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November 16, 2018

Board of Commissioners  
Logansport Housing Authority  
1805 Smith Street  
Logansport, IN 46947

We have reviewed the audit report opined upon by Seber Tans, PLC, Independent Public Accountants, for the period January 1, 2017 to December 31, 2017. Per the Independent Auditors' Report, the financial statements included in the report present fairly the financial condition of the Logansport Housing Authority, as of December 31, 2017, and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

**LOGANSPORT HOUSING AUTHORITY  
LOGANSPORT, INDIANA**

**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

**For the Years Ended December 31, 2017 and 2016**

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# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Logansport Housing Authority  
Logansport, Indiana

We have audited the accompanying financial statements of the Logansport Housing Authority (the Authority), as of and for the years ended December 31, 2017 and 2016, 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 audits. We conducted our audits 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 net position of the Authority as of December 31, 2017 and 2016, and the changes in its net position and its cash flows for the years 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 information as listed in the table of contents 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 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*, and is also not a required part of the basic financial statements. Further, the financial data schedules shown as listed in the table of contents are presented for purposes of additional analysis as required by Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development, and are not a required part of the financial statements.

Such information is the responsibility of management and was 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated August 13, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Seber Tans, PLC*

Seber Tans, PLC  
Kalamazoo, Michigan

August 13, 2018

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Management's Discussion And Analysis (MD&A)**  
**December 31, 2017**  
**(Unaudited)**

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This section of the Logansport Housing Authority, Indiana (Authority) annual financial report presents our management's discussion and analysis of the Authority's financial performance during the fiscal year ended on December 31, 2017. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the financial statements as a whole.

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**

- The term "net position" refers to the difference between assets and liabilities. The Authority's total net position as of December 31, 2017, was \$22,284. The net position decreased by \$27,969, a decrease of 55.7% over the prior year.
- Revenues for the Authority were \$955,834 for the year ended December 31, 2017. This was a decrease of \$63,956 or 6.3% over the prior year.
- Expenses for the Authority were \$983,803 for the year ended December 31, 2017. This was a decrease of \$24,105 or 2.4% from the prior year.
- HUD operating grants for the Authority was \$937,914 for the year ended December 31, 2017, a decrease of \$81,869 or 8% over the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report includes this *Management Discussion and Analysis* report, the *Basic Financial Statements* and the *Notes to the Financial Statements*. This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information*. The Authority's financial statements are presented as fund level financial statements because the Authority only has proprietary funds.

**Required Financial Statements**

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

## **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, 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.

### *Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and provide more detailed data.

### *Supplemental Information*

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Data*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authority's to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended December 31, 2017, and is required to be included in the audit reporting package.

## **FINANCIAL ANALYSIS**

Net position may serve, over time, as a useful indicator of a government's financial position. As stated in the table on the following page, assets exceeded liabilities by \$22,284 at the close of the year ended December 31, 2017, down from \$50,253 in fiscal year 2016. The decrease in net position of \$27,969 was due to the reasons noted below.

- Current assets include cash, receivables, and prepaid expenses. Of the \$130,428 decrease in this category, cash decreased \$126,570, receivables decreased \$2,838, and prepaid expenses decreased \$1,020. Decrease in cash was primarily due to HUD funding that was refunded to HUD for a discontinued program.
- Capital assets decreased \$637 because current year depreciation expense exceeded current year capital asset additions. Change in capital assets is explained in section titled "Capital Assets" of this analysis.
- Current liabilities decreased \$10,126 mainly due to a decrease in unearned revenue of \$10,355 for administrative fees received, not yet earned. The Authority also had a decrease in accrued wages and payroll taxes payable of \$4,452 and an increase in accounts payable of \$4,681.
- Noncurrent liabilities decreased \$19,096 due to a decrease in FSS Escrow Payable of \$18,858.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Management's Discussion And Analysis (MD&A)**  
**December 31, 2017**  
**(Unaudited)**

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**FINANCIAL ANALYSIS (CONTINUED)**

The unrestricted net position was \$9,909 as of December 31, 2017. This amount may be used to meet the Authority's ongoing obligations. The Authority has sufficient funds to meet requirements for cash outlays for one month. The restricted net position resulting from excess Housing Choice Voucher HAP funding was \$8,753 as of December 31, 2017. This amount may only be used for housing assistance payments. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net assets. The same situation held true for the prior fiscal year.

**CONDENSED STATEMENTS OF NET POSITION**

|                                  | <u>FY 2017</u>   | <u>FY 2016</u>   | <u>Dollar<br/>Change</u> | <u>Percent<br/>Change</u> |
|----------------------------------|------------------|------------------|--------------------------|---------------------------|
| Current assets                   | \$ 54,501        | \$ 184,929       | \$ (130,428)             | -70.5%                    |
| Capital assets                   | <u>3,622</u>     | <u>4,259</u>     | <u>(637)</u>             | -15.0%                    |
| Total Assets                     | <u>58,123</u>    | <u>189,188</u>   | <u>(131,065)</u>         | -69.3%                    |
| Current liabilities              | 12,733           | 22,859           | (10,126)                 | -44.3%                    |
| Noncurrent liabilities           | <u>23,106</u>    | <u>42,202</u>    | <u>(19,096)</u>          | -45.2%                    |
| Total Liabilities                | <u>35,839</u>    | <u>65,061</u>    | <u>(29,222)</u>          | -44.9%                    |
| Deferred inflows of resources    | <u>\$ -</u>      | <u>73,874</u>    | <u>(73,874)</u>          | 100.0%                    |
| Net Position                     |                  |                  |                          |                           |
| Net investment in capital assets | 3,622            | 4,259            | (637)                    | -15.0%                    |
| Restricted                       | 8,753            | 27,625           | (18,872)                 | -68.3%                    |
| Unrestricted                     | <u>9,909</u>     | <u>18,369</u>    | <u>(8,460)</u>           | -46.1%                    |
| Total Net Position               | <u>\$ 22,284</u> | <u>\$ 50,253</u> | <u>\$ (27,969)</u>       | -55.7%                    |

