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May 15, 2013

Board of Directors
Housing Authority of the City of Elkhart
1396 Benham Avenue
Elkhart, IN 46516

We have reviewed the audit report prepared by McCauley, Nicolas & Company, LLC, Independent Public Accountants, for the period April 1, 2010 to March 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Elkhart, as of March 31, 2011 and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

**HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

for the year ended March 31, 2011

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Independent Auditors' Report

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

We have audited the accompanying financial statements of the Housing Authority of the City of Elkhart as of and for the year ended March 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of Elkhart's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 Controller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Elkhart as of March 31, 2011, and the results of its operations, changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2011 on our consideration of the Housing Authority of the City of Elkhart'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

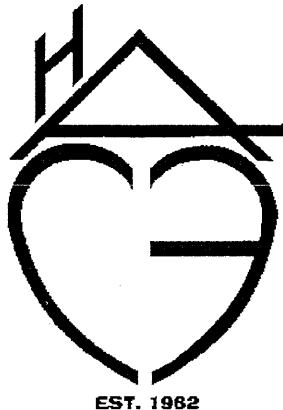
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Housing Authority of the City of Elkhart taken as a whole. The accompanying Schedule of Expenditures of Federal Awards on page 26 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the financial statements. Additionally, the accompanying Financial Data Schedule is presented for purposes of additional analysis and is also not a required part of the financial statements. The schedule of expenditures of federal awards and the Financial Data Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

McCauley, Nicolas & Company, LLC

McCauley, Nicolas & Company, LLC
Certified Public Accountants

Jeffersonville, Indiana
December 29, 2011



MANAGEMENT DISCUSSION AND ANALYSIS

Fiscal Year 2011 Year End Audit Report

By: Joan Lau, Director Finance Elkhart Housing Authority.

The Elkhart Housing Authority's (the Authority") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

This Management Discussion and Analysis will be presented at the front of each year's financial statements.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 15).

FINANCIAL HIGHLIGHTS

- The Authority's net assets increased \$895,700 (or 7.8%) during fiscal year 2011. The Authority engages in business-type, Comprehensive counseling, New Construction S/R Section 8, Low Rent Public Housing, Housing Choice Voucher, and Capital Fund program activities. Our combined Net Assets were as follows:
 - 2011=\$12,405,698 million
 - 2010=\$11,509,998 million
 - 2009=\$10,322,879 million

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

FINANCIAL HIGHLIGHTS—Continued

- Total revenue decreased by \$529,540 or 5.6% from 2010's \$9,407,728 to \$8,878,188 in 2011.
- Unrestricted investment income increased by \$1,872 or 10.2%. Due to an increase in unrestricted net assets in the Housing Choice Voucher program. Housing Choice Voucher's equity is split between restricted and unrestricted. Net Restricted Assets represent the net of Housing Assistant subsidy over Housing Assistance Payments (HAP). Investments are made based on the balances in the two accounts. Prior to this year all investments income were applied to Net Restricted Assets (NRA). Restricted investment income was reduced by (\$7,819) for the same reason. Over all Investment income was down by (\$5,947) due to lower interest rates.
- The Net Tenant Rental Revenue decreased by \$52,967 (5.25%) from \$1,008,646(2010) to \$955,679(2011). This decrease in Tenant rent under the AMPS was a result of a management decision to change our philosophy of billing tenants for all move out charges. We also had a decrease in tenant rents due to lower than expected occupancy.
- Fraud Recovery was up by \$20,774.
- Operating Grant revenue increased by \$252,951 a 3.8% increase from \$6,523,194 to \$6,776,145 this was primarily due to:
 - Increased administration fees of \$10,203 in Housing Choice voucher.
 - An increase in operating subsidy for the public housing of \$90,779.
 - The addition of Tenant Protection Vouchers program caused an increase of revenue by \$17,400.
 - Housing choice voucher closed on a home and generated a \$2,000 fee for the Home Ownership Voucher program.
 - An increase of \$ 2,578 from our Resident Housing for low income families (ROSS) co-coordinator in operation for a full 12 months. In 2010, the program started mid-year.
 - Capital Grant Operating Revenue's (soft cost) increased by \$92,944 from 2010's \$284,510 to 2011's \$377,454
 - Other Fees which are Capital Fund Program's administration fees were up \$25,119 from 2010's \$100,645 to 2011's \$125,764.
 - Capital Grant revenue (hard cost) decreased by (\$527,479) a 75.2% decrease from \$701,341 to \$173,862 was due to delays in starting a major project due to weather. Window installation at Riverside Terrace.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

FINANCIAL HIGHLIGHTS—Continued

- Total expenses of all Authority programs decreased by \$41,965 or a (7.11%).
The change consisted of the following:

Administration expenses	\$ (110,186)
Utilities expense	348
Tenant services (Resident Part)	(1,826)
Maintenance	(8,756)
Protective services	(16,480)
Insurance premiums	(11,431)
General expenses	16,871
Housing assistance payments	21,229
Depreciation expense	44,049
Casualty losses and extraordinary maintenance	<u>24,217</u>
	<u>\$ 41,965</u>

USING THIS ANNUAL REPORT

MD&A

~ Management Discussion
And Analysis ~

Basic Financial Statements

~ Authority-wide Financial Statements – pgs 15-17~
~ Notes to Financial Statements – pgs 18-25 ~

Other Required Supplementary Information

~ Required Supplementary Information pg 26~
(Other than MD&A)

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

USING THIS ANNUAL REPORT—Continued

The primary focus of the Authority's financial statement (summarized fund-type information) has been discarded. The new and clearly preferable focus is on both the Authority as a whole (Authority-wide) and the major individual funds. Both perspectives (authority-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

Authority-Wide Financial Statements

The Authority-wide financial statements (see pgs 15-17) are designed to be corporate-like in that all business type activities are consolidated into columns which add to a total for the entire Authority.

These Statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in a format, where assets minus liabilities equal "Net Assets", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Assets (formerly equity) are reported in three broad categories:

Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

Authority-Wide Financial Statements—Continued

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the “Change in Net Assets”, which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

Fund Financial Statements

The Authority's Funds

Business Type Funds- the Housing Finance Corporation and the Elkhart Community Housing Corporations are sister Not – For – Profit entities to encourage affordable housing for the low income cliental of Elkhart County.

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents 672 units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Other Non-major Funds – In addition to the major funds above, the Authority also maintains the following non-major funds. Non-major funds are defined as funds that have assets, liabilities, revenues, or expenses of at least 5% or more of the Authority's total assets, liabilities, revenues or expenses:

Business Activities – represents non-HUD resources developed from a variety of activities.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

AUTHORITY-WIDE STATEMENT

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior year. The Authority is engaged in Business-Type Activities, Conventional Housing & Housing Choice Voucher.

TABLE 1

STATEMENT OF NET ASSETS

	2011 (In thousands of dollars)	2010 (In thousands of dollars)
Current and Other Assets	\$ 4,370.8	\$3,183.9
Capital Assets	8,994.5	8,847.0
Total Assets	13,365.3	12,030.9
Current Liabilities	818.4	379.4
Long-Term Liabilities	141.1	141.5
Total Liabilities	959.5	520.9
Net Assets:		
Invested in Capital Assets, Net of Related Debt	8,994.5	8,847.0
Restricted	473.0	327.7
Unrestricted	2,938.3	2,335.3
Total Net Assets	\$12,405.8	\$11,510.0

For more detailed information see page 15 for the Statement of Net Assets.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

Major Factors Affecting the Statement of Net Assets

Current assets were increased by \$1,222,830. Capital Assets increased by \$147,474. Primarily these numbers changed by the following:

Current Assets

Cash increased by	\$ 119,760
Accounts Receivable from HUD by	\$ 12,532
Account Receivable Misc up	\$ 52,507
Net Tenant Acc Rec decreased by	\$ (10,541)
Investments increased by	\$ 500,000
Prepaid Expenses & Other asses up by	\$ 5,128
Acc Interest Rec down by	\$ (3,799)

Capital Assets

Construction in progress (CIP)	\$ 689,244
Furniture & Equip	\$ 162,378
Buildings	\$ (767,780)
Leasehold improvements up by	\$ 877,533
Accumulated Depreciation	\$ (813,901)

The Dwelling & Administration lines were affected by the completion of several large capital fund projects. For more detail see "Capital Assets and Debt Administration" below.

