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April 26, 2024

Board of Directors
Putnam County Housing Authority
Putnam County, Indiana

We have received the audit report of the Putnam County Housing Authority, which was opined upon by Velma Butler & Company, Ltd., Independent Public Accountant, for the period July 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 Putnam County 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.

In our opinion, Velma Butler & Company, Ltd., prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

PUTNAM COUNTY HOUSING AUTHORITY

INDEPENDENT AUDITOR'S REPORT,
FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2022,
INCLUDING SUMMARY OF AUDITORS' RESULTS

VELMA BUTLER & COMPANY, LTD.
Certified Public Accountants and Consultants



PUTNAM COUNTY HOUSING AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Putnam County Housing Authority
Greencastle, IN

U.S. Department of Housing and Urban
Development, Indianapolis Office
Minton-Capehart Federal Building
575 North Pennsylvania, Room 655
Indianapolis, Indiana 46204

Opinion

We have audited the accompanying financial statements of the business-type activities of the Putnam County Housing Authority (Authority), which comprise the statement of net position as of December 31, 2022, and the related statement of revenue, expenses, and changes in net position, and cash flows for the six months then ended, 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, based on our audit, 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 six months 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 basis for our audit opinions.

Responsibilities of Management 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; 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.

Auditor's Responsibility 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 opinion. 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 and *Government 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 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 and *Government 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 judgement, 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.

We are required to communicate 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 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. 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.


Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying financial data schedules are presented for the purpose of additional analysis as required by U.S. Department of Housing and Urban Development and is not a required part of the basic financial statements.

The financial data schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 our opinion, the schedule of expenditures of federal awards and financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2024 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 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.



Velma Butler & Company, Ltd.
Chicago, Illinois

March 15, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

PUTNAM COUNTY HOUSING AUTHORITY
Greencastle, Indiana

To the Board of Commissioners
Putnam County Housing Authority
Greencastle, Indiana

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Putnam County Housing Authority (Authority) annual financial report presents management’s discussion and analysis of the Authority’s financial performance during the fiscal six months that ended on December 31, 2022. The Management’s discussion and analysis section includes information on the past, present and future events that have been enacted, adopted, agreed upon, and/or contracted by the Authority. The June 30, 2022 comparative information provided in the MD&A comes from the prior-year audit report, performed by another audit firm.

We are pleased to submit the financial statements of the Authority for the six months ended December 31, 2022. The accuracy of the data presented in the financial statements, as well as its completeness and fairness of presentation, is the responsibility of management. All necessary disclosures to enable the reader to gain an understanding of the Authority’s financial affairs have been included in the footnotes accompanying the basic financial statements. The purpose of the financial statements is to provide complete and accurate financial information that complies with reporting requirements of the U.S. Department of Housing and Urban Development (“HUD”) and the Governmental Accounting Standards Board. The Authority’s financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units.

FINANCIAL HIGHLIGHTS

1. Assets were \$20,207 at December 31, 2022, a decrease of \$364,856 from the June 30, 2022, balance of \$215,537. The decrease is due to the dissolution of the Authority on 12/31/22.
1. Liabilities were \$3,714 at December 31, 2022, a decrease of \$549,318 from the June 30, 2022, balance of \$553,032.
2. Net position was \$16,493 at December 31, 2022, with an increase of \$184,462 from prior year’s balance of negative \$(167,969).
3. Revenue was \$496,523 at December 31, 2022, a decrease of \$276,043 from the June 30, 2022, balance of \$772,566. The decrease is due to the dissolution of the Authority on 12/31/22.
4. Expenses were \$312,061 at December 31, 2022, a decrease of \$507,048 from the June 30, 2022, balance of \$819,109. The decrease is due to the dissolution of the Authority on 12/31/22.

USING THIS REPORT

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating, or otherwise changing in a dramatic manner.

The *Statement of Revenues, Expenses, and Changes in Net Position* presents information detailing how the Authority's net position changed during the fiscal year. All changes in the net position are reported as soon as the underlying event given rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation).

The *Statement of Cash Flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and capital and related financing activities.

These financial statements report on the functions of the Authority that are principally supported by intergovernmental revenues. The Authority's function is to provide decent, safe, and sanitary housing to low-income and special needs populations, which is primarily funded with grant revenue received from the U.S. Department of Housing and Urban Development (HUD).

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority's basic financial statements are presented as a single enterprise fund whose operations include the housing choice voucher program.

Fund Financial Statements are groupings of accounts used to maintain control over resources segregated for specific activities or objectives. The Authority, like other state, local, or quasi-governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority's funds only consisted of a *Proprietary Fund*.

