014. This amount may be used to meet the Authority's ongoing obligations. The Authority has sufficient funds to meet requirements for cash outlays for one month. The restricted net position was \$27,546 as of September 30, 2014. This amount is subject to external restrictions on how they may be used. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

CONDENSED STATEMENTS OF NET POSITION

	FY 2014	FY 2013	Dollar Change	Percent Change
Current assets	\$ 39,671	\$ 32,075	\$ 7,596	23.7%
Restricted assets	7,655	32,490	(24,835)	-76.4%
Total Assets	<u>47,326</u>	<u>64,565</u>	<u>(17,239)</u>	-26.7%
Deferred outflows of resources	-	-	-	0.0%
Total	<u>47,326</u>	<u>64,565</u>	<u>(17,239)</u>	-26.7%
Current liabilities	6,710	-	6,710	0.0%
Total Liabilities	<u>6,710</u>	<u>-</u>	<u>6,710</u>	0.0%
Deferred inflows of resources	-	-	-	0.0%
Net Position				
Net investment in capital assets	-	-	-	0.0%
Restricted	27,546	62,492	(34,946)	-55.9%
Unrestricted	13,070	2,073	10,997	530.5%
Total Net Position	<u>40,616</u>	<u>64,565</u>	<u>(23,949)</u>	-37.1%
Total	<u>\$ 47,326</u>	<u>\$ 64,565</u>	<u>\$ (17,239)</u>	-26.7%

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2014**

FINANCIAL ANALYSIS (CONTINUED)

While the Statement of Net Position shows the change in financial position of net position, the Statements of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

**CONDENSED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

	<u>FY 2014</u>	<u>FY 2013</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Operating - non-operating - capital contributions:				
HUD PHA operating grants	\$ 950,913	\$ 936,972	\$ 13,941	1.5%
Other income	11,625	7,847	3,778	48.1%
Investment income	2	-	2	100.0%
Total Revenues	<u>962,540</u>	<u>944,819</u>	<u>17,721</u>	1.9%
Expenses				
Administration	78,567	86,668	(8,101)	-9.3%
General expense	2,877	-	2,877	100.0%
Housing assistance payments	903,434	888,460	14,974	1.7%
Total Expenses	<u>984,878</u>	<u>975,128</u>	<u>9,750</u>	1.0%
Excess (deficiency) before prior period adjustments	(22,338)	(30,309)	7,971	
Prior period adjustments	<u>(1,611)</u>	<u>66,024</u>	<u>(67,635)</u>	
Change in net position	(23,949)	35,715	(59,664)	
Beginning net position	64,565	28,850	35,715	
Ending net position	<u>\$ 40,616</u>	<u>\$ 64,565</u>	<u>\$ (23,949)</u>	

As can be seen in the table above, total revenues increased \$17,721 due to the reasons noted below.

- HUD PHA operating grants increased \$13,941 or 1.5% from FY 2013.
- Other income increased \$3,778 or 48.1% from FY 2013.
- Investment income increased \$2 from FY 2013.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2014**

FINANCIAL ANALYSIS (CONTINUED)

Total expenses increased \$9,750 due to the reasons noted below.

- Administration decreased \$8,101 or 9.3% from FY 2013 due to a decrease in audit fees of \$3,357 or 33.6%, and a decrease in management contract & office expense of \$8,448 or 11.0%.
- General expense increased \$2,877 due to an increase in port-out voucher administrative fees paid to other housing authorities.
- Housing assistance payments increased \$14,974 or 1.7% due to an increase in average housing assistance payment per unit of \$2.23 or 0.5% and a 0.7% increase in leasing rate.

The Authority is authorized to assist 224 households with the Housing Choice Voucher Rental Assistance Program. The Section 8 lease-up rate for fiscal year ended September 30, 2014 was 79.0%, up from 78.5% in FY 2013.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Authority is eligible to receive \$426,039 for housing assistance payments for the months of October 2014 through March 2015 in the Housing Choice Voucher Program. The Authority also has \$29,157 available in HAP Reserves and \$24,215 in HUD-Held Program Reserves to be used for housing assistance payments. Based on the average housing assistance payment per unit of \$423.50 for FY 2014, the Authority will have sufficient funding and reserves to lease 84.2% of its authorized vouchers from October 2014 through March 2015. HUD has not established funding levels for the remaining six months of next fiscal year. Administrative fees for the Housing Choice Voucher program will be based on actual utilization in FY 2015 and adjusted for pro-ration which is estimated at 75%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Executive Director, Housing Authority of the County of St. Joseph, 107 W. Center Street, P.O. Box 425, North Liberty, IN 46554.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

ASSETS

Cash - operating	\$	0
Cash - restricted		7,655
Other receivable		39,671

Capital assets:

Capital assets, net of depreciation	\$	<u>0</u>
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Total Capital Assets	\$	<u>0</u>
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Total Assets	\$	<u>47,326</u>
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<u>DEFERRED OUTFLOWS OF RESOURCES</u>	\$	<u>0</u>
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TOTAL	\$	<u><u>64,565</u></u>
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LIABILITIES

Accounts payable	\$	3,524
Unearned revenue		<u>3,186</u>

Total Liabilities	\$	<u>6,710</u>
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<u>DEFERRED INFLOWS OF RESOURCES</u>	\$	<u>0</u>
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NET POSITION

Net investment in capital assets	\$	0
Restricted		27,546
Unrestricted		<u>13,070</u>

Total Net Position	\$	<u>40,616</u>
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TOTAL	\$	<u><u>47,326</u></u>
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**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

Operating Income

HUD operating grants	\$ 950,913
Other revenue	<u>11,625</u>
Total Operating Income	<u>\$ 962,538</u>

Operating Expenses

Administration	\$ 78,567
General expense	2,877
Housing assistance payments	903,434
Depreciation	<u>0</u>
Total Operating Expenses	<u>\$ 984,878</u>

Net Operating Income (Loss)	\$ -22,340
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Nonoperating Income (Expense)

Interest income	2
Changes in net position	\$ -22,338
Net position, beginning of year	64,565
Prior period adjustments (Note 7)	<u>-1,611</u>
Net position, end of year	<u><u>\$ 40,616</u></u>

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

Operating Activities

Operating grants	\$ 950,913
Housing assistance payments	-903,434
Payments to suppliers and contractors	<u>-72,316</u>

Net Cash Provided (Used) by Operating Activities \$ -24,837

Investing Activities

Interest income \$ 2

Net Cash Provided (Used) by Investing Activities \$ 2

Capital and Related Financing Activities

Additions (deletions) to fixed assets \$ 0

Net Cash Provided (Used) by
Capital and Related Financing Activities \$ 0

Net Change in Cash \$ -24,835

Cash Balance at September 30, 2013 32,490

Cash Balance at September 30, 2014 \$ 7,655

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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)	\$ -22,340
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Adjustments to net position	-1,611
(Increase) decrease in accounts receivable	-7,596
Increase (decrease in accounts payable	3,524
Increase (decrease) in deferred inflows	<u>3,186</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ -24,837</u>

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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 County of St. Joseph was established by the County of St. Joseph 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 County of St. Joseph and concluded that the County does not maintain an oversight responsibility for the Authority's operations. An independent Board of Commissioners, appointed by the County, 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 County government. Debt incurred by the Authority is not an obligation of the County; the County 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 County Board, and has governance responsibilities over all activities related to all housing activities within the County. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the County, 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 County of St. Joseph 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 COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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 HUD grants. Operating expenses include administration, 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:

- * Section 8 Housing Choice Vouchers

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 one (1) month or less when purchased to be cash equivalents.

(f) 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.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

Note 1 - Summary of Significant Accounting Policies

(g) Income Tax -

The Authority, organized as a non-profit corporation subsidized by the Federal government, is exempt from Federal and State income taxes.

(h) Annual Contributions/Subsidies and Other Grants

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

Other 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.

(I) 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.