Liabilities increased by \$437,707. An increase to current liabilities of \$438,028 and a decrease of long term by (\$321). Most of this decrease in long term was due to a reduction to Non Current Compensated Absences. In current the increase of \$438,028 was mostly made up of the net of the following items:

Current Compensated Absences	\$ 68,473
A/P HUD	\$ 21,810
Tenant Sec Deposits	\$ (3,464)
Deferred Revenue	\$ 34,761
Other Current Liabilities	\$ 12,831

Table 2 presents details on the change in Unrestricted Net Assets

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

TABLE 2

CHANGE OF UNRESTRICTED NET ASSETS

	Thousands of dollars
Unrestricted Net Assets 03/31/10	\$ 2,335.4
Results of Operations-total	669.0
Results restricted net assets	(145.3)
Capital Assets increased	(147.5)
Prior period adjustment	226.7
	<hr/>
Unrestricted Net Assets 3/31/11	<u>\$ 2,938.3</u>

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Assets provides a clearer change in financial well-being.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

TABLE 3

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

	2011 (Thousands of dollars)	2010 (Thousands of dollars)
Revenues		
Tenant Revenue – Rents and Other	\$ 1,043.0	\$ 1,107.8
Operating Subsidies and Grants	6,776.1	6,523.2
Capital Grants	704.4	1,469.0
Other fees	125.8	100.6
Investment income-unrestricted	20.3	18.4
Fraud recovery revenue	103.6	83.0
Other revenue	101.7	94.5
Investment-restricted	3.3	11.2
Total Revenue	8,878.2	9,407.7
Expenses		
Administrative	1,669.2	1,653.6
Tenant Services	10.9	12.7
Utilities	318.2	317.9
Maintenance	1,053.5	1,062.2
Insurance	183.9	195.3
Protective Services	64.8	81.2
General	133.2	116.4
Extraordinary maintenance	35.6	-
Casualty loss	1.0	12.4
Depreciation	788.6	744.6
Housing Assistance Payments	3,950.3	3,929.1
Total Expenses	8,209.2	8,125.4
Net Increase	\$ 669.0	\$ 1,282.3

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

Total Tenant revenue decreased due to a lower than expected occupancy, increase in negative renters, and a change in charging move-out charges to the AMP instead of the tenant. Tenant rent decreased by \$53,659 due to failure to lease the units in a timely manner, thus decreasing our occupancy numbers. Other tenant revenue was decreased by (\$11,838). Occupancy for the following years is listed:

2008	96.15%
2009	93.03%
2010	96.15%
2011	96.28%

Operating Subsidies was increased slightly (3.8%). Capital grants revenue (line706.1) decreased by (52.0%) or (\$766,104). This decrease was due to a delay due to weather and most major projects had been completed last year. The grant stimulus labeled "ARRA" completed several large capital projects. Investment income has only slightly decreased by (\$5,947) mainly due to lower interest rate upon transferring to a new banking institution at the certificate of deposit's maturity.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year end, the Authority had \$8,994,466 invested in a variety of capital assets as reflected in the following schedule, which represents a net increase (addition, deductions and depreciation) of \$147,474 from the end of last year.

TABLE 4

**CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)**

	Business-type Activities	
	2011	2010
Land and land rights	\$ 1,065,518	\$ 1,065,518
Buildings	15,990,117	16,757,897
Equipment – Administrative	414,156	248,957
Equipment - Dwelling	598,079	600,900
Leasehold Improvements	11,362,404	10,484,871
Accumulated Depreciation	(21,125,052)	(20,311,151)
Construction In Progress	689,244	-
Total	\$ 8,994,466	\$ 8,846,992

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS—Continued
Year ended March 31, 2011

The following reconciliation summarizes the change in Capital Assets.

TABLE 5

CHANGE IN CAPITAL ASSETS

	Business Type Activities
Beginning Balance	\$ 8,846,992
Additions	246,890
Construction in Progress	689,214
Depreciation	<u>(788,630)</u>
Ending Balance	<u><u>\$ 8,994,466</u></u>

Debt Outstanding

As of year-end, the Authority had no outstanding debts.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs
- Rising fuel cost.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Joan Lau, Director of Finance of the Housing Authority of the City of Elkhart, at (574) 295-8392. Specific requests may be submitted to Joan Lau, Director of Finance, Housing Authority of the City of Elkhart, 1396 Benham Ave, Elkhart, IN 46516.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

STATEMENT OF NET ASSETS-PROPRIETARY FUND
March 31, 2011

<u>ASSETS</u>	
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,144,755
Certificates of deposit	1,900,000
Accounts receivable - tenants, net	36,493
Accounts receivable - HUD	92,210
Accounts receivable - other	54,075
Accrued interest receivable	11,945
Inventory - materials and supplies	72,419
Other assets	<u>58,906</u>
TOTAL CURRENT ASSETS	<u>4,370,803</u>
PROPERTY AND EQUIPMENT	
Land	1,065,518
Buildings	15,990,117
Furniture, equipment and machinery	1,012,235
Leasehold improvements	11,362,404
Construction in progress	<u>689,244</u>
Total property and equipment	30,119,518
Less accumulated depreciation	<u>(21,125,052)</u>
PROPERTY AND EQUIPMENT, NET	<u>8,994,466</u>
TOTAL ASSETS	<u>\$ 13,365,269</u>
<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES	
Bank overdraft	\$ 283,335
Accounts payable	115,974
Accounts payable - HUD	73,188
Accounts payable - other government	60,581
Accrued compensated absences	82,435
Accrued wages/payroll taxes payable	49,789
Security deposits	87,894
Deferred revenues	50,517
Other current liabilities	<u>14,713</u>
TOTAL CURRENT LIABILITIES	<u>818,426</u>
NON CURRENT LIABILITIES	
Accrued compensated absences, net of current portion	45,551
Accrued pension	31,678
Other non current liabilities	<u>63,916</u>
TOTAL NON CURRENT LIABILITIES	<u>141,145</u>
TOTAL LIABILITIES	<u>959,571</u>
NET ASSETS	
Invested in capital assets	8,994,466
Unrestricted net assets	2,938,259
Restricted net assets	<u>472,973</u>
TOTAL NET ASSETS	<u>12,405,698</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,365,269</u>

See notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF ELKHART

Elkhart, Indiana

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS-PROPRIETARY FUND
March 31, 2011

OPERATING REVENUE	
Tenant revenue	\$ 1,042,970
HUD PHA operating grants	6,776,145
Fraud recovery	103,573
Other revenue	<u>227,476</u>
TOTAL OPERATING REVENUE	<u>8,150,164</u>
OPERATING EXPENSES	
Administration	1,669,166
Tenant service	10,907
Utilities	318,211
Ordinary maintenance and operations	1,053,458
Protective services	64,774
Insurance premiums	183,869
Other general expenses	133,240
Housing assistance payments	3,950,337
Depreciation	<u>788,630</u>
TOTAL OPERATING EXPENSES	<u>8,172,592</u>
Operating loss	<u>(22,428)</u>
NONOPERATING REVENUE (EXPENSES)	
Interest and investment revenue	23,646
Extraordinary maintenance and casualty losses	<u>(36,610)</u>
TOTAL NONOPERATING (EXPENSES)	<u>(12,964)</u>
Loss before capital grant	(35,392)
Capital fund grant	<u>704,378</u>
CHANGE IN NET ASSETS	668,986
NET ASSETS, BEGINNING OF YEAR	11,509,998
Prior period correction	<u>226,714</u>
NET ASSETS, END OF YEAR	<u>\$ 12,405,698</u>

See notes to financial statements.