The Authority's *Proprietary Fund* is comprised of its enterprise fund with "business-type" activities intended to recover all or a portion of their costs through fees and charges for services. Since the Authority maintains its activities in the enterprise funds, its Proprietary Fund financial statements provide information about the activities of the Authority as a whole.

Section 8 Housing Choice Vouchers - The Housing Choice Voucher is the federal government's programs for assisting low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. The program is administered locally by public housing authorities (PHAs). The PHAs receive funds from HUD to administer the programs. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family.

The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position

Net position represents the difference between total assets and total liabilities.

Table 1
Putnam County Housing Authority

| | <u>12/31/2022</u> | <u>6/30/2022</u> | <u>Change</u> | <u>Percent of Change</u> |
|-------------------------------------|-------------------|-------------------|---------------------|--------------------------|
| Current Assets | \$ 20,207 | \$ 15,168 | \$ 5,039 | 33.2% |
| Capital Assets, Net | - | 369,895 | (369,895) | -100.0% |
| Total Assets | <u>\$ 20,207</u> | <u>\$ 385,063</u> | <u>\$ (364,856)</u> | -94.8% |
| Current Liabilities | \$ 3,714 | \$ 38,039 | \$ (34,325) | -90.2% |
| Non-Current Liabilities | - | 514,993 | (514,993) | -100.0% |
| Total Liabilities | <u>3,714</u> | <u>553,032</u> | <u>(549,318)</u> | -99.3% |
| Invested in Capital Assets, Net | - | (157,451) | 157,451 | 0.0% |
| Unrestricted | (6,863) | (10,725) | 3,862 | -36.0% |
| Restricted | 23,356 | 207 | 23,149 | 0.0% |
| Total Net Position | <u>16,493</u> | <u>(167,969)</u> | <u>184,462</u> | -109.8% |
| Total Liab. and Net Position | <u>\$ 20,207</u> | <u>\$ 385,063</u> | <u>\$ (364,856)</u> | -94.8% |

As shown in Table 1, the Authority's total net position at December 31, 2022 was \$20,207 representing a decrease of 94.8 percent from the June 30, 2022 balance.

Capital Assets

Table 2
Putnam County Housing Authority's Change in Capital Assets

| | <u>12/31/2022</u> | <u>6/30/2022</u> | <u>Change</u> | <u>Percentage Change</u> |
|-----------------------------|-------------------|-------------------|---------------------|--------------------------|
| Land | \$ - | \$ 33,120 | \$ (33,120) | -100.0 % |
| Buildings | - | 893,573 | (893,573) | -100.0 % |
| Equipment and Furniture | 12,228 | 22,926 | (10,698) | -46.7 % |
| Accumulated Depreciaton | (12,228) | (579,724) | 567,496 | -97.9 % |
| Total Capital Assets | <u>\$ -</u> | <u>\$ 369,895</u> | <u>\$ (369,895)</u> | -100.0 % |

Additional detail can be found in the notes to the financial statements.

Revenues

Table 3 shows that the Authority's operating revenue decreased by \$433,613 or 56.1 percent.

Table 3
Change in Putnam County Housing Authority's Net Position

| Description | 12/31/2022 | 6/30/2022 | Change | Percent of Change |
|----------------------------|------------------|---------------------|-------------------|-------------------|
| Operating Revenue | \$ 338,936 | \$ 772,549 | \$ (433,613) | -56.1% |
| Non-Operating Revenue | 157,587 | 17 | 157,570 | 926882.4% |
| Total Revenue | <u>496,523</u> | <u>772,566</u> | <u>(276,043)</u> | -35.7% |
| Operating Expenses | 302,335 | 795,026 | (492,691) | -62.0% |
| Non-Operating Expenses | 9,726 | 24,083 | (14,357) | -59.6% |
| Total Expenses | <u>312,061</u> | <u>819,109</u> | <u>(507,048)</u> | -61.9% |
| Change in Net Position | 184,462 | (46,543) | 231,005 | -496.3% |
| Beginning Net Position | (167,969) | (121,426) | (46,543) | 38.3% |
| Ending Net Position | <u>\$ 16,493</u> | <u>\$ (167,969)</u> | <u>\$ 184,462</u> | -109.8% |

Expenses

Total expenses decreased by 61.9 percent, which was primarily a result of the Authority closing. The changes are shown below in Table 4:

