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November 14, 2018

Board of Directors
Housing Authority of the City of Jeffersonville
206 Eastern Blvd
Jeffersonville, IN 47130

We have reviewed the audit report opined on by Rodefer Moss & Co, PLLC, Independent Public Accountants, for the period October 1, 2016 to September 30, 2017. Per the Independent Auditors' Report, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Jeffersonville as of September 30, 2017, and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the four findings included in the report on pages 27 through 30. Please see the Schedule of Findings and Questioned Costs as listed in the table of contents for complete details related to the findings. The Agency's planned corrective action is included on pages 31-32.

In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts.

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

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

Housing Authority of the City of Jeffersonville
Financial Statements and Supplementary Information
September 30, 2017

Housing Authority of the City of Jeffersonville
Financial Statements and Supplementary Information
September 30, 2017

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Independent Auditors' Report

To the Board of Commissioners
Housing Authority of the City of Jeffersonville

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Jeffersonville (the "Authority") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 Comptroller 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority as of September 30, 2017, and its changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other

knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements. In addition, the financial data schedule is presented for purposes of additional analysis, and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards and the financial data schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rodefer Moss & Co, PLLC

Rodefer Moss & Co, PLLC
New Albany, Indiana
June 27, 2018

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A)
September 30, 2017

Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their *Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999.

Our discussion and analysis of the Housing Authority of the City of Jeffersonville, Indiana, financial performance provides an overview of the Housing Authority's financial activities for the fiscal year ended September 30, 2017. Please read the MD&A in conjunction with the Housing Authority's financial statements.

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

Financial Highlights

Assets

- Current assets increased during the year from \$401,067 to \$404,486 and fixed assets decreased from \$6,668,383 to \$6,155,710.
- The Housing Authority's total assets reflect a decrease during the year. Total assets decreased from \$7,069,450 to \$6,560,196, a decrease of \$509,254.

Liabilities

- Current liabilities increased from \$138,719 to \$246,929 and non-current liabilities decreased from \$47,667 to \$31,011.
- The Housing Authority's net liabilities increased from \$186,386 at year end in 2016 to \$277,940 at year end in 2017.

Revenue

- The Authority received Operating Subsidy and Capital Grants of \$3,301,614 for the year ended September 30, 2017 as compared to \$3,430,001 in the prior year.

Expenses

- Total operating expenses decreased \$133,631 in 2017 from \$4,957,493 to \$4,823,862. This decrease was a result of decreases in routine maintenance and operation costs, protective services, and other general expenses which include bad debts and payments in lieu of taxes.

Overview of the Authority's Financial Statements

This annual report includes this Management Discussion and Analysis report, and the Financial Statements, which includes the Notes to the Financial Statements. This annual report also contains the Schedule of Expenditures of Federal Awards and the Financial Data Schedule (FDS) as referenced in the section of Supplementary Information and Other Reports.

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

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A) (Continued)

Overview of the Authority's Financial Statements (Continued)

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

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

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section titled Other Reports contains the FDS. HUD has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended September 30, 2017.

Financial Analysis

The Housing Authority accounts for its housing activities in three (3) programs. The Housing Authority Public and Indian Housing program that provides housing for qualified tenants, a Capital Fund program that the Housing Authority uses for improvements to its low rent property, and a Section 8 Housing Choice Voucher program that provides rental assistance to qualified participants.

The following summarizes these programs.

Public and Indian Housing – Under the Public and Indian Housing Program, the Authority rents 369 units that it owns to low-income households. This program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy funding to enable the Authority to provide the housing at a rent that is based upon 30 percent of household income. For the fiscal year ended September 30, 2017, the Authority received \$3.11 million in Operating Subsidy funds, of which approximately \$1.3 million has been recognized in the Public and Indian Housing Program.

Capital Fund Program – This is the primary funding source for physical and management improvements to the Authority's properties. For the fiscal year ended September 30, 2017, the Housing Authority received \$360,496 in Capital Funds, of which \$185,805 was used for property, additions or improvements.

Section 8 Housing Choice Voucher Program – Under the Section 8 Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own properties. The Housing Authority subsidizes the families' rent through a Housing Assistance Payment ("HAP") made to the landlord. The program is administered under an Annual Contribution Contract ("ACC") with HUD. HUD provides ACC funding to enable the Authority to structure a lease that sets the participants' rents at 30 percent of household income. The Housing Authority earns administrative fees to cover the cost of administering the program. For the fiscal year ended September 30, 2017, the Housing Authority received approximately \$1.81 million in total HAP and administrative funding. As of September 30, 2017, the Housing Authority has 410 vouchers to administer.

Our analysis below focuses on the net position and the change in net position of the Housing Authority as a whole and not the individual programs.

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A) (Continued)

Financial Analysis (Continued)

Statement of Net Position
September 30, 2017

| | <u>2017</u> | <u>2016</u> | <u>Increase (decrease)</u> |
|-------------------------------------|---------------------|---------------------|--------------------------------|
| Assets | | | |
| Current assets | \$ 404,486 | \$ 401,067 | \$ 3,419 |
| Capital assets, net of depreciation | <u>6,155,710</u> | <u>6,668,383</u> | <u>(512,673)</u> |
| Total Assets | 6,560,196 | 7,069,450 | (509,254) |
| Liabilities | | | |
| Current liabilities | 246,929 | 138,719 | 108,210 |
| Non-current liabilities | <u>31,011</u> | <u>47,667</u> | <u>(16,656)</u> |
| Total Liabilities | 277,940 | 186,386 | 91,554 |
| Net Position | | | |
| Net investment in capital assets | 6,155,710 | 6,668,383 | (512,673) |
| Unrestricted net position | 125,873 | 172,977 | (47,104) |
| Restricted net position | <u>673</u> | <u>41,704</u> | <u>(41,031)</u> |
| Total Net Position | <u>\$ 6,282,256</u> | <u>\$ 6,883,064</u> | <u>\$ (600,808)</u> |

- A current asset is an asset on the statement of net position which is expected to be sold or otherwise used up in the near future, usually within one year, or one business cycle - whichever is longer. Typical current assets include cash, cash equivalents, accounts receivable, inventory, the portion of prepaid accounts which will be used within a year, and short-term investments. The increase in current assets during the year ended September 30, 2017 is primarily due to change in cash position and timing of receivables and payments.
- A capital asset is an asset that is recorded on a statement of net position as capital - that is, property that creates more property and which produces a benefit that extends beyond the current tax year. The decrease in capital assets during the year ended September 30, 2017 is due to the effects of fixed asset additions of \$185,808 and charges for current-year depreciation expense of \$698,481.
- Liabilities consist of obligations the Housing Authority owes and are classified as current (usually due within one year) and non-current. Current liabilities increased during the year ended September 30, 2017 by \$108,210. Non-current liabilities decreased by \$16,656.
- Total net position decreased by \$600,808 during the fiscal year ended September 30, 2017. This decrease is the residual effect of the net increases and decreases in revenues and expenditures during the current fiscal year which has been explained elsewhere in the MD&A.

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A) (Continued)

Financial Analysis (Continued)

**Changes in Net Position
For the Year Ended September 30, 2017**

| | <u>2017</u> | <u>2016</u> | <u>Increase (decrease)</u> |
|---------------------------------|---------------------|---------------------|--------------------------------|
| Revenue | | | |
| Total tenant revenues | \$ 799,204 | \$ 870,035 | \$ (70,831) |
| Operating subsidies | 3,115,809 | 3,250,165 | (134,356) |
| Capital grants | 185,805 | 179,836 | 5,969 |
| Investment income | 195 | 161 | 34 |
| Other revenues | 122,041 | 132,568 | (10,853) |
| Total Revenue | <u>4,223,054</u> | <u>4,432,765</u> | <u>(210,037)</u> |
| Expense | | | |
| Administrative | 797,285 | 765,416 | 31,869 |
| Tenant services | 7,518 | 11,994 | (4,476) |
| Utilities | 782,157 | 775,588 | 6,569 |
| Maintenance and operations | 531,277 | 664,654 | (133,377) |
| Protective services | 14,305 | 35,736 | (21,431) |
| Insurance premiums | 119,222 | 107,145 | 12,077 |
| Other general expenses | 202,579 | 222,606 | (20,027) |
| Housing assistance payments | 1,671,038 | 1,670,169 | 869 |
| Depreciation | 698,481 | 700,229 | (1,748) |
| Extraordinary maintenance | - | 3,956 | (3,956) |
| Total Expense | <u>4,823,862</u> | <u>4,957,493</u> | <u>(133,631)</u> |
| Decrease in Net Position | <u>\$ (600,808)</u> | <u>\$ (524,728)</u> | <u>\$ (76,080)</u> |

Revenues and Expenses:

- The overall decrease in revenue is a result of decreased Public & Indian Housing operating subsidies and HCV program subsidies.
- Tenant revenues decreased \$70,831, due to changing monthly rent charges for various tenants and an increase in vacancies.
- Administrative increased by \$31,869 due in part to a severance settlement for the former executive director.
- Maintenance and operational costs decreased by \$133,377 due to decreases in material purchases, contract costs and labor.
- Other general expenses decreased by \$20,027 primarily due to a decrease in bad debt expense related to tenant rents.

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A) (Continued)

Financial Analysis (Continued)

| | Capital Assets | | Increase (decrease) |
|--|-----------------------|--------------|--------------------------------|
| | 2017 | 2016 | |
| Land | \$ 365,272 | \$ 365,272 | \$ - |
| Buildings | 22,442,712 | 22,398,691 | 44,021 |
| Furniture and equipment - dwelling | 646,357 | 593,970 | 52,387 |
| Furniture and equipment - administration | 504,990 | 504,990 | - |
| Leasehold improvements | 487,681 | 472,481 | 15,200 |
| Construction in progress | 74,200 | - | 74,200 |
| Subtotal | 24,521,212 | 24,335,404 | 185,808 |
| Accumulated depreciation | (18,365,502) | (17,667,021) | (698,481) |
| Net Capital Assets | \$ 6,155,710 | \$ 6,668,383 | \$ (512,673) |

- At September 30, 2017, the Housing Authority had \$6,155,710 invested in net capital assets. This amount represents a net decrease of \$512,673.
- The Housing Authority owns the equipment such as stoves, refrigerators, furniture and other appliances placed inside the dwellings. These items are included in furniture, equipment and machinery.