THE HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
for year ended March 31, 2011

OPERATING ACTIVITIES		
Cash received from tenant	\$ 1,053,510	
HUD PHA grants	6,785,423	
Other cash received	278,542	
Payments to employees and suppliers	<u>(7,231,556)</u>	
Net cash provided by operating activities	<u>885,919</u>	
INVESTING ACTIVITIES		
Interest earned	27,447	
Purchase of certificates of deposit, net	<u>(500,000)</u>	
Net cash used by investing activities	<u>(472,553)</u>	
CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grant receipts	704,378	
Purchase of property and equipment	<u>(961,375)</u>	
Net cash used by capital and related financing activities	<u>(256,997)</u>	
NON-CAPITAL FINANCING ACTIVITIES		
Extraordinary maintenance and casualty losses	<u>(36,610)</u>	
Cash used by non-capital financing activities	<u>(36,610)</u>	
Net increase in cash and cash equivalents	119,759	
OPERATING CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,741,660</u>	
End of year	<u>\$ 1,861,419</u>	*
OPERATING ACTIVITIES		
Operating loss	\$ (22,428)	
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	788,630	
Collection losses	25,422	
(Increase) in:		
Accounts receivable - tenants	(14,882)	
Accounts receivable - HUD	(12,532)	
Accounts receivable - other	(52,507)	
Inventory - materials and supplies	(297)	
Other assets	(5,128)	
Increase (decrease) in:		
Accounts payable	56,859	
Accounts payable - HUD	21,810	
Accounts payable - other government	626	
Accrued compensated absences	61,970	
Accrued wages/payroll taxes payable	10,352	
Security deposits	(3,464)	
Deferred revenue	34,761	
Other current liabilities	(9,454)	
Other non current liabilities	<u>6,182</u>	
Net cash provided by operating activities	<u>\$ 885,920</u>	

* Cash reconciliation as reported on the Statement of Net Assets-Proprietary Fund:

Cash	\$ 2,144,755
Bank overdraft	<u>(283,335)</u>
	<u>\$ 1,861,420</u>

See notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Housing Authority of Elkhart (the "Authority") is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Housing Authority of the City of Elkhart was established by the City of Elkhart pursuant to the laws of the State of Indiana, to transact business and to have powers as defined therein. The Authority was established to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other applicable Federal Agencies. Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) had direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into a contract with the Authority for the purpose of assisting in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the program for the purpose of maintaining its low-rent character.

Reporting Entity

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City of Elkhart and concluded that the City does not maintain an oversight responsibility for the Authority's operations. An independent Board of Commissioners, appointed by the Mayor, is responsible for the activities of the Authority. The Authority recruits and employs its executive staff and has substantial legal authority to control its affairs without requiring approval of the City government. Debt incurred by the Authority is not an obligation of the City; the City of Elkhart does not review or approve the Authority's budget, is not entitled to any surplus funds generated by the Authority's operations and is not responsible for any deficits incurred by the Authority.

The Authority is governed by a Board of Commissioners appointed by the office of the Mayor, and has governance responsibilities over all activities related to all housing activities within the City. The Board of Commissioners has decision making authority and the power to designate management. The members do not serve at the discretion of the Mayor, i.e. they can only be removed for cause. The Authority's Board elects its own chairperson.

Consequently, in accordance with evaluating the criteria set forth in Section 2100 and 2600 of the Governmental Accounting Standards Board Codification, management has concluded that the Housing Authority of the City of Elkhart is a separate reporting entity. All funds and programs of the Authority are included in these statements.

The Authority has a component unit consisting of two non-profit sister corporations. The first is known as Housing Finance Corporation. The Housing Finance Corporation was formed to carry out or assist in carrying out low-income housing projects, including assistance by borrowing and lending funds, with an emphasis on low-income housing projects formed or financed in compliance with Section 8 of the United States Housing Act of 1937 and the regulations promulgated thereunder.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Reporting Entity—Continued

The second non-profit corporation, Elkhart Community Housing Corporation was formed to provide affordable, decent, and safe housing to low and moderate income people within the City of Elkhart and Elkhart County.

Basis of Accounting

The financial statements of the Housing Authority have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

In accordance with Governmental Accounting Standards Board (GASB), the Authority's proprietary funds follow all GASB pronouncements and those Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins, except those that conflict with or contradict a GASB pronouncement.

Financial Statement Presentation

Although a formal policy has not been adopted, in financial statement preparation the Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Principal operating revenues are tenant rents and HUD grants. Operating expenses include administration, maintenance, insurance, depreciation, utilities, housing assistance payments and other general expenses.

Funds

Each of the programs of the Authority are organized on a basis of fund accounting, using a separate set of self-balancing accounts as prescribed by HUD. The programs of the Authority are:

- Low Rent Public Housing
- Housing Choice Vouchers
- Section 8 New Construction and Substantial Rehabilitation
- Housing Counseling
- Capital Fund Program
- American Recovery and Reinvestment Act - Formula Capital Stimulus Grant
- Resident Opportunity and Supportive Services
- Elkhart Community Foundation Grant (State and Local)
- Component Unit (Housing Finance Corporation and Elkhart Community Housing Corp)

These programs are all accounted for within the proprietary (enterprise) fund. Proprietary funds use the economic resources measurement focus and utilize the accrual basis of accounting. All assets and liabilities associated with a proprietary fund's activities are included on the fund statement. Proprietary fund equity is segregated into Invested in Capital Assets, Restricted Net Assets, and Unrestricted Net Assets.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Cash and Cash Equivalents

For purposes of the statement of cash flows, the practice of the Authority considers all highly liquid investments to be cash equivalents. The term "highly liquid" refers to investments with a maturity of three (3) months or less when purchased to be cash equivalents.

Interprogram Receivables and Payables

During the course of operations, numerous transactions occur within individual programs that may result in amounts owed between these programs. These receivables and payables are classified as "due from other programs" or "due to other programs" on the combining statement of net assets and have been eliminated in the financial statements.

Accounts Receivable

The tenants accounts receivable discloses the amount due from the tenants at March 31, 2011, and does not take into consideration prepaid amounts. The Authority provides for an allowance for doubtful accounts, based on the estimated collections of current accounts receivables. The Authority periodically writes off uncollectible accounts receivable to the allowance account based on a review of the current status of existing receivables and the determination that the receivable will not be collected. The allowance for doubtful accounts was \$7,429 at March 31, 2011.

Inventories and Materials

Inventories and materials are stated at cost which approximates market determined on a first-in, first-out basis.

Investments

Investments, consisting of certificates deposit, are stated at cost which approximates market.

Property and Equipment

For the purpose of determining, distinguishing and recording materials and non-expendable equipment and personal property purchased or acquired in connection with development, management, and maintenance of public housing developments owned or operated, the Authority follows the following capitalization policy:

If the initial cost of a piece of equipment and/or other personal property is five hundred dollars (\$500) or more and the anticipated life or useful life of said equipment or property is more than one (1) year, the same shall be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.

Property and equipment contains the following:

- 1) The total development construction costs incurred for each project at the end of the initial operating period,
- 2) non-expendable equipment, and
- 3) property betterments and additions
- 4) land acquisitions.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Property and Equipment—Continued

Property and equipment is recorded at cost. Depreciation is provided using the straight line method for financial reporting purposes at rates based on the following estimates:

Buildings	10-50 years
Equipment	5-15 years
Transportation equipment	5-15 years
Furniture and fixtures	5-15 years
Leasehold improvements	10-50 years

Net Assets

GASB Statement 34 requires the classification of net assets into three components as defined below:

- Invested in capital assets - this component of net assets consists of capital assets, net of accumulated depreciation, costs to be recovered from future revenues and unamortized debt expense reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted - this component of net assets consists of constraints placed on net assets use through external constraints imposed by creditors, contributors or laws and regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted - this component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Income Tax

The Authority has qualified with the Internal Revenue Service and the Indiana Department of Revenue as a tax-exempt organization for income tax purposes and, accordingly, there is no provision in the financial statements for federal or state income taxes. Management has determined that the application of FIN 48 has no effect on its financial statements.

Annual Contributions/Subsidies and Other Grants

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

Other grants (such as Capital Fund Program grants and ROSS grants) are recognized when program expenditures are incurred. Such revenue is subject to review by the Department of Housing and Urban Development and may result in disallowance in subsequent periods.

Budget

The Authority adopts a budget annually. The budget is submitted to the Board of Commissioners for approval. Subsequent budget revisions may also be required to be submitted for approval.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

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

Leasing activities (as lessor)

The Authority is the lessor of dwelling units mainly to low income and/or elderly and disabled residents. The rents under the lease are determined generally by the resident's income as adjusted by eligible deductions regulated by HUD, although the resident may elect for a flat rent option. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Revenue Recognition

Rental income is recognized as rents become due.

Subsequent Events

In accordance with FASB Accounting Standards Codification Topic 885, *Subsequent Events*, the Authority has evaluated events and transactions for potential recognition or disclosure through December 29, 2011, the date the financials were available to be issued.

NOTE 2—CASH AND INVESTMENTS

Statutes authorize the Authority to invest in certificates of deposit, money market funds, United States government securities and repurchase agreements fully collateralized by United States government securities.

All cash and investments are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company of the depository financial institutions. The deposits exceeding the insured or registered limits are public funds covered by the State of Indiana Public Deposit Fund.

Custodial Credit Risk

- a. Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be returned to or that the Authority will not be able to recover collateral securities in the possession of an outside party.
- b. Investments - Custodial credit risk is the risk that in the event of the failure of the depository, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 2—CASH AND INVESTMENTS

Credit Risk

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

Concentrations of Credit Risk

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

Interest Rate Risk

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

The carrying value of cash and cash equivalents and certificates of deposit owned at March 31, 2011 was \$1,861,420 and \$1,900,000, respectively. The bank balance of cash and cash equivalents and certificates of deposit owned at March 31, 2011 was \$1,883,891 and \$1,900,000, respectively.