Table 4
Putnam County Housing Authority's Operating Expenses

| Description | 12/31/2022 | 6/30/2022 | Change | Percent of Change |
|---------------------------------|-------------------|-------------------|---------------------|-------------------|
| Administrative Expenses | \$ 39,234 | \$ 168,034 | \$ (128,800) | -76.7% |
| Utilities | 3,497 | 11,165 | (7,668) | -68.7% |
| Maintenance | 11,428 | 42,628 | (31,200) | -73.2% |
| Insurance | 8,744 | 12,563 | (3,819) | -30.4% |
| Housing Assistance Payments | 239,298 | 528,731 | (289,433) | -54.7% |
| Interest Expenses | 9,726 | 24,083 | (14,357) | -59.6% |
| Depreciation Expense | 134 | 31,905 | (31,771) | -99.6% |
| Total Operating Expenses | <u>\$ 312,061</u> | <u>\$ 819,109</u> | <u>\$ (507,048)</u> | -61.9% |

Budgetary Highlights

Management submits a proposed budget for revenues and expenses for the program based on functions, activities, or objectives for the following fiscal year. The budget is then given to the Board of Commissioners. The Commissioners approve and adopt the budget. Operating monies are determined by an estimate of housing assistance payments to landlords plus an administrative fee provided by HUD, as established by Congress. Most funding is dependent on the availability of federal funds.

MAJOR INITIATIVES

None, the Authority dissolved on 12/31/22.

ECONOMIC FACTORS

The Authority is primarily dependent upon HUD for its funding of operations; therefore, operating revenues are affected more by the Federal budget than by local economic conditions.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This Authority's financial report is designed to provide a general overview of the Authority's finances for all those with an interest and to demonstrate the Authority's accountability for the money it receives. Putnam County Housing Authority is managed and operated Crawfordsville Housing Authority, questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, 220 East Main Street, P.O. Box 421, Crawfordsville, IN 47933.

FINANCIAL STATEMENTS

PUTNAM COUNTY HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2022

EXHIBIT A

| ENTERPRISE FUND | |
|---|-----------------------------|
| | 12/31/2022 TOTAL |
| ASSETS | |
| Cash and Cash Equivalents | \$ 20,207 |
| Cash and Cash Equivalents - Restricted | - |
| TOTAL CURRENT ASSETS | <u>20,207</u> |
| Land | - |
| Buildings | - |
| Equipment and Furniture | 12,228 |
| Accumulated Depreciation | <u>(12,228)</u> |
| TOTAL CAPITAL ASSETS | - |
| TOTAL ASSETS | <u>\$ 20,207</u> |
| LIABILITIES AND NET POSITION | |
| Accounts Payable | \$ <u>3,714</u> |
| TOTAL CURRENT LIABILITIES | 3,714 |
| TOTAL LIABILITIES | <u>3,714</u> |
| Invested in Capital Assets | - |
| Unrestricted Net Position | 16,493 |
| Restricted Net Position | - |
| TOTAL NET POSITION | <u>16,493</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 20,207</u> |

See accompanying notes to the financial statements.

**PUTNAM COUNTY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

EXHIBIT B

| ENTERPRISE FUNDS | |
|--|-----------------------------|
| | 12/31/2022 TOTAL |
| OPERATING REVENUES | |
| Tenenat Revenue | \$ 19,078 |
| HUD Operating Grants | 313,002 |
| Other Revenue | 6,856 |
| TOTAL OPERATING REVENUES | 338,936 |
| OPERATING EXPENSES | |
| Administrative | 39,234 |
| Utilities | 3,497 |
| Maintenance | 11,428 |
| Insurance | 8,744 |
| HAP Payments | 239,298 |
| Interest Expenses | 9,726 |
| Depreciation Expenses | 134 |
| TOTAL OPERATING EXPENSES | 312,061 |
| OPERATING INCOME (LOSS) | 26,875 |
| NON-OPERATING REVENUES (EXPENSES) | |
| Investment Income | 2 |
| Gain/(Loss) on Sale of Assets | 157,585 |
| TOTAL NON-OPERATING REVENUES | 157,587 |
| CHANGE IN NET POSITION | 184,462 |
| NET POSITION AT BEGINNING OF PERIOD | (167,969) |
| NET POSITION AT END OF PERIOD | \$ 16,493 |

See accompanying notes to the financial statements.

