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March 2, 2020

Board of Commissioners
Housing Authority of Marion
601 South Adams Street
Marion, IN 46953

We have reviewed the audit report of the Housing Authority of Marion, which was opined upon by Yeager & Boyd, LLC, Independent Public Accountants, for the period July 1, 2015 to June 30, 2016. Per the Independent Auditors' Report, the financial statements included in the report present fairly the financial condition of the Housing Authority of Marion, as of June 30, 2016 and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

THE HOUSING AUTHORITY OF MARION

MARION, INDIANA

REPORT ON EXAMINATION
OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEAR ENDED JUNE 30, 2016

THE HOUSING AUTHORITY OF MARION

MARION, INDIANA

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
The Housing Authority of Marion
Marion, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of The Housing Authority of Marion, Indiana as of and for the year ended June 30, 2016, and the related notes to the 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 design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 auditor's 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2016, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 through 15 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 performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Further, other supplementary data as listed in the table of contents is presented for the Department of Housing and Urban Development's information and is not a required part of the 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*, and is also not a required part of the basic financial statements.

The Financial Data Schedule, other supplementary data and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting data and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 December 28, 2016 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Yeager + Boyd
Birmingham, Alabama
December 28, 2016

THE HOUSING AUTHORITY OF MARION

MARION, INDIANA

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*

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
The Housing Authority of Marion
Marion, 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 Authority, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 28, 2016.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Yeager + Boyd
Birmingham, Alabama
December 28, 2016

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
The Housing Authority of Marion
Marion, Indiana

Report on Compliance for Each Major Federal Program

We have audited 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 the Authority's major federal programs for the year ended June 30, 2016. The Authority's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the of 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 of Federal Awards (Uniform Guidance). Those standards and 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 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 the major federal program. However, our audit does not provide a legal determination of Authority's compliance.

Opinion on Each Major Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with *Uniform Guidance*.

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 the major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 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 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. 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.

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 our testing based on the requirements of *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Yeager & Boyd
Birmingham, Alabama
December 28, 2016

THE HOUSING AUTHORITY OF THE CITY OF MARION, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2016

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

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

FINANCIAL HIGHLIGHTS

- The Authority's net position decreased $357,682 in 2016. Net Position was $7,814,733 and $7,457,051 for 2015 and 2016 respectively.

- Revenues decreased $467,429 during 2016, and were $4,872,893 and $4,405,464 for 2015 and 2016 respectively.

- Total expenses decreased $487,788 during 2016, and were $5,250,934 and $4,763,146 for 2015 and 2016 respectively.

USING THIS ANNUAL REPORT

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

MD&A

~ Management's Discussion
and Analysis ~

Basic Financial Statements

~ Authority-wide Financial Statements ~
~ Notes to Financial Statements ~

Other Required Supplementary Information

~ Required Supplementary Information ~
(Other than the MD&A)

.

Authority-Wide Financial Statements

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

Statement of Net Position

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

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

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

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

Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

Statement of Revenues, Expenses, and Changes in Net Position

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

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

Statement of Cash Flows

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

The Authority's Programs

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income.

Capital Fund Program – a grant program funded by the Department of Housing and Urban Development as the primary sources of funding for physical and management improvements to the Authority's properties.

Central Office Cost Center (COCC) – As part of its conversion to Asset Management, the Authority established the COCC to manage and oversee the operations of the Public Housing Developments and other grant programs. Utilizing a "fee for service" approach, the COCC recognizes revenues through management and service fees charged to the other programs. Management fees cannot exceed the "safe harbor" amount established by HUD.

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

Section 8 New Construction - The Section 8 New Construction Program was established by the United States Department of Housing and Urban Development in order to provide rental assistance in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing.

Other smaller programs are:

State and Local
Business Activities
Resident Opportunity Supportive Services

AUTHORITY-WIDE STATEMENTS

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior year. The Authority is engaged only in Business-Type Activities.

TABLE 1
STATEMENT OF NET POSITION

	2016	2015	Variance
Assets:			
Current & Restricted Assets	$ 1,691,147	$ 1,587,654	$ 103,493
Capital Assets	7,670,211	8,232,399	(562,188)
Total Assets	**$ 9,361,358**	**$ 9,820,053**	**$ (458,695)**
Liabilities:			
Current Liabilities	$ 442,628	$ 407,053	$ 35,575
Non Current Liabilities	1,461,679	1,598,267	(136,588)
Total Liabilities	**$ 1,904,307**	**$ 2,005,320**	**$ (101,013)**
Net Position:			
Net Investment in Capital Assets	$ 6,243,402	$ 6,695,274	$ (451,872)
Restricted Net Position	35,695	49,151	(13,456)
Unrestricted Net Position	1,177,954	1,070,308	107,646
Total Net Position	**$ 7,457,051**	**$ 7,814,733**	**$ (357,682)**

Major Factors Affecting the Statement of Net Position

During 2016, current and restricted assets increased by $103,493. The increase was primarily due to an increase in cash offset by a decrease in receivables. Capital assets decreased primarily due to depreciation expense exceeding capital asset additions. Current liabilities increased due to an increase in accounts payable. Non-Current liabilities decreased due to payments made on long-term debt.