NOTE 3—INVESTMENTS

At March 31, 2011, investments consists of 19 certificates of deposit totaling \$1,900,000 with varying interest rate and maturity dates. The certificates of deposit are held with three financial institutions. Cost approximates fair value.

NOTE 4—PROPERTY AND EQUIPMENT

The following is the detailed transactions of property and equipment during the year ended March 31, 2011:

	Balance at 04/01/10	Additions	Disposals	Transfers	Balance at 03/31/11
Land	\$ 1,065,518	\$ -	\$ -	\$ -	\$ 1,065,518
Buildings	16,757,897	-	-	(767,780)	15,990,117
Equipment and furniture	849,857	162,378	-	-	1,012,235
Leasehold improvements	10,484,871	109,753	-	767,780	11,362,404
Construction in progress	-	689,244	-	-	689,244
	<u>\$ 29,158,143</u>	<u>\$961,375</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,119,518</u>

Total depreciation expense for the year ended March 31, 2011 was \$788,630.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 5—RESTRICTED NET ASSETS

In accordance with guidelines established by HUD, any housing assistance payment (HAP) budget authority provided to a housing authority in excess of actual program expenses for the same period must be maintained as restricted net assets to be used only for HAP payments incurred in the running of the Housing Choice Voucher program. Accordingly, the Authority has recorded \$470,326 as restricted net assets at March 31, 2011 in the Housing Choice Voucher Program. In addition, \$2,647 has been restricted within the Public Housing program at March 31, 2011 related to cash restricted for current liabilities. Total restricted net assets at March 31, 2011 is \$472,973.

NOTE 6—COMPENSATED ABSENCES

Sick Leave

Employees may be paid for leave taken due to illness. Sick leave is accumulated at the rate of 3.69 hours per pay period. Any employee having more than four hundred eighty (480) hours accumulated sick leave forfeits accumulated pay for any hours over four hundred eighty (480) hours. An employee may take hours in excess of four hundred eighty (480) hours for illness at the discretion of the Executive Director.

Employees who voluntarily terminate employment shall be paid a lump sum for fifty percent (50%) of any accumulated sick leave up to two hundred forty (240) hours for four hundred eighty (480) or more hour's accumulated sick leave.

However, if the separation is the result of retirement at or after the age of 62 and the employee has five (5) or more years of continuous service prior to retirement, the employee shall be paid one hundred percent (100%) of the accumulated sick leave up to two hundred forty (240) hours pay for four hundred eighty (480) or more hours of accumulated sick leave.

The accrued compensated absence liability at March 31, 2011 was \$127,986.

Annual Leave

Annual leave with pay shall be earned by all full time employees at the following rates:

Beginning the first pay date following employment, the employees shall earn 3.08 hours of annual leave time per pay period. The employee shall continue to earn annual leave at this rate through the end of the fifth year of continuous service.

After five (5) full years of continuous employment and beginning on the first pay date of the sixth year of continuous employment, the employee shall earn 4.62 hours of annual leave time per pay period.

After ten (10) years of continuous service and beginning in the first month of the eleventh year of employment, the employee shall earn 6.15 hours of annual leave time per pay period.

After fifteen (15) years of continuous service and beginning in the first month of the sixteenth year of employment, the employee shall earn 7.15 hours per pay period.

Employees may accrue time up to twenty-five (25) working days (200) hours. Hours accrued in excess of 200 shall not be posted and shall not be paid. It will be at the discretion of the Department Director/Executive Director to waive the loss of excess hours accrued over 200 when an employee is not able to take any annual time off at the time the excess hours are accrued.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 7—DEFINED CONTRIBUTION PLAN

The Authority provides pension benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate. The Plan requires the Authority to contribute 12.5% of the employees base salary each month. The Authority's contribution for each employee is vested after 5 years. The Authority's contributions forfeited by employees who leave employment prior to vesting are used to reduce current costs and contribution requirements. For the fiscal year ended March 31, 2011, actual contributions by the Authority were \$153,592 based on \$1,498,947 of wage and salary expense.

NOTE 8—ALLOCATION OF COSTS

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

NOTE 9—CONTINGENCIES

In the normal course of operations, the Authority receives grant funds from the Department of Housing and Urban Development. The programs are subject to audit by agents of HUD, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 10—MAJOR FUNDING SOURCE

The Authority is substantially funded by Federal awards. This funding is subject to federal government appropriations and potential funding reductions. Management does not anticipate any material change in funding.

NOTE 11—RISK MANAGEMENT

The Authority is exposed to various risks of loss from torts, theft of, damages to, or destruction of assets, business interruption, errors or omissions, job related illnesses or injuries to employees, and natural disasters. The Authority has purchased commercial insurance to mitigate its exposure to such losses. The various insurance policies are subject to deductible amounts and maximum coverages. If the deductible and maximums are exceeded, this could cause the Authority to suffer losses if a loss is incurred from any such incidents. The ultimate outcome of such uninsured losses cannot presently be determined, and no provision for any liability that may result, if any, has been made in the financial statements.

NOTE 12—PRIOR PERIOD CORRECTION

Beginning net assets have been restated to correct a difference between the reconciled bank statement balance and the general ledger. The effect of the restatement was to increase cash and net assets by \$226,714 at March 31, 2010.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended March 31, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development:		
Housing Counseling Assistance Program	14.169	\$ 44,520
Section 8 New Construction and Substantial Rehabilitation	14.182	653,331
Low Rent Public Housing	14.850	1,840,208
Resident Opportunity and Supportive Services	14.870	37,299
Section 8 Housing Choice Vouchers	14.871	3,812,308
Cluster:		
ARRA – Formula Capital Fund Stimulus Grant	14.885	540,025
Public Housing Capital Fund Program	14.872	<u>552,832</u>
		<u>1,092,857</u>
		<u>\$7,480,523</u>

Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the year ended March 31, 2011

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Housing Authority of City of Elkhart (the "Authority").
2. Two material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Authority were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for the Authority expresses an unqualified opinion.
6. The audit disclosed no audit findings relating to major federal award programs for the Authority which are required to be reported under Section 510(a) of OMB Circular A-133 are reported in the Schedule of Findings and Questioned Costs.
7. The programs tested as major programs included:

<u>Description</u>	<u>Federal CFDA No.</u>
Section 8 Housing Choice Vouchers	14.871
Cluster:	
Public Housing Capital Fund Program	14.872
ARRA – Formula Capital Fund Stimulus Grant	14.885

8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The Authority was not determined to be a low-risk auditee.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS—Continued
for the year ended March 31, 2011

B. FINDINGS—FINANCIAL STATEMENTS AUDIT

Item 2011-01 Bank Reconciliations

Condition: At March 31, 2011, the reconciled bank balance did not agree to the general ledger balance. The difference totaled approximately \$200,000. Varying differences were also noted throughout the year including at March 31, 2010.

Criteria: The bank statement should be reconciled to the general ledger on a timely basis.

Effect: The reconciled bank balance at March 31, 2011 reflected approximately \$200,000 more than the general ledger causing a material misstatement of the financial statements.

Recommendation: We recommend bank accounts be reconciled and all differences between the general ledger and bank balances be investigated on a timely basis by appropriate accounting personnel so that errors and adjustments can be quickly identified and corrected.

Management's Response:

Finance staff does attempt to balance bank accounts on a monthly basis. Errors in our software set-up and procedures are being reviewed and corrected. This finding as well as finding 2011-02 relate to finding 2010-01. Our software package is in the process of a review by the software vendor.

Item 2011-02 Material Adjusting Journal Entries

Condition: During the year ended March 31, 2011, material journal entries, primarily to cash and net assets, were proposed to correct material misstatements in the Authority's accounting records.

Criteria: All general ledger accounts should be reconciled to supporting detail on a timely basis.

Effect: The unadjusted financial statements were materially misstated.

Recommendation: Management should review its policies and procedures to ensure all accounts are reconciled.

Management's Response:

Financial staff does attempt to balance all accounts in a timely manner. This finding as well relates to finding 2010-01. No item could be identified as causing the error from the system. Errors in our software set-ups and procedures are being reviewed and corrected.

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
for the year ended March 31, 2011

Finding 2010-01: Lack of Internal Controls over Financial Statement Preparation

Condition and criteria: The Authority is required to have internal controls over the preparation of their financial statements. The accounting software used by the Authority to generate the general ledgers and resulting financial statements has been found to be unreliable in generating consistent and accurate data, therefore the related financial statements are not free of misstatements and errors.