**PUTNAM COUNTY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

EXHIBIT C

12/31/2022

Total

| CASH FLOWS FROM OPERATING ACTIVITIES | |
|--|------------------|
| Receipts from Tenants and Others | \$ 338,936 |
| Payments to Employees | - |
| Payments to Vendors and Suppliers | (332,746) |
| Net Cash Provided by Operating Activities | <u>6,190</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest Income | 2 |
| (Purchase)/Disposal of Capital Assets | 369,761 |
| Gain/(Loss) on Sale of Capital Assets | 157,585 |
| Net Cash (Used In) Provided by Investing Activities | <u>527,348</u> |
| CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES | |
| Increase/(Decrease) in Notes Payable | <u>(527,346)</u> |
| Net Cash (Used In) Provided by Capital and Related Activities | <u>(527,346)</u> |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | <u>6,192</u> |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FISCAL YEAR | 14,015 |
| CASH AND CASH EQUIVALENTS AT END OF FISCAL YEAR | <u>\$ 20,207</u> |
| Cash and Cash Equivalents | |
| Unrestricted Cash and Cash Equivalents | \$ 20,207 |
| Restricted Cash and Cash Equivalents - Current | - |
| Cash and Cash Equivalents at end of Fiscal Year | <u>\$ 20,207</u> |
| Reconciliation of Operating Loss to Net Cash (Used)/ Provided by Operating Activities | |
| Operating Income/(Loss) | \$ 26,875 |
| Adjustments To Reconcile | |
| Depreciation | 134 |
| Change in Assets and Liabilities | |
| (Increase)/Decrease in Prepaid Expenses and Deposits | 1,153 |
| Increase/(Decrease) in Accounts Payable | (17,136) |
| Increase/(Decrease) in Accrued Liabilities | (3,368) |
| Increase/(Decrease) in Deferred Revenue | (1,468) |
| Net Cash Provided by Operating Activities | <u>\$ 6,190</u> |
| SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES | |
| Interest Paid During the Year | <u>\$ 9,726</u> |

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

**PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental units.

A. Organization and Program Description

The Putnam County Housing Authority (Authority) is a public body and a body corporate and politic organized under the laws of the State of Indiana that is legally separate, fiscally independent and governed by a Board of Commissioners. The Authority administers the Section 8 Housing Choice Vouchers program which provides housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD). Additionally, HUD has entered into Annual Contributions Contract with the Authority for the purpose of administering housing and housing relating programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering housing programs under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local housing authorities and to provide funds to assist the Public Housing Authorities (PHAs) in financing the acquisition, construction, and/or leasing of housing units; to make housing assistance payments; and to make annual contributions (subsidies) to PHAs for the purpose of maintaining the low rent character of the local housing program.

As required by accounting principles generally accepted in the United States of America, the accompanying financial statements present the various program activities of the Authority. The Authority's assets, liabilities and results of operations are segregated into grant programs as follows:

Section 8 Housing Choice Voucher Program - The Authority participates in the Housing Choice Voucher Program. This program is designed to provide privately owned, decent, safe and sanitary housing to low-income families. The Authority provides assistance to low-income persons seeking decent, safe and sanitary housing by subsidizing rents between such persons and owners of existing private housing. Under the program, the Authority enters into housing assistance payment contracts with eligible landlords. To fund the program, the Authority enters into annual contribution contracts with HUD for the receipt of rental subsidies. The Housing Choice Voucher program is reported as an enterprise fund.

Section 8 New Construction - Under this program, HUD provides Section 8 project-based assistance to the housing authorities to help bridge the gap between the rents needed to make a project feasible and the rents affordable to the tenants. The project was initially financed through the USDA-RD Program, however, refinanced through a loan with North Salem State Bank.

PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

B. Reporting Entity

The reporting entity for the Authority includes its Enterprise Funds. The Authority is a separate governmental entity created for the purpose of providing rental assistance to low income and elderly persons. Most funding is provided by the United States Department of Housing and Urban Development (HUD). All funds and programs are included in these statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the Authority are organized and operated on the basis of fund accounts. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

Enterprise Funds - are accounted for on the flow of economic resources measurement focus and use the full accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of these funds are included on the balance sheet. All funds are reported as enterprise funds and are grouped as follows:

1. Section 8 Program consists of HUD payment of rents for tenants in privately owned housing and fees to the housing authority for operating the program.
2. Section 8 New Construction(N/C) and Substantial Rehabilitation (S/R) consists of HUD payment of rents for tenants in Authority owned housing.

Management's Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash - Cash and cash equivalents are defined as short-term, highly liquid investments that are both: readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. This includes all demand deposits, saving accounts and certificates of deposits or short-term investments with a maturity date of three months or less. Restricted assets include cash legally restricted as to their use. The primary restricted cash is related to the housing choice voucher program for future tenants rent payments.

Receivables - Receivables consist of all revenues earned at year-end but not yet received. Allowances for uncollectible receivables are based on historical trends and periodic aging of receivables.

**PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Risk Management - The Authority is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life, and natural disasters. The Authority manages these various risks of loss with insurance coverage.

Management believes insurance coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Capital Assets - Capital Assets consist of assets purchased or acquired at a cost of \$5,000 or greater. All capital assets are stated at historical costs or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Capital assets depreciated using straight-line method of depreciation over their estimated useful lives as follows:

| | |
|----------------------------------|--------------|
| Building | 40 years |
| Building Improvements | 7 - 40 years |
| Furniture, Fixtures, & Equipment | 3 - 10 years |

Compensated Absences - The Authority has no employees, thus, there is not a documented policy regarding vacation and sick time.

Federal Awards - Federal grants for reimbursable programs are recognized as revenue in the year related program expenditures are incurred. Awards received prior to meeting revenue recognition criteria are recorded as deferred revenue. Operating grants are recorded as revenue in the year earned.

Operating Revenue & Expenses - Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are operating grants from HUD. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the statement of revenues, expenses, and change in net position.

**PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Fair Value - GASB Statement No. 72, Fair Value Measurement and Application, is effective for periods beginning after June 15, 2015 with earlier application encouraged. This Statement should improve financial reporting by clarifying the definition of fair value for financial reporting purposes. This Statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy and valuation techniques. The disclosures should be organized by type asset or liability reported at fair value. The Authority's implementation as a result of this pronouncement did not have a material impact on the financial statements.

Net Position - Net position is comprised of three categories: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position. Each component of net position is reported separately on the statement of net position. Net position includes the following:

(1) Investment in capital assets, net of related debt - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

(2) Restricted - the component of net position that reports the amount of revenue from a federal or state award for service programs in excess of expenditures. These funds are restricted for the use of the related federal or state program.

(3) Unrestricted - The difference between the assets and liabilities that is not reported in the net position invested in capital, net of related debt or net position restricted for federal and state programs.

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.

Concentration of Risk -During the year ended December 31, 2022, the Authority received approximately 97 percent of its funding from HUD.

Compliance - The Authority is subject to various federal, state and local laws and regulations and contractual regulations.

Note 2 - Budget Information

Enterprise Funds - The Authority prepares annual operating budgets for its enterprise funds receiving federal expenditure awards. The Fiscal Services Director prepares the operating budgets for the year for all program activities. Budgets are submitted by the Authority's Executive Director and approved by resolutions of the Board of Commissioners and/or HUD.

**PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents totaled \$20,207 at December 31, 2022, and are maintained in commercial checking accounts and are readily available. Amounts up to \$250,000 are fully insured by the Federal Deposit Insurance Corporation (FDIC). Cash amounts in excess of the \$250,000, not insured by the FDIC, are required to be collateralized by United States government securities and held in the pledging financial institutions' trust departments in the Authority's name, as required by HUD regulations. All amounts were fully insured by the FDIC.

Of the total cash on hand the breakdown between unrestricted and restricted is shown below:

| | | |
|-------------------|----|---------------|
| Unrestricted Cash | \$ | 20,207 |
| Restricted Cash | | - |
| Total Cash | \$ | <u>20,207</u> |

Note 4 - Capital Assets

Capital assets totaled \$0 at December 31, 2022, as shown in the table below:

| Capital Assets | 06/30/22 | Additions / Deletions | 12/31/22 |
|-----------------------------|-------------------|----------------------------------|-----------------|
| Land | \$ 33,120 | \$ (33,120) | \$ - |
| Buildings | 893,573 | (893,573) | - |
| Equipment and Furniture | 22,926 | (10,698) | 12,228 |
| Less Accum. Depreciation | (579,724) | 567,496 | (12,228) |
| Total Capital Assets | \$ 369,895 | \$ (369,895) | \$ - |

There were no capital additions and there were no dispositions during the six-month period. Depreciation expense for the six months totaled \$134. The Authority dissolved on 12/31/22, and the land, building and some furniture and equipment were sold on 01/17/23, and the balances above reflects that sale. The remaining furniture and equipment will be transferred to Crawfordville HA, which will manage all former Putnam County HA clients.

Note 5 - Accounts Payable

Accounts payable totaled \$3,714, at December 31, 2022, which consisted of amounts due vendors.

Note 6 - Administrative Fees

The Authority receives an "Administrative Fee" as part of each of the annual contributions contract from HUD to cover the costs (including overhead) of administering the Housing Choice Voucher Housing Assistance programs. These fees are primarily paid to the Authority for their management of the Authority's operations and finances.