The Authority's net position also reflects its investment in capital assets (e.g. equipment) less accumulated depreciation. The Authority uses these capital assets to provide service and consequently these assets are not available to liquidate liabilities or other spending.

While the Statement of Net Position shows the change in financial position of net position, the Statements of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

As can be seen in the table on the following page, total revenues decreased \$63,956 due to the reasons noted below.

- HUD operating grants decreased \$81,869 or 8% due to a \$74,234 decrease in funding for housing assistance payments and a \$7,635 decrease in administrative fee revenue.
- Other income increase \$17,903 from \$0 in FY 2017 for revenue from FSS escrow forfeitures.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Management's Discussion And Analysis (MD&A)**  
**December 31, 2017**  
**(Unaudited)**

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**FINANCIAL ANALYSIS (CONTINUED)**

|                             |                  |                  |                    |        |
|-----------------------------|------------------|------------------|--------------------|--------|
| HUD PHA operating grants    | \$ 937,914       | \$ 1,019,783     | \$ (81,869)        | -8.0%  |
| Other income                | 17,903           | -                | 17,903             | 100.0% |
| Investment income           | 17               | 7                | 10                 | 142.9% |
| Total Revenues              | <u>955,834</u>   | <u>1,019,790</u> | <u>(63,956)</u>    | -6.3%  |
| <b>Expenses</b>             |                  |                  |                    |        |
| Housing assistance payments | 846,304          | 872,092          | (25,788)           | -3.0%  |
| Administration              | 127,186          | 123,914          | 3,272              | 2.6%   |
| Insurance expense           | 3,593            | 3,806            | (213)              | -5.6%  |
| General expense             | 6,083            | 5,788            | 295                | 5.1%   |
| Depreciation                | 637              | 2,308            | (1,671)            | -72.4% |
| Total Expenses              | <u>983,803</u>   | <u>1,007,908</u> | <u>(24,105)</u>    | -2.4%  |
| Change in net position      | (27,969)         | 11,882           | (39,851)           |        |
| Beginning net position      | <u>50,253</u>    | <u>38,371</u>    | <u>11,882</u>      |        |
| Ending net position         | \$ <u>22,284</u> | \$ <u>50,253</u> | \$ <u>(27,969)</u> |        |

- Investment income increased \$10 from FY 2016.

Total expenses decreased \$24,105 due to the reasons noted below.

- Housing assistance payments decreased \$25,788 or 3.0% due to a decrease in average housing assistance payment per voucher issued of \$7.67 or 2.8% and a 2.2% decrease in lease-up rate. Average housing assistance payment per unit was \$256 in FY 2017, down from \$264 in FY 2016.
- Administration increased \$3,272 or 2.6% from FY 2016 mainly due to an increase in office and other administrative expenses.
- General expense increased \$295 or 5.1% from FY 2016.
- The Authority had a \$1,671 or 72.4% decrease in depreciation, which is the write-off of capital assets over their estimated useful life.

The Authority is authorized to assist 283 households with the Housing Choice Voucher Rental Assistance Program. The Section 8 lease-up rate for FY 2016 was 97.1%, up from 95% in FY 2016.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Management's Discussion And Analysis (MD&A)**  
**December 31, 2017**  
**(Unaudited)**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

The Logansport Housing Authority, Indiana's net investment in capital assets as of December 31, 2017, amounts to \$3,622 (net of accumulated depreciation). The investment in capital assets includes equipment.

The total decrease in the Authority's capital assets for the current fiscal year was 15% in terms of net book value. Depreciation charges for the year totaled \$637. Additional information on the Authority's capital assets can be found in the notes to the financial statements of this report.

|                | Beginning | Additions | Depreciation | Disposals | Ending  |
|----------------|-----------|-----------|--------------|-----------|---------|
| Capital assets | \$4,259   | \$0       | \$(637)      | \$0       | \$3,622 |