Recommendation: Since the Housing Authority has made every effort to work with the software vendor in correcting the errors in the software programming without success in a period covering more than two years, it is recommended that different software be obtained to process financial data of the agency.

Status: Lack of internal controls over financial statement preparation is also a finding at March 31, 2011.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the Housing Authority of City of Elkhart (the "Authority") as of and for the year ended March 31, 2011, and have issued our report thereon dated December 29, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

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 Authority's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2011-01 and 2011-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*.

The Authority's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the response of the Authority and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Authority, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specific parties.

McCaughey, Nicolas & Company, LLC
McCaughey, Nicolas & Company, LLC
Certified Public Accountants

Jeffersonville, Indiana
December 29, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the Housing Authority of City of Elkhart (the "Authority") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have direct and material effect on each of its major federal programs for the year ended March 31, 2011. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2011.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Authority, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specific parties.

McCauley, Nicolas & Company, LLC

McCauley, Nicolas & Company, LLC
Certified Public Accountants

Jeffersonville, Indiana
December 29, 2011

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

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

We have performed the procedure described in the second paragraph, which was agreed to by the Housing Authority of the City of Elkhart (the Housing 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 included within the OMB Circular A-133 reporting package. The Housing Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with the 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 documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged to perform an audit in accordance with OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, for the Housing Authority as of and for the year ended March 31, 2011, and have issued our reports thereon dated December 29, 2011. 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 Financial Data Schedule (FDS) dated December 29, 2011 was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the financial statement package required by OMB Circular A-133, which includes the auditors' reports, is available in its entirety from the Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. 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.

McCauley, Nicolas & Company, LLC

McCauley, Nicolas & Company, LLC
Certified Public Accountants

Jeffersonville, Indiana
December 29, 2011

**ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURE**

				DOES NOT
	UFRS RULE	HARD COPY		
PROCEDURE	INFORMATION	DOCUMENT(S)	AGREES	AGREE
1	Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDA's	X	
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	X	
3	Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	X	
4	Audit Findings Narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	X	
5	General information (data element series G2000, G2100, G2200, G9000, G9100)	OMB Data Collection Form*	X	
6	Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form*	X	
7	Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form*	X	
8	Type of Compliance Requirement (G4200-020 & G4000-030)	OMB Data Collection Form*	X	
9	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	X	

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Entity Wide Balance Sheet Summary
March 31, 2011

	Project Total	14.871 Housing Choice Vouchers	14.182 NIC S/R Section 8 Programs	6 Component Units	2 State/Local	14.169 Housing Counseling Assistance Program	14.870 Resident Opportunity and Supportive Services	14.886 Formula Capital Fund Stimulus Grant	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$ 1,216,538	\$ 127,631	\$ 90,011	\$ 49,012	\$ 2,776	\$ -	\$ 15,824	\$ -	\$ 10,329	\$ 1,512,121	\$ -	\$ 1,512,121
112 Cash - Restricted - Modernization and Development	1,492	539,615	-	2,250	-	-	-	-	-	542,357	-	542,357
113 Cash - Other Restricted	86,894	-	-	-	-	-	-	-	1,000	87,894	-	87,894
114 Cash - Tenant Security Deposits	2,383	-	-	-	-	-	-	-	-	2,383	-	2,383
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
100 Total Cash	1,307,307	666,246	90,011	51,262	2,776	-	15,824	-	11,329	2,144,755	-	2,144,755
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	48,852	28,590	-	-	-	14,323	-	-	445	92,210	-	92,210
124 Accounts Receivable - Other Government	-	-	-	-	-	-	-	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	-	250	-	-	-	-	6,368	6,618	-	6,618
126 Accounts Receivable - Tenants	43,922	-	-	-	-	-	-	-	-	43,922	-	43,922
126.1 Allowance for Doubtful Accounts - Tenants	(7,429)	-	-	-	-	-	-	-	(4,195)	(7,429)	-	(7,429)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	31,647	-	-	-	-	-	-	-	(4,195)	31,647	-	31,647
128 Fraud Recovery	-	20,005	-	-	-	-	-	-	-	20,005	-	20,005
128.1 Allowance for Doubtful Accounts - Fraud	-	-	1,945	-	-	-	-	-	8,473	11,945	-	11,945
129 Accrued Interest Receivable	1,527	-	1,945	-	-	14,323	-	-	11,091	184,723	-	184,723
120 Total Receivables, Net of Allowances for Doubtful Accounts	119,519	48,595	1,945	250	-	14,323	-	-	11,091	184,723	-	184,723
131 Investments - Unrestricted	100,000	-	200,000	-	-	-	-	-	1,600,000	1,900,000	-	1,900,000
132 Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	3,862	5,022	-	-	-	-	-	-	50,022	58,906	-	58,906
143 Inventories	22,201	-	-	-	-	-	-	-	51,593	73,794	-	73,794
143.1 Allowance for Obsolete Inventories	(375)	-	-	-	-	-	-	-	(1,000)	(1,375)	-	(1,375)
144 Inter Program Due From	3,728	-	-	-	-	-	-	-	113,822	117,550	(117,550)	-
145 Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-
150 Total Current Assets	1,555,242	719,863	291,956	51,512	2,776	14,323	15,824	-	1,838,857	4,488,353	(117,550)	4,370,803
161 Land	783,644	41,596	-	140,278	-	-	-	-	100,000	1,065,518	-	1,065,518
162 Buildings	14,371,169	-	-	280,132	-	-	-	-	1,338,816	15,990,117	-	15,990,117
163 Furniture, Equipment & Machinery - Dwellings	214,169	31,742	-	-	-	-	-	-	352,168	598,079	-	598,079
164 Furniture, Equipment & Machinery - Administration	79,394	32,712	3,183	-	-	-	-	-	286,867	414,156	-	414,156
165 Leasehold Improvements	10,246,838	-	-	-	-	-	-	-	1,115,566	11,362,404	-	11,362,404
166 Accumulated Depreciation	(19,064,918)	(71,923)	(196)	(12,507)	-	-	-	-	(1,975,508)	(21,125,052)	-	(21,125,052)
167 Construction in Progress	583,572	-	-	96,763	-	-	-	-	8,909	689,244	-	689,244
168 Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	7,213,866	34,127	2,987	504,666	-	-	-	-	1,238,818	8,994,466	-	8,994,466
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	7,213,866	34,127	2,987	504,666	-	-	-	-	1,238,818	8,994,466	-	8,994,466
190 Total Assets	\$ 8,769,110	\$ 753,990	\$ 294,943	\$ 556,178	\$ 2,776	\$ 14,323	\$ 15,824	\$ -	\$ 3,075,675	\$ 13,482,819	\$ (117,550)	\$ 13,365,269

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Entity Wide Balance Sheet Summary
March 31, 2011

