

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT EXAMINATION REPORT
OF

ST. JOSEPH COUNTY
HOUSING CONSORTIUM
ST. JOSEPH COUNTY, INDIANA

January 1, 2014 to December 31, 2014



FILED
04/18/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Mark Neal John H. Murphy	01-01-14 to 01-02-14 01-03-14 to 12-31-18
Chairman of the Board	Donald F. Fozo Brian Pawlowski	01-01-14 to 09-20-16 09-21-16 to 12-31-17
Program Director	Pamela C. Meyer	01-01-14 to 12-31-17



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE ST. JOSEPH COUNTY HOUSING
CONSORTIUM, ST. JOSEPH COUNTY, INDIANA

We have examined the accompanying financial statement of the St. Joseph County Housing Consortium (Consortium), for the period of January 1, 2014 to December 31, 2014. The Consortium's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1 to the financial statement, the Consortium prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Consortium for the period of January 1, 2014 to December 31, 2014.

In our opinion, the financial statement referred to above presents, in all material respects, the financial position and results of operations of the Consortium for the period of January 1, 2014 to December 31, 2014, based on the prescribed basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Consortium's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the financial statement. It has not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on it.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

March 23, 2017

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement was approved by management of the Consortium. The accompanying notes were prepared by management of the Consortium. The financial statement and notes are presented as intended by the Consortium.

ST. JOSEPH COUNTY HOUSING CONSORTIUM
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2014

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
General Fund	\$ 78,207	\$ 541,158	\$ 543,097	\$ 76,268

The notes to the financial statement are an integral part of this statement.

ST. JOSEPH COUNTY HOUSING CONSORTIUM
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Consortium was established under the laws of the State of Indiana. The Consortium operates under an appointed governing board.

The accompanying financial statement presents the financial information for the Consortium.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Intergovernmental receipts. Amounts received from other governments in the form of operating grants and entitlements. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants and state grants.

Other receipts. Amounts received from various sources which can include, but are not limited to, the following: net proceeds from borrowings; transfers out authorized by statute, ordinance, resolution or court order; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

ST. JOSEPH COUNTY HOUSING CONSORTIUM
NOTES TO FINANCIAL STATEMENT
(Continued)

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Other disbursements. Amounts disbursed which include, but are not limited to, the following: transfers that are authorized by statute, ordinance, resolution contract or court order.

F. Fund Accounting

A General Fund is established, maintained, and reported by the Consortium. The fund is used to account for amounts received from and used for specific sources and uses as determined by regulations. Restrictions on some funds are set by the grant award contractual agreement. The money accounted for in the fund may only be available for use for certain, legally-restricted purposes.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The budget is advertised as required by law and prior to adopting the budget, the governing board conducts public hearings and obtains comments. The grant award letter will provide final approval of the budget.

Note 3. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Consortium to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 4. Risk Management

The Consortium has no capital assets, but may be exposed to various risks of loss related to torts, and errors and omissions. The policy of the Consortium is not to purchase commercial insurance for the risks of loss related to torts, and errors and omissions.

OTHER INFORMATION - UNEXAMINED

The Consortium's Annual Financial Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Consortium's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The other information presented was approved by management of the Consortium. It is presented as intended by the Consortium.

ST. JOSEPH COUNTY HOUSING CONSORTIUM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014

	<u>General Fund</u>
Cash and investments - beginning	\$ <u>78,207</u>
Receipts:	
Intergovernmental receipts	492,428
Other receipts	<u>48,730</u>
Total receipts	<u>541,158</u>
Disbursements:	
Other services and charges	67,922
Other disbursements	<u>475,175</u>
Total disbursements	<u>543,097</u>
Deficiency of receipts over disbursements	<u>(1,939)</u>
Cash and investments - ending	<u>\$ <u>76,268</u></u>

OTHER REPORTS

In addition to this report, other reports may have been issued for the Consortium. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.