List of Major Improvements:

During fiscal year 2017 the Housing Authority was in the process of completing many repairs to buildings, units and exteriors through the Capital Fund Program. The Housing Authority had three open capital fund grants during the fiscal year to aid in the completion of modernization and repairs of the dwellings and the purchase of capital needs. For the year ended September 30, 2017, the Housing Authority received \$185,805 in funding used for capital projects at its various developments.

Debt

At September 30, 2017 the Housing Authority had non-current liabilities of \$31,011. This amount primarily reflects the accrued liability of the Housing Authority's compensated absences. The Housing Authority does not have any long term debt in the form of bonds or notes.

Economic Factors

The Housing Authority is primarily dependent upon the Department of Housing and Urban Development (HUD) for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. Local economic conditions (labor and wage rates, unemployment factors, inflation, utility rates, etc.) do have various effects in the operations of the Housing Authority and how we are charged by suppliers, vendors and how we charge our clients. The funding of programs could be significantly affected by HUD funding appropriation levels as approved by Congress in the federal budget. The Housing Authority continually monitors all areas of their programs and will continue to do so in order to isolate cost savings and improve operating efficiencies.

Housing Authority of the City of Jeffersonville
Management's Discussion and Analysis (MD&A) (Continued)

Future Outlook

The Housing Authority may experience reduced HUD funding due to notification received from HUD regarding a substandard Public Housing Assessment Score ("PHAS"). To increase their score, the Housing Authority plans to take units off-line for refurbishing and monitor collections and continue to analyze the respective allowance for doubtful accounts. The Housing Authority also plans to submit applications for new grant funds as well.

Contacting the Housing Authority's Financial Management

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact John L. Elliott, CPA, CFO at the Housing Authority of the City of Jeffersonville, IN 47130, telephone number (812) 283-3553.

HOUSING AUTHORITY OF THE CITY OF JEFFERSONVILLE
Statement of Net Position
September 30, 2017

| | |
|---|---------------------|
| ASSETS | |
| Current Assets | |
| Cash - unrestricted | \$ 148,139 |
| Cash - restricted | 673 |
| Cash - tenant security deposits | 39,732 |
| Accounts receivable - HUD | 126,958 |
| Accounts receivable - miscellaneous | 22,642 |
| Accounts receivable - tenants, net | 21,532 |
| Prepaid expenses | 12,739 |
| Inventories | <u>32,071</u> |
| Total Current Assets | <u>404,486</u> |
| Capital Assets | |
| Land | 365,272 |
| Buildings | 22,442,712 |
| Furniture, equipment and machinery - dwellings | 646,357 |
| Furniture, equipment and machinery - administration | 504,990 |
| Leasehold improvements | 487,681 |
| Construction in progress | <u>74,200</u> |
| | 24,521,212 |
| Less accumulated depreciation | <u>(18,365,502)</u> |
| Capital Assets, Net | <u>6,155,710</u> |
| Total Assets | <u>6,560,196</u> |
| Deferred Outflows of Resources | <u>-</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 6,560,196</u> |
| LIABILITIES AND NET POSITION | |
| Current Liabilities | |
| Bank overdraft | \$ 14,008 |
| Accounts payable | 2,863 |
| Accrued wages and payroll taxes | 36,272 |
| Tenant security deposits | 38,660 |
| Other current liabilities | <u>155,126</u> |
| Total Current Liabilities | <u>246,929</u> |
| Noncurrent Liabilities | |
| Accrued compensated absences | 29,817 |
| Other noncurrent liabilities | <u>1,194</u> |
| Total Noncurrent Liabilities | <u>31,011</u> |
| Total Liabilities | <u>277,940</u> |
| Deferred Inflows of Resources | <u>-</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>277,940</u> |
| Net Position | |
| Net investment in capital assets | 6,155,710 |
| Unrestricted net position | 125,873 |
| Restricted net position | <u>673</u> |
| Total Net Position | <u>\$ 6,282,256</u> |

See notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF JEFFERSONVILLE
Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2017

| | |
|-------------------------------------|----------------------------|
| Operating Revenue | |
| HUD PHA operating grants | \$ 3,115,809 |
| Tenant revenue, net | 799,204 |
| Other revenue | 111,684 |
| Fraud recovery | <u>10,357</u> |
| Total Operating Revenue | <u>4,037,054</u> |
| | |
| Operating Expenses | |
| Administrative | 797,285 |
| Tenant services | 7,518 |
| Utilities | 782,157 |
| Ordinary maintenance and operations | 531,277 |
| Protective services | 14,305 |
| Insurance premiums | 119,222 |
| Other general expenses | 202,579 |
| Housing assistance payments | 1,671,038 |
| Depreciation | <u>698,481</u> |
| Total Operating Expenses | <u>4,823,862</u> |
| Net Operating Loss | (786,808) |
| | |
| Nonoperating Revenue (Expense) | |
| Interest income | <u>195</u> |
| Total Nonoperating Expense | <u>195</u> |
| Net Loss Before Capital Fund Grants | (786,613) |
| Capital Fund Grants | <u>185,805</u> |
| Change in Net Position | (600,808) |
| Net Position, Beginning of Year | <u>6,883,064</u> |
| Net Position, End of Year | <u><u>\$ 6,282,256</u></u> |

HOUSING AUTHORITY OF THE CITY OF JEFFERSONVILLE
Statement of Cash Flows
Year Ended September 30, 2017

| | |
|--|---------------------|
| Operating Activities | |
| Cash received from tenants | \$ 822,973 |
| Cash received from HUD operating grants | 3,011,012 |
| Other cash received | 44,123 |
| Housing assistance payments | (1,671,038) |
| Payments to employees and suppliers | <u>(2,300,400)</u> |
| Net Cash Used by Operating Activities | <u>(93,330)</u> |
| Investing Activities | |
| Interest income earned | <u>195</u> |
| Net Cash Provided by Investing Activities | <u>195</u> |
| Capital and Related Financing Activities | |
| Capital grant receipts | 185,805 |
| Purchase of capital assets | <u>(185,808)</u> |
| Net Cash Used by Capital and Related Financing Activities | <u>(3)</u> |
| Non-Capital Financing Activities | |
| Bank overdraft | <u>(18,519)</u> |
| Net Cash Used by Non-Capital Financing Activities | <u>(18,519)</u> |
| Net Decrease in Cash | (111,657) |
| Operating Cash | |
| Beginning of Year | <u>300,201</u> |
| End of Year | <u>\$ 188,544 *</u> |
| *Cash reconciliation as reported on the Statement of Net Position: | |
| Cash - unrestricted | \$ 148,139 |
| Cash - restricted | 673 |
| Cash - tenant security deposits | <u>39,732</u> |
| | <u>\$ 188,544</u> |

HOUSING AUTHORITY OF THE CITY OF JEFFERSONVILLE
Statement of Cash Flows (Continued)
Year Ended September 30, 2017

| | |
|--|--------------------|
| Reconciliation of net operating loss to net cash used by operating activities | |
| Net operating loss | \$ (786,808) |
| Adjustments to reconcile net loss to net cash flows from operating activities: | |
| Depreciation | 698,481 |
| Decrease (increase) in assets: | |
| Accounts receivable - HUD | (126,958) |
| Accounts receivable - miscellaneous | (8,027) |
| Accounts receivable - tenants, net | 23,769 |
| Prepaid expenses | 9,835 |
| Inventories | (13,696) |
| Increase (decrease) in liabilities: | |
| Accounts payable | (11,228) |
| Accrued wages and payroll taxes | 10,650 |
| Tenant security deposits | (7,459) |
| Other liabilities | 134,767 |
| Accrued compensated absences | <u>(16,656)</u> |
| Net cash used by operating activities | <u>\$ (93,330)</u> |

Housing Authority of the City of Jeffersonville
Notes to Financial Statements
September 30, 2017

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Housing Authority of the City of Jeffersonville (the "Authority") is organized under the laws of the State of Indiana by the City of Jeffersonville (the "City") for the purpose of providing adequate housing for qualified low-income individuals.

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City and concluded that the City does not bear responsibility for the Authority's operations. The Mayor of the City appoints an independent Board of Commissioners to oversee 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 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. Consequently, in accordance with the Governmental Accounting Standards Board ("GASB"), management has concluded that the Authority is a separate reporting entity.

Funding for the Authority is primarily received from the United States Department of Housing and Urban Development ("HUD") and from payments received from tenants of the Authority-owned housing. Under the Public and Indian Housing Program, low-income tenants pay a portion of the rental cost of public housing, based upon the income and need of the tenants. HUD funds the difference between the actual costs to operate the Low Rent Housing Program and the amounts paid by tenants through operating subsidies. These subsidy payments are made to or on behalf of the Authority under the terms and conditions of the annual contributions contract (ACC) with HUD.

The Section 8 Housing Choice Voucher ("HCV") Program provides rental supplements to the owners of existing private housing who rent to qualifying individuals. The Authority processes all applicants for the HCV Program, places approved applicants in housing and pays the owner of the private housing a monthly rental supplement. Under the conditions of an annual contributions contract, HUD reimburses the Authority for the rental supplements and the administrative cost of managing the Program.