Table 2 presents details on the change in Unrestricted Net Position

TABLE 2

CHANGE OF UNRESTRICTED NET POSITION

Unrestricted Net Position, June 30, 2015	$ 1,070,308
Results of Operations	(427,974)
Capital Expenditures from Operations	(145,935)
Investment Income	2,613
Proceeds from Sale of Capital Assets	3,250
Transfer from (to) Restricted Net Position	13,456
Capital Assets Expensed	49,093
Principal and Interest on Capital Debt	(186,261)
Depreciation Expense	799,404
Unrestricted Net Position, June 30, 2016	$ 1,177,954

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

TABLE 3

STATEMENT OF REVENUES AND EXPENSES

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

	2016	2015	Variance
Revenues:			
Tenant Rental Revenue	$ 1,503,002	$ 1,655,750	$ (152,748)
Operating Grants	2,623,951	2,944,597	(320,646)
Capital Grants	140,374	139,867	507
Investment Income	2,613	2,514	99
Gain/(Loss) on Disposal of Capital Assets	3,250	(36,724)	39,974
Other Revenue	132,274	166,889	(34,615)
Total Revenues	**$ 4,405,464**	**$ 4,872,893**	**$ (467,429)**
Expenses:			
Administrative Expenses	$ 1,123,672	$ 1,271,869	$ (148,197)
Tenant Services	11,576	7,440	4,136
Utilities	359,984	392,460	(32,476)
Maintenance & Operations	579,316	746,345	(167,029)
Protective Services	19,627	13,120	6,507
General Expense	348,244	304,655	43,589
Housing Assistance Payments	1,445,378	1,586,040	(140,662)
Interest Expense	75,945	116,171	(40,226)
Depreciation	799,404	812,834	(13,430)
Total Expenses	**$ 4,763,146**	**$ 5,250,934**	**$ (487,788)**
Excess (Deficiency) Revenues Over Expenses	**$ (357,682)**	**$ (378,041)**	**$ 20,359**

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES AND EXPENSES

Deficiency of revenues over expenses increased due to a decrease in expenses exceeding an decrease in revenues. Revenues decreased mainly due to a decrease in tenant revenue and operating grants received. Operating grants decreased due to a decrease in capital grants drawn down for operating costs and HAP subsidy received. Tenant revenues decreased due to a decrease in tenant income.

Expenses decreased primarily due to decreases in administrative, maintenance and HAP payments. Administrative costs decreased due to a decrease in salaries and benefits due to the loss of three coordinators. Maintenance expenses decreased due to a decrease in overtime payments as well as the loss of a maintenance employee. Housing Assistance Payments decreased due to a decrease in rent.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year end, the Authority had $7,670,211 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of 7% from last year.

TABLE 4
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)

	2016	2015	Variance	% Change
Land	$ 436,907	$ 436,907	$ -	0%
Buildings and Improvements	22,068,191	21,939,110	129,081	1%
Furniture & Equipment	892,993	952,995	(60,002)	-6%
Construction in Process	350,297	209,923	140,374	67%
Accumulated Depreciation	(16,078,177)	(15,306,536)	(771,641)	5%
Net Capital Assets	$ 7,670,211	$ 8,232,399	$ (562,188)	-7%

TABLE 5
CHANGE IN CAPITAL ASSETS

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, July 1, 2015	$ 8,232,399
Additions	
Improvements - Capital Fund	140,374
Improvements - Operating	145,935
Deletions (Net)	(49,093)
Depreciation Expense	(799,404)
Ending Balance, June 30, 2016	$ 7,670,211

DEBT ADMINISTRATION

As of year-end, the Authority had $1,426,809 in long term debt outstanding, compared to a $1,537,125 balance in 2015. The decrease in debt is due to the payment on debt.

TABLE 6

OUTSTANDING LONG TERM DEBT, AT YEAR-END

	2016	2015
Capital Improvements	1,426,809	1,537,125
Total	$ 1,426,809	$ 1,537,125

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

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

FINANCIAL CONTACT

This financial report is designed to provide our residents, the citizens of Marion, Indiana, federal and state regulatory bodies with a general overview of the Marion Housing Authority's finances as of June 30, 2016. The individual to be contacted regarding this report is Leah Poland, Chief Financial Officer, at the Housing Authority of the City of Marion, 601 S. Adams Street, Marion, Indiana 46953.

THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF NET POSITION
JUNE 30, 2016

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Enterprise Fund
Current Assets	
Cash and Cash Equivalents	$ 819,082
Accounts Receivable	2,358
Tenants Accounts Receivable	18,295
Allowance for Doubtful Accounts	(7,915)
Investments	708,081
Prepaid Costs	51,782
Inventory, Net of Allowances	9,114
Total Current Assets	1,600,797
Restricted Assets	
Cash and Cash Equivalents	55,333
Investments	35,017
Total Restricted Assets	90,350
Capital Assets	
Land	436,907
Buildings and Improvements	22,068,191
Furniture & Equipment	892,993
Construction in Progress	350,297
	23,748,388
(Less): Accumulated Depreciation	(16,078,177)
Net Capital Assets	7,670,211
Deferred Outflows of Resources	-
Total Assets and Deferred Outflows of Resources	$ 9,361,358

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF NET POSITION
JUNE 30, 2016

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Enterprise Fund
Current Liabilities	
Accounts Payable	$ 50,820
Accrued Wages and Payroll Taxes	16,620
Accrued Compensated Absences	25,914
Accrued Interest Payable	4,704
A/P - Other Government	94,897
Tenant Security Deposits	116,062
Unearned Revenues	1,483
Current Portion of Notes Payable	112,871
Other Current Liabilities	19,257
Total Current Liabilities	442,628
Long Term Liabilities	
Notes Payable	1,313,938
Noncurrent Liabilities	44,084
Accrued Compensated Absences	103,657
Total Long Term Liabilities	1,461,679
Total Liabilities	1,904,307
Deferred Inflows of Resources	-
Net Position	
Net Investment in Capital Assets	6,243,402
Restricted Net Position	35,695
Unrestricted Net Position	1,177,954
Total Net Position	7,457,051
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 9,361,358