	Project Total	14.871 Housing Choice Vouchers	14.182 NIC SIR Section 8 Programs	6 Component Units	2 State/Local	14.169 Housing Counseling Assistance Program	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	COCC	Subtotal	ELIM	Total
311 Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,335	\$ 283,335	\$ -	\$ 283,335
312 Accounts Payable <= 90 Days	79,200	2,248	12	-	-	30	-	-	34,484	115,974	-	115,974
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	10,480	6,043	319	-	-	-	640	-	32,297	49,789	-	49,789
322 Accrued Compensated Absences - Current Portion	17,224	9,207	920	-	-	-	1,006	-	54,076	82,435	-	82,435
324 Accrued Contingency Liability	-	-	-	-	-	-	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-
331 Accounts Payable - HUD PHA Programs	105	73,083	-	-	-	-	-	-	-	73,188	-	73,188
332 Account Payable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-
333 Accounts Payable - Other Government	60,581	-	-	-	-	-	-	-	-	60,581	-	60,581
341 Tenant Security Deposits	86,894	-	-	-	-	-	-	-	1,000	87,894	-	87,894
342 Deferred Revenues	34,692	-	-	-	-	-	15,811	-	14	50,517	-	50,517
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	8,202	14,713	-	14,713
345 Other Current Liabilities	-	-	-	2,250	-	-	-	-	-	-	-	-
346 Accrued Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-
347 Inter Program - Due To	377	101,970	-	880	-	14,323	-	-	-	117,550	(117,550)	-
348 Loan Liability - Current	-	-	-	-	-	-	-	-	-	-	-	-
310 Total Current Liabilities	289,563	195,727	2,336	3,130	-	14,353	17,457	-	413,410	935,976	(117,550)	818,426
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	3,875	60,041	-	-	-	-	-	-	-	63,916	-	63,916
354 Accrued Compensated Absences - Non Current	6,518	6,326	373	-	-	-	209	-	32,125	45,551	-	45,551
355 Loan Liability - Non Current	-	-	-	-	-	-	-	-	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-	-	-	31,676	31,676	-	31,676
350 Total Non-Current Liabilities	10,383	66,367	373	-	-	-	209	-	63,803	141,145	-	141,145
300 Total Liabilities	299,956	262,094	2,709	3,130	-	14,353	17,666	-	477,213	1,077,121	(117,550)	959,571
508.1 Invested In Capital Assets, Net of Related Debt	-	-	-	-	-	-	-	-	-	-	-	-
509.2 Fund Balance Reserved	7,213,868	34,127	2,987	504,696	-	-	-	-	1,238,818	8,994,466	-	8,994,466
511.2 Unreserved, Designated Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
511.1 Restricted Net Assets	2,647	470,326	-	-	-	-	-	-	-	472,973	-	472,973
512.1 Unrestricted Net Assets	1,252,639	(12,557)	289,247	48,382	2,776	(30)	(1,842)	-	1,359,644	2,938,259	-	2,938,259
512.2 Unreserved, Undesignated Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
513 Total Equity/Net Assets	8,469,154	491,896	292,234	553,048	2,776	(30)	(1,842)	-	2,598,462	12,405,698	-	12,405,698
600 Total Liabilities and Equity/Net Assets	\$ 8,769,110	\$ 753,990	\$ 294,943	\$ 556,178	\$ 2,776	\$ 14,323	\$ 15,824	\$ -	\$ 3,075,675	\$ 13,482,819	\$ (117,550)	\$ 13,365,269

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Entity Wide Revenue and Expense Summary
for the year ended March 31, 2011

	Project Total	14.871 Housing Choice Vouchers	14.182 NIC S/R Section 8 Programs	6 Component Units	2 State/Local	14.169 Housing Counseling Assistance Program	14.870 Resident Opportunity and Supportive Services	14.895 Formula Capital Fund Stimulus Grant	CCCC	Subtotal	ELIM	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
70300 Net Tenant Rental Revenue	938,474	-	-	19,205	-	-	-	-	12,000	955,679	-	955,679
70400 Tenant Revenue - Other	75,289	-	-	2	-	-	-	-	12,000	87,291	-	87,291
70500 Total Tenant Revenue	1,011,763	-	-	19,207	-	-	-	-	24,000	1,042,970	-	1,042,970
70600 HUD PHA Operating Grants	2,088,602	3,812,938	653,331	-	-	44,520	37,289	11,025	129,060	6,776,145	-	6,776,145
70610 Capital Grants	163,456	-	-	-	-	-	-	529,000	11,922	704,378	-	704,378
70710 Management Fee	-	-	-	-	-	-	-	-	463,949	463,949	(463,949)	-
70720 Asset Management Fee	-	-	-	-	-	-	-	-	80,640	80,640	(80,640)	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-	89,079	89,079	(89,079)	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-	681,073	681,073	(681,073)	-
70750 Other Fees	-	-	-	-	-	-	-	-	125,764	125,764	(125,764)	-
70700 Total Fee Revenue	-	-	-	-	-	-	-	-	1,440,505	1,440,505	(1,314,741)	125,764
70800 Other Government Grants	-	-	-	-	-	-	-	-	-	-	-	-
71100 Investment Income - Unrestricted	1,505	-	3,051	-	-	-	-	-	15,743	20,309	-	20,309
71200 Mortgage Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-
71310 Cost of Sale of Assets	51,701	51,872	-	-	-	-	-	-	-	103,573	-	103,573
71400 Fraud Recovery	63,541	204	1	8,210	-	-	-	-	29,756	101,712	-	101,712
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-
72000 Investment Income - Restricted	1	3,336	-	-	-	-	-	-	-	3,337	-	3,337
70000 Total Revenue	3,380,656	3,867,720	655,332	27,417	-	44,520	37,289	540,025	1,538,986	10,182,929	(1,314,741)	8,878,188
91100 Administrative Salaries	210,576	224,338	12,058	300	-	15,950	28,366	-	605,745	1,097,333	-	1,097,333
91200 Auditing Fees	6,554	5,651	1,646	-	-	-	-	-	1,694	16,835	-	16,835
91300 Management Fee	414,553	44,616	4,770	-	-	-	-	-	1,694	463,949	(463,949)	-
91310 Book-keeping Fee	58,283	26,028	4,770	-	-	2,207	-	-	1,235	89,079	(89,079)	-
91400 Advertising and Marketing	1,871	551	-	-	-	6,147	9,874	-	183,590	360,026	-	360,026
91500 Employee Benefit Contributions - Administrative	75,368	79,650	5,168	-	-	10,444	-	11,025	62,586	160,134	-	160,134
91600 Office Expenses	47,391	14,401	1,925	2,672	-	-	-	-	1,395	5,920	-	5,920
91700 Legal Expense	1,421	-	-	3,104	-	-	-	-	22,230	32,954	-	32,954
91800 Travel	2,366	4,526	-	-	-	-	-	-	-	-	-	-
91810 Allocated Overhead	-	-	-	-	-	-	-	-	-	-	-	-
91900 Other	-	-	-	-	-	-	-	-	-	-	-	-
91000 Total Operating - Administrative	818,903	400,866	30,057	6,072	-	38,560	38,240	11,025	878,465	2,222,184	(653,028)	1,669,156
92000 Asset Management Fee	80,640	-	-	-	-	-	-	-	-	80,640	(80,640)	-
92100 Tenant Services - Salaries	-	-	-	-	-	-	-	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-	-	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-	-	-	-	-
92400 Tenant Services - Other	10,907	-	-	-	-	-	-	-	-	10,907	-	10,907
92500 Total Tenant Services	10,907	-	-	-	-	-	-	-	-	10,907	-	10,907
93100 Water	28,689	-	-	65	-	-	-	-	2,091	30,845	-	30,845
93200 Electricity	129,256	-	-	90	-	-	-	-	15,880	145,226	-	145,226
93300 Gas	107,641	-	-	153	-	-	-	-	5,871	113,665	-	113,665
93400 Fuel	4,477	-	-	-	-	-	-	-	-	4,477	-	4,477
93500 Labor	-	-	-	-	-	-	-	-	-	-	-	-
93600 Sewer	23,409	-	-	-	-	-	-	-	569	23,998	-	23,998
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-	-	-	-	-	-	-
93900 Total Utilities	283,472	-	-	308	-	-	-	-	24,431	318,211	-	318,211

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Entity Wide Revenue and Expense Summary
for the year ended March 31, 2011