The accounting policies of the Authority conform to U.S. generally accepted accounting principles ("GAAP") as applicable to proprietary funds of governments. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Summary of Significant Accounting Policies

The more significant of the Authority's accounting policies are described below:

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

Basis of Presentation - All of the Authority's programs are accounted for as one business-type activity for financial reporting purposes. This financial statement presentation provides an indication of the financial performance of the Authority as a whole. Enterprise designations are used to account for activities (a) which are financed with debt that is solely secured by pledge of the net revenues from fees and charges of the activity; (b) which are governed by laws or regulations that require that the activity's costs of providing services be recovered with fees and charges, rather than taxes or similar revenues; or (c) that the pricing policies of the activity establish fees and charges designated to recover its costs. All inter-organizational accounts and transactions have been eliminated in the financial statements.

In accordance with GASB requirements, the Authority's proprietary funds follow all GASB pronouncements.

Housing Authority of the City of Jeffersonville
Notes to Financial Statements (Continued)

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Cash Equivalents - The Authority considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Allowance for Doubtful Accounts - The Authority uses the allowance for bad debts method of valuing doubtful accounts receivable which is based on historical experience, coupled with a review of the current status of existing receivables. The allowance for doubtful accounts was \$15,000 for accounts receivable - tenants at September 30, 2017. Management believes all other accounts receivable as of September 30, 2017 are collectible and no allowance is necessary.

Inventories - Inventories, consisting of materials and supplies, are stated at the lower of cost or market, reported on a first-in, first-out basis.

Capital Assets - Capital assets are stated at cost. Maintenance and repairs are charged to expense as incurred; renewals or betterments are capitalized. Gain or loss on retirements and disposition of assets is credited or charged to operations, and respective costs and accumulated depreciation are eliminated from the accounts.

The capitalization policy for the Authority is that items purchased or betterments, not repairs, in excess of \$1,000 and a useful life of one (1) year will be capitalized.

Depreciation is provided on the basis of the estimated useful lives of the assets using the straight-line method. The estimated useful lives are 10 - 35 years for building and building improvements and 5 - 10 years for building equipment, furniture, maintenance equipment and miscellaneous assets.

Revenue and Expenses - Revenue from rentals is recorded as earned over the life of the lease, and expenses are charged against such revenue as incurred without regard to the date of receipt or payment of cash.

The Authority has entered into annual contribution contracts with HUD to develop, manage and own public housing projects and to administer the federal HCV programs whereby the Authority pays the owner a portion of the rent, a housing assistance payment ("HAP"), on behalf of the family. Such contributions are reflected as HUD grants in the accompanying financial statements.

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, tenant services, utilities, maintenance, protective services, insurance, depreciation, housing assistance payments and other general expenses. All revenues and expenses not meeting these definitions are reported as non operating revenues and expenses. This includes capital subsidies for the Capital Fund Program.

Use of Restricted and Unrestricted Resources - When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Housing Authority of the City of Jeffersonville
Notes to Financial Statements (Continued)

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Date of Management's Review - Management has evaluated events and transactions occurring subsequent to the balance sheet date for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through the date of the report, which is the date these financial statements were available to be issued.

NOTE 2 - CASH DEPOSITS

In accordance with Section 401-(E) of the HUD/PHA Annual Contributions Contract, it is the policy of the Authority to invest its funds in a manner which will provide the highest investment return with maximum security while meeting the daily cash flow needs of the Authority, and comply with all federal, state and local statutes or ordinances governing the investment of public funds.

- A. **Custodial Credit Risk** - Custodial credit risk for deposits and investments is the risk that, in the event of failure by a financial institution, the Authority may not be able to recover the value of its deposits and investments or collateral securities that are in the possession of the financial institution. 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 as of September 30, 2017, were insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company or depository financial institutions. The deposits exceeding the insured or registered limits are collateralized with securities held by the Authority's financial institution.
- B. **Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates of investments will adversely affect the fair value of an investment. The Authority's investment policy limits investments to provide the optimum return on the investment consistent with the cash management program of the Authority.
- Investments are made based upon prevailing market conditions at the time of the transaction. The Authority reviews its cash and investment needs in order to maintain adequate liquidity to meet its cash flow needs. Investments will typically be limited to securities maturing in periods of up to one year, or such lesser period that coincides with expected disbursements by the Authority.
- C. **Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments are made under the 'prudent investor' standard to ensure that (a) due diligence is exercised in accordance with state law, (b) any negative deviations are reported timely and (c) reasonable action is taken to control any adverse developments. The Authority's investment policy requires investment in instruments authorized by HUD Notice PIH 95-27.
- D. **Concentration of Credit Risk** - The Authority's investment policy requires diversification of the overall portfolio to eliminate the risk of loss resulting from an over-concentration of assets in a specific maturity, a specific issuer and/or a specific class of securities.
- E. **Foreign Currency Risk** - Foreign currency risk is the risk that changes in exchange rates will adversely affect fair value of an investment or a deposit. All of the Authority's deposits and investments are denominated in United States currency.

The carrying value of the Authority's cash deposits was \$188,544 at September 30, 2017. The bank balances before reconciling items was \$222,803 at September 30, 2017.

Housing Authority of the City of Jeffersonville
Notes to Financial Statements (Continued)

NOTE 3 - CAPITAL ASSETS

The following is the detail of capital asset transactions during the year ended September 30, 2017:

| | Balance 9/30/2016 | Additions | Disposals | Balance 9/30/2017 |
|---|----------------------|---------------------|-------------|----------------------|
| Land | \$ 365,272 | \$ - | \$ - | \$ 365,272 |
| Buildings | 22,398,691 | 44,021 | - | 22,442,712 |
| Furniture, equipment and machinery-dwellings | 593,970 | 52,387 | - | 646,357 |
| Furniture, equipment and machinery-administration | 504,990 | - | - | 504,990 |
| Leasehold improvements | 472,481 | 15,200 | - | 487,681 |
| Construction in progress | - | 74,200 | - | 74,200 |
| | <u>24,335,404</u> | <u>185,808</u> | <u>-</u> | <u>24,521,212</u> |
| Less accumulated depreciation | <u>(17,667,021)</u> | <u>(698,481)</u> | <u>-</u> | <u>(18,365,502)</u> |
| Capital Assets, Net | <u>\$ 6,668,383</u> | <u>\$ (512,673)</u> | <u>\$ -</u> | <u>\$ 6,155,710</u> |

Total depreciation expense for the year ended September 30, 2017 was \$689,481.

NOTE 4 - RESTRICTED NET POSITION

In accordance with guidelines established by HUD, any HAP budget authority provided to a housing authority in excess of actual program expenses for the same period must be maintained as restricted net position to be used only for HAP payments incurred in the running of the HCV program. Accordingly, the Authority has recorded \$673 as restricted net position and restricted cash at September 30, 2017 in the HCV Program.

NOTE 5 - COMPENSATED ABSENCES

Regular full and part-time employees receive sick leave and vacation leave each year based upon length of employment. Both sick leave and vacation leave can be carried forward to successive years, but only vacation leave is eligible to be paid to the employee upon termination, as all sick leave is forfeited at that point. Also, only a maximum of 240 hours of vacation leave is eligible to be paid upon termination. Accordingly, at September 30, 2017, a liability of \$29,817, which is considered noncurrent, and \$7,848, which is considered current, has been recorded for accrued compensated absences related to accrued vacation hours at that date, which will be required to be paid to employees upon usage or termination.

NOTE 6 - NONCURRENT LIABILITIES

The activities of noncurrent liabilities are as follows:

| | Balance 9/30/2016 | Additions | Adjustments/ Payments | Balance 9/30/2017 | Current Portion |
|------------------------------|----------------------|-------------|--------------------------|----------------------|--------------------|
| Compensated absences | \$ 46,473 | \$ - | \$ (16,656) | \$ 29,817 | \$ 7,848 |
| Other noncurrent liabilities | 1,194 | - | - | 1,194 | - |
| | <u>\$ 47,667</u> | <u>\$ -</u> | <u>\$ (16,656)</u> | <u>\$ 31,011</u> | <u>\$ 7,848</u> |

Housing Authority of the City of Jeffersonville
Notes to Financial Statements (Continued)

NOTE 7 - RETIREMENT PLAN

The Authority provides pension benefits for all eligible employees through a defined contribution plan as authorized in accordance with IC 36-7-18-10. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. On May 15, 2013, the Authority approved Resolution No. 414, which adopted a new retirement plan. A Joinder Agreement was executed with the Housing Agency Retirement Trust enabling the Authority to participate in the Plan effective January 1, 2012.

Prior to the adoption of the new Plan, the Authority sponsored a SEP retirement plan whereby eligible employees were all employees who were at least 21 years of age and had been employed by the Authority for at least two of the preceding five years. For each eligible employee, the Authority elected to contribute an amount equal to 14% of the eligible employee's base wages to the plan each year. All contributions were fully vested with the employees when made.

Under the conditions of the new Plan, all current and future "full-time employees" are eligible to participate in the Plan on the first day of the month after completing six months of continuous and uninterrupted employment. All employees who were participants in the prior retirement plan were automatically enrolled in the new Plan and retained all prior contribution rates (14%) and 100% vesting rights. For all "full-time employees" hired on or after January 1, 2013, the Authority automatically contributes 6% of the employee's base rate of pay to the Plan. New eligible employees may elect to make pre-tax employee contributions to the Plan with the Authority matching the first 2% of the pre-tax employee contributions in addition to the automatic 6% employer contribution. All voluntary employee contributions are fully vested. All participating employees hired on or after January 1, 2013 will be fully vested in employer contributions after completing three full years of continuous employment with the Authority.

For the year ended September 30, 2017, total contributions by the Authority to all Plans were \$67,693 based upon \$563,608 of base wage expense to eligible employees.

NOTE 8 - LEASING ACTIVITIES (AS LESSOR)

The Authority leases roof space on one of its buildings to a wireless communications provider under a non-cancelable operating lease with an original term of five years. The lease agreement has since expired but the lease continues under the same terms. Rental receipts relating to this agreement totaled \$16,222 for the year ended September 30, 2017.