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

	Enterprise Fund
Operating Revenues	
Dwelling Rent	$ 1,503,002
Operating Grants	2,623,951
Other Revenue	132,274
Total Operating Revenues	4,259,227
Operating Expenses	
Administrative	1,123,672
Tenant Services	11,576
Utilities	359,984
Maintenance and Operations	579,316
Protective Services	19,627
General Expense	348,244
Housing Assistance Payments	1,445,378
Depreciation	799,404
Total Operating Expenses	4,687,201
Operating Income (Loss)	(427,974)
Non-Operating Revenues (Expenses)	
Investment Income	2,613
Loss on Disposal of Capital Assets	3,250
Interest Expense	(75,945)
Total Non-Operating Revenues (Expenses)	(70,082)
Increase (Decrease) in Net Position before Capital Contributions	(498,056)
Capital Contributions	140,374
Increase (Decrease) in Net Position	(357,682)
Net Position, Beginning	7,814,733
Net Position, Ending	$ 7,457,051

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

		Enterprise Fund
Cash flows from operating activities:		
Cash Received from Dwelling Rent	$	1,487,617
Cash Received from Operating Grants		2,629,554
Cash Received from Other Sources		138,821
Cash Payments for Salaries & Benefits		(1,141,944)
Cash Payments to Vendors & Landlords		(2,630,831)
Net Cash flows provided (used) by Operating activities		483,217
Cash flows from non-capital financing activities		
Net Cash flows provided (used) by non-capital financing activities		-
Cash flows from capital and related financing activities:		
Capital Grants Received		140,374
Capital Outlay		(286,309)
Proceeds Received from Sale of Capital Assets		3,250
Principal and Interest Payments on Capital Debt		(186,576)
Net cash flows provided (used) by capital and related financing activities		(329,261)
Cash flows from investing activities:		
Cash Transfer from (to) Investments		(2,397)
Cash received from earnings on investments		2,613
Net cash flows provided (used) by investing activities		216
Net Increase (decrease) in cash and cash equivalents		154,172
Cash and cash equivalents, beginning of year:		720,243
Cash and cash equivalents, end of year:	$	874,415
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating Income (Loss)	$	(427,974)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation		799,404
Bad Debt Expense		28,364
Capital Assets Expensed in Current Year		49,093
Change in Accounts Receivable		9,095
Change in Prepaid Costs		15,963
Change in Inventory		(346)
Change in Accounts Payable		31,560
Change in Accrued Expenses		(10,920)
Change in Tenant Security Deposits		(3,901)
Change in FSS Escrow		10,448
Change in Unearned Revenues		(17,209)
Change in Other Liabilities		(360)
Net cash provided by (used in) operating activities	$	483,217

See the accompanying notes to financial statements.

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "enterprise fund" in the basic financial statements as follows:

> Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.
>
> Governmental Accounting Standards – The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements.

Cash

The Housing Authority considers cash on hand and cash in checking to be cash equivalents. Cash on hand is not included in calculation of collateral required.

Accounts Receivable

Accounts receivables are carried at the amount considered by management to be collectible. Tenant accounts receivable are immaterial for further disclosures. Other accounts receivable consists of amounts due from HUD for Grant Income.

Prepaid Items

Prepaid Items consists of payments made to vendors for services that will benefit future periods.

Inventory

Inventories consist of materials and supplies that have not been used or consumed. Inventory is valued at cost and recorded as an expense when it is consumed.

NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

Revenue Accounting Policies

Dwelling rent income, HUD Grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue is shown as non-operating revenue.

These financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements, except for inter-fund interest income and expense related to the component units.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the statement of income and expenses. Estimated useful lives are as follows:

Buildings & Improvements	15 - 40 years
Furniture fixtures and equipment	5 - 10 years

Indirect Cost Recovery

Direct costs are charged to the Authority's applicable programs. The Authority charges indirect costs to its Central Office Cost Center, and charges the programs management fees based on fee rates provided by the Department of Housing and Urban Development.

NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority is a separate non-profit corporation with a Board of Commissioners. The applicable jurisdictions appoint the Board of Commissioners. However, the Housing Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14 (amended), of the Governmental Accounting Standards Board: The Financial Reporting Entity and Statement No. 39 "Determining Whether Certain Organizations are Component Units*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has one blended component unit, which is the business activity.

NOTE C - CASH AND INVESTMENT DEPOSITS

Custodial Credit Risk – The Housing Authority policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

Interest Rate Risk – The Housing Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other Federally insured investments.