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Authority receives annual budget authority from HUD based on prior year leasing and HAP utilization. In addition to annual budget authority, the Authority also has \$7,555 in HAP Reserves and \$397,022 in HUD-Held Program Reserves available for housing assistance payments. Administrative fees for the Housing Choice Voucher program will be based on actual utilization in FY 2018 and adjusted for pro-ration which is currently at 76.787%.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Executive Director, Logansport Housing Authority, 1805 Smith Street, Logansport, Indiana 46947.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Statements of Net Position**  
**December 31, 2017 and 2016**

|                                     | <u>2017</u>             | <u>2016</u>              |
|-------------------------------------|-------------------------|--------------------------|
| <b>ASSETS</b>                       |                         |                          |
| Current Assets                      |                         |                          |
| Cash                                | \$ 18,580               | \$ 33,546                |
| Restricted cash                     | 31,859                  | 143,463                  |
| Accounts receivable                 | 1,715                   | 4,553                    |
| Prepaid expenses                    | 2,347                   | 3,367                    |
| Total Current Assets                | <u>54,501</u>           | <u>184,929</u>           |
| Property and Equipment              |                         |                          |
| Furniture and equipment             | 29,497                  | 29,497                   |
| Accumulated depreciation            | (25,875)                | (25,238)                 |
| Net property and equipment          | <u>3,622</u>            | <u>4,259</u>             |
| <b>Total Assets</b>                 | <b><u>\$ 58,123</u></b> | <b><u>\$ 189,188</u></b> |
| <b>LIABILITIES AND NET POSITION</b> |                         |                          |
| Current Liabilities                 |                         |                          |
| Accounts payable                    | \$ 5,182                | \$ 501                   |
| Accrued payroll liabilities         | 7,551                   | 12,003                   |
| Deferred revenue                    | -                       | 10,355                   |
| Total Current Liabilities           | <u>12,733</u>           | <u>22,859</u>            |
| Long-term Liabilities               |                         |                          |
| Compensated absences                | -                       | 238                      |
| Trust and deposit liabilities       | 23,106                  | 41,964                   |
| Total Long-term Liabilities         | <u>23,106</u>           | <u>42,202</u>            |
| Deferred inflow of resources        | <u>-</u>                | <u>73,874</u>            |
| Net Position                        |                         |                          |
| Net investment in capital assets    | 3,622                   | 4,259                    |
| Restricted net position             | 8,753                   | 27,625                   |
| Unrestricted net position           | 9,909                   | 18,369                   |
| <b>Total Net Position</b>           | <b><u>\$ 22,284</u></b> | <b><u>\$ 50,253</u></b>  |

The Accompanying Notes are an Integral Part of These Financial Statements.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Years Ended December 31, 2017 and 2016**

|                                    | <u>2017</u>             | <u>2016</u>             |
|------------------------------------|-------------------------|-------------------------|
| Operating Revenues                 |                         |                         |
| HUD grants - operating             | \$ 937,914              | \$ 1,019,783            |
| Other revenue                      | 17,903                  | -                       |
| Total Revenue                      | <u>955,817</u>          | <u>1,019,783</u>        |
| Operating Expenses                 |                         |                         |
| Housing assistance payments        | 846,304                 | 872,092                 |
| Administration                     | 127,186                 | 123,914                 |
| Insurance expense                  | 3,593                   | 3,806                   |
| General expense                    | 6,083                   | 5,788                   |
| Depreciation                       | 637                     | 2,308                   |
| Total Expenses                     | <u>983,803</u>          | <u>1,007,908</u>        |
| Operating Income (Loss)            | (27,986)                | 11,875                  |
| Non-operating Income               |                         |                         |
| Interest income                    | <u>17</u>               | <u>7</u>                |
| <b>Change in Net Position</b>      | <b>(27,969)</b>         | <b>11,882</b>           |
| Net Position at Beginning of Year  | <u>50,253</u>           | <u>38,371</u>           |
| <b>Net Position at End of Year</b> | <b><u>\$ 22,284</u></b> | <b><u>\$ 50,253</u></b> |

The Accompanying Notes are an Integral Part of These Financial Statements.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2017 and 2016**

|   | <u>2017</u>             | <u>2016</u>              |
|---|-------------------------|--------------------------|
| Cash Flows from Operating Activities                |                         |                          |
| Cash received from:                                 |                         |                          |
| Operating grants                                    | \$ 837,665              | \$ 1,112,004             |
| Other   | 17,920                  | 7                        |
| Total cash received                                 | <u>855,585</u>          | <u>1,112,011</u>         |
| Cash paid for:                                      |                         |                          |
| Housing assistance payments                         | (846,304)               | (872,092)                |
| Administrative expenses                             | (125,512)               | (112,951)                |
| Insurance expense                                   | (3,593)                 | (3,806)                  |
| General expense                                     | (6,746)                 | (6,995)                  |
| Total cash paid                                     | <u>(982,155)</u>        | <u>(995,844)</u>         |
| Net Cash Provided by (Used in) Operating Activities | <u>(126,570)</u>        | <u>116,167</u>           |
| <b>Net Change in Cash</b>                           | <b>(126,570)</b>        | <b>116,167</b>           |
| Cash at Beginning of Year                           | <u>177,009</u>          | <u>60,842</u>            |
| <b>Cash at End of Year</b>                          | <b><u>\$ 50,439</u></b> | <b><u>\$ 177,009</u></b> |
| Reported on the Statement of Net Position:          |                         |                          |
| Cash  | 18,580                  | 33,546                   |
| Restricted cash                                     | 31,859                  | 143,463                  |
|   | <b><u>\$ 50,439</u></b> | <b><u>\$ 177,009</u></b> |