**PUTNAM COUNTY HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Note 7 - Subsequent Events

Management has performed an analysis of activities and transactions subsequent to December 31, 2022, to determine the need for any adjustments to and/or disclosure within the audited financial statements for the year ended December 31, 2022. Management has performed their analysis through March 15, 2024, the date the financial statements were issued.

Subsequent to the six months endings December 31, 2022, the Authority dissolved on December 31, 2022. Additionally, all assets were transferred to Crawfordsville Housing Authority, and Capital Assets (land and buildings) were sold on January 17, 2023. Each of these transactions are reflected in the financial statements at December 31, 2022.

SUPPLEMENTAL INFORMATION

PUTNAM COUNTY HOUSING AUTHORITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

EXHIBIT D

| FEDERAL GRANTOR | PROGRAM OR AWARD ALN # | FEDERAL AWARDS EXPENDED | TOTAL PROGRAM EXPENDITURES |
|---|------------------------------|-------------------------------|----------------------------------|
| Major Programs | | | |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| Housing Voucher Cluster | | | |
| Section 8 Housing Choice Vouchers | 14.871 | 299,919 | 261,296 |
| Section 8 New Construction | 14.182 | <u>13,083</u> | <u>50,765</u> |
| Total Housing Choice Voucher Cluster | | 313,002 | 312,061 |
| Total Major Programs | | 313,002 | 312,061 |
| Total All Programs | | <u>\$ 313,002</u> | <u>\$ 312,061</u> |

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Putnam County Housing Authority (Authority) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 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 six months ended December 31, 2022. The awards are classified into major and non-major program categories in accordance with the provisions of the Uniform Guidance. The schedule of expenditures of federal awards displays the Authority's expenditures charged to federal programs for the six months ended December 31, 2022, and should be read in conjunction with the Authority's consolidated financial statements.

The Authority did not elect to use the 10% de minimis cost rate as covered in 2 CFR 200.414 Indirect (F&A) costs.

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 - Sub-recipients

There were no sub-recipients for the six months ended December 31, 2022.

Note 4 - Loans Outstanding

There were no federal loans outstanding for the six months ended December 31, 2022.

Note 5 - Non-Cash Assistance

The Authority provided no non-cash assistance for the six months ended December 31, 2022.

Note 6 - Insurance

The Authority had no federal insurance for the six months ended December 31, 2022.

Housing Authority of Putnam County (IN094)

Crawfordsville, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2023

| | 14.182 N/C S/R Section 8 Programs | 14.871 Housing Choice Vouchers | Subtotal | ELIM | Total |
|---|--------------------------------------|-----------------------------------|-----------|------|-----------|
| 111 Cash - Unrestricted | | \$20,207 | \$20,207 | | \$20,207 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | | | | | |
| 114 Cash - Tenant Security Deposits | | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | |
| 100 Total Cash | \$0 | \$20,207 | \$20,207 | \$0 | \$20,207 |
| 121 Accounts Receivable - PHA Projects | | | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | |
| 124 Accounts Receivable - Other Government | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | | |
| 126 Accounts Receivable - Tenants | | | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | | | |
| 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 | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$0 | \$0 | \$0 | \$0 | \$0 |
| 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 | | \$0 | \$0 | | \$0 |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$0 | \$20,207 | \$20,207 | \$0 | \$20,207 |
| 161 Land | | | | | |
| 162 Buildings | | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | | |
| 164 Furniture, Equipment & Machinery - Administration | | \$12,228 | \$12,228 | | \$12,228 |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | | -\$12,228 | -\$12,228 | | -\$12,228 |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$0 | \$0 | \$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 | \$0 | \$0 |
| 200 Deferred Outflow of Resources | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$0 | \$20,207 | \$20,207 | \$0 | \$20,207 |
| 311 Bank Overdraft | | | | | |
| 312 Accounts Payable <= 90 Days | \$3,714 | | \$3,714 | | \$3,714 |

Housing Authority of Putnam County (IN094)

Crawfordsville, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2023

| | 14.182 N/C S/R Section 8 Programs | 14.871 Housing Choice Vouchers | Subtotal | ELIM | Total |
|---|--------------------------------------|-----------------------------------|----------|------|----------|
| 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 | | | | | |
| 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 | \$3,714 | \$0 | \$3,714 | \$0 | \$3,714 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$0 | \$0 | \$0 | \$0 |
| 300 Total Liabilities | \$3,714 | \$0 | \$3,714 | \$0 | \$3,714 |
| 400 Deferred Inflow of Resources | | | | | |
| 508.4 Net Investment in Capital Assets | | | | | |
| 511.4 Restricted Net Position | | \$23,238 | \$23,238 | | \$23,238 |
| 512.4 Unrestricted Net Position | -\$3,714 | -\$3,031 | -\$6,745 | | -\$6,745 |
| 513 Total Equity - Net Assets / Position | -\$3,714 | \$20,207 | \$16,493 | \$0 | \$16,493 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | \$0 | \$20,207 | \$20,207 | \$0 | \$20,207 |