Note 2 - Cash

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 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 COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

Note 2 - Cash (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>
Voucher	<u>\$ 7,655</u>	<u>\$ 7,836</u>

Note 3 - 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 COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

Note 4 - Related Party

During the current fiscal year, the Housing Authority subcontracted with Housing Assistance Office, Inc. (HAO) to administer the housing choice vouchers. The Executive Director of HAO acted as the Director of the Housing Authority appointed by the St. Joseph County Housing Authority Board of Commissioners. The Housing Authority did not have any employees and used HAO employees for all administrative functions under its contracts. HAO received up to 98% of the administrative revenue earned by the Housing Authority. This relationship was terminated at the end of the fiscal year.

Note 5 - Subsequent Events

At the end of the fiscal year, the Housing Authority of St. Joseph, ended its contract agreement with the Housing Assistance Office, Inc. One full time employee was hired to take over all administrative duties of the Housing Authority.

Note 6 - 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.

Accounts Receivable

At the conclusion of the contract with Housing Assistance Office, Inc. (HAO), the Housing Authority has a related party receivable of \$39,671 from HAO. Although HAO entered into a written agreement to repay agreed upon amount, there have been no payments received to date. A complaint for Breach of Contract has been filed in the St. Joseph Circuit Court in an attempt to collect the debt.

Note 7 - Prior Period Adjustments

Prior period adjustments posted directly to net position are detailed below:

Adjustment of earned revenue as adjusted by QAD	<u>\$ -1,611</u>
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Note 8 - Economic Dependency

The Housing Authority received most of its revenue (99 %) from the United States Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

SUPPLEMENTAL DATA

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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:						
Section 8 Housing Choice Vouchers *	14.871	C-2087	FYE 09/30/14	\$ 950,913	\$ 950,913	\$ 950,913

*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 County of St. Joseph (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, had no federal insurance, nor have any loan or loan guarantees outstanding as of September 30, 2014.



**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 County of St. Joseph
North Liberty, Indiana

I have audited, 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, the financial statements of the Housing Authority of the County of St. Joseph, 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, and have issued my report thereon dated March 10, 2015.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Housing Authority of the County of St. Joseph'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the County of St. Joseph's internal control. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority of the County of St. Joseph'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 County of St. Joseph'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, *significant deficiencies* or *material weaknesses*. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies in internal control over financial reporting. I consider the following deficiencies to be significant deficiencies:

The Housing Authority had not maintained its restricted cash balance as required by the Department of Housing and Urban Development. See current finding 2014-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the County of St. Joseph'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*.

Response to Findings

The Housing Authority of the County of St. Joseph's responses to the findings identified in my audit are described in the accompanying schedule findings and questioned costs. I did not audit the Housing Authority of the County of St. Joseph's responses and, accordingly, I express no opinion on them.

Purpose of This Report

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



Certified Public Accountant

Decatur, Illinois
March 10, 2015



Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control Over Compliance in Accordance with *OMB Circular A-133*

Board of Commissioners
Housing Authority of the County of St. Joseph
North Liberty, Indiana

Report on Compliance for Each Major Program

I have audited the Housing Authority of the County of St. Joseph's compliance with the types of compliance requirements described in *OMB Circular A-133*, that could have a direct and material effect on each of the Housing Authority of the County of St. Joseph's major federal programs for the year ended September 30, 2014. The Housing Authority of the County of St. Joseph'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 for Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts and grant 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 County of St. Joseph'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 my plan and perform the audit to obtain reasonable assurance about whether noncompliance with the 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 County of St. Joseph'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 for each major program. However, my audit does not provide a legal determination of the Housing Authority of the County of St. Joseph's compliance.

Opinion on Each Major Program

In my opinion, the Housing Authority of the County of St. Joseph 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 identified above for the year ended September 30, 2014.

Other Matters

The results of my auditing procedures also disclosed immaterial instances of noncompliance which are to be reported in accordance with *OMB Circular A-133* which are described in the accompanying schedule of findings and questioned costs as items 2014-001. My opinion is not modified with respect to this matter.

The Housing Authority of the County of St. Joseph's responses to the noncompliance findings identified in my audit are described in the accompanying schedule of findings and questioned costs. The Housing Authority of the County of St. Joseph's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the Housing Authority of the County of St. Joseph 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 County of St. Joseph's internal control over compliance with the types of requirements that could have a direct and material effect on each major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *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 the Housing Authority of the County of St. Joseph'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 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 that might be deficiencies, *significant deficiencies*, or *material weaknesses* in internal control over compliance. I did not identify any deficiencies in internal control over compliance that I consider to be *material weaknesses*, as defined above. However, I identified certain deficiencies in internal control over compliance that I consider to be *significant deficiencies*, as described in the accompanying schedule of findings and questioned costs as finding 2014-001.

The Housing Authority of the County of St. Joseph's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit the the Housing Authority of the County of St. Joseph's responses and, accordingly, I express no opinion on the responses.

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 that 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
March 10, 2015

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

STATUS OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended September 30, 2013 contained five findings. The status of these findings is summarized below:

Finding #2013-001: Failure to submit financial information via FASS-PH

The financial information was properly reported in FASS-PH. This finding is considered closed.

Finding #2013-002: Failure to submit Net Restricted Position and Unrestricted Position balance in HUD via VMS

The balances of Net Restricted and Unrestricted Position were properly reported via VMS. This finding is considered closed.

Finding #2013-003: Inaccurate information reported to HUD via VMS

Information reported to HUD regarding HAP payments made via VMS was reported accurately at the current year end. This finding is considered closed.

Finding #2013-004: Inaccurate information reported to HUD via VMS

This finding continues, see Finding #2014-001.

Finding #2013-005: Procurement Guidelines not followed

Procurement guidelines had not been followed for the administrative contract with Housing Assistance Office, Inc. At the end of the current fiscal year, the contract was cancelled. This finding is considered closed.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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? X yes _____ 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? X yes _____ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers

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

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

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, 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 management and the Board Chairman, during the course of the audit or at an exit conference held March 13, 2015.

Section III - Federal Award Findings and Questioned Costs

The following federal awards audit finding was discussed with management and the Board Chairman, during the course of the audit or at an exit conference held March 13, 2015.

Finding #2014-001: Inaccurate information reported to HUD via VMS

CFDA #: 14.871

Contract #: C-2087

Year: 2012 (repeated 2013 and 2014)

Criteria: Management is responsible for compliance with the applicable requirements for each major program and specifically for compliance with federal regulations under Title 24 - Housing and Urban Development.

Condition: In prior years, the Housing Authority transferred HAP funds to HAO, the managing entity in excess of the amounts earned based on actual HAP expenditures and established fee rates. The managing entity has not repaid the excess amounts transferred as agreed.

Questioned costs: Not applicable

Cause: The Accounting Manager of HAO transferred amounts to HAO in excess of the sub-recipient's actual HAP expenses for the month. HAO has not subsequently repaid the excess transfers as agreed.

Effect: The Housing Authority has not retained its restricted cash balances as required by HUD.

Recommendation: I recommend that the PHA recapture the amounts transferred to HAO in excess of what was actually earned and due for HAP. The efforts to regain the transfer should be aggressively pursued since the management relationship no longer exists.

Corrective Action Plan: Former management acknowledged that incorrect rates were used in the calculation of administrative fees and monthly transfers to the contract administrator for HAP expenditures. Former management states a portion of the funds were paid back, and signed an agreement to repay additional funds over a period of time; however they have subsequently refused to honor the signed repayment agreement. As a result, the Housing Authority Board of Commissioners' have filed a complaint for Breach of Contract in St. Joseph Circuit Court. The Board of Commissioners (President Sara A. Williams) and the current executive director (Laura Wagley) will continue to pursue the collection efforts as well as monitor the current cash flow.