The Accompanying Notes are an Integral Part of These Financial Statements.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2017 and 2016**

|   | <u>2017</u>                       | <u>2016</u>                     |
|---|-----------------------------------|---------------------------------|
| Cash Flows From Operating Activities  |                                   |                                 |
| Change in Net Position  | \$ (27,969)                       | \$ 11,882                       |
| Adjustments to reconcile change in net position to cash provided by (used in) operating activities: |                                   |                                 |
| Depreciation  | 637                               | 2,308                           |
| Change in:  |                                   |                                 |
| Accounts receivable   | 2,838                             | (2,803)                         |
| Prepaid expenses  | 1,020                             | (102)                           |
| Accounts payable  | 4,681                             | (671)                           |
| Other liabilities   | (4,690)                           | 10,529                          |
| Unearned revenue  | (10,355)                          | 10,355                          |
| Deferred inflow of resources  | (73,874)                          | 73,874                          |
| Trust and deposit liabilities   | (18,858)                          | 10,795                          |
|   | <u>                    </u>       | <u>                    </u>     |
| <b>Net Cash Provided by (Used in) Operating Activities</b>  | <b><u><u>\$ (126,570)</u></u></b> | <b><u><u>\$ 116,167</u></u></b> |

The Accompanying Notes are an Integral Part of These Financial Statements.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

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**NOTE A – Summary of Significant Accounting Policies**

Description of Authority

Logansport Housing Authority (the Authority) was established by the City of Logansport pursuant to the laws of the State of Indiana, to transact business and to have powers as defined therein. The Authority was established to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD) and other applicable Federal Agencies.

The Authority has entered into a Housing Choice Voucher program with HUD. The Authority contracts with private landlords and subsidizes the rent for dwelling units. Payments are made to the landlord on behalf of the tenant for the difference between the contract rent amount and the amount that the tenant is required to pay under HUD established guidelines that consider factors such as family composition and income.

Reporting Entity

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

Management has concluded that the Logansport Housing Authority is a separate reporting entity. All funds and programs of the Housing Authority are included in these financial statements. The Housing Authority has no component units.

Basis of Accounting and Measurement Focus

The financial statements of the Authority are organized as an enterprise fund and have been prepared on the accrual basis of accounting, under which revenues are recorded when they are earned and expenses are recorded when the corresponding liabilities are incurred.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Principal operating revenues are tenant rents and HUD grants. Operating expenses include administration, maintenance, insurance, depreciation, utilities, housing assistance payments and other general expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash is defined as deposits in checking, savings, and money market accounts, and investments with an initial maturity of less than three months.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

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**NOTE A – Summary of Significant Accounting Policies (Continued)**

Capital Assets

It is the Authority's policy to capitalize property and equipment with a cost greater than \$500. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Property and equipment are depreciated using the straight-line method over the estimated useful life of the asset.

Deferred Inflow of resources

The statement of net position may include a separate section for deferred inflows of resources. This represents the acquisition of net position applicable to future periods and will be recognized as revenue in the future period to which it applies. As of December 31, 2017, there were no unearned revenues that will be recognized in future periods.

Compensated Absences

The liability for compensated absences reported in the financial statements consists of unpaid, accumulated annual vacation balances. The liability has been calculated using the vesting method, in which leave amounts for employees who are currently eligible to receive termination payments. All regular full-time employees are allowed to begin accruing paid time off (PTO) after 90 days of employment. The amount of PTO days earned per year varies by years of employment and any PTO accrued but not used will be paid out upon termination.

Net Position

Equity is classified as net position and maybe displayed in the following components as follows:

- 1) Net investment in capital assets - the amount of net position representing capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings (net of unspent related debt proceeds, if any) attributable to the acquisition, construction or improvements of those assets.
- 2) Restricted - the amount of net position for which external restrictions have been imposed by creditors, grantors, contributor, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- 3) Unrestricted - the amount of net position that is not included in the net investment in capital assets or restricted components.

The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted funds are available.

Budgets

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

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

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**NOTE A – Summary of Significant Accounting Policies (Continued)**

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require the Authority to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE B – Deposits**

State 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.

The Authority's cash is subject to the following type of risk:

*Custodial credit risk of bank deposits*

Custodial credit risk of deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits. Bank deposits are exposed to custodial credit risk if they are not covered by depository insurance and are uncollateralized. As of December 31, 2017, all of the Authority's bank balances of were fully insured.

*Restricted Cash*

Restricted cash consisted of the following at December 31:

|  | 2017             | 2016              |
|--|------------------|-------------------|
| Restricted for housing assistance              | \$ 8,753         | \$ 101,499        |
| Restricted for family self-sufficiency program | 23,106           | 41,964            |
| Total Restricted Cash                          | <u>\$ 31,859</u> | <u>\$ 143,463</u> |

**NOTE C – Defined Contribution Plan**

In lieu of paying social security taxes the Authority makes contributions to a 457 deferred compensation plan. The Authority contributes 7.5% of employee earnings into the plan. The Authority made contributions totaling \$6,081 and \$5,516 during the years ended December 31, 2017 and 2016, respectively.

**NOTE D – Administrative Fee**

The Authority receives an Administrative Fee as part of the annual contribution from HUD to cover the costs (including overhead) of administering the HAP Program. The fee is calculated by HUD on an annual basis.

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Notes to the Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

**NOTE E – Capital Assets**

Capital asset activity was as follows during the years ended December 31:

|  | <u>January 1,<br/>2017</u> | <u>Additions</u>  | <u>Disposals</u> | <u>December 31,<br/>2017</u> |
|--|----------------------------|-------------------|------------------|------------------------------|
| Equipment and furniture                                    | \$ 29,497                  | \$ ---            | \$ ---           | \$ 29,497                    |
| Accumulated depreciation                                   | <u>(25,238)</u>            | <u>(637)</u>      | <u>---</u>       | <u>(25,875)</u>              |
| Net capital assets total - net of accumulated depreciation | <u>\$ 4,259</u>            | <u>\$ (637)</u>   | <u>\$ ---</u>    | <u>\$ 3,622</u>              |
|  | <u>January 1,<br/>2016</u> | <u>Additions</u>  | <u>Disposals</u> | <u>December 31,<br/>2016</u> |
| Equipment and furniture                                    | \$ 29,497                  | \$ ---            | \$ ---           | \$ 29,497                    |
| Accumulated depreciation                                   | <u>(22,930)</u>            | <u>(2,308)</u>    | <u>---</u>       | <u>(25,238)</u>              |
| Net capital assets total - net of accumulated depreciation | <u>\$ 6,567</u>            | <u>\$ (2,308)</u> | <u>\$ ---</u>    | <u>\$ 4,259</u>              |

**NOTE F – Leases**

The Authority leases its office space from a local non-profit organization under terms of an operating lease expiring December 31, 2019. The agreement requires minimum monthly lease payments of \$1,000. Rent expense under this lease agreement totaled \$12,000 during the each of the years ended December 31, 2017 and 2016.

During 2014, the Authority entered into a non-cancellable lease for office equipment expiring September 2019. This lease requires minimum monthly lease payments of \$119. Rent expense under this lease totaled approximately \$1,400 during each of the years ended December 31, 2017 and 2016, respectively.

Future minimum lease payments for the years ended December 31 are as follows:

|      |                  |
|------|------------------|
| 2018 | \$ 13,423        |
| 2019 | 13,067           |
|      | <u>\$ 26,490</u> |

**NOTE G – Concentrations**

The Authority received 100% of its revenue from the Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

**Logansport Housing Authority  
Logansport, Indiana  
Notes to the Financial Statements  
For the Years Ended December 31, 2017 and 2016**

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**NOTE H – Contingencies**

Grant Programs

Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Authority has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2017 may be impaired. In the opinion of the Authority's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants. Therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**NOTE I – Risk Management**

The Authority carries commercial insurance to cover exposure and the risk of losses related to torts, thefts, damages, destruction of assets, errors and omissions, injuries, natural disasters and defalcation.

For insured programs, there has been no significant reduction in insurance coverage. Settled claims have not exceeded insurance coverage or the risk pool coverage in the current or past three years.

**NOTE J – Subsequent Events**

Management has evaluated subsequent events through August 13, 2018, the date on which the financial statements were available to be issued.

**OTHER SUPPLEMENTAL INFORMATION**

# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

**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  
Logansport Housing Authority  
Logansport, 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 Logansport Housing Authority (the Authority), which comprise the statement of net position as of December 31, 2017, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 13, 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.

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Seber Tans, PLC*

Seber Tans, PLC  
Kalamazoo, Michigan

August 13, 2018

# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners  
Logansport Housing Authority  
Logansport, Indiana

### **Report on Compliance for Each Major Federal Program**

We have audited Logansport Housing Authority's (the Authority) 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 December 31, 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for 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.

### ***Opinion on Each Major Federal Program***

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 major federal programs for the year ended December 31, 2017.

## 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.

*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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of 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.

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

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.

*Seber Tans, PLC*

Seber Tans, PLC  
Kalamazoo, Michigan  
August 13, 2018

**Logansport Housing Authority  
Logansport, Indiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2017**

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| <u>Federal Grantor/Pass-through Grantor/Program Title/CFDA Number</u> | <u>Federal Expenditures</u> |
|---|-----------------------------|
| U.S. Department of Housing and Urban Development:                     |                             |
| Housing Choice Voucher Program, 14.871                                | \$ <u>983,166</u>           |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>                           | <b>\$ <u>983,166</u></b>    |

**Logansport Housing Authority**  
**Logansport, Indiana**  
**Note to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2017**

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**NOTE A – Basis of Accounting**

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Logansport Housing Authority. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The reporting entity is defined in Note A to the Authority's financial statements. All federal financial assistance received directly and indirectly is required to be included in the schedule.

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Revenue and expenses are presented on the accrual basis of accounting with the exception of depreciation and property and equipment. For purposes of the Schedule, depreciation expense is not recorded and the cost of property and equipment additions are included as an expenditure.

During the year ended December 31, 2017, the Authority made no payments to sub-recipients.

**NOTE B – Reconciliation to Financial Statements**

|  |                   |
|--|-------------------|
| Total expenses as reported on the Statement of Revenue, Expenses and |                   |
| Changes in Net Position  | \$ 983,803        |
| Depreciation expense   | (637)             |
|  | <u>983,166</u>    |
|  | <u>\$ 983,166</u> |

**Logansport Housing Authority  
Logansport, Indiana  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2017**

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**SUMMARY OF AUDITORS' RESULTS**

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? No (None reported)

Significant deficiency identified that is not considered to be a material weakness? No

Noncompliance material to financial statements noted? No (None Reported)

Federal Awards

Internal control over major programs:

Material weakness identified? No (None Reported)

Significant deficiency identified that is not considered to be a material weakness? No

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? No

Major programs:

CFDA Number  
14.871

Name of Federal Program or Cluster  
Housing Choice Voucher Program

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

Auditee qualified as low-risk auditee? No

**Logansport Housing Authority  
Logansport, Indiana  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2017**

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| <b>Prior Audit Finding (Relative to Federal Awards)</b> | <b>Current Status</b> |
|---|-----------------------|
| None  | N/A                   |

Housing Authority of the City of Logansport (IN092)  
Logansport, IN  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

|   | 14.871 Housing<br>Choice Vouchers | Subtotal  | Total     |
|---|-----------------------------------|-----------|-----------|
| 111 Cash - Unrestricted   | \$18,580                          | \$18,580  | \$18,580  |
| 112 Cash - Restricted - Modernization and Development             |                                   |           |           |
| 113 Cash - Other Restricted                                       | \$31,859                          | \$31,859  | \$31,859  |
| 114 Cash - Tenant Security Deposits                               |                                   |           |           |
| 115 Cash - Restricted for Payment of Current Liabilities          |                                   |           |           |
| 100 Total Cash  | \$50,439                          | \$50,439  | \$50,439  |
| 121 Accounts Receivable - PHA Projects                            |                                   |           |           |
| 122 Accounts Receivable - HUD Other Projects                      | \$1,715                           | \$1,715   | \$1,715   |
| 124 Accounts Receivable - Other Government                        |                                   |           |           |
| 125 Accounts Receivable - Miscellaneous                           |                                   |           |           |
| 126 Accounts Receivable - Tenants                                 |                                   |           |           |
| 126.1 Allowance for Doubtful Accounts -Tenants                    |                                   |           |           |
| 126.2 Allowance for Doubtful Accounts - Other                     | \$0                               | \$0       | \$0       |
| 127 Notes, Loans, & Mortgages Receivable - Current                |                                   |           |           |
| 128 Fraud Recovery  |                                   |           |           |
| 128.1 Allowance for Doubtful Accounts - Fraud                     |                                   |           |           |
| 129 Accrued Interest Receivable                                   |                                   |           |           |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts    | \$1,715                           | \$1,715   | \$1,715   |
| 131 Investments - Unrestricted                                    |                                   |           |           |
| 132 Investments - Restricted                                      |                                   |           |           |
| 135 Investments - Restricted for Payment of Current Liability     |                                   |           |           |
| 142 Prepaid Expenses and Other Assets                             | \$2,347                           | \$2,347   | \$2,347   |
| 143 Inventories   |                                   |           |           |
| 143.1 Allowance for Obsolete Inventories                          |                                   |           |           |
| 144 Inter Program Due From  |                                   |           |           |
| 145 Assets Held for Sale  |                                   |           |           |
| 150 Total Current Assets  | \$54,501                          | \$54,501  | \$54,501  |
| 161 Land  |                                   |           |           |
| 162 Buildings   |                                   |           |           |
| 163 Furniture, Equipment & Machinery - Dwellings                  |                                   |           |           |
| 164 Furniture, Equipment & Machinery - Administration             | \$29,497                          | \$29,497  | \$29,497  |
| 165 Leasehold Improvements  |                                   |           |           |
| 166 Accumulated Depreciation                                      | -\$25,875                         | -\$25,875 | -\$25,875 |
| 167 Construction in Progress                                      |                                   |           |           |
| 168 Infrastructure  |                                   |           |           |
| 160 Total Capital Assets, Net of Accumulated Depreciation         | \$3,622                           | \$3,622   | \$3,622   |
| 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  | \$3,622  | \$3,622  | \$3,622  |
| 200 Deferred Outflow of Resources   |          |          |          |
| 290 Total Assets and Deferred Outflow of Resources                        | \$58,123 | \$58,123 | \$58,123 |
| 311 Bank Overdraft  |          |          |          |
| 312 Accounts Payable <= 90 Days   | \$5,182  | \$5,182  | \$5,182  |
| 313 Accounts Payable >90 Days Past Due                                    |          |          |          |
| 321 Accrued Wage/Payroll Taxes Payable                                    | \$5,366  | \$5,366  | \$5,366  |
| 322 Accrued Compensated Absences - Current Portion                        | \$2,185  | \$2,185  | \$2,185  |
| 324 Accrued Contingency Liability   |          |          |          |
| 325 Accrued Interest Payable  |          |          |          |
| 331 Accounts Payable - HUD PHA Programs                                   |          |          |          |
| 332 Account Payable - PHA Projects  |          |          |          |
| 333 Accounts Payable - Other Government                                   |          |          |          |
| 341 Tenant Security Deposits  |          |          |          |
| 342 Unearned Revenue  |          |          |          |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue |          |          |          |
| 344 Current Portion of Long-term Debt - Operating Borrowings              |          |          |          |
| 345 Other Current Liabilities   |          |          |          |
| 346 Accrued Liabilities - Other   |          |          |          |
| 347 Inter Program - Due To  |          |          |          |
| 348 Loan Liability - Current  |          |          |          |
| 310 Total Current Liabilities   | \$12,733 | \$12,733 | \$12,733 |
| 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                                       | \$23,106 | \$23,106 | \$23,106 |
| 354 Accrued Compensated Absences - Non Current                            |          |          |          |
| 355 Loan Liability - Non Current  |          |          |          |
| 356 FASB 5 Liabilities  |          |          |          |
| 357 Accrued Pension and OPEB Liabilities                                  |          |          |          |
| 350 Total Non-Current Liabilities   | \$23,106 | \$23,106 | \$23,106 |
| 300 Total Liabilities   | \$35,839 | \$35,839 | \$35,839 |
| 400 Deferred Inflow of Resources  |          |          |          |
| 508.4 Net Investment in Capital Assets                                    | \$3,622  | \$3,622  | \$3,622  |
| 511.4 Restricted Net Position   | \$8,753  | \$8,753  | \$8,753  |
| 512.4 Unrestricted Net Position   | \$9,909  | \$9,909  | \$9,909  |
| 513 Total Equity - Net Assets / Position                                  | \$22,284 | \$22,284 | \$22,284 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net     | \$58,123 | \$58,123 | \$58,123 |