Housing Authority of Putnam County (IN094)

Crawfordsville, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2023

| | 14.182 N/C S/R Section 8 Programs | 14.871 Housing Choice Vouchers | Subtotal | ELIM | Total |
|---|--------------------------------------|-----------------------------------|-----------|------|-----------|
| 70300 Net Tenant Rental Revenue | \$19,078 | | \$19,078 | | \$19,078 |
| 70400 Tenant Revenue - Other | | | | | |
| 70500 Total Tenant Revenue | \$19,078 | \$0 | \$19,078 | \$0 | \$19,078 |
| 70600 HUD PHA Operating Grants | \$13,083 | \$299,919 | \$313,002 | | \$313,002 |
| 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 | \$1 | \$1 | \$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 | \$388 | \$6,468 | \$6,856 | | \$6,856 |
| 71600 Gain or Loss on Sale of Capital Assets | \$157,585 | | \$157,585 | | \$157,585 |
| 72000 Investment Income - Restricted | | | | | |
| 70000 Total Revenue | \$190,135 | \$306,388 | \$496,523 | \$0 | \$496,523 |
| 91100 Administrative Salaries | | | | | |
| 91200 Auditing Fees | | | | | |
| 91300 Management Fee | | | | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | | | |
| 91500 Employee Benefit contributions - Administrative | | | | | |
| 91600 Office Expenses | \$2,268 | \$4,280 | \$6,548 | | \$6,548 |
| 91700 Legal Expense | | | | | |
| 91800 Travel | | | | | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | \$16,416 | \$16,404 | \$32,820 | | \$32,820 |
| 91000 Total Operating - Administrative | \$18,684 | \$20,684 | \$39,368 | \$0 | \$39,368 |
| 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 | \$0 | \$0 |
| 93100 Water | \$2,904 | | \$2,904 | | \$2,904 |
| 93200 Electricity | \$593 | | \$593 | | \$593 |
| 93300 Gas | | | | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

Housing Authority of Putnam County (IN094)

Crawfordsville, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2023

| | 14.182 N/C S/R Section 8 Programs | 14.871 Housing Choice Vouchers | Subtotal | ELIM | Total |
|---|--------------------------------------|-----------------------------------|-----------|------|-----------|
| 93000 Total Utilities | \$3,497 | \$0 | \$3,497 | \$0 | \$3,497 |
| 94100 Ordinary Maintenance and Operations - Labor | \$6,903 | | \$6,903 | | \$6,903 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$1,071 | | \$1,071 | | \$1,071 |
| 94300 Ordinary Maintenance and Operations Contracts | \$3,454 | | \$3,454 | | \$3,454 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | | |
| 94000 Total Maintenance | \$11,428 | \$0 | \$11,428 | \$0 | \$11,428 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | \$5,177 | | \$5,177 | | \$5,177 |
| 96120 Liability Insurance | \$291 | \$692 | \$983 | | \$983 |
| 96130 Workmen's Compensation | \$1,288 | | \$1,288 | | \$1,288 |
| 96140 All Other Insurance | \$146 | | \$146 | | \$146 |
| 96100 Total insurance Premiums | \$6,902 | \$692 | \$7,594 | \$0 | \$7,594 |
| 96200 Other General Expenses | \$528 | \$622 | \$1,150 | | \$1,150 |
| 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 | \$528 | \$622 | \$1,150 | \$0 | \$1,150 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | \$9,726 | | \$9,726 | | \$9,726 |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$9,726 | \$0 | \$9,726 | \$0 | \$9,726 |
| 96900 Total Operating Expenses | \$50,765 | \$21,998 | \$72,763 | \$0 | \$72,763 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$139,370 | \$284,390 | \$423,760 | \$0 | \$423,760 |
| 97100 Extraordinary Maintenance | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | \$239,298 | \$239,298 | | \$239,298 |
| 97350 HAP Portability-In | | | | | |
| 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 | \$50,765 | \$261,296 | \$312,061 | \$0 | \$312,061 |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

Housing Authority of Putnam County (IN094)