The Housing Authority's cash and cash equivalents consist of cash held in checking accounts totaling $874,215. Investments consist of certificates of deposit totaling $743,098. The certificates of deposit bear varying interest rates and have various maturity periods, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. The remaining $200 is held in the form of petty cash or change fund. Deposits with financial institutions are secured as follows:

	Book Balance	Bank Balance
Insured by FDIC	$ 1,043,104	$ 1,043,377
Collateralized with specific securities in the Authority name which are held by the financial institution	574,209	606,088
Uncollateralized	-	-
	$ 1,617,313	$ 1,649,465

All investments are carried at cost plus accrued interest, which approximates market. The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

NOTE D - CONTRACTUAL COMMITMENTS

The Authority had Outstanding Contractual Commitments as of the end of the fiscal year as follows:

Type Commitment	Amount
None of Significance	

NOTE E – SIGNIFICANT ESTIMATES

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives, inventory valuations, and account receivable valuations. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTE F - PENSION PLAN

The Authority provides pension benefits for its employees through the American United Life – One America Retirement Plan. The plan was adopted by the Board of Commissioners in 1979. Only the Board has the authority to approve any amendments to the plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible for the plan after six months of service. The Authority contributes 7% of each employee's base salary to the plan. During the past year, the Authority's contributions were $56,869. Employees are required to contribute 5% of their base salary to the plan. During the past year, the employees' contributions to the plan were $44,255.

NOTE G – RISK MANAGEMENT

The Housing Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Housing Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance.

NOTE H – COMPENSATED ABSENCES

The Authority's policy allows employees to accumulate a limited amount of earned but unused annual leave. Full time permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Employees can receive payments for accumulated compensated absences. Leave accrued but not yet paid as of the end of the year is shown as a liability allocated between current and non-current.

NOTE I – CONCENTRATION OF RISK

The Housing Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

NOTE J – INTERPROGRAM ACTIVITY

The Housing Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by the Housing Authority's various funds and subsequently reimbursed. Balance due for operating advances and other notes are reflected in the Statement of Assets, Liabilities and Net Position by Program, but are eliminated in the Authority's Statement of Net Position. Inter-program balances at year-end consisted of the following:

Central Office Cost Center	$	642,347
Section 8 Housing Choice Vouchers		(214,636)
Resident Opportunity and Supportive Services		(2,358)
Business Activities		(425,353)
	$	-

NOTE K – HUD REPAYMENT AGREEMENT

In 2011, the Authority came to an agreement with HUD that the Authority's COCC would repay the Public Housing Program and Housing Choice Vouchers $177,790 for "improper use of federal funds". HUD asserted that federal funds had been improperly loaned from the Public Housing Program and Housing Choice Vouchers Program to the Authority's COCC (non-federal funds). The COCC may borrow non-federal funds from the Authority but not federal funds. The Authority agreed to repay the Low Rent Public Housing program and the Section 8 Housing Choice Vouchers program $10,035 annually for a period of 17 years from non-federal funds. At June 30, 2016, the balance on the agreement was $117,580, all of which was owed to the Public Housing Program.

NOTE L – NOTES PAYABLE

Long-term debt at June 30, 2016, consisted of the following:

Creditor and Description	Balance
Housing Bond, Series 2006, bearing 4.30% interest at June 30, 2014, maturing January 2032, varying annual principal and interest payments of approximately $72,000, collateralized by certain real property located in Marion, Indiana	$ 623,439
Housing Bond, Series 2008, bearing 5.50% interest at June 30, 2014, maturing May 2033. varying annual principal and interest payments of approximately $77,000, collateralized by certain real property located in Marion, Indiana	630,315
Note payable to local financial institution, bearing 3.10% interest, maturing June 2027, annual principal and interest payments of $9,938, collateralized by certain real property located in Marion, Indiana	67,767
Note payable to local financial institution, bearing 8.23% interest, maturing October 2019, annual principal and interest payments of $36,508, with a balloon payment at maturity, collateralized by certain real property located in Marion, Indiana	105,288
	1,426,809
Less: Current Portion	(112,871)
Notes Payable, Non-Current	$ 1,313,938

The note is payable as follows:

Fiscal Year	Principal	Interest	Balance Due
2017	112,871	70,806	1,313,938
2018	115,515	64,916	1,198,423
2019	118,416	59,860	1,080,007
2020	95,313	53,786	984,694
2021	84,652	49,805	900,042
2022 - 2026	426,298	192,949	473,744
2027 - 2031	399,890	98,098	73,854
2032 -2033	73,854	9,669	-
Total Payments	$ 1,426,809	$ 599,890	

Interest expense for the year ended June 30, 2016 was $75,945.

NOTE M – NON-CURRENT LIABILITIES

Non-current liabilities consist of the following:

	Balance 06/30/15	Increases	Decreases	Balance 06/30/16	Due Within One Year
Notes Payable	1,537,125	-	110,316	1,426,809	112,871
Accrued Compensated Absences	148,780	16,086	35,295	129,571	25,914
FSS Escrows	33,636	10,448	-	44,084	-
Total Debt	$ 1,719,541	$ 26,534	$ 145,611	$ 1,600,464	$ 138,785

NOTE N – RESTRICTED ASSETS

The Authority's restricted assets consist of the following as of June 30, 2016:

FSS Escrows	$ 44,084
Section 8 HAP Funds	678
Replacement Reserves	35,017
Section 8 New Construction - Service Coordinator	5,255
Local Grant Funding	5,316
	$ 90,350

NOTE O – RESTRICTED NET POSITION

Restricted Net Position consist of restricted assets that do not have a related liability. The following restricted assets are included in Restricted Net Position at June 30, 2016:

Section 8 HAP Funds	678
Replacement Reserves	35,017
	$ 35,695

NOTE P – PROPERTY AND EQUIPMENT

A summary of Capital Assets for the Authority at June 30, 2016 is as follows:

	Low Rent Public Housing	Capital Fund	Housing Choice Vouchers	New Construction	State/Local	Business Activities	Central Office	Total Enterprise Fund
Land	$ 251,583	$ -	$ -	$ 91,928	$ 73,227	$ 7,025	$ 13,144	$ 436,907
Building and Improvements	14,445,074	-	-	2,435,669	2,083,164	2,598,002	506,282	22,068,191
Furniture and Equipment	521,217	-	10,192	112,088	632	5,520	243,344	892,993
Construction in Process	-	350,297	-	-	-	-	-	350,297
Less Accumulated Depreciation	(11,540,151)	-	(9,279)	(2,209,005)	(1,154,112)	(649,959)	(515,671)	(16,078,177)
Total Property and Equipment	$ 3,677,723	$ 350,297	$ 913	$ 430,680	$ 1,002,911	$ 1,960,588	$ 247,099	$ 7,670,211

	July 1, 2015 Balance	Additions	Transfers & Deletions	June 30, 2016 Balance
Land	$ 436,907	$ -	$ -	$ 436,907
Construction in Process	209,923	140,374	-	350,297
Total Assets not being Depreciated	646,830	140,374	-	787,204
Buildings and Improvements	21,939,110	129,081	-	22,068,191
Furniture and Equipment	952,995	16,854	(76,856)	892,993
Total Property and Equipment	23,538,935	286,309	(76,856)	23,748,388
Less Accumulated Depreciation				
Building and Improvements	(14,730,273)	(735,172)	-	(15,465,445)
Furniture and Equipment	(576,263)	(64,232)	27,763	(612,732)
Net Book Value	$ 8,232,399	$ (513,095)	$ (49,093)	$ 7,670,211

During the year, the Authority decided to expense certain costs associated with the new software system that were capitalized in the previous year.

NOTE Q – COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

NOTE R – SUBSEQUENT EVENTS

In preparing financial statements, management evaluated subsequent events through December 28, 2016, the date the financial statements were issued.

THE HOUSING AUTHORITY OF MARION, INDIANA
SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION BY PROGRAM
JUNE 30, 2016

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Public Housing Program	Capital Fund Program	Housing Choice Vouchers	N/C S/R Section 8 Programs	Resident Opportunity and Supportive Services	State/ Local	Business Activities	COCC	Elimination	Total
Current Assets										
Cash and Cash Equivalents	$ 244,052	$ -	$ 2,234	$ 70,320	$ -	$ 123,872	$ 81,788	$ 296,816	$ -	$ 819,082
Accounts Receivable	-	-	-	-	2,358	-	-	-	-	2,358
Tenants Accounts Receivable	11	-	-	5,300	-	10,616	2,368	-	-	18,295
Allowance for Doubtful Accounts	(2)	-	-	(363)	-	(7,431)	(119)	-	-	(7,915)
Notes Receivable	117,580	-	-	-	-	-	-	-	(117,580)	-
Investments	708,081	-	-	-	-	-	-	-	-	708,081
Prepaid Costs	20,966	-	5,803	6,177	573	2,882	5,683	9,698	-	51,782
Inventory, Net of Allowances	-	-	-	257	-	-	-	8,857	-	9,114
Interprogram	-	-	-	-	-	-	-	642,347	(642,347)	-
Total Current Assets	1,090,688	-	8,037	81,691	2,931	129,939	89,720	957,718	(759,927)	1,600,797
Restricted Assets										
Cash and Cash Equivalents	12,762	-	32,000	5,255	-	-	-	5,316	-	55,333
Investments	-	-	-	35,017	-	-	-	-	-	35,017
Total Restricted Assets	12,762	-	32,000	40,272	-	-	-	5,316	-	90,350
Capital Assets										
Land	251,583	-	-	91,928	-	73,227	7,025	13,144	-	436,907
Buildings and Improvements	14,445,074	-	-	2,435,669	-	2,083,164	2,598,002	506,282	-	22,068,191
Furniture & Equipment	521,217	-	10,192	112,088	-	632	5,520	243,344	-	892,993
Construction in Progress	-	350,297	-	-	-	-	-	-	-	350,297
	15,217,874	350,297	10,192	2,639,685	-	2,157,023	2,610,547	762,770	-	23,748,388
(Less): Accumulated Depreciation	(11,540,151)	-	(9,279)	(2,209,005)	-	(1,154,112)	(649,959)	(515,671)	-	(16,078,177)
Net Capital Assets	3,677,723	350,297	913	430,680	-	1,002,911	1,960,588	247,099	-	7,670,211
Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	$ 4,781,173	$ 350,297	$ 40,950	$ 552,643	$ 2,931	$ 1,132,850	$ 2,050,308	$ 1,210,133	$ (759,927)	$ 9,361,358

THE HOUSING AUTHORITY OF MARION, INDIANA
SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION BY PROGRAM
JUNE 30, 2016