The Authority also leased a building to the Boys and Girls Club of Kentuckiana ("Boys and Girls Club") under an operating lease expiring during the year ending September 30, 2017. No fees were associated with the lease. Boys and Girls Club moved out in May 2017.

The Authority leased a building to another non-profit under an operating lease that expired during the year ending September 30, 2017. The Authority was paid \$400 per month under this lease. The lease expired during the year ended September 30, 2017 and the tenant moved out.

NOTE 9 - INCOME TAXES

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.

Housing Authority of the City of Jeffersonville
Notes to Financial Statements (Continued)

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.

Due to a substandard final Public Housing Assessment Score (PHAS) for the year ended September 30, 2016, HUD designated the Authority as troubled and placed the Authority on Zero Threshold. All functions of the Authority became under HUD review effective March 16, 2017. The Authority received a letter dated June 9, 2017 from the HUD Indianapolis Field Office regarding a Public and Indian Housing (PIH) Compliance Monitoring Review that was conducted on March 29-30, 2017, noting findings and observations. Zero Threshold was lifted on October 10, 2017 for all programs except the Capital Fund Program. The Authority is working on a corrective action plan to address the various findings from the PIH Compliance Monitoring Review.

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, the Authority could suffer losses 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. Settled claims have not exceeded coverage levels for the past three years, and insurance coverage levels and insurance coverage, by major categories of risk, is consistent with coverage in the prior year.

NOTE 12 - CONTINGENCIES

The Authority has received several federal grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon experience, management believes such disallowances, if any, will be immaterial.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF JEFFERSONVILLE
 Schedule of Expenditures of Federal Awards
 Year Ended September 30, 2017

| <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: | | |
| Public and Indian Housing Program | 14.850 | \$ 1,080,756 |
| Public Housing Capital Fund Program | 14.872 | 312,763 |
| Housing Voucher Cluster: | | |
| Section 8 Housing Choice Voucher Program | 14.871 | <u>1,809,579</u> |
| | | <u>\$ 3,203,098</u> |

Note A - Basis of Presentation

The accompanying 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note B - Indirect Cost Rate

The Authority has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note C - Procurement Policy

The Authority has elected to delay adopting the procurement requirements specified in the Uniform Guidance.

Independent Auditors' 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*

To the Board of Commissioners
Housing Authority of the City of Jeffersonville
Jeffersonville, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Jeffersonville (the "Authority"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 27, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2017.001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2017.002, 2017.003, and 2017.004 to be significant deficiencies.

Compliance and Other Matters

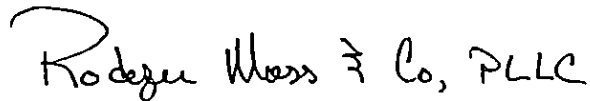
As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as items 2017.001, 2017.003, and 2017.004.

Housing Authority of the City of Jeffersonville's Response to Findings

The Authority's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink that reads "Rodefer Moss & Co, PLLC". The signature is written in a cursive, slightly slanted style.

Rodefer Moss & Co, PLLC
New Albany, Indiana
June 27, 2018

Independent Auditors' Report on Compliance For Each Major Federal Program and on Internal Control
Over Compliance in Accordance with the *Uniform Guidance*

To the Board of Commissioners
Housing Authority of the City of Jeffersonville
Jeffersonville, Indiana

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Jeffersonville (the "Authority")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2017. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Basis for Qualified Opinion on CFDA 14.850 Public and Indian Housing Program

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding CFDA 14.850 Public and Indian Housing Program as described in finding number 2017.001, 2017.002, 2017.003, and 2017.004. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Qualified Opinion on CFDA 14.850 Public and Indian Housing Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 14.850 Public and Indian Housing Program for the year ended September 30, 2017.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2017.

Other Matters

The Authority's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017.001 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2017.002, 2017.003, and 2017.004 to be significant deficiencies.

The Authority's responses to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rodefer Moss & Co, PLLC

Rodefer Moss & Co, PLLC
New Albany, Indiana
June 27, 2018

Housing Authority of the City of Jeffersonville
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2017

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP: *unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? X yes __ no
- Significant deficiency(ies) identified? X yes __ none reported

Noncompliance material to financial statements noted? X yes __ no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? X yes __ no
- Significant deficiency(ies) identified? X yes __ none reported

Type of auditors' report issued on compliance for major federal programs: *modified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? X yes __ no

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|---|
| 14.850 | Public and Indian Housing Program |
| 14.871 | Section 8 Housing Choice Voucher Program |

Dollar threshold used to distinguish between type A and type B programs: \$750,000

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

Housing Authority of the City of Jeffersonville
Schedule of Findings and Questioned Costs (Continued)

Section II - Financial Statement Findings

Public and Indian Housing Program (CFDA No. 14.850)

Finding No.: 2017.001 HUD Compliance Review - Material Weakness

Criteria: In accordance with 2 CFR Part 200.303, Federal award recipients are required to establish and maintain effective internal control over the Federal award(s) that provides reasonable assurance that the Federal award(s) is being managed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, including taking prompt action when instances of noncompliance, such as those communicated by HUD, are identified.

Condition: The Authority's standard operating procedures are frequently at variance with its outdated board-approved policies including its employee handbook, procurement, disposition, and most other policies. Various HUD regulations, including implementation of policies such as a procurement policy within HUD guidelines and 2 CFR Part 200.318 (Uniform Guidance) have not been established and/or approved by the Authority's Board of Commissioners in a timely manner, which has resulted in those policies not conforming to the guidelines established by HUD and the Uniform Guidance.

Cause and Effect: A material weakness in internal control over financial reporting exists due to an ineffective control environment at the highest level of the Authority, the Board of Commissioners, which resulted in the policies and procedures used to run the day-to-day operations of the Authority being out of compliance with HUD regulations.

Recommendations: The Authority should put a corrective action plan in place that encompasses establishing or monitoring the control environment at the appropriate levels, including the Authority's Board of Commissioners governance role in following HUD guidelines and establishing and approving policies for management to follow.

PHA Reply (Corrective Action Plan): The Authority's Board of Commissioners will obtain information and institute a properly functioning control environment, including obtaining necessary training for Board members and board approval of policies within HUD guidelines.

Contact Person: John L. Elliott, CPA, CFO at the Housing Authority of the City of Jeffersonville (812) 283-3553

Target Completion Date: September 30, 2018. The Authority updated the employee handbook, procurement policy, and other policies after the year under audit but prior to the issuance of the audit report.

Housing Authority of the City of Jeffersonville
Schedule of Findings and Questioned Costs (Continued)

Section II - Financial Statement Findings

Public and Indian Housing Program (CFDA No. 14,850)

Finding No.: 2017.002 Buildings/Land in PIC - Significant Deficiency

Criteria: In accordance with PIH Notice 2000-53, the Authority is required to submit detailed building data in the PIH Information Center (PIC) development sub-module.

Condition: The building formerly used by the Boys & Girls Club and the associated land is not entered in PIC.

Cause and Effect: Since the building and land used by the Boys & Girls Club is not in PIC, the Authority's financial data in PIC is not complete.

Recommendations: We recommend that the Authority verify ownership of this property and document the property in accordance with HUD guidelines.

PHA Reply (Corrective Action Plan): The Authority's legal counsel has reviewed property records and provided documentation to HUD. The Authority will comply with HUD's requirements and instructions regarding this property.

Contact Person: John L. Elliott, CPA, CFO at the Housing Authority of the City of Jeffersonville (812) 283-3553

Target Completion Date: September 30, 2018

Section III - Major Federal Awards Programs Audit Findings

Public and Indian Housing Program (CFDA No.14.850)

Finding No.: 2017.001 HUD Compliance Review - Material Weakness

See 2017.001 under Section II - Financial Statement Findings.

Public and Indian Housing Program (CFDA No.14.850) and

Housing Choice Voucher Program (CFDA No. 14,871)

Finding No.: 2017.003 File Testing - Significant Deficiency

Criteria: In accordance with 24 CFR Part 960.204, Part 960.259, and Part 960.607, the Authority should retain documentation in tenant files demonstrating eligibility of tenants, background check procedures, community service hours, and other eligibility requirements.

Condition: Sixty Public and Indian Housing and Housing Choice Voucher Program files were tested. Five of the Public and Indian Housing tenants tested and four of the Housing Choice Voucher tenants tested were missing various documentation from their files.

Public and Indian Housing

- One tenant file was missing a citizenship declaration and background check. That tenant's lease had a typo on the security deposit amount (\$125 vs. \$100).
- One wait list file could not be located.
- After one tenant moved out, his security deposit was not refunded for six months (well past the thirty day requirement).
- One tenant's file showed that the tenant was denied due to a background check, and the file showed the denial was appealed, and the tenant was subsequently admitted. No documentation was available to show the results of the appeal.
- Completion of community service hours was not documented for several tenants.

Housing Choice Voucher

- One tenant file was missing social security card, background check, and citizenship declaration.
- One tenant file was missing background check for an adult child who lived with tenant.
- One tenant was missing a signed EIV.
- One tenant's file showed that the tenant was denied due to a background check, but the file showed the tenant was then admitted. No documentation was available to show that the background check was appealed successfully.

Cause and Effect: Tenant files do not maintain all required documentation, so we are unable to verify that tenant procedures are in compliance with HUD requirements.

Recommendations: We recommend the Authority should ensure that all required documentation is included in each tenant file. If a background check is denied and subsequently appealed, documentation covering the results of the appeal should be included in the file. We recommend that verification of community service hours should be completed.

PHA Reply (Corrective Action Plan): The Authority will perform periodic reviews of tenant files to ensure that all required documentation is included. The Authority will continue the use of a checklist to ensure required items are included in tenant files.