Housing Authority of the City of Logansport (IN092)  
Logansport, IN  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

|   | 14.871 Housing<br>Choice Vouchers | Subtotal  | Total     |
|---|-----------------------------------|-----------|-----------|
| 70300 Net Tenant Rental Revenue                         |                                   |           |           |
| 70400 Tenant Revenue - Other                            |                                   |           |           |
| 70500 Total Tenant Revenue                              | \$0                               | \$0       | \$0       |
| 70600 HUD PHA Operating Grants                          | \$937,914                         | \$937,914 | \$937,914 |
| 70610 Capital Grants                                    |                                   |           |           |
| 70710 Management Fee                                    |                                   |           |           |
| 70720 Asset Management Fee                              |                                   |           |           |
| 70730 Book Keeping Fee                                  |                                   |           |           |
| 70740 Front Line Service Fee                            |                                   |           |           |
| 70750 Other Fees  |                                   |           |           |
| 70700 Total Fee Revenue                                 |                                   |           |           |
| 70800 Other Government Grants                           |                                   |           |           |
| 71100 Investment Income - Unrestricted                  | \$17                              | \$17      | \$17      |
| 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                                     | \$17,903                          | \$17,903  | \$17,903  |
| 71600 Gain or Loss on Sale of Capital Assets            |                                   |           |           |
| 72000 Investment Income - Restricted                    |                                   |           |           |
| 70000 Total Revenue                                     | \$955,834                         | \$955,834 | \$955,834 |
| 91100 Administrative Salaries                           | \$67,662                          | \$67,662  | \$67,662  |
| 91200 Auditing Fees                                     | \$3,850                           | \$3,850   | \$3,850   |
| 91300 Management Fee                                    |                                   |           |           |
| 91310 Book-keeping Fee                                  |                                   |           |           |
| 91400 Advertising and Marketing                         | \$20                              | \$20      | \$20      |
| 91500 Employee Benefit contributions - Administrative   | \$6,828                           | \$6,828   | \$6,828   |
| 91600 Office Expenses                                   | \$31,562                          | \$31,562  | \$31,562  |
| 91700 Legal Expense                                     |                                   |           |           |
| 91800 Travel  | \$6,942                           | \$6,942   | \$6,942   |
| 91810 Allocated Overhead                                |                                   |           |           |
| 91900 Other   | \$10,322                          | \$10,322  | \$10,322  |
| 91000 Total Operating - Administrative                  | \$127,186                         | \$127,186 | \$127,186 |
| 92000 Asset Management Fee                              |                                   |           |           |
| 92100 Tenant Services - Salaries                        |                                   |           |           |
| 92200 Relocation Costs                                  |                                   |           |           |
| 92300 Employee Benefit Contributions - Tenant Services  |                                   |           |           |
| 92400 Tenant Services - Other                           |                                   |           |           |
| 92500 Total Tenant Services                             | \$0                               | \$0       | \$0       |
| 93100 Water   |                                   |           |           |
| 93200 Electricity                                       |                                   |           |           |