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Public Housing Program	Capital Fund Program	Housing Choice Vouchers	N/C S/R Section 8 Programs	Resident Opportunity and Supportive Services	State/ Local	Business Activities	COCC	Elimination	Total
Current Liabilities										
Accounts Payable	$ 10,760	$ -	$ 2,773	$ 4,433	$ 573	$ 1,587	$ 23,598	$ 7,096	$ -	$ 50,820
Accrued Wages and Payroll Taxes	4,761	-	780	2,688	-	509	904	6,978	-	16,620
Accrued Compensated Absences	8,462	-	543	3,953	-	800	13	12,143	-	25,914
Accrued Interest Payable	-	-	-	-	-	722	3,982	-	-	4,704
Note Payable - HUD Agreement	-	-	-	-	-	-	-	117,580	(117,580)	-
A/P - Other Government	33,323	-	-	20,922	-	-	38,898	1,754	-	94,897
Tenant Security Deposits	59,090	-	-	24,571	-	8,466	22,836	1,099	-	116,062
Unearned Revenues	1,483	-	-	-	-	-	-	-	-	1,483
Current Portion of Notes Payable	-	-	-	-	-	28,936	83,935	-	-	112,871
Other Current Liabilities	9,671	-	943	1,916	-	626	2,884	3,217	-	19,257
Interprogram	-	-	214,636	-	2,358	-	425,353	-	(642,347)	-
Total Current Liabilities	127,550	-	219,675	58,483	2,931	41,646	602,403	149,867	(759,927)	442,628
Long Term Liabilities										
Notes Payable	-	-	-	-	-	76,352	1,237,586	-	-	1,313,938
Noncurrent Liabilities	12,762	-	31,322	-	-	-	-	-	-	44,084
Accrued Compensated Absences	33,848	-	2,172	15,814	-	3,201	51	48,571	-	103,657
Total Long Term Liabilities	46,610	-	33,494	15,814	-	79,553	1,237,637	48,571	-	1,461,679
Total Liabilities	174,160	-	253,169	74,297	2,931	121,199	1,840,040	198,438	(759,927)	1,904,307
Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-
Net Position										
Net Investment in Capital Assets	3,677,723	350,297	913	430,680	-	897,623	639,067	247,099	-	6,243,402
Restricted Net Position	-	-	678	35,017	-	-	-	-	-	35,695
Unrestricted Net Position	929,290	-	(213,810)	12,649	-	114,028	(428,799)	764,596	-	1,177,954
Total Net Position	4,607,013	350,297	(212,219)	478,346	-	1,011,651	210,268	1,011,695	-	7,457,051
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 4,781,173	$ 350,297	$ 40,950	$ 552,643	$ 2,931	$1,132,850	$2,050,308	$1,210,133	$ (759,927)	$ 9,361,358

THE HOUSING AUTHORITY OF MARION, INDIANA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2016

	Public Housing Program	Capital Fund Program	Housing Choice Vouchers	N/C S/R Section 8 Programs	Resident Opportunity and Supportive Services	State/ Local	Business Activities	COCC	Elimination	Total
Operating Revenues										
Dwelling Rent	$ 532,681	$ -	$ -	$ 309,869	$ -	$ 137,119	$ 523,333	$ -	$ -	$ 1,503,002
Operating Grants	638,855	4,914	1,642,990	230,557	106,635	-	-	-	-	2,623,951
Other Revenue	37,791	-	2,826	795	-	3,420	12,513	534,600	(459,671)	132,274
Total Operating Revenues	1,209,327	4,914	1,645,816	541,221	106,635	140,539	535,846	534,600	(459,671)	4,259,227
Operating Expenses										
Administrative	531,307	4,914	184,979	234,623	106,635	37,296	92,768	390,821	(459,671)	1,123,672
Tenant Services	3,738	-	-	3,026	-	15	19	4,778	-	11,576
Utilities	204,232	-	-	100,017	-	2,085	40,719	12,931	-	359,984
Maintenance and Operations	332,338	-	20,008	103,555	-	30,765	80,168	12,482	-	579,316
Protective Services	15,702	-	-	1,963	-	392	1,570	-	-	19,627
General Expense	132,703	-	29,045	61,857	-	19,330	87,558	17,751	-	348,244
Housing Assistance Payments	-	-	1,445,378	-	-	-	-	-	-	1,445,378
Depreciation	590,838	-	262	76,350	-	40,462	73,992	17,500	-	799,404
Total Operating Expenses	1,810,858	4,914	1,679,672	581,391	106,635	130,345	376,794	456,263	(459,671)	4,687,201
Operating Income (Loss)	(601,531)	-	(33,856)	(40,170)	-	10,194	159,052	78,337	-	(427,974)
Non-Operating Revenues (Expenses)										
Investment Income	2,382	-	11	139	-	9	8	64	-	2,613
Loss on Disposal of Capital Assets	-	-	3,250	-	-	-	-	-	-	3,250
Interest Expense	-	-	-	-	-	(9,685)	(66,260)	-	-	(75,945)
Total Non-Operating Rev/(Exp)	2,382	-	3,261	139	-	(9,676)	(66,252)	64	-	(70,082)
Increase (Decrease) in Net Position before transfers and Contributions	(599,149)	-	(30,595)	(40,031)	-	518	92,800	78,401	-	(498,056)
Capital Contributions	-	140,374	-	-	-	-	-	-	-	140,374
Increase (Decrease) in Net Position	(599,149)	140,374	(30,595)	(40,031)	-	518	92,800	78,401	-	(357,682)
Net Position, Beginning	5,206,162	209,923	(181,624)	518,377	-	1,011,133	149,855	900,907	-	7,814,733
Net Position Transfers	-	-	-	-	-	-	(32,387)	32,387	-	-
Net Position, Ending	$ 4,607,013	$ 350,297	$ (212,219)	$ 478,346	$ -	$1,011,651	$ 210,268	$1,011,695	$ -	$ 7,457,051

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2016

EXPENDITURES

Low Rent Public Housing Expenditures	
Total CFDA Number 14.850a	$ 638,855
Public Housing Capital Fund Program	
Total CFDA Number 14.872	145,288
Section 8 Housing Choice Vouchers	
Total CFDA Number 14.871	1,642,990
Section 8 New Construction	
Total CFDA Number 14.182	157,458
Resident Opportunity Supportive Services	
Total CFDA Number 14.896	106,635
TOTAL HUD EXPENDITURES	2,691,226
TOTAL FEDERAL EXPENDITURES	$ 2,691,226

Basis of Presentation:

The above schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information on 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*.