Section III - Major Federal Awards Programs Audit Findings (Continued)

Finding No.: 2017.003 File Testing - Significant Deficiency (Continued)

Contact Person: John L. Elliott, CPA, CFO at the Housing Authority of the City of Jeffersonville (812) 283-3553

Target Completion Date: September 30, 2018

Public and Indian Housing Program (CFDA No.14.850)

Finding No.: 2017.004 Payroll Allocation - Significant Deficiency

Criteria: In accordance with 24 CFR Part 990.280, the Authority should not charge the projects for supervisory costs that are performed centrally. If supervisory costs (including Executive Director and CFO time) are charged to the projects for performing allowable front-line tasks, the basis for those allocations must be documented.

Condition: We noted that each pay period, the Executive Director and CFO's time was charged between the COCC, Section 8, and the two projects. Between 40-45% of their time was charged to the two projects each pay period. While we understand that in a public housing authority of this size, it is reasonable to conclude that the Executive Director and CFO have to perform certain front-line tasks, we were unable to obtain documentation supporting the percent of time allocated to those tasks for each project.

Cause and Effect: The payroll allocation lacked sufficient documentation to support the percentages used, so we were unable to verify the reasonableness of the payroll charged to each project.

Recommendations: We recommend the Authority should analyze the payroll allocation calculation and ensure that sufficient documentation is available to support all percentages utilized. We recommend the Authority should document the rationale for each percentage. When a supervisor (such as the Executive Director and CFO) perform a front-line task that can be charged to the project, we recommend the Authority consider whether that time should be charged to the project at a lower rate (commensurate to what another individual would have been paid for the same task).

PHA Reply (Corrective Action Plan): The Authority will review its payroll allocation process and document the basis for all percentages used in the calculation. The Authority will consider what rate should be used to charge the projects when supervisors perform allowable front-line tasks.

Contact Person: John L. Elliott, CPA, CFO at the Housing Authority of the City of Jeffersonville (812) 283-3553

Target Completion Date: September 30, 2018

Housing Authority of the City of Jeffersonville
Corrective Action Plan
For the Year Ended September 30, 2017

The Housing Authority of the City of Jeffersonville submits the following corrective action plan for the year ended September 30, 2017.

Name and address of independent public accounting firm:

Rodefer Moss & Co, PLLC
301 E. Elm St
New Albany, Indiana 47150

Audit Period: Year Ended September 30, 2017

The Schedule of Findings and Questioned Costs for the year ended September 30, 2017 are discussed below. The findings are numbered consistently with the number assigned in the Schedule of Findings and Questioned Costs.

Financial Statement Findings

Finding No.: 2017.001 HUD Compliance Review - Material Weakness

Recommendations: The Authority should put a corrective action plan in place that encompasses establishing or monitoring the control environment at the appropriate levels, including the Authority's Board of Commissioners governance role in following HUD guidelines and establishing and approving policies for management to follow.

PHA Reply (Corrective Action Plan): The Authority's Board of Commissioners will obtain information and institute a properly functioning control environment, including obtaining necessary training for Board members and board approval of policies within HUD guidelines.

Target Completion Date: September 30, 2018. The Authority updated the employee handbook, procurement policy, and other policies after the year under audit but prior to the issuance of the audit report.

Finding No.: 2017.002 Buildings/Land in PIC - Significant Deficiency

Recommendations: We recommend that the Authority verify ownership of this property and document the property in accordance with HUD guidelines.

PHA Reply (Corrective Action Plan): The Authority's legal counsel has reviewed property records and provided documentation to HUD. The Authority will comply with HUD's requirements and instructions regarding this property.

Target Completion Date: September 30, 2018

Major Federal Awards Programs Audit Findings

Finding No.: 2017.001 HUD Compliance Review - Material Weakness

See 2017.001 under Financial Statement Findings.

Finding No.: 2017.003 File Testing - Significant Deficiency

Recommendations: We recommend the Authority should ensure that all required documentation is included in each tenant file. If a background check is denied and subsequently appealed, documentation covering the results of the appeal should be included in the file. We recommend that verification of community service hours should be completed.

PHA Reply (Corrective Action Plan): The Authority will perform periodic reviews of tenant files to ensure that all required documentation is included. The Authority will continue the use of a checklist to ensure required items are included in tenant files.

Target Completion Date: September 30, 2018

Housing Authority of the City of Jeffersonville
Corrective Action Plan (Continued)

Major Federal Awards Programs Audit Findings (Continued)

Finding No.: 2017.004 Payroll Allocation - Significant Deficiency

Recommendations: We recommend the Authority should analyze the payroll allocation calculation and ensure that sufficient documentation is available to support all percentages utilized. We recommend the Authority should document the rationale for each percentage. When a supervisor (such as the Executive Director and CFO) perform a front-line task that can be charged to the project, we recommend the Authority consider whether that time should be charged to the project at a lower rate (commensurate to what another individual would have been paid for the same task).

PHA Reply (Corrective Action Plan): The Authority will review its payroll allocation process and document the basis for all percentages used in the calculation. The Authority will consider what rate should be used to charge the projects when supervisors perform allowable front-line tasks.

Target Completion Date: September 30, 2018

Housing Authority of the City of Jeffersonville
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2017

Section II - Financial Statement Findings

Public and Indian Housing Program (CFDA No. 14.850)

Finding No.: 2016.001 HUD Compliance Review-Material Weakness

Criteria: In accordance with 2 CFR Part 200.303, Federal award recipients are required to establish and maintain effective internal control over the Federal award(s) that provides reasonable assurance that the Federal award(s) is being managed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, including taking prompt action when instances of noncompliance, such as those communicated by HUD, are identified.

Condition: The Authority's standard operating procedures are frequently at variance with its outdated board-approved policies including its employee handbook, procurement, disposition, and most other policies. Various HUD regulations, including implementation of policies such as a procurement policy within HUD guidelines and 2 CFR Part 200.318 (Uniform Guidance) have not been established and/or approved by the Authority's Board of Commissioners in a timely manner, which has resulted in those policies not conforming to the guidelines established by HUD and the Uniform Guidance.

Recommendations: The Authority should put a corrective action plan in place that encompasses establishing or monitoring the control environment at the appropriate levels, including the Authority's Board of Commissioners governance role in following HUD guidelines and establishing and approving policies for management to follow.

Status: Subsequent to the year ended September 30, 2017, but prior to the issuance of the audited financial statements, the Board of Commissioners approved a new procurement policy and employee handbook.

Housing Authority of the City of Jeffersonville
Summary Schedule of Prior Audit Findings (Continued)

Section II - Financial Statement Findings (Continued)

Finding No.: 2016.002 Travel Review Policy - Significant Deficiency

Criteria: According to the Accounting and Uniform Compliance Guidelines Manual for Special Districts as issued by the State of Indiana, a written travel policy should be adopted in conformity with applicable State statutes. Additionally, all travel reimbursements should be reviewed timely and approved prior to reimbursement for all employees in accordance with IC 5-11-10-2.

Condition: Unapproved travel reimbursements were identified during the year, and detection and remediation steps by the Board of Commissioners were not made timely. Additionally, reimbursement was made via the payroll account rather than the normal disbursement process.

Recommendations: The Authority should develop and adopt a written travel policy that would require reimbursements be reviewed and approved more timely, at all levels. Furthermore, we would suggest employee reimbursements be made through the normal reimbursement process rather than through the payroll account.

Status: The Authority obtained repayment from the employee. Subsequent to the year ended September 30, 2017, but prior to the issuance of the audited financial statements, the Board of Commissioners approved a new travel policy.

Section III - Major Federal Awards Programs Audit Findings

Public and Indian Housing Program (CFDA No.14.850)

Finding No.: 2016.003 HUD Compliance Review-Material Weakness

Compliance Requirement: Special Tests and Provisions; Procurement

Criteria: In accordance with 2 CFR Part 200.303, Federal award recipients are required to establish and maintain effective internal control over Federal awards which provides reasonable assurance that the Federal awards are being managed in compliance with Federal statutes, regulations, and the terms and conditions of the individual Federal award, including taking prompt action when instances of noncompliance, such as those communicated by HUD, are identified.

Condition: The Authority's Procurement Policy and its Admissions and Continued Occupancy Policy (ACOP) did not conform to the prescribed guidelines required by HUD and current General Depository Agreements were not properly executed with each banking institution where Federal funds were maintained.

Recommendations: The Authority should put a corrective action plan in place that encompasses establishing or monitoring the control environment at the appropriate levels, including the Authority's Board of Commissioners governance role in following HUD guidelines and establishing and approving policies for management to follow.

Status: Subsequent to the year ended September 30, 2017, but prior to the issuance of the audited financial statements, the Board of Commissioners approved a new procurement policy. General Depository Agreements were executed with banking institutions during the year ended September 30, 2017. The ACOP policy had not been updated as of the date of this report.

- Certified Public Accountants
- Business Advisors

p: 812.945.5236
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301 East Elm Street
New Albany, IN 47150



Independent Accountants' Report On Applying Agreed-Upon Procedure

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

We have performed the procedure described in the second paragraph of this report, which was agreed to by Housing Authority of the City of Jeffersonville ("the Authority") and the U.S. Department of Housing and Urban Development, Public Indian Housing-Real Estate Assessment Center (PIH-REAC), on whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. The Authority is responsible for accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of the Authority and PIH-REAC. 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 associated findings from 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.

This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We were engaged to perform an audit in accordance with the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance)*, by Housing Authority of the City of Jeffersonville as of and for the year ended September 30, 2017, and have issued our reports thereon dated June 27, 2018. 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 supplementary information dated June 27, 2018 was expressed in relation to the basic financial statements of Housing Authority of the City of Jeffersonville taken as a whole.

A copy of the reporting package required by the OMB Uniform Guidance, which includes the auditors' reports, is available in its entirety from the 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, PIH-REAC.

The purpose of this report on applying the agreed-upon procedures is solely to describe the procedure performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

Rodefer Moss & Co, PLLC
New Albany, Indiana
June 28, 2018

Attachment to Independent Accountants' Report on Applying Agreed-Upon Procedure

| Procedure | UFRS Rule Information | Hard Copy Document(s) | Agrees | Does not Agree |
|------------------|--|---|---------------|-----------------------|
| 1 | Balance Sheet and Revenue and Expense (data line items 111 to 13901) | Financial Data Schedule, all CFDAs | 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) | Uniform Guidance 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 Uniform Guidance 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 Uniform Guidance Data Collection Form | X | |
| 8 | Type of Compliance Requirement (G4200-020 & G4000-030) | Uniform Guidance 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 Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

| | Project Total | 14.871 Housing Choice Vouchers | COCC | Subtotal | ELIM | Total |
|--|---------------|-----------------------------------|----------|-----------|-----------|-----------|
| 111 Cash - Unrestricted | \$124,909 | \$23,230 | | \$148,139 | | \$148,139 |
| 112 Cash - Restricted - Modernization and Development | | | | | | |
| 113 Cash - Other Restricted | | \$673 | | \$673 | | \$673 |
| 114 Cash - Tenant Security Deposits | \$39,732 | | | \$39,732 | | \$39,732 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | | |
| 100 Total Cash | \$164,641 | \$23,903 | \$0 | \$188,544 | \$0 | \$188,544 |
| 121 Accounts Receivable - PHA Projects | | | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$126,958 | \$0 | \$0 | \$126,958 | | \$126,958 |
| 124 Accounts Receivable - Other Government | | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | \$22,642 | \$22,642 | | \$22,642 |
| 126 Accounts Receivable - Tenants | \$22,696 | | | \$22,696 | | \$22,696 |
| 126.1 Allowance for Doubtful Accounts - Tenants | -\$15,000 | | | -\$15,000 | | -\$15,000 |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | \$0 | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | \$13,836 | | | \$13,836 | | \$13,836 |
| 128 Fraud Recovery | | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | | |
| 129 Accrued Interest Receivable | | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$148,490 | \$0 | \$22,642 | \$171,132 | \$0 | \$171,132 |
| 131 Investments - Unrestricted | | | | | | |
| 132 Investments - Restricted | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | |
| 142 Prepaid Expenses and Other Assets | \$10,224 | \$876 | \$1,639 | \$12,739 | | \$12,739 |
| 143 Inventories | \$32,071 | | | \$32,071 | | \$32,071 |
| 143.1 Allowance for Obsolete Inventories | \$0 | | \$0 | \$0 | | \$0 |
| 144 Inter Program Due From | | | \$29,963 | \$29,963 | -\$29,963 | \$0 |
| 145 Assets Held for Sale | | | | | | |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Balance Sheet Summary (Continued)

| | | | | | | |
|---|---------------|----------|------------|---------------|-----------|---------------|
| 150 Total Current Assets | \$355,426 | \$24,779 | \$54,244 | \$434,449 | -\$29,963 | \$404,486 |
| 161 Land | \$365,272 | | | \$365,272 | | \$365,272 |
| 162 Buildings | \$22,442,712 | | | \$22,442,712 | | \$22,442,712 |
| 163 Furniture, Equipment & Machinery - Dwellings | \$646,357 | | | \$646,357 | | \$646,357 |
| 164 Furniture, Equipment & Machinery - Administration | | | \$504,990 | \$504,990 | | \$504,990 |
| 165 Leasehold Improvements | \$487,681 | | | \$487,681 | | \$487,681 |
| 166 Accumulated Depreciation | -\$17,870,009 | | -\$495,493 | -\$18,365,502 | | -\$18,365,502 |
| 167 Construction in Progress | \$74,200 | | | \$74,200 | | \$74,200 |
| 168 Infrastructure | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$6,146,213 | \$0 | \$9,497 | \$6,155,710 | \$0 | \$6,155,710 |
| 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 | \$6,146,213 | \$0 | \$9,497 | \$6,155,710 | \$0 | \$6,155,710 |
| 200 Deferred Outflow of Resources | | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$6,501,639 | \$24,779 | \$63,741 | \$6,590,159 | -\$29,963 | \$6,560,196 |
| 311 Bank Overdraft | | | \$14,008 | \$14,008 | | \$14,008 |
| 312 Accounts Payable <= 90 Days | \$1,811 | | \$1,052 | \$2,863 | | \$2,863 |
| 313 Accounts Payable >90 Days Past Due | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$7,582 | \$2,268 | \$26,422 | \$36,272 | | \$36,272 |
| 322 Accrued Compensated Absences - Current Portion | \$4,776 | \$1,902 | \$1,170 | \$7,848 | | \$7,848 |
| 324 Accrued Contingency Liability | | | | | | |
| 325 Accrued Interest Payable | | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | | |
| 332 Account Payable - PHA Projects | | \$4,886 | | \$4,886 | | \$4,886 |
| 333 Accounts Payable - Other Government | | | | | | |
| 341 Tenant Security Deposits | \$38,660 | | | \$38,660 | | \$38,660 |
| 342 Unearned Revenue | | | | | | |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | | | | | | |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Balance Sheet Summary (Continued)

| | | | | | | |
|--|-------------|-----------|----------|-------------|-----------|-------------|
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | | |
| 345 Other Current Liabilities | \$7,961 | | | \$7,961 | | \$7,961 |
| 346 Accrued Liabilities - Other | \$129,398 | | \$5,033 | \$134,431 | | \$134,431 |
| 347 Inter Program - Due To | | \$29,963 | | \$29,963 | -\$29,963 | \$0 |
| 348 Loan Liability - Current | | | | | | |
| 310 Total Current Liabilities | \$190,188 | \$39,019 | \$47,685 | \$276,892 | -\$29,963 | \$246,929 |
| 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 | | \$1,194 | | \$1,194 | | \$1,194 |
| 354 Accrued Compensated Absences - Non Current | \$18,145 | \$7,227 | \$4,445 | \$29,817 | | \$29,817 |
| 355 Loan Liability - Non Current | | | | | | |
| 356 FASB 5 Liabilities | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | | |
| 350 Total Non-Current Liabilities | \$18,145 | \$8,421 | \$4,445 | \$31,011 | \$0 | \$31,011 |
| 300 Total Liabilities | \$208,333 | \$47,440 | \$52,130 | \$307,903 | -\$29,963 | \$277,940 |
| 400 Deferred Inflow of Resources | | | | | | |
| 508.4 Net Investment in Capital Assets | \$6,146,213 | | \$9,497 | \$6,155,710 | | \$6,155,710 |
| 511.4 Restricted Net Position | \$0 | \$673 | | \$673 | | \$673 |
| 512.4 Unrestricted Net Position | \$147,093 | -\$23,334 | \$2,114 | \$125,873 | | \$125,873 |
| 513 Total Equity - Net Assets / Position | \$6,293,306 | -\$22,661 | \$11,611 | \$6,282,256 | \$0 | \$6,282,256 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | \$6,501,639 | \$24,779 | \$63,741 | \$6,590,159 | -\$29,963 | \$6,560,196 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

| | Project Total | 14.871 Housing Choice Vouchers | COCC | Subtotal | ELIM | Total |
|---|---------------|-----------------------------------|-----------|-------------|------------|-------------|
| 70300 Net Tenant Rental Revenue | \$733,737 | | | \$733,737 | | \$733,737 |
| 70400 Tenant Revenue - Other | \$65,467 | | | \$65,467 | | \$65,467 |
| 70500 Total Tenant Revenue | \$799,204 | \$0 | \$0 | \$799,204 | \$0 | \$799,204 |
| 70600 HUD PHA Operating Grants | \$1,306,230 | \$1,809,579 | | \$3,115,809 | | \$3,115,809 |
| 70610 Capital Grants | \$185,805 | | | \$185,805 | | \$185,805 |
| 70710 Management Fee | | | \$231,854 | \$231,854 | -\$231,854 | \$0 |
| 70720 Asset Management Fee | | | | | | |
| 70730 Book Keeping Fee | | | \$23,985 | \$23,985 | -\$23,985 | \$0 |
| 70740 Front Line Service Fee | | | | | | |
| 70750 Other Fees | | | | | | |
| 70700 Total Fee Revenue | | | \$255,839 | \$255,839 | -\$255,839 | \$0 |
| 70800 Other Government Grants | | | | | | |
| 71100 Investment Income - Unrestricted | | \$38 | \$119 | \$157 | | \$157 |
| 71200 Mortgage Interest Income | | | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | | |
| 71310 Cost of Sale of Assets | | | | | | |
| 71400 Fraud Recovery | | \$10,357 | | \$10,357 | | \$10,357 |
| 71500 Other Revenue | \$25,254 | \$75,715 | \$10,715 | \$111,684 | | \$111,684 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | | |
| 72000 Investment Income - Restricted | | \$38 | | \$38 | | \$38 |
| 70000 Total Revenue | \$2,316,493 | \$1,895,727 | \$266,673 | \$4,478,893 | -\$255,839 | \$4,223,054 |
| 91100 Administrative Salaries | \$190,142 | \$120,306 | \$132,797 | \$443,245 | | \$443,245 |
| 91200 Auditing Fees | \$22,420 | \$1,358 | \$1,412 | \$25,190 | | \$25,190 |
| 91300 Management Fee | \$231,854 | | | \$231,854 | -\$231,854 | \$0 |
| 91310 Book-keeping Fee | \$23,985 | | | \$23,985 | -\$23,985 | \$0 |
| 91400 Advertising and Marketing | \$2,012 | \$150 | \$3,692 | \$5,854 | | \$5,854 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Revenue and Expense Summary (Continued)

| | | | | | | |
|---|-----------|-----------|-----------|-------------|------------|-----------|
| 91500 Employee Benefit contributions - Administrative | \$97,473 | \$62,538 | \$41,469 | \$201,480 | | \$201,480 |
| 91600 Office Expenses | \$37,430 | \$11,242 | \$33,623 | \$82,295 | | \$82,295 |
| 91700 Legal Expense | \$13,100 | \$215 | \$3,678 | \$16,993 | | \$16,993 |
| 91800 Travel | \$793 | \$4,831 | \$25 | \$5,649 | | \$5,649 |
| 91810 Allocated Overhead | | | | | | |
| 91900 Other | | \$16,579 | | \$16,579 | | \$16,579 |
| 91000 Total Operating - Administrative | \$619,209 | \$217,219 | \$216,696 | \$1,053,124 | -\$255,839 | \$797,285 |
| 92000 Asset Management Fee | | | | | | |
| 92100 Tenant Services - Salaries | | | | | | |
| 92200 Relocation Costs | | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | | |
| 92400 Tenant Services - Other | \$7,518 | | | \$7,518 | | \$7,518 |
| 92500 Total Tenant Services | \$7,518 | \$0 | \$0 | \$7,518 | \$0 | \$7,518 |
| 93100 Water | \$101,423 | | \$511 | \$101,934 | | \$101,934 |
| 93200 Electricity | \$255,150 | | \$7,460 | \$262,610 | | \$262,610 |
| 93300 Gas | \$143,587 | | \$1,182 | \$144,769 | | \$144,769 |
| 93400 Fuel | | | | | | |
| 93500 Labor | | | | | | |
| 93600 Sewer | \$271,680 | | \$1,164 | \$272,844 | | \$272,844 |
| 93700 Employee Benefit Contributions - Utilities | | | | | | |
| 93800 Other Utilities Expense | | | | | | |
| 93000 Total Utilities | \$771,840 | \$0 | \$10,317 | \$782,157 | \$0 | \$782,157 |
| 94100 Ordinary Maintenance and Operations - Labor | \$254,317 | | | \$254,317 | | \$254,317 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$86,766 | | \$211 | \$86,977 | | \$86,977 |
| 94300 Ordinary Maintenance and Operations Contracts | \$70,989 | | \$4,101 | \$75,090 | | \$75,090 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | \$114,893 | | | \$114,893 | | \$114,893 |
| 94000 Total Maintenance | \$526,965 | \$0 | \$4,312 | \$531,277 | \$0 | \$531,277 |
| 95100 Protective Services - Labor | | | | | | |
| 95200 Protective Services - Other Contract Costs | \$13,460 | | \$845 | \$14,305 | | \$14,305 |
| 95300 Protective Services - Other | | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | | |
| 95000 Total Protective Services | \$13,460 | \$0 | \$845 | \$14,305 | \$0 | \$14,305 |
| 96110 Property Insurance | \$67,904 | | \$5,059 | \$72,963 | | \$72,963 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Revenue and Expense Summary (Continued)

| | | | | | | |
|---|-------------|-------------|-----------|-------------|------------|-------------|
| 96120 Liability Insurance | | \$2,893 | | \$2,893 | | \$2,893 |
| 96130 Workmen's Compensation | \$17,935 | \$3,245 | \$3,569 | \$24,749 | | \$24,749 |
| 96140 All Other Insurance | \$17,620 | | \$997 | \$18,617 | | \$18,617 |
| 96100 Total Insurance Premiums | \$103,459 | \$6,138 | \$9,625 | \$119,222 | \$0 | \$119,222 |
| 96200 Other General Expenses | \$59,680 | | \$236 | \$59,916 | | \$59,916 |
| 96210 Compensated Absences | \$1,068 | | | \$1,068 | | \$1,068 |
| 96300 Payments in Lieu of Taxes | \$2,848 | | | \$2,848 | | \$2,848 |
| 96400 Bad debt - Tenant Rents | \$74,531 | | | \$74,531 | | \$74,531 |
| 96500 Bad debt - Mortgages | | | | | | |
| 96600 Bad debt - Other | | | | | | |
| 96800 Severance Expense | | | | | | |
| 96000 Total Other General Expenses | \$138,127 | \$0 | \$236 | \$138,363 | \$0 | \$138,363 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96900 Total Operating Expenses | \$2,180,578 | \$223,357 | \$242,031 | \$2,645,966 | -\$255,839 | \$2,390,127 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$135,915 | \$1,672,370 | \$24,642 | \$1,832,927 | \$0 | \$1,832,927 |
| 97100 Extraordinary Maintenance | | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | | |
| 97300 Housing Assistance Payments | | \$1,671,038 | | \$1,671,038 | | \$1,671,038 |
| 97350 HAP Portability-In | | \$64,216 | | \$64,216 | | \$64,216 |
| 97400 Depreciation Expense | \$691,965 | | \$6,516 | \$698,481 | | \$698,481 |
| 97500 Fraud Losses | | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | | |
| 90000 Total Expenses | \$2,872,543 | \$1,958,611 | \$248,547 | \$5,079,701 | -\$255,839 | \$4,823,862 |
| 10010 Operating Transfer In | | | | | | |
| 10020 Operating transfer Out | | | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | | | |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Entity Wide Revenue and Expense Summary (Continued)

| | | | | | | |
|---|-------------|-----------|----------|-------------|-----|-------------|
| 10050 Proceeds from Notes, Loans and Bonds | | | | | | |
| 10060 Proceeds from Property Sales | | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | | |
| 10093 Transfers between Program and Project - In | | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | -\$556,050 | -\$62,884 | \$18,126 | -\$600,808 | \$0 | -\$600,808 |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 11030 Beginning Equity | \$6,849,356 | \$40,223 | -\$6,515 | \$6,883,064 | | \$6,883,064 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$0 | | | \$0 | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | | |
| 11170 Administrative Fee Equity | | -\$23,334 | | -\$23,334 | | -\$23,334 |
| 11180 Housing Assistance Payments Equity | | \$673 | | \$673 | | \$673 |
| 11190 Unit Months Available | 4416 | 4920 | | 9336 | | 9336 |
| 11210 Number of Unit Months Leased | 3194 | 4101 | | 7295 | | 7295 |
| 11270 Excess Cash | -\$44,214 | | | -\$44,214 | | -\$44,214 |
| 11610 Land Purchases | \$0 | | \$0 | \$0 | | \$0 |
| 11620 Building Purchases | \$118,219 | | \$0 | \$118,219 | | \$118,219 |
| 11630 Furniture & Equipment - Dwelling Purchases | \$52,386 | | \$0 | \$52,386 | | \$52,386 |
| 11640 Furniture & Equipment - Administrative Purchases | \$0 | | \$0 | \$0 | | \$0 |
| 11650 Leasehold Improvements Purchases | \$15,200 | | \$0 | \$15,200 | | \$15,200 |
| 11660 Infrastructure Purchases | \$0 | | \$0 | \$0 | | \$0 |
| 13510 CFFP Debt Service Payments | \$0 | | \$0 | \$0 | | \$0 |
| 13901 Replacement Housing Factor Funds | \$0 | | \$0 | \$0 | | \$0 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Project Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

| | IN023100000 | IN023200000 | OTHER PROJ | Total |
|--|--------------|---------------|------------|---------------|
| 111 Cash - Unrestricted | \$37,479 | \$87,430 | | \$124,909 |
| 112 Cash - Restricted - Modernization and Development | | | | |
| 113 Cash - Other Restricted | | | | |
| 114 Cash - Tenant Security Deposits | \$13,999 | \$25,733 | | \$39,732 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | |
| 100 Total Cash | \$51,478 | \$113,163 | \$0 | \$164,641 |
| 121 Accounts Receivable - PHA Projects | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$63,479 | \$63,479 | | \$126,958 |
| 124 Accounts Receivable - Other Government | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | |
| 126 Accounts Receivable - Tenants | \$10,992 | \$11,704 | | \$22,696 |
| 126.1 Allowance for Doubtful Accounts - Tenants | -\$5,000 | -\$10,000 | | -\$15,000 |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | \$9,077 | \$4,759 | | \$13,836 |
| 128 Fraud Recovery | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | |
| 129 Accrued Interest Receivable | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$78,548 | \$69,942 | \$0 | \$148,490 |
| 131 Investments - Unrestricted | | | | |
| 132 Investments - Restricted | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | |
| 142 Prepaid Expenses and Other Assets | \$3,692 | \$6,532 | | \$10,224 |
| 143 Inventories | \$16,036 | \$16,035 | | \$32,071 |
| 143.1 Allowance for Obsolete Inventories | \$0 | \$0 | | \$0 |
| 144 Inter Program Due From | | | | |
| 145 Assets Held for Sale | | | | |
| 150 Total Current Assets | \$149,754 | \$205,672 | \$0 | \$355,426 |
| 161 Land | \$124,192 | \$241,080 | | \$365,272 |
| 162 Buildings | \$7,808,170 | \$14,634,542 | | \$22,442,712 |
| 163 Furniture, Equipment & Machinery - Dwellings | \$287,770 | \$358,587 | | \$646,357 |
| 164 Furniture, Equipment & Machinery - Administration | | | | |
| 165 Leasehold Improvements | \$59,164 | \$428,517 | | \$487,681 |
| 166 Accumulated Depreciation | -\$5,914,997 | -\$11,955,012 | | -\$17,870,009 |
| 167 Construction in Progress | | \$74,200 | | \$74,200 |
| 168 Infrastructure | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$2,364,289 | \$3,781,914 | \$0 | \$6,146,213 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | |
| 173 Grants Receivable - Non Current | | | | |
| 174 Other Assets | | | | |
| 176 Investments in Joint Ventures | | | | |
| 180 Total Non-Current Assets | \$2,364,289 | \$3,781,914 | \$0 | \$6,146,213 |
| 200 Deferred Outflow of Resources | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$2,514,053 | \$3,987,586 | \$0 | \$6,501,639 |
| 311 Bank Overdraft | | | | |
| 312 Accounts Payable <= 90 Days | \$1,540 | \$271 | | \$1,811 |
| 313 Accounts Payable >90 Days Past Due | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$3,208 | \$4,374 | | \$7,582 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Project Balance Sheet Summary (Continued)