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	6 Component Units	2 State/Local	14.169 Housing Counseling Assistance Program	14.870 Resident Opportunity and Supportive Services	14.885 Formula Capital Fund Stimulus Grant	COCC	Subtotal	ELM	Total
94100 Ordinary Maintenance and Operations - Labor	104,415	-	-	-	-	-	-	-	287,187	401,612	-	401,612
94200 Ordinary Maintenance and Operations - Materials and Other	116,608	1,070	-	7,406	-	-	-	-	60,404	195,488	-	195,488
94300 Ordinary Maintenance and Operations Contracts	931,679	5,275	905	3,511	-	-	-	-	73,337	1,014,707	(881,073)	333,634
94500 Employee Benefit Contributions - Ordinary Maintenance	40,246	-	-	-	-	-	-	-	92,478	132,724	-	132,724
94000 Total Maintenance	1,192,948	6,345	905	10,917	-	-	-	-	523,418	1,734,551	(681,073)	1,053,455
95100 Protective Services - Labor	-	-	-	-	-	-	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	43,435	-	-	-	-	-	-	-	-	43,435	-	43,435
95300 Protective Services - Other	20,438	-	-	-	-	-	-	-	901	21,339	-	21,339
95500 Employee Benefit Contributions - Protective Services	63,872	-	-	-	-	-	-	-	901	64,774	-	64,774
95000 Total Protective Services	99,328	-	-	-	-	-	-	-	-	109,145	-	109,145
96110 Property Insurance	10,792	-	-	1,777	-	-	-	-	2,737	103,843	-	103,843
96120 Liability Insurance	6,457	3,672	-	-	-	-	-	-	30,170	30,170	-	30,170
96130 Workmen's Compensation	6,262	2,434	-	985	-	-	-	-	9,075	19,404	-	19,404
96140 All Other Insurance	112,048	6,305	-	2,762	-	-	-	-	20,771	30,452	-	30,452
96100 Total Insurance Premiums	135,559	12,481	-	5,524	-	-	-	-	62,753	183,869	-	183,869
96200 Other General Expenses	-	-	-	-	-	-	-	-	-	-	-	-
96210 Compensated Absences	10,792	(183)	340	-	-	-	(223)	-	36,853	47,579	-	47,579
96300 Payments in Lieu of Taxes	60,581	-	-	57	-	-	-	-	60,638	60,638	-	60,638
96400 Bad debt - Tenant Rentals	25,023	-	-	-	-	-	-	-	-	25,023	-	25,023
96500 Bad debt - Mortgages	-	-	-	-	-	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-	-	-	-	-	-
96800 Severance Expense	95,396	(183)	340	57	-	-	(223)	-	36,853	133,240	-	133,240
96000 Total Other General Expenses	268,917	413,336	31,322	20,120	-	-	38,017	11,025	1,528,819	4,749,356	(1,314,741)	3,433,625
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	-	-	-	-	-	-	-	-	-	-	-	-
96900 Total Operating Expenses	711,382	3,454,384	625,091	7,287	-	5,980	(718)	529,000	112,167	5,444,563	-	5,444,563
97000 Excess of Operating Revenue over Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
97100 Extraordinary Maintenance	35,573	-	-	-	-	-	-	-	-	35,573	-	35,573
97200 Casualty Losses - Non-capitalized	1,037	-	-	-	-	-	-	-	-	1,037	-	1,037
97300 Housing Assistance Payments	1,644	3,345,333	603,380	-	-	-	-	-	3,950,337	3,950,337	-	3,950,337
97350 HAP Portability-In	653,950	3,470	196	6,253	-	-	-	-	124,761	788,630	-	788,630
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	3,851,381	3,782,139	634,653	26,373	-	38,560	38,017	11,025	1,651,580	9,523,943	(1,314,741)	8,209,202
10010 Operating Transfer In	-	-	-	-	-	-	-	-	-	-	-	-
10020 Operating Transfer Out	248,394	-	-	-	-	-	-	-	-	248,394	-	248,394
10030 Operating Transfers from/to Primary Government	(248,394)	-	-	-	-	-	-	-	-	(248,394)	-	(248,394)
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	-	-	-	-	-	-	-	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF ELKHART
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Entity Wide Revenue and Expense Summary
for the year ended March 31, 2011

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	9 Component Units	2 State/Local	14,169 Housing Counseling Assistance Program	14,870 Resident Opportunity and Supportive Services	14,885 Formula Capital Fund Stimulus Grant	COCC	Subtotal	ELIM	Total
10090 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)	-	-	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	19,178	105,881	21,535	1,044	-	5,960	(718)	529,000	(12,694)	668,995	-	668,995
11020 Required Annual Debt Principal Payments	-	-	-	-	-	-	-	-	-	-	-	-
11030 Beginning Equity	7,180,115	386,315	270,689	552,004	2,776	(5,950)	(1,124)	760,881	2,384,342	11,509,998	-	11,509,998
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	1,289,851	-	-	-	-	-	-	(1,289,851)	226,714	226,714	-	226,714
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	-	21,570	-	-	-	-	-	-	-	21,570	-	21,570
11180 Housing Assistance Payments Equity	-	470,326	-	-	-	-	-	-	-	470,326	-	470,326
11190 Unit Months Available	7,992	7,691	1,908	36	-	-	-	-	-	17,627	-	17,627
11210 Number of Unit Months Leased	7,695	7,456	1,908	36	-	-	-	-	-	17,095	-	17,095
11270 Excess Cash	1,015,849	-	-	-	-	-	-	-	-	1,015,849	-	1,015,849
11610 Land Purchases	-	-	-	-	-	-	-	-	-	-	-	-
11620 Building Purchases	-	-	-	-	-	-	-	-	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	5,034	-	-	-	-	-	-	-	-	5,034	-	5,034
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	11,922	11,922	-	11,922
11650 Leasehold Improvements Purchases	687,422	-	-	-	-	-	-	-	-	687,422	-	687,422
11660 Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-
13801 Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF ELKHART
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Project Balance Sheet Summary
March 31, 2011

	IN026000001	IN026000002	IN026000003	IN026000004	IN026000007	Total
111 Cash - Unrestricted	\$ 173,938	\$ 198,817	\$ 224,592	\$ 147,110	\$ 472,081	\$ 1,216,538
112 Cash - Restricted - Modernization and Development	-	-	-	-	-	-
113 Cash - Other Restricted	-	1,228	264	-	-	1,492
114 Cash - Tenant Security Deposits	9,532	36,174	10,823	18,815	11,550	86,894
115 Cash - Restricted for Payment of Current Liabilities	2,383	-	-	-	-	2,383
100 Total Cash	185,853	236,219	235,679	165,925	483,631	1,307,307
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	1,184	25,162	-	2,150	20,356	48,852
124 Accounts Receivable - Other Government	-	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	-	-	-	-
126 Accounts Receivable - Tenants	5,213	20,821	3,463	11,828	2,597	43,922
126.1 Allowance for Doubtful Accounts - Tenants	(804)	(4,007)	(939)	(1,551)	(128)	(7,429)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	2,575	6,280	5,838	13,561	3,393	31,647
128 Fraud Recovery	-	-	-	-	-	-
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	1,527	1,527
129 Accrued Interest Receivable	-	-	-	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	8,168	48,256	8,362	25,988	27,745	118,519
131 Investments - Unrestricted	-	-	-	-	100,000	100,000
132 Investments - Restricted	-	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	352	684	540	339	1,947	3,862
143 Inventories	8,116	-	6,334	-	7,751	22,201
143.1 Allowance for Obsolete Inventories	(150)	-	(100)	-	(125)	(375)
144 Inter Program Due From	626	1,400	-	-	1,702	3,728
145 Assets Held for Sale	-	-	-	-	-	-
150 Total Current Assets	202,965	286,559	250,815	192,252	622,651	1,555,242
161 Land	47,499	386,411	42,165	100,913	206,656	783,644
162 Buildings	2,330,955	2,923,915	1,797,545	2,465,692	4,853,062	14,371,169
163 Furniture, Equipment & Machinery - Dwellings	89,756	20,235	10,399	45,100	48,679	214,169
164 Furniture, Equipment & Machinery - Administration	17,158	-	32,898	-	29,338	79,394
165 Leasehold Improvements	901,972	3,955,799	1,520,351	2,988,272	880,444	10,246,838
166 Accumulated Depreciation	(2,644,694)	(5,661,003)	(2,737,934)	(4,463,486)	(3,557,801)	(19,064,918)
167 Construction in Progress	-	583,572	-	-	-	583,572
168 Infrastructure	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	742,646	2,208,929	665,424	1,136,491	2,460,378	7,213,868
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	742,646	2,208,929	665,424	1,136,491	2,460,378	7,213,868
190 Total Assets	\$ 945,611	\$ 2,495,488	\$ 916,239	\$ 1,328,743	\$ 3,083,029	\$ 8,769,110

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Project Balance Sheet Summary
March 31, 2011

	IN026000001	IN026000002	IN026000003	IN026000004	IN026000007	Total
311 Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312 Accounts Payable <= 90 Days	8,273	26,469	6,929	5,834	31,695	79,200
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	4,049	1,483	2,021	983	1,954	10,490
322 Accrued Compensated Absences - Current Portion	2,484	4,547	3,384	1,755	5,054	17,224
324 Accrued Contingency Liability	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	-	105	-	105
332 Account Payable - PHA Projects	-	-	-	-	-	-
333 Accounts Payable - Other Government	13,776	5,563	20,609	4,513	16,120	60,581
341 Tenant Security Deposits	9,532	36,174	10,823	18,815	11,550	86,894
342 Deferred Revenues	3,059	24,379	3,382	1,062	2,810	34,692
343 Current Portion of Long-term Debt - Capital Projects/Mortgage	-	-	-	-	-	-
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-
345 Other Current Liabilities	-	-	-	-	-	-
346 Accrued Liabilities - Other	-	-	-	-	-	-
347 Inter Program - Due To	-	-	377	-	-	377
348 Loan Liability - Current	-	-	-	-	-	-
310 Total Current Liabilities	41,173	98,615	47,525	33,067	69,183	289,563
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	2,383	1,228	264	-	-	3,875
354 Accrued Compensated Absences - Non Current	777	1,656	1,086	687	2,312	6,518
355 Loan Liability - Non Current	-	-	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-
350 Total Non-Current Liabilities	3,160	2,884	1,350	687	2,312	10,393
300 Total Liabilities	44,333	101,499	48,875	33,754	71,495	299,956
508.1 Invested In Capital Assets, Net of Related Debt	742,646	2,208,929	665,424	1,136,491	2,460,378	7,213,868
509.2 Fund Balance Reserved	-	-	-	-	-	-
511.2 Unreserved, Designated Fund Balance	-	-	-	-	-	-
511.1 Restricted Net Assets	2,383	-	264	-	-	2,647
512.1 Unrestricted Net Assets	156,249	185,060	201,676	158,498	551,156	1,252,639
512.2 Unreserved, Undesignated Fund Balance	-	-	-	-	-	-
513 Total Equity/Net Assets	901,278	2,393,989	867,364	1,294,989	3,011,534	8,469,154
600 Total Liabilities and Equity/Net Assets	\$ 945,611	\$ 2,495,488	\$ 916,239	\$ 1,328,743	\$ 3,083,029	\$ 8,769,110

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Project Revenue and Expense Summary
for the year ended March 31, 2011

	IN026000001	IN026000002	IN026000003	IN026000004	IN026009999	IN026000007	Total
70300 Net Tenant Rental Revenue	\$ 228,240	\$ 48,375	\$ 285,297	\$ 52,150	\$ -	\$ 322,412	\$ 936,474
70400 Tenant Revenue - Other	7,133	33,229	8,448	10,065	-	16,414	75,289
70500 Total Tenant Revenue	235,373	81,604	293,745	62,215	-	338,826	1,011,763
70600 HUD PHA Operating Grants	257,741	882,683	254,691	419,310	-	274,177	2,088,602
70610 Capital Grants	2,780	54,883	-	105,793	-	-	163,456
70710 Management Fee	-	-	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-
70700 Total Fee Revenue	-	-	-	-	-	-	-
70800 Other Government Grants	-	-	-	-	-	-	-
71100 Investment Income - Unrestricted	-	1	-	-	-	1,504	1,505
71200 Mortgage Interest Income	-	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-	-	-
71400 Fraud Recovery	3,086	18,173	3,953	23,104	-	3,385	51,701
71500 Other Revenue	14,322	7,307	20,756	4,728	-	16,428	63,541
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-
72000 Investment Income - Restricted	1	-	-	-	-	-	1
70000 Total Revenue	513,303	1,044,651	573,145	615,150	-	634,320	3,380,569
91100 Administrative Salaries	35,997	60,216	43,258	30,722	-	40,383	210,576
91200 Auditing Fees	1,056	2,049	1,314	1,014	-	1,521	6,954
91300 Management Fee	63,664	119,703	79,074	61,318	-	90,804	414,563
91310 Book-keeping Fee	8,924	16,838	11,123	8,625	-	12,773	58,283
91400 Advertising and Marketing	403	464	405	323	-	376	1,971
91500 Employee Benefit contributions - Administrative	13,049	27,923	10,358	12,924	-	11,114	75,368
91600 Office Expenses	3,258	10,840	3,335	8,063	-	21,885	47,381
91700 Legal Expense	-	1,221	-	200	-	-	1,421
91800 Travel	358	922	330	361	-	415	2,386
91810 Allocated Overhead	-	-	-	-	-	-	-
91900 Other	-	-	-	-	-	-	-
91000 Total Operating - Administrative	126,709	240,176	149,197	123,550	-	179,271	818,903
92000 Asset Management Fee	12,240	23,760	15,240	11,760	-	17,640	80,640
92100 Tenant Services - Salaries	-	-	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-
92400 Tenant Services - Other	1,834	3,253	1,083	1,746	-	2,991	10,907
92500 Total Tenant Services	1,834	3,253	1,083	1,746	-	2,991	10,907
93100 Water	6,365	5,650	7,295	1,964	-	7,415	28,689
93200 Electricity	44,945	5,752	42,281	1,593	-	34,685	129,256
93300 Gas	47,390	11,806	21,305	4,944	-	22,196	107,641
93400 Fuel	-	4,477	-	-	-	-	4,477
93500 Labor	-	-	-	-	-	-	-
93600 Sewer	7,707	-	8,235	993	-	6,474	23,409
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-	-
93000 Total Utilities	106,407	27,685	79,116	9,494	-	70,770	293,472
94100 Ordinary Maintenance and Operations - Labor	25,804	10,187	27,472	6,370	-	34,582	104,415
94200 Ordinary Maintenance and Operations - Materials and Other	5,190	44,801	13,395	14,266	-	38,956	116,608
94300 Ordinary Maintenance and Operations Contracts	92,769	472,382	120,045	138,359	-	108,123	931,679
94500 Employee Benefit Contributions - Ordinary Maintenance	8,322	4,028	5,289	2,139	-	20,468	40,246
94000 Total Maintenance	132,085	531,398	166,202	161,134	-	202,129	1,192,948
95100 Protective Services - Labor	-	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	10,205	33,230	-	-	-	-	43,435
95300 Protective Services - Other	-	-	10,040	-	-	10,398	20,438
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-
95000 Total Protective Services	10,205	33,230	10,040	-	-	10,398	63,873
96110 Property Insurance	7,519	54,669	6,381	22,584	-	8,176	99,329
96120 Liability Insurance	-	-	-	-	-	-	-
96130 Workmen's Compensation	1,189	1,981	1,267	799	-	1,221	6,457
96140 All Other Insurance	2,006	1,095	1,077	73	-	2,011	6,262
96100 Total insurance Premiums	10,714	57,745	8,725	23,456	-	11,408	112,048

HOUSING AUTHORITY OF THE CITY OF ELKHART
Elkhart, Indiana

Project Revenue and Expense Summary
for the year ended March 31, 2011

	IN026000001	IN026000002	IN026000003	IN026000004	IN026009999	IN026000007	Total
96200 Other General Expenses							
96210 Compensated Absences	1,836	2,693	1,951	640	-	3,672	10,792
96300 Payments in Lieu of Taxes	13,776	5,563	20,609	4,513	-	16,120	60,581
96400 Bad debt - Tenant Rents	4,362	8,599	1,985	7,015	-	3,062	25,023
96500 Bad debt - Mortgages	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-	-
96000 Total Other General Expenses	19,974	16,855	24,545	12,168	-	22,854	96,396
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	-	-	-	-	-	-	-
96900 Total Operating Expenses	420,168	934,102	454,148	343,308	-	517,461	2,669,187
97000 Excess of Operating Revenue over Operating Expenses	93,135	110,549	118,997	271,842	-	116,859	711,382
97100 Extraordinary Maintenance	2,797	-	12,744	6,095	-	13,937	35,573
97200 Casualty Losses - Non-capitalized	-	-	1,037	-	-	-	1,037
97300 Housing Assistance Payments	1,380	-	264	-	-	-	1,644
97350 HAP Portability-In	-	-	-	-	-	-	-
97400 Depreciation Expense	90,625	255,299	87,921	90,024	-	130,081	653,950
97500 Fraud Losses	-	-	-	-	-	-	-
97600 Capital Outlays - Governmental Funds	-	-	-	-	-	-	-
97700 Debt Principal Payment - Governmental Funds	-	-	-	-	-	-	-
97800 Dwelling Units Rent Expense	-	-	-	-	-	-	-
90000 Total Expenses	514,970	1,189,401	556,114	439,427	-	661,479	3,361,391
10010 Operating Transfer In	30,725	75,144	30,325	4,899	-	107,301	248,394
10020 Operating transfer Out	(30,725)	(75,144)	(30,325)	(4,899)	-	(107,301)	(248,394)
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)	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	(1,667)	(144,750)	17,031	175,723	-	(27,159)	19,178
11020 Required Annual Debt Principal Payments	-	-	-	-	-	-	-
11030 Beginning Equity	722,351	2,009,739	672,333	1,021,555	-	2,734,137	7,160,115
11040 Prior Period Adjustments, Equity Transfers and Correction of	180,594	529,000	178,000	97,711	-	304,556	1,289,861
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	1,212	2,328	1,512	1,176	-	1,764	7,992
11210 Number of Unit Months Leased	1,178	2,197	1,471	1,146	-	1,703	7,695
11270 Excess Cash	118,334	108,088	158,433	130,226	-	500,768	1,015,849
11610 Land Purchases	-	-	-	-	-	-	-
11620 Building Purchases	-	-	-	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	2,780	-	-	2,254	-	-	5,034
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-
11650 Leasehold Improvements Purchases	-	583,883	-	103,539	-	-	687,422
11660 Infrastructure Purchases	-	-	-	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-	-