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
FINANCIAL DATA SCHEDULE
JUNE 30, 2016

		LOW RENT 14.850a	CAPITAL FUND PROGRAM 14.872	HOUSING CHOICE VOUCHERS 14.871	N/C S/R SECTION 8 PROGRAMS 14.182	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES 14.896	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
	ASSETS										
	CURRENT ASSETS										
	CASH										
111	CASH UNRESTRICTED	184,962	-	2,234	45,749	-	115,406	58,952	295,717	-	703,020
112	CASH - RESTRICTED - MODERNIZATION & DEVELOPMENT	-	-	-	-	-	-	-	-	-	-
113	CASH - OTHER RESTRICTED	12,762	-	32,000	5,255	-	-	-	5,316	-	55,333
114	CASH - TENANT SECURITY DEPOSITS	59,090	-	-	24,571	-	8,466	22,836	1,099	-	116,062
115	CASH - RESTRICTED FOR PYMT OF CURRENT LIABILIITES	-	-	-	-	-	-	-	-	-	-
100	TOTAL CASH	256,814	-	34,234	75,575	-	123,872	81,788	302,132	-	874,415
	ACCOUNTS AND NOTES RECEIVABLE										
121	A/R - PHA PROJECTS	-	-	-	-	-	-	-	-	-	-
122	A/R - HUD OTHER PROJECTS	-	-	-	-	-	-	-	-	-	-
124	A/R - OTHER GOVERNMENT	-	-	-	-	2,358	-	-	-	-	2,358
125	A/R - MISCELLANEOUS	-	-	-	-	-	-	-	-	-	-
126	A/R - TENANTS	11	-	-	5,300	-	10,616	2,368	-	-	18,295
126.1	ALLOWANCE FOR DOUBTFUL ACCOUNTS - TENANTS	(2)	-	-	(363)	-	(7,431)	(119)	-	-	(7,915)
126.2	ALLOWANCE FOR DOUBTFUL ACCOUNTS - OTHER	-	-	-	-	-	-	-	-	-	-
127	NOTES & MORTGAGES RECEIVABLE - CURRENT	-	-	-	-	-	-	-	-	-	-
128	FRAUD RECOVERY	-	-	-	-	-	-	-	-	-	-
128.1	ALLOWANCE FOR DOUBTFUL ACCOUNTS - FRAUD	-	-	-	-	-	-	-	-	-	-
129	ACCRUED INTEREST RECEIVABLE	-	-	-	-	-	-	-	-	-	-
120	TOTAL RECEIVABLES NET OF ALLOW	9	-	-	4,937	2,358	3,185	2,249	-	-	12,738
	CURRENT INVESTMENTS										
131	INVESTMENTS - UNRESTRICTED	708,081	-	-	-	-	-	-	-	-	708,081
132	INVESTMENTS - RESTRICTED	-	-	-	35,017	-	-	-	-	-	35,017
135	INVESTMENTS - RESTRICTED FOR PYMT OF CURRENT LIABILI	-	-	-	-	-	-	-	-	-	-
142	PREPAID EXPENSES AND OTHER ASSETS	20,966	-	5,803	6,177	573	2,882	5,683	9,698	-	51,782
143	INVENTORIES	-	-	-	257	-	-	-	8,857	-	9,114
143.1	ALLOWANCE FOR OBSOLETE INVENTORY	-	-	-	-	-	-	-	-	-	-
144	INTER PROGRAM DUE FROM	-	-	-	-	-	-	-	642,347	(642,347)	-
145	ASSETS HELD FOR SALE	-	-	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	985,870	-	40,037	121,963	2,931	129,939	89,720	963,034	(642,347)	1,691,147
	NONCURRENT ASSETS										
	CAPITAL ASSETS										
161	LAND	251,583	-	-	91,928	-	73,227	7,025	13,144	-	436,907
162	BUILDINGS	5,484,226	-	-	2,207,332	-	1,561,859	2,413,479	457,308	-	12,124,204
163	FURNITURE & EQUIPMENT - DWELLINGS	162,807	-	2,878	60,643	-	-	707	2,539	-	229,574
163	FURNITURE & EQUIPMENT - ADMINISTRATION	358,410	-	7,314	51,445	-	632	4,813	240,805	-	663,419
165	LEASEHOLD IMPROVEMENTS	8,960,848	-	-	228,337	-	521,305	184,523	48,974	-	9,943,987
167	CONSTRUCTION IN PROGRESS	-	350,297	-	-	-	-	-	-	-	350,297
168	INFRASTRUCTURE	-	-	-	-	-	-	-	-	-	-
166	ACCUMULATED DEPRECIATION	(11,540,151)	-	(9,279)	(2,209,005)	-	(1,154,112)	(649,959)	(515,671)	-	(16,078,177)
160	TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	3,677,723	350,297	913	430,680	-	1,002,911	1,960,588	247,099	-	7,670,211
171	NOTES & MORTGAGES RECEIVABLE - NON-CURRENT	117,580	-	-	-	-	-	-	-	(117,580)	-
172	NOTES & MORTGAGES RECEIVABLE - NON-CURRENT - PAST-DU	-	-	-	-	-	-	-	-	-	-
173	GRANTS RECEIVABLE - NON-CURRENT	-	-	-	-	-	-	-	-	-	-
174	OTHER ASSETS	-	-	-	-	-	-	-	-	-	-
176	INVESTMENTS IN JOINT VENTURES	-	-	-	-	-	-	-	-	-	-
180	TOTAL NON-CURRENT ASSETS	3,795,303	350,297	913	430,680	-	1,002,911	1,960,588	247,099	(117,580)	7,670,211
200	DEFERRED OUTFLOW OF RESOURCES	-	-	-	-	-	-	-	-	-	-