| | | | | | |
|-------|---|-------------|-------------|-----|-------------|
| 322 | Accrued Compensated Absences - Current Portion | \$2,210 | \$2,566 | | \$4,776 |
| 324 | Accrued Contingency Liability | | | | |
| 325 | Accrued Interest Payable | | | | |
| 331 | Accounts Payable - HUD PHA Programs | | | | |
| 332 | Account Payable - PHA Projects | | | | |
| 333 | Accounts Payable - Other Government | | | | |
| 341 | Tenant Security Deposits | \$13,749 | \$24,911 | | \$38,660 |
| 342 | Unearned Revenue | | | | |
| 343 | Current Portion of Long-term Debt - Capital | | | | |
| 344 | Current Portion of Long-term Debt - Operating Borrowings | | | | |
| 345 | Other Current Liabilities | \$4,009 | \$3,952 | | \$7,961 |
| 346 | Accrued Liabilities - Other | \$31,640 | \$97,758 | | \$129,398 |
| 347 | Inter Program - Due To | | | | |
| 348 | Loan Liability - Current | | | | |
| 310 | Total Current Liabilities | \$56,356 | \$133,832 | \$0 | \$190,188 |
| 351 | Long-term Debt, Net of Current - Capital Projects/Mortgage | | | | |
| 352 | Long-term Debt, Net of Current - Operating Borrowings | | | | |
| 353 | Non-current Liabilities - Other | | | | |
| 354 | Accrued Compensated Absences - Non Current | \$8,396 | \$9,749 | | \$18,145 |
| 355 | Loan Liability - Non Current | | | | |
| 356 | FASB 5 Liabilities | | | | |
| 357 | Accrued Pension and OPEB Liabilities | | | | |
| 350 | Total Non-Current Liabilities | \$8,396 | \$9,749 | \$0 | \$18,145 |
| 300 | Total Liabilities | \$64,752 | \$143,581 | \$0 | \$208,333 |
| 400 | Deferred Inflow of Resources | | | | |
| 508.4 | Net Investment in Capital Assets | \$2,364,299 | \$3,781,914 | | \$6,146,213 |
| 511.4 | Restricted Net Position | | | \$0 | \$0 |
| 512.4 | Unrestricted Net Position | \$85,002 | \$82,091 | \$0 | \$147,093 |
| 513 | Total Equity - Net Assets / Position | \$2,449,301 | \$3,864,005 | \$0 | \$6,293,306 |
| 600 | Total Liabilities, Deferred Inflows of Resources and Equity - | \$2,514,053 | \$3,987,586 | \$0 | \$8,501,639 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Project Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2017

| | IN023100000 | IN023200000 | OTHER PROJ | Total |
|---|-------------|-------------|------------|-------------|
| 70300 Net Tenant Rental Revenue | \$255,630 | \$478,107 | | \$733,737 |
| 70400 Tenant Revenue - Other | \$30,667 | \$34,800 | | \$65,467 |
| 70500 Total Tenant Revenue | \$286,297 | \$512,907 | \$0 | \$799,204 |
| 70600 HUD PHA Operating Grants | \$612,509 | \$693,721 | | \$1,306,230 |
| 70610 Capital Grants | \$54,981 | \$130,824 | | \$185,805 |
| 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 | | | | |
| 71200 Mortgage Interest Income | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | |
| 71310 Cost of Sale of Assets | | | | |
| 71400 Fraud Recovery | | | | |
| 71500 Other Revenue | \$1,232 | \$24,022 | | \$25,254 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | |
| 72000 Investment Income - Restricted | | | | |
| 70000 Total Revenue | \$955,019 | \$1,361,474 | \$0 | \$2,316,493 |
| 91100 Administrative Salaries | \$69,129 | \$121,013 | | \$190,142 |
| 91200 Auditing Fees | \$9,413 | \$13,007 | | \$22,420 |
| 91300 Management Fee | \$90,844 | \$141,010 | | \$231,854 |
| 91310 Book-keeping Fee | \$8,670 | \$15,315 | | \$23,985 |
| 91400 Advertising and Marketing | \$1,006 | \$1,006 | | \$2,012 |
| 91500 Employee Benefit contributions - Administrative | \$35,832 | \$61,641 | | \$97,473 |
| 91600 Office Expenses | \$13,142 | \$24,288 | | \$37,430 |
| 91700 Legal Expense | \$5,837 | \$7,263 | | \$13,100 |
| 91800 Travel | \$349 | \$444 | | \$793 |
| 91810 Allocated Overhead | | | | |
| 91900 Other | | | | |
| 91000 Total Operating - Administrative | \$234,222 | \$384,987 | \$0 | \$619,209 |
| 92000 Asset Management Fee | | | | |
| 92100 Tenant Services - Salaries | | | | |
| 92200 Relocation Costs | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | |
| 92400 Tenant Services - Other | \$2,537 | \$4,981 | | \$7,518 |
| 92500 Total Tenant Services | \$2,537 | \$4,981 | \$0 | \$7,518 |
| 93100 Water | \$32,657 | \$68,766 | | \$101,423 |
| 93200 Electricity | \$130,086 | \$125,064 | | \$255,150 |
| 93300 Gas | \$64,069 | \$79,518 | | \$143,587 |
| 93400 Fuel | | | | |
| 93500 Labor | | | | |
| 93600 Sewer | \$95,236 | \$176,444 | | \$271,680 |
| 93700 Employee Benefit Contributions - Utilities | | | | |
| 93800 Other Utilities Expense | | | | |
| 93000 Total Utilities | \$322,048 | \$449,792 | \$0 | \$771,840 |
| 94100 Ordinary Maintenance and Operations - Labor | \$114,367 | \$139,950 | | \$254,317 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Project Revenue and Expense Summary (Continued)

| | | | | |
|---|-------------|-------------|-----|-------------|
| 94200 Ordinary Maintenance and Operations - Materials and | \$32,429 | \$54,337 | | \$86,766 |
| 94300 Ordinary Maintenance and Operations Contracts | \$30,771 | \$40,218 | | \$70,989 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | \$43,258 | \$71,635 | | \$114,893 |
| 94000 Total Maintenance | \$220,825 | \$306,140 | \$0 | \$526,965 |
| 95100 Protective Services - Labor | | | | |
| 95200 Protective Services - Other Contract Costs | \$3,013 | \$10,447 | | \$13,460 |
| 95300 Protective Services - Other | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | |
| 95000 Total Protective Services | \$3,013 | \$10,447 | \$0 | \$13,460 |
| 96110 Property Insurance | \$26,265 | \$41,639 | | \$67,904 |
| 96120 Liability Insurance | | | | |
| 96130 Workmen's Compensation | \$7,089 | \$10,846 | | \$17,935 |
| 96140 All Other Insurance | \$7,505 | \$10,115 | | \$17,620 |
| 96100 Total Insurance Premiums | \$40,859 | \$62,600 | \$0 | \$103,459 |
| 96200 Other General Expenses | \$33,092 | \$26,588 | | \$59,680 |
| 96210 Compensated Absences | \$740 | \$328 | | \$1,068 |
| 96300 Payments in Lieu of Taxes | | \$2,848 | | \$2,848 |
| 96400 Bad debt - Tenant Rents | \$37,827 | \$36,704 | | \$74,531 |
| 96500 Bad debt - Mortgages | | | | |
| 96600 Bad debt - Other | | | | |
| 96800 Severance Expense | | | | |
| 96000 Total Other General Expenses | \$71,659 | \$66,468 | \$0 | \$138,127 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | |
| 96730 Amortization of Bond Issue Costs | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 |
| 96900 Total Operating Expenses | \$695,163 | \$1,285,415 | \$0 | \$2,180,578 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$59,856 | \$78,059 | \$0 | \$138,915 |
| 97100 Extraordinary Maintenance | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | |
| 97300 Housing Assistance Payments | | | | |
| 97350 HAP Portability-In | | | | |
| 97400 Depreciation Expense | \$204,260 | \$487,705 | | \$691,965 |
| 97500 Fraud Losses | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | |
| 97800 Dwelling Units Rent Expense | | | | |
| 90000 Total Expenses | \$1,099,423 | \$1,773,120 | \$0 | \$2,872,543 |
| 10010 Operating Transfer In | | | | |
| 10020 Operating transfer Out | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | |
| 10060 Proceeds from Property Sales | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | |
| 10093 Transfers between Program and Project - In | | | | |
| 10094 Transfers between Project and Program - Out | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | -\$144,404 | -\$411,646 | \$0 | -\$556,050 |

Housing Authority of the City of Jeffersonville (IN023)
JEFFERSONVILLE, IN
Project Revenue and Expense Summary (Continued)

| | | | | |
|---|-------------|-------------|-----|-------------|
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$2,593,705 | \$4,255,651 | \$0 | \$6,849,356 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction | \$0 | \$0 | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | |
| 11060 Changes in Contingent Liability Balance | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | |
| 11170 Administrative Fee Equity | | | | |
| 11180 Housing Assistance Payments Equity | | | | |
| 11190 Unit Months Available | 1512 | 2904 | 0 | 4416 |
| 11210 Number of Unit Months Leased | 1154 | 2040 | 0 | 3194 |
| 11270 Excess Cash | \$6,225 | -\$50,439 | \$0 | -\$44,214 |
| 11610 Land Purchases | \$0 | \$0 | \$0 | \$0 |
| 11620 Building Purchases | \$28,852 | \$89,367 | \$0 | \$118,219 |
| 11630 Furniture & Equipment - Dwelling Purchases | \$26,129 | \$26,257 | \$0 | \$52,386 |
| 11640 Furniture & Equipment - Administrative Purchases | \$0 | \$0 | \$0 | \$0 |
| 11650 Leasehold Improvements Purchases | \$0 | \$15,200 | \$0 | \$15,200 |
| 11660 Infrastructure Purchases | \$0 | \$0 | \$0 | \$0 |
| 13510 CFFP Debt Service Payments | \$0 | \$0 | \$0 | \$0 |
| 13901 Replacement Housing Factor Funds | \$0 | \$0 | \$0 | \$0 |