Crawfordsville, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2023

| | 14.182 N/C S/R Section 8 Programs | 14.871 Housing Choice Vouchers | Subtotal | ELIM | Total |
|---|--------------------------------------|-----------------------------------|------------|------|------------|
| 10040 Operating Transfers from/to Component Unit | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 | \$0 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | \$139,370 | \$45,092 | \$184,462 | \$0 | \$184,462 |
| 11020 Required Annual Debt Principal Payments | \$4,932 | \$0 | \$4,932 | | \$4,932 |
| 11030 Beginning Equity | -\$183,471 | \$15,502 | -\$167,969 | | -\$167,969 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$40,387 | -\$40,387 | \$0 | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | -\$3,031 | -\$3,031 | | -\$3,031 |
| 11180 Housing Assistance Payments Equity | | \$23,238 | \$23,238 | | \$23,238 |
| 11190 Unit Months Available | 149 | 978 | 1127 | | 1127 |
| 11210 Number of Unit Months Leased | 149 | 802 | 951 | | 951 |
| 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 | | | | | |

OTHER REQUIRED REPORTS

**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
Putnam County Housing Authority
Greencastle, IN

U.S. Department of Housing and Urban
Development, Indianapolis Office
Minton-Capehart Federal Building
575 North Pennsylvania, Room 655
Indianapolis, Indiana 46204

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Putnam County Housing (Authority) as of and for the six months 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 March 15, 2024.

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 to determine the 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 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.

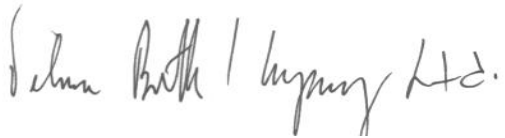
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not 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 determination of financial statement amounts. 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*.

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

A handwritten signature in cursive script that reads "Velma Butler & Company, Ltd.".

Velma Butler & Company, Ltd.
Chicago, Illinois

March 15, 2024

Independent Auditor's Report on Applying Agreed-Upon Procedures

Board of Commissioners
Putnam County Housing Authority
Greencastle, IN

U.S. Department of Housing and Urban
Development, Indianapolis Office
Minton-Capehart Federal Building
575 North Pennsylvania, Room 655
Indianapolis, Indiana 46204

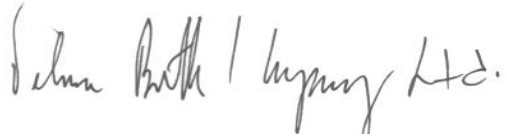
We have performed the procedure described in the second paragraph of this report, which was agreed to by the Putnam County Housing Authority (Authority) and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with related hard copy documents. The Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed document listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below.

We were engaged to perform an audit of the financial statements of the Authority as of and for the six-months ended December 31, 2022, and have issued our report thereon dated March 15, 2024. 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 Housing Authority's Financial Data Schedule (FDS) dated March 15, 2024, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the financial statement package and the FDS, which included the auditor's report, is available in its entirety from the Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit report. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of the Housing 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 "Velma Butler & Company Ltd." The signature is written in a cursive, flowing style.

Velma Butler & Company, Ltd.
Chicago, Illinois

March 15, 2024

SCHEDULE OF FINDINGS AND RESPONSES

PUTNAM COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES - CURRENT YEAR
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

The type of report issued: **Unmodified**

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Deficiencies identified not considered to be material weaknesses?
Yes X None reported

Noncompliance material to financial statements noted?
Yes X None reported

Section II - Financial Statement Findings

There were no reportable findings for the six-months ended December 31, 2022.

**PUTNAM COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES - PRIOR YEAR
FOR THE SIX MONTHS ENDED DECEMEBER 31, 2022**

Prior Year Findings

2022-001 Missing Documentation

Criteria: Several items requested during the audit were not available for examination. Information requested that was either not prepared or could not be located by the Authority.

CLOSED - All documentation for six-months ended December 31, 2022 was provided and the Authority dissolved on December 31, 2022.

2022-002 Tenant File Documentation

Criteria: During review of ten tenant files (HCV program), the following deficiencies were noted:

- None of the files contained a rent reasonableness form.
- Nine files did not have a signed lease agreement.
- No HQS inspection documentation present in one file.
- One file did not have independent income verification.

CLOSED - Tenant files were transferred to Crawfordsville HA, as the Authority dissolved on December 31, 2022.

2022-003 Interfund Receivable / Payable

Criteria: HUD has certain regulations and procedures which should be followed by the PHA. Specifically, HUD programs should not advance loans to other HUD or non-HUD programs.

CLOSED

2022-004 Late FDS Submission

Criteria: I noted that the Authority did not submit the electronic transmission of their GAAP based audited Financial Data Schedule (FDS) to the Financial Assessment Subsystem of REAC within the 9 months of their yearend.

CLOSED