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
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		LOW RENT 14.850a	CAPITAL FUND PROGRAM 14.872	HOUSING CHOICE VOUCHERS 14.871	N/C S/R SECTION 8 PROGRAMS 14.182	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES 14.896	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	4,781,173	350,297	40,950	552,643	2,931	1,132,850	2,050,308	1,210,133	(759,927)	9,361,358
	LIABILITIES AND EQUITY										
	CURRENT LIABILITIES										
311	BANK OVERDRAFT	-	-	-	-	-	-	-	-	-	-
312	A/P < 90 DAYS	10,760	-	2,773	4,433	573	1,587	23,598	7,096	-	50,820
313	A/P > 90 DAYS PAST DUE	-	-	-	-	-	-	-	-	-	-
321	ACCRUED WAGE/PAYROLL TAXES PAYABLE	4,761	-	780	2,688	-	509	904	6,978	-	16,620
322	ACCRUED COMPENSATED ABSENCES - CURRENT PORTION	8,462	-	543	3,953	-	800	13	12,143	-	25,914
324	ACCRUED CONTINGENCY LIABILITY	-	-	-	-	-	-	-	-	-	-
325	ACCRUED INTEREST PAYABLE	-	-	-	-	-	722	3,982	-	-	4,704
331	A/P - HUD PHA PROGRAMS	-	-	-	-	-	-	-	-	-	-
332	A/P - PHA PROJECTS	-	-	-	-	-	-	-	117,580	(117,580)	-
333	A/P - OTHER GOVERNMENT	33,323	-	-	20,922	-	-	38,898	1,754	-	94,897
341	TENANT SECURITY DEPOSITS	59,090	-	-	24,571	-	8,466	22,836	1,099	-	116,062
342	UNEARNED REVENUES	1,483	-	-	-	-	-	-	-	-	1,483
343	CURRENT PORTION - LT DEBT - CAPITAL/MORTGAGE	-	-	-	-	-	28,936	83,935	-	-	112,871
344	CURRENT PORTION - LT DEBT - OPERATING BORROWINGS	-	-	-	-	-	-	-	-	-	-
345	OTHER CURRENT LIABILITIES	-	-	-	-	-	-	-	-	-	-
346	ACCRUED LIABILITIES - OTHER	9,671	-	943	1,916	-	626	2,884	3,217	-	19,257
347	INTER PROGRAM - DUE TO	-	-	214,636	-	2,358	-	425,353	-	(642,347)	-
348	LOAN LIABILITY - CURRENT	-	-	-	-	-	-	-	-	-	-
310	TOTAL CURRENT LIABILITIES	127,550	-	219,675	58,483	2,931	41,646	602,403	149,867	(759,927)	442,628
	NONCURRENT LIABILITIES										
351	LT DEBT, NET OF CURRENT - CAPITAL/MORTGAGE	-	-	-	-	-	76,352	1,237,586	-	-	1,313,938
352	LT DEBT, NET OF CURRENT - OPERATING BORROWINGS	-	-	-	-	-	-	-	-	-	-
353	NON-CURRENT LIABILITIES - OTHER	12,762	-	31,322	-	-	-	-	-	-	44,084
354	ACCRUED COMPENSATED ABSENCES - NON-CURRENT	33,848	-	2,172	15,814	-	3,201	51	48,571	-	103,657
355	LOAN LIABILITY - NON-CURRENT	-	-	-	-	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	46,610	-	33,494	15,814	-	79,553	1,237,637	48,571	-	1,461,679
300	TOTAL LIABILITIES	174,160	-	253,169	74,297	2,931	121,199	1,840,040	198,438	(759,927)	1,904,307
400	DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-	-
508.4	NET INVESTMENT IN CAPITAL ASSETS	3,677,723	350,297	913	430,680	-	897,623	639,067	247,099	-	6,243,402
511.4	RESTRICTED NET POSITION	-	-	678	35,017	-	-	-	-	-	35,695
512.4	UNRESTRICTED NET POSITION	929,290	-	(213,810)	12,649	-	114,028	(428,799)	764,596	-	1,177,954
513	TOTAL EQUITY - NET POSITION	4,607,013	350,297	(212,219)	478,346	-	1,011,651	210,268	1,011,695	-	7,457,051
600	TOTAL LIAB., DEF. INFLOW OF RES., AND NET POSITION	4,781,173	350,297	40,950	552,643	2,931	1,132,850	2,050,308	1,210,133	(759,927)	9,361,358
		-	-	-	-	-	-	-	-	-	-
70300	NET TENANT RENTAL REVENUE	515,874	-	-	298,257	-	128,150	481,008	-	-	1,423,289
70400	TENANT REVENUE - OTHