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AN EQUAL OPPORTUNITY EMPLOYER

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February 5, 2024

Board of Commissioners
Huntingburg Housing Authority
Dubois County, Indiana

We have reviewed the audit report of the Huntingburg Housing Authority which was opined upon by Malcolm Johnson & Company, PA, Independent Public Accountant, for the period January 1, 2022 to December 31, 2022. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Huntingburg Housing Authority as of December 31, 2022, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Huntingburg Housing Authority
Huntingburg, Indiana

HUD, Indianapolis Field Office
575 North Pennsylvania Street, Room 655
Indianapolis, Indiana 46204-1555

Opinions

We have audited the accompanying financial statements of the business-type activities of the Huntingburg Housing Authority (the Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements, Financial Data Schedule, and the other Supplementary Information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The 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 our opinion, the combining financial statements and the Financial Data Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated November 28, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
November 28, 2023

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, Indiana

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2022

Management's Discussion and Analysis

As management of the Housing Authority of the City of Huntingburg, 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, 2022. 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 Tina Bromm, 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 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 Authority's 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 is 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 owns (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.

Over time, significant changes in the Authority's Net Position are an indicator of whether its financial health is improving or deteriorating.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, Indiana

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2022

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 Authority's capital assets.

To fully understand the financial statements of the Housing Authority, one must start with an understanding of what the Authority actually 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.

Condensed Comparative Financial Statements

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

Total Net Position for FYE 2022 was \$1,015,391 and at FYE 2021 the amount was \$1,253,164. This represents a net decrease of \$237,773, or 19.0%.

Current Assets decreased by \$175,795, or by 47.9%. This decrease is primarily the result of decreases in cash from operations.

Capital Assets decreased by \$60,251, or by 6.3%. The change in Capital Assets will be presented in the section entitled Analysis of Capital Asset Activity.

Current Liabilities decreased by \$3,742, or by 9.6%. This change in current liabilities was due to decreases in unearned revenues and amounts due to other governmental entities.

Non-Current Liabilities increased by \$15,378, or by 91.6%. this change is mainly attributable to a increase in accrued pension and OPEB liabilities.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, Indiana

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percent Variance</u>
Cash	\$ 163,142	\$ 340,955	\$ (177,813)	-52.2%
Other Current Assets	27,350	25,332	2,018	8.0%
Capital Assets	890,848	951,099	(60,251)	-6.3%
Deferred Outflows of Resources	10,523	10,936	(413)	-3.8%
Total Assets and Deferred Outflows of Resources	\$ 1,091,863	\$ 1,328,322	\$ (236,046)	-17.8%
Current Liabilities	\$ 42,777	\$ 39,035	\$ 3,742	9.6%
Non Current Liabilities	32,169	16,791	15,378	91.6%
Deferred Inflows of Resources	1,526	19,332	(17,806)	-92.1%
Total Liabilities and Deferred Inflows of Resources	76,472	75,158	1,314	1.7%
Investment in Capital Assets	890,848	951,099	(60,251)	-6.3%
Unrestricted Net Position	124,543	302,065	(177,522)	-58.8%
Net Position	1,015,391	1,253,164	(237,773)	-19.0%
Total Liab and Net Position	\$ 1,091,863	\$ 1,328,322	\$ (237,773)	-17.9%

Analysis of Entity Wide Revenues (Statement of Activities)

Total Revenue for FYE 2022 was \$345,898 and for FYE 2021 the amount was \$343,496 for an increase of \$2,402, or by 0.7%. Primarily, this change occurred due to decreases in other income and Capital Grants.

Tenant Revenue decreased by \$39,471, or by 20.10%

HUD Grants increased by \$24,312, or by 18.10%

Other Income increased by \$17,967, or by 159.9%.

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percentage Change</u>
Total Tenant Revenue	\$ 157,279	\$ 196,750	\$ (39,471)	-20.10%
HUD Grants	158,539	134,227	24,312	18.10%
Other Income	29,203	11,236	17,967	159.90%
Investment Income	877	1,283	(406)	100.00%
Total Revenue	\$ 345,898	\$ 343,496	\$ 2,402	0.70%

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, Indiana

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2022

Analysis of Entity Wide Expenditures

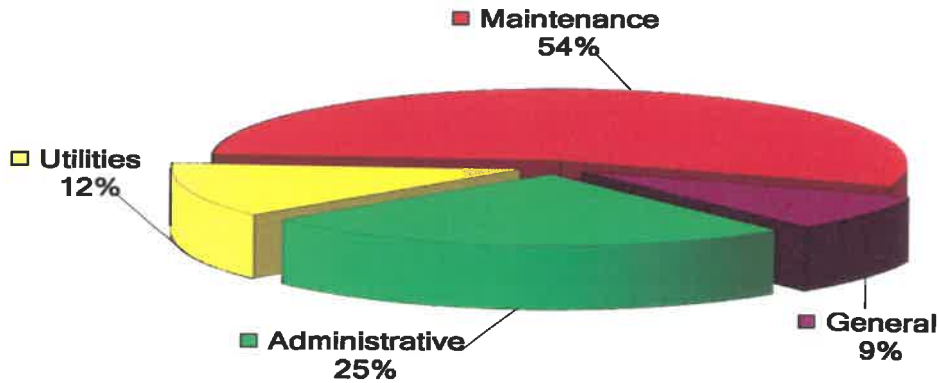
Total Expenses for FYE 2022 were \$583,671 as compared to the \$407,900 of total expenditures for FYE 2021. Comparatively, FYE 2022 expenditures exceeded FYE 2021 expenses by \$175,771, or by 41.3%.

This overall increase is attributable to a large increase in Maintenance expenditures in the amount of \$174,168, or by 163.1%. This is reflective of increases in maintenance wages, maintenance material costs, and maintenance and operational contract costs. Other expenses remained rather flat from last year.

The table below illustrates our analysis:

	2022	2021	Net Change	Percent Variances
Administrative	\$ 133,400	\$ 129,063	\$ 4,337	3.4%
Tenant Services	828	827	1	0.1%
Utilities	64,059	66,535	(2,476)	-3.7%
Maintenance	280,953	106,785	174,168	163.1%
Protective Services	751	970	(219)	-22.6%
General Expense	43,429	42,362	1,067	2.5%
Total Operating Expenditures	523,420	346,542	176,878	51.0%
Extraordinary Maintenance		290	(290)	-100.0%
Depreciation Expense	60,251	61,068	(817)	-1.3%
Total Expenses	\$ 583,671	\$ 407,900	\$ 175,771	43.1%

Percentage of Total Expenses by Category



HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, Indiana

MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2022

Analysis of Capital Asset Activity

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percent Variance</u>
Land	\$ 14,750	\$ 14,750	\$ -	0.0%
Buildings	3,330,487	3,255,386	75,101	2.3%
Furniture, Equip., & Machinery	360,287	360,287	-	0.0%
Construction in Process	-	75,101	(75,101)	-100.0%
Total Capital Assets	3,705,524	3,705,524	-	0.0%
Accumulated Depreciation	2,814,676	2,754,425	60,251	2.2%
Net Capital Assets	\$ 890,848	\$ 951,099	\$ (60,251)	-6.3%

Modernization work completed under the Capital Fund Grant program is temporarily charged to construction in process. When all of the funds allocated to a specific grant have been fully expended, approved by HUD, and audited, the work items are moved from construction in process and placed into the Capital Assets. Depreciation normally begins at this point, however, commences earlier, depending on circumstances.

Overall net capital assets decreased by \$60,251 due to the depreciation expense for the year of \$60,251.

Buildings increased by \$75,101 for grant years that closed and were transferred from Construction in Process

More detailed information about the capital assets is presented in the Notes to the Financial Statements.

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, IN

STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 40,313
Cash and cash equivalents, restricted	12,499
Investments, unrestricted	110,330
Accrued interest receivable	132
Accounts receivable, net of allowance	7,320
Inventories, net of obsolescence	17,121
Prepaid expense	2,777
Total current assets	190,492

Capital assets

Not being depreciated	14,750
Depreciable, net	876,098
Total capital assets, net	890,848

Total assets

1,081,340

Deferred Outflow of Resources

10,523

Total Assets and Deferred Outflow of Resources

1,091,863

LIABILITIES

Current liabilities

Vendors and contractors payable	8,358
Due to other governments	20,290
Unearned revenue	1,630
Resident security deposits	12,499
Total current liabilities	42,777

Noncurrent liabilities

Other accrued liabilities	32,169
Total liabilities	74,946

Deferred Inflow of Resources

1,526

Total Liabilities and Deferred Inflow of Resources

76,472

NET POSITION

Net investment in capital assets	890,848
Unrestricted	124,543
Total net position	\$ 1,015,391

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

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, IN

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

Operating revenues	
Rental revenue	\$ 157,279
HUD grants	158,539
Other revenue	29,203
Total operating revenues	<u>345,021</u>
Operating expenses	
Administrative	133,400
Tenant services	828
Utilities	64,059
Ordinary maintenance & operation	280,953
Protective services	751
Insurance	30,772
General expenses	12,657
Depreciation	60,251
Total operating expenses	<u>583,671</u>
Operating income (loss)	<u>(238,650)</u>
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	877
Total nonoperating revenues	<u>877</u>
Increase (decrease) in net position	<u>(237,773)</u>
Net position, beginning of year	<u>1,253,164</u>
Net position, end of year	<u><u>\$ 1,015,391</u></u>

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

HOUSING AUTHORITY OF THE CITY OF HUNTINGBURG
Huntingburg, IN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows From Operating Activities

Receipts from dwelling rentals	\$ 173,133
Operating grants	158,539
Other receipts	11,382
Payments to employees and suppliers	(520,916)
Payments to landlords and residents	(828)
Net cash provided (used) by operating activities	(178,690)

Cash Flows From Investing Activities

Purchase of investments	(441)
Interest	877
Net cash provided (used) by investing activities	436

Net increase (decrease) in cash and cash equivalents (178,254)

Balance - beginning of the year 231,066

Balance - end of the year \$ 52,812

Reconciliation of Cash Flows to Statement of Net Position

Cash and cash equivalents, unrestricted	\$ 40,313
Cash and cash equivalents, restricted	12,499
	<u><u>\$ 52,812</u></u>

There are no non-cash transactions.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Continued)

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

Operating income/(loss)	\$ (238,650)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:	
Depreciation elimination	60,251
Increase in accounts receivable	(1,900)
Decrease in due to/from other governments	9,625
Increase in prepaid expenses	(118)
Decrease in deferred outflow of resources	413
Increase in security deposits	777
Increase in accounts payable	1,824
Decrease in accrued wages	(1,824)
Decrease in accrued compensated absences	(477)
Increase in unearned revenue	(87)
Decrease in accrued liabilities	9,282
Decrease in deferred inflow of resources	(17,806)
	<u>\$ (178,690)</u>

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

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

A - Summary of Significant Accounting Policies and Organization:

1. **Organization:** Huntingburg Housing Authority (“the Authority”) is a public body corporate and politic pursuant to the Laws of the State of Indiana which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies.
2. **Reporting Entity:** In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14, (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has no component units.

The basic financial statements of the Authority consist primarily of Low Rent Public Housing under Annual Contributions Contract A-2731.

3. **Summary of HUD and Other Authority Programs:** The accompanying basic financial statements consist of the activities of the housing programs subsidized by HUD and Authority owned entities. A summary of each of these programs is provided below.
 - 1) **Low Rent Public Housing:** This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.
 - 2) **Modernization and Development:** Substantially all additions to land, buildings, and equipment are accomplished through the Capital Fund Program. These programs add to, replace or materially upgrade deteriorated portions of the Authority's housing units. Funding is provided through programs established by HUD.
4. **Basis of Presentation and Accounting:** In accordance with uniform financial reporting standards for HUD housing programs, the basic financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP).

Based upon compelling reasons offered by HUD, the Authority reports its basic financial statements as a special purpose government engaged solely in business-type activities, which is similar to the governmental proprietary fund type (Enterprise Fund), which uses the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

4. Basis of Presentation and Accounting (Continued)

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

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.

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 they expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

Unrestricted – Net position that is 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.

- 5. 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. Budgets are not, however, legally adopted nor legally required for basic financial statement presentation.
- 6. Cash and Cash Equivalents:** For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (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, capital and financing activities during the year.
- 7. Interprogram Receivables and Payables:** Interprogram receivables/payables, when present, are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all interprogram balances net zero. Offsetting due to/due from balances are eliminated for the basic financial statement presentation.
- 8. Investments:** Investments, when present, are recorded at fair value. Investment instruments consist only of items specifically approved for public housing agencies by HUD. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority’s agent in the Authority’s name. It is the Authority’s policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Indiana.
- 9. Inventories:** Inventories (consisting of materials and supplies) are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, the Authority establishes an allowance for obsolete inventory. In accordance with the consumption method, inventory is expensed when items are actually placed in service.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

10. Prepaid Items: Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid items.

11. Use of Estimates: The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

12. Fair Value of Financial Instruments: The carrying amount of the Authority's financial instruments at December 31, 2022 including cash, investments, accounts receivable, and accounts payable closely approximates fair value.

13. Capital Assets:

a. Book Value: All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentation.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

b. Depreciation: The cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year following completion.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

Buildings and Improvements	15-40 years
Equipment	3-7 years

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

13. Capital Assets: (Continued)

- c. Maintenance and Repairs Expenditures:** Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$1,500 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.
- d. Impairment of Long-Lived Assets:** The Authority has been and is currently involved in various activities in conjunction with its modernization programs. In accordance with *Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets*. Under the provisions of the statement, long-lived assets are to be reviewed for impairment. Application for measurement of long-lived assets should be at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or discontinued operations. The Authority has reviewed and determined there was no impairment of long-lived assets during year ending December 31, 2022.

14. Compensated Absences: Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with *GASB Statement No. 16*. 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.

15. Litigation Losses: The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable, and the loss is reasonably estimable.

16. Annual Contribution Contracts: Annual Contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

17. Risk Management: The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

18. Use of Restricted Assets: It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

19. Operating Revenues and Expenses: The principal operating revenues of the Authority's Enterprise Fund are charges to customers for rents and services. Operating expenses for the Authority's Enterprise Fund include the cost of providing housing and services, administrative expenses and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

20. Pensions: For purposes of measuring the net pension (asset) and liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plans' fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

B - Deposits and Investments: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (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, capital and financing activities during the year.

1. HUD Deposit and Investment 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

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.

The carrying amounts of the Authority's cash deposits were \$52,812 at December 31, 2022. Bank balances before reconciling items were \$64,007 at that date, the total amount of which was collateralized or insured with securities held by an unaffiliated banking institution in the Authority's name. The Authority's investments consist of certificates of deposit with original maturities greater than three (3) months of \$110,330.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

C - Accounts Receivable:

Dwelling rents (net of allowance for doubtful accounts of \$2,848) \$ 7,320

D - Prepaid Expense:

Prepaid insurance \$ 2,777

E - Land, Buildings and Equipment:

	Balance December 31, 2021	Adjusted Beginning Balance	Additions	Transfers	Balance December 31, 2022
Not being depreciated:					
Land	\$ 14,750	\$ 14,750	\$ -	\$ -	\$ 14,750
Construction in progress	75,101	75,101	-	(75,101)	-
Total not being depreciated	89,851	89,851	-	(75,101)	14,750
Depreciable:					
Buildings & improvements	3,255,386	3,255,386	-	75,101	3,330,487
Accumulated depreciation	(2,410,664)	(2,410,664)	(53,585)	-	(2,464,249)
Net buildings & improvements	844,722	844,722	(53,585)	75,101	866,238
Equipment	360,287	360,287	-	-	360,287
Accumulated depreciation	(343,761)	(343,761)	(6,666)	-	(350,427)
Net equipment	16,526	16,526	(6,666)	-	9,860
Net depreciable assets	861,248	861,248	(60,251)	75,101	876,098
TOTAL	\$ 951,099	\$ 951,099	\$ (60,251)	\$ -	\$ 890,848

F - Due to Other Governments:

Payment in Lieu of Taxes \$ 20,290

G.- Unearned Revenue:

Tenant Prepaid Rents \$ 1,630

H.- Schedules of Changes in Noncurrent Liabilities:

	Balance at December 31, 2021		Year Ended December 31, 2022		December 31, 2022	
	Long-term Portion	Current Portion	Additions	Payments	Current Portion	Long-term Portion
Accrued compensated absences	\$ 4,290	\$ 477	\$ 3,189	\$ (7,956)	\$ -	\$ -
Accrued pension benefits	12,501	-	19,668	-	-	32,169
	\$ 16,791	\$ 477	\$ 22,857	\$ (7,956)	\$ -	\$ 32,169

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

I - Annual Contributions by Federal Agencies:

Pursuant to the Annual Contributions Contract, HUD contributes an operating subsidy approved in the operating budget under the Annual Contributions Contract. HUD operating subsidy contributions for the year ended December 31, 2022 were \$81,450. HUD also contributed additional funds for modernization and operations in the amount of \$77,089 for the year ended December 31, 2022.

J.- Pension Plan:

Plan Description: The Housing Authority Participates in a cost-sharing multiple employer pension plan, as defined in Governmental Accounting Standards Board Statement No, 67, *Financial Reporting for Pension Plans*. The pension plan is administered by the Indiana Public Retirement Systems (INPRS) and is based on Title 35 of IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2 11(b). The Public Employees' Retirement Fund (PERF) Hybrid Plan was established by the Indian Legislature in 1945 and is governed by the INPRS Board of Trustees. INPRS financial reports are available online at <https://www.in.gov/inprs/actuarialvaluation.htm>.

Members included offices and employees of the units of State and local governments in Indiana (referred to as political subdivisions), including counties, cities, towns, townships, libraries, and school corporations. The political subdivisions become participants by resolution of the governing body, which specifies the classifications of employees who will become members of the PERF Hybrid plan.

Benefits Provided: Retirement benefits consist of a defined pension benefit provided by employer contributions plus the amount credited to the member's annuity savings account. Pension benefits vest after 10 years of creditable service. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit.

A member who is at least 55 years old with sum of age and service equal to 85 or more is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit.

The PERF Hybrid plan also provides disability and survivor benefits.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

J. Pension Plan: (Continued)

Contributions: Members are required by statute to make contributions to the plan as determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. During 2022, all participating employers contributed an average of 11.0% of covered payroll. The Authority's required contribution to the plan for the fiscal year ended December 31, 2022 was \$4,235. A contribution of 3% of covered payroll was contributed by the employee into the annuity savings account portion.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2022, the Authority reported a liability of \$32,169 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2022, the Authority's proportion was 102%.

There was \$0- reported as deferred outflows related to pension resulting from the INPRS Employer's contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Actuarial Assumptions: The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	June 30, 2022
Measurement Date of Net Pension Liability:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal- Level Percent of Payroll
Asset Valuation Method:	Five year smoothing of gains and losses on the fair value of assets subject to a 20% corridor.
Long-Term Expected Rate of Return:	6.25%
Discount Rate:	6.25%, net of investment expenses
Salary Increases:	
Inflation	2.00%
COLA	0.40-0.60%
Future Salary Increases, including inflation	2.65 - 8.65%
Mortality:	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021
(Continued)

J. Pension Plan: (Continued)

Actuarial assumptions are based upon an experience study completed in April 2022 using experience between July 1, 2014 and June 30, 2019. The demographic assumptions were updated as needed for the June 30, 2020 actuarial valuation based on the results of the study. The total pension liability for June 30, 2020 is based upon a roll-forward of the liability calculated from the June 30, 2020 actuarial valuation.

Long-term Expected Return on Plan Assets: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns (as of June 30, 2022)

	Current Asset Allocation %	Target Range %
Asset Class		
Public Equity	20.0	22.0
Private Markets	15.0	14.0
Fixed Income-Ex Inflation-Linked	20.0	20.
Fixed Income-Inflation-Linked	15.0	7.0
Commodities	10.0	8.0
Real Estate	10.0	7.0
Absolute Return	5.0	10.0
Risk Party	20.0	12.0
Cash & Cash Overlay	0.0	N/A
Total	115.0	100%

Single Discount Rate: The discount rate used to measure the total pension liability was 6.25% and is equal to long-term expected return on plan investments, net of administrative expenses. The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of: 1) the current contribution rate of 11.2%, or 2) the actuarially determined contribution rate computer by the actuary using the assumptions and methods selected by the Board for the annual actuarial valuations.

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

J. Pension Plan: (Continued)

Sensitivity of the Authority’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Authority’s proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.20 percent) than the current rate:

Decrease (5.25%)	Discount Rate (6.25%)	1% Increase (7.25%)
\$54,345	\$32,169	\$13,672

Pension Expense: For the year ended December 31, 2022, the Authority recognized pension expense of \$718 which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Asset Allocation Targets and Expected Returns (as of June 30, 2022)

	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	\$ 694	\$ 122
Net differences between projected and actual investment earnings on pension plan investments	3,970	-
Change of assumptions	4,357	1,376
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,502	28
Employer contribution after measurement date	-	-
Total	\$ 10,523	\$ 1,526

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

J. Pension Plan: (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of the NPL in the following years:

Amortization of net deferred outflows/(inflows) of resources - debit/(credit)	
2023	\$ 1,935
2024	3,101
2025	(238)
2026	4,199
2027	-
Thereafter	-
Total	\$ 8,997

- K - Economic Dependency:** The Authority receives approximately 45% of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's reserves could be adversely affected.

- L - Contingencies:** 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 such examinations for the year ended December 31, 2022.

- M - Conduit Type Debt:** Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by HUD. There is no debt or pledge of faith and credit on part of the Authority. Accordingly, this debt has not been recorded in the basic financial statements of the Authority. Additionally, HUD no longer provides debt service information to the Authority.

- N - Leasing Activities (as Lessor):** The Authority is the lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

- O - Interprogram Transfers:** The Authority will make cash transfers between its various programs as outlined in the Federal Regulations and authorized and approved by the Authority's Board of Commissioners. There were transfers of \$77,089 during the year ended December 31, 2022
- P - Decrease in Net Position:** The decrease in net position is expected to be absorbed through operations in subsequent fiscal years, assisted by transfers from various programs. No fund deficit is expected as a result of the current year loss.
- Q - Subsequent Events:** Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through the Date of the Independent Auditors Report and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

SUPPLEMENTARY INFORMATION

Housing Authority of the City of Huntingburg (IN028)

HUNTINGBURG, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2022

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$40,313	\$40,313		\$40,313
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				
114 Cash - Tenant Security Deposits	\$12,499	\$12,499		\$12,499
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$52,812	\$52,812	\$0	\$52,812
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants	\$10,168	\$10,168		\$10,168
126.1 Allowance for Doubtful Accounts -Tenants	-\$2,848	-\$2,848		-\$2,848
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	\$132	\$132		\$132
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$7,452	\$7,452	\$0	\$7,452
131 Investments - Unrestricted	\$110,330	\$110,330		\$110,330
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$2,777	\$2,777		\$2,777
143 Inventories	\$17,121	\$17,121		\$17,121
143.1 Allowance for Obsolete Inventories	\$0	\$0		\$0
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$190,492	\$190,492	\$0	\$190,492
161 Land	\$14,750	\$14,750		\$14,750
162 Buildings	\$2,652,782	\$2,652,782		\$2,652,782
163 Furniture, Equipment & Machinery - Dwellings	\$155,069	\$155,069		\$155,069
164 Furniture, Equipment & Machinery - Administration	\$205,218	\$205,218		\$205,218
165 Leasehold Improvements	\$569,585	\$569,585		\$569,585
166 Accumulated Depreciation	-\$2,814,676	-\$2,814,676		-\$2,814,676
167 Construction in Progress				
168 Infrastructure	\$108,120	\$108,120		\$108,120
160 Total Capital Assets, Net of Accumulated Depreciation	\$890,848	\$890,848	\$0	\$890,848
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	\$890,848	\$890,848	\$0	\$890,848
200 Deferred Outflow of Resources	\$10,523	\$10,523		\$10,523
290 Total Assets and Deferred Outflow of Resources	\$1,091,863	\$1,091,863	\$0	\$1,091,863
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$8,358	\$8,358		\$8,358
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	\$20,290	\$20,290		\$20,290
341 Tenant Security Deposits	\$12,499	\$12,499		\$12,499
342 Unearned Revenue	\$1,630	\$1,630		\$1,630
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	\$42,777	\$42,777	\$0	\$42,777
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	\$32,169	\$32,169		\$32,169
350 Total Non-Current Liabilities	\$32,169	\$32,169	\$0	\$32,169
300 Total Liabilities	\$74,946	\$74,946	\$0	\$74,946
400 Deferred Inflow of Resources	\$1,526	\$1,526		\$1,526
508.4 Net Investment in Capital Assets	\$890,848	\$890,848		\$890,848
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	\$124,543	\$124,543		\$124,543
513 Total Equity - Net Assets / Position	\$1,015,391	\$1,015,391	\$0	\$1,015,391
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,091,863	\$1,091,863	\$0	\$1,091,863

Housing Authority of the City of Huntingburg (IN028)

HUNTINGBURG, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2022

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$157,279	\$157,279		\$157,279
70400 Tenant Revenue - Other	\$22,059	\$22,059		\$22,059
70500 Total Tenant Revenue	\$179,338	\$179,338	\$0	\$179,338
70600 HUD PHA Operating Grants	\$158,539	\$158,539		\$158,539
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
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$877	\$877		\$877
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	\$7,144	\$7,144		\$7,144
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$345,898	\$345,898	\$0	\$345,898
91100 Administrative Salaries	\$47,592	\$47,592		\$47,592
91200 Auditing Fees				
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$8,297	\$8,297		\$8,297
91600 Office Expenses	\$4,002	\$4,002		\$4,002
91700 Legal Expense	\$170	\$170		\$170
91800 Travel				
91810 Allocated Overhead				
91900 Other	\$73,339	\$73,339		\$73,339
91000 Total Operating - Administrative	\$133,400	\$133,400	\$0	\$133,400
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other	\$828	\$828		\$828
92500 Total Tenant Services	\$828	\$828	\$0	\$828
93100 Water	\$6,045	\$6,045		\$6,045

93200 Electricity	\$32,914	\$32,914		\$32,914
93300 Gas	\$11,806	\$11,806		\$11,806
93400 Fuel				
93500 Labor				
93600 Sewer	\$13,294	\$13,294		\$13,294
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				
93000 Total Utilities	\$64,059	\$64,059	\$0	\$64,059
94100 Ordinary Maintenance and Operations - Labor	\$32,121	\$32,121		\$32,121
94200 Ordinary Maintenance and Operations - Materials and Other	\$43,641	\$43,641		\$43,641
94300 Ordinary Maintenance and Operations Contracts	\$202,449	\$202,449		\$202,449
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,742	\$2,742		\$2,742
94000 Total Maintenance	\$280,953	\$280,953	\$0	\$280,953
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other	\$751	\$751		\$751
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$751	\$751	\$0	\$751
96110 Property Insurance				
96120 Liability Insurance				
96130 Workmen's Compensation				
96140 All Other Insurance	\$30,772	\$30,772		\$30,772
96100 Total insurance Premiums	\$30,772	\$30,772	\$0	\$30,772
96200 Other General Expenses	\$2,275	\$2,275		\$2,275
96210 Compensated Absences				
96300 Payments in Lieu of Taxes	\$9,625	\$9,625		\$9,625
96400 Bad debt - Tenant Rents	\$757	\$757		\$757
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$12,657	\$12,657	\$0	\$12,657
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	\$523,420	\$523,420	\$0	\$523,420
97000 Excess of Operating Revenue over Operating Expenses	-\$177,522	-\$177,522	\$0	-\$177,522
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments				
97350 HAP Portability-In				
97400 Depreciation Expense	\$60,251	\$60,251		\$60,251
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				