**HOUSING AUTHORITY OF THE COUNTY OF ST. JOSEPH
NORTH LIBERTY, INDIANA**

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

<u>Voucher</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Office expenses	4190.10	\$ 180.41		
Equity	1111.01		\$ 180.41	
(To record check #2002 to Staples as an outstanding check; check written 09/30/2014)				
(2)				
Legal fees	4130	\$ 3,524.50		
Vendors and contractors	2111		\$ 3,524.50	
(To record legal fees listed on invoice received 11/10/14; for services rendered prior to September 30, 2014)				

Housing Authority of the County of St. Joseph (IN100)

Mishawaka, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted			
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$7,655	\$7,655	\$7,655
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$7,655	\$7,655	\$7,655
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$39,671	\$39,671	\$39,671
126 Accounts Receivable - Tenants			
126.1 Allowance for Doubtful Accounts - Tenants			
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$39,671	\$39,671	\$39,671
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets			
143 Inventories			
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$47,326	\$47,326	\$47,326
161 Land			
162 Buildings			
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration			
165 Leasehold Improvements			
166 Accumulated Depreciation			
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$0	\$0	\$0
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$47,326	\$47,326	\$47,326

Housing Authority of the County of St. Joseph (IN100)

Mishawaka, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	14.871 Housing Choice Vouchers	Subtotal	Total
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$3,524	\$3,524	\$3,524
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable			
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits			
342 Unearned Revenue	\$3,186	\$3,186	\$3,186
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$6,710	\$6,710	\$6,710
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$0	\$0	\$0
300 Total Liabilities	\$6,710	\$6,710	\$6,710
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets			
511.4 Restricted Net Position	\$27,546	\$27,546	\$27,546
512.4 Unrestricted Net Position	\$13,070	\$13,070	\$13,070
513 Total Equity - Net Assets / Position	\$40,616	\$40,616	\$40,616
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$47,326	\$47,326	\$47,326

Housing Authority of the County of St. Joseph (IN100)

Mishawaka, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue			
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$950,913	\$950,913	\$950,913
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$2	\$2	\$2
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	\$11,625	\$11,625	\$11,625
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$962,540	\$962,540	\$962,540
91100 Administrative Salaries			
91200 Auditing Fees	\$6,643	\$6,643	\$6,643
91300 Management Fee	\$67,885	\$67,885	\$67,885
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative			
91600 Office Expenses	\$418	\$418	\$418
91700 Legal Expense	\$3,524	\$3,524	\$3,524
91800 Travel			
91810 Allocated Overhead			
91900 Other	\$97	\$97	\$97
91000 Total Operating - Administrative	\$78,567	\$78,567	\$78,567
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0

Housing Authority of the County of St. Joseph (IN100)
Mishawaka, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	14.871 Housing Choice Vouchers	Subtotal	Total
93100 Water			
93200 Electricity			
93300 Gas			
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor			
94200 Ordinary Maintenance and Operations - Materials and Other			
94300 Ordinary Maintenance and Operations Contracts			
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	\$0	\$0	\$0
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation			
96140 All Other Insurance			
96100 Total insurance Premiums	\$0	\$0	\$0
96200 Other General Expenses	\$2,877	\$2,877	\$2,877
96210 Compensated Absences			
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$2,877	\$2,877	\$2,877
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
96900 Total Operating Expenses	\$81,444	\$81,444	\$81,444
97000 Excess of Operating Revenue over Operating Expenses	\$881,096	\$881,096	\$881,096

Housing Authority of the County of St. Joseph (IN100)
Mishawaka, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2014

	14.871 Housing Choice Vouchers	Subtotal	Total
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments	\$899,507	\$899,507	\$899,507
97350 HAP Portability-In	\$3,927	\$3,927	\$3,927
97400 Depreciation Expense			
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$984,878	\$984,878	\$984,878
10010 Operating Transfer In			
10020 Operating transfer Out			
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
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$22,338	-\$22,338	-\$22,338
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$64,565	\$64,565	\$64,565
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$1,611	-\$1,611	-\$1,611
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	\$13,070	\$13,070	\$13,070
11180 Housing Assistance Payments Equity	\$27,546	\$27,546	\$27,546
11190 Unit Months Available	2257	2257	2257
11210 Number of Unit Months Leased	2124	2124	2124
11270 Excess Cash			
11610 Land Purchases			
11620 Building Purchases			
11630 Furniture & Equipment - Dwelling Purchases			
11640 Furniture & Equipment - Administrative Purchases			
11650 Leasehold Improvements Purchases			
11660 Infrastructure Purchases			
13510 CFFP Debt Service Payments			
13901 Replacement Housing Factor Funds			