|   |           |           |           |
|---|-----------|-----------|-----------|
| 93300 Gas   |           |           |           |
| 93400 Fuel  |           |           |           |
| 93500 Labor   |           |           |           |
| 93600 Sewer   |           |           |           |
| 93700 Employee Benefit Contributions - Utilities                |           |           |           |
| 93800 Other Utilities Expense                                   |           |           |           |
| 93000 Total Utilities   | \$0       | \$0       | \$0       |
| 94100 Ordinary Maintenance and Operations - Labor               |           |           |           |
| 94200 Ordinary Maintenance and Operations - Materials and Other |           |           |           |
| 94300 Ordinary Maintenance and Operations Contracts             |           |           |           |
| 94500 Employee Benefit Contributions - Ordinary Maintenance     |           |           |           |
| 94000 Total Maintenance   | \$0       | \$0       | \$0       |
| 95100 Protective Services - Labor                               |           |           |           |
| 95200 Protective Services - Other Contract Costs                |           |           |           |
| 95300 Protective Services - Other                               |           |           |           |
| 95500 Employee Benefit Contributions - Protective Services      |           |           |           |
| 95000 Total Protective Services                                 | \$0       | \$0       | \$0       |
| 96110 Property Insurance  | \$486     | \$486     | \$486     |
| 96120 Liability Insurance                                       | \$396     | \$396     | \$396     |
| 96130 Workmen's Compensation                                    | \$1,960   | \$1,960   | \$1,960   |
| 96140 All Other Insurance                                       | \$751     | \$751     | \$751     |
| 96100 Total insurance Premiums                                  | \$3,593   | \$3,593   | \$3,593   |
| 96200 Other General Expenses                                    |           |           |           |
| 96210 Compensated Absences                                      | \$6,083   | \$6,083   | \$6,083   |
| 96300 Payments in Lieu of Taxes                                 |           |           |           |
| 96400 Bad debt - Tenant Rents                                   |           |           |           |
| 96500 Bad debt - Mortgages                                      |           |           |           |
| 96600 Bad debt - Other  |           |           |           |
| 96800 Severance Expense   |           |           |           |
| 96000 Total Other General Expenses                              | \$6,083   | \$6,083   | \$6,083   |
| 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       |
| 96900 Total Operating Expenses                                  | \$136,862 | \$136,862 | \$136,862 |
| 97000 Excess of Operating Revenue over Operating Expenses       | \$818,972 | \$818,972 | \$818,972 |
| 97100 Extraordinary Maintenance                                 |           |           |           |
| 97200 Casualty Losses - Non-capitalized                         |           |           |           |
| 97300 Housing Assistance Payments                               | \$846,304 | \$846,304 | \$846,304 |
| 97350 HAP Portability-In  |           |           |           |
| 97400 Depreciation Expense                                      | \$637     | \$637     | \$637     |
| 97500 Fraud Losses  |           |           |           |
| 97600 Capital Outlays - Governmental Funds                      |           |           |           |
| 97700 Debt Principal Payment - Governmental Funds               |           |           |           |
| 97800 Dwelling Units Rent Expense                               |           |           |           |
| 90000 Total Expenses  | \$983,803 | \$983,803 | \$983,803 |

|   |           |           |           |
|---|-----------|-----------|-----------|
| 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       |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | -\$27,969 | -\$27,969 | -\$27,969 |
| 11020 Required Annual Debt Principal Payments                             | \$0       | \$0       | \$0       |
| 11030 Beginning Equity  | \$50,253  | \$50,253  | \$50,253  |
| 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   | \$13,531  | \$13,531  | \$13,531  |
| 11180 Housing Assistance Payments Equity                                  | \$8,753   | \$8,753   | \$8,753   |
| 11190 Unit Months Available   | 3396      | 3396      | 3396      |
| 11210 Number of Unit Months Leased  | 3300      | 3300      | 3300      |
| 11270 Excess Cash   |           |           |           |
| 11610 Land Purchases  |           |           |           |
| 11620 Building Purchases  |           |           |           |
| 11630 Furniture & Equipment - Dwelling Purchases                          |           |           |           |
| 11640 Furniture & Equipment - Administrative Purchases                    |           |           |           |
| 11650 Leasehold Improvements Purchases                                    |           |           |           |
| 11660 Infrastructure Purchases  |           |           |           |
| 13510 CFFP Debt Service Payments  |           |           |           |
| 13901 Replacement Housing Factor Funds                                    |           |           |           |

# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners  
Logansport Housing Authority  
Logansport, Indiana

We have performed the procedure described in the second paragraph of this report, which was agreed to by Logansport Housing Authority (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 included within the OMB Uniform Administrative Requirements reporting package. The Authority is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of the Authority and the U.S. Department of Housing and Urban Development, 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 audit requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, for The Authority as of and for the year ended December 31, 2017, and have issued our reports thereon dated August 13, 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 August 13, 2018, was expressed in relation to the basic financial statements of the Authority taken as a whole.

A copy of the reporting package required by OMB Uniform Administrative Requirements, which includes the auditor's 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 procedure 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.

*Seber Tans, PLC*

Seber Tans, PLC  
Kalamazoo, Michigan  
September 21, 2018

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

| UFRS Rule Information  | Hard Copy Documents  | Findings |
|--|--|----------|
| Balance Sheet, Revenue and Expense (data line items 111 to 13901)                      | Financial Data Schedule, all CFDA’s  | Agrees   |
| Footnotes (data element G5000-010)   | Footnotes to Audited Basic Financial Statements                                | Agrees   |
| Type of Opinion on FDS (G3100-040)   | Auditors’ Supplemental Report on FDS   | Agrees   |
| Audit Findings Narrative (data narrative G5200-010)                                    | Auditors’ Supplemental Report on Financial Data Templates                      | Agrees   |
| General information (data element series G2000, G2100, G2200, G9000, G9100)            | OMB Data Collection Form   | Agrees   |
| Financial statement report information (data element G3000-010 to G3000-050)           | Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form | Agrees   |
| Federal program report information (data element G4000-020 to G4000-040)               | Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form | Agrees   |
| Type of Compliance Requirement (G4200-020 & G4000-030)                                 | OMB Data Collection Form   | Agrees   |
| Basic financial statements and auditor reports required to be submitted electronically | Basic financial statements (inclusive of auditor reports)                      | Agrees   |