90000 Total Expenses	\$583,671	\$583,671	\$0	\$583,671
10010 Operating Transfer In	\$77,089	\$77,089	-\$77,089	\$0
10020 Operating transfer Out	-\$77,089	-\$77,089	\$77,089	\$0
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$237,773	-\$237,773	\$0	-\$237,773
11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$1,253,164	\$1,253,164		\$1,253,164
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				
11190 Unit Months Available	600	600		600
11210 Number of Unit Months Leased	576	576		576
11270 Excess Cash	\$84,552	\$84,552		\$84,552
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

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	INPRS Pension Plan									
	Last Ten Fiscal Years *									
	2016	2017	2018	2019	2020	2021	2022			
Huntingburg Housing Authority's proportion of the net pension liability	0.0000082	0.0000095	0.0000094	0.0000095	0.0000095	0.0000095	0.0000102			
Huntingburg Housing Authority's proportionate share of the net pension liability	\$ 37,215	\$ 42,385	\$ 31,932	\$ 31,398	\$ 28,694	\$ 12,501	\$ 32,169			
Huntingburg Housing Authority's covered employee payroll	\$ 39,985	\$ 46,957	\$ 48,188	\$ 50,395	\$ 51,121	\$ 60,278	\$ 58,702			
Huntingburg Housing Authority's proportionate share of the net pension liability as a percentage of it's covered employee payroll	0.930724	0.902634	0.662654	0.623038	0.561200	0.207380	0.548005			

* additional years information will be presented when available
The amounts for each fiscal year were determined as of 6/30

HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Contributions

**INPRS Pension Plan
Last Ten Fiscal Years ***

	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 4,413	\$ 5,259	\$ 5,397	\$ 5,552	\$ 5,726	\$ 5,883	\$ 4,235
Contributions in relation to the contractually required contribution	\$ 4,413	\$ 5,259	\$ 5,397	\$ 5,552	\$ 5,726	\$ 5,883	\$ 4,235
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Huntingburg Housing Authority's covered-employee payroll	\$ 3,985	\$ 46,957	\$ 48,188	\$ 50,395	\$ 51,121	\$ 60,278	\$ 37,810
Contributions as a percentage of covered-employee payroll	11.0%	11.0%	11.0%	11.0%	11.0%	9.75%	11.0%

* additional years information will be presented when available

The amounts for each fiscal year were determined as of 6/30

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**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
Huntingburg Housing Authority
Huntingburg, Indiana

HUD, Indianapolis Field Office
575 North Pennsylvania Street, Room 655
Indianapolis, Indiana 46204-1555

We 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 business type activities of the Huntingburg Housing Authority ("the Authority"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 28, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Authority in a separate letter dated November 28, 2023.

Purpose of this Report

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



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
November 28, 2023

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INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Huntingburg Housing Authority
Huntingburg, Indiana

HUD, Indianapolis Field Office
575 North Pennsylvania Street, Room 655
Indianapolis, Indiana 46204-1555

We have performed the procedures enumerated below to assist the Huntingburg Housing Authority (“the Authority”) as of December 31, 2022 to determine whether the electronic submission of certain information agrees with related hard copy documents included within the OMB Uniform Guidance reporting package. The Authority’s management is responsible for the accuracy and completeness of the electronic submission.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of comparing the electronic submission of the items listed in the “UFRS Rule Information” column with the corresponding printed documents listed in the “Hard Copy Documents” column. The results of the performance of our agreed-upon procedure indicate agreement of electronically submitted information and hard copy documents. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

We perform an audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), for the Authority as of and for the year ended December 31, 2022 and have issued our report thereon dated November 28, 2023. The information in the “Hard Copy Documents” column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Authority’s Financial Data Schedule (FDS) dated November 28, 2023, was expressed in relation to the basic financial statement of the Authority taken as a whole. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the comparison of the electronic submission to the hard copy documents. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Huntingburg Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Malcolm Johnson & Company P.A." in a cursive style.

Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
November 28, 2023

**HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana**

**FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

There were no Findings.

**HUNTINGBURG HOUSING AUTHORITY
Huntingburg, Indiana**

**PRIOR YEAR FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

There were no Prior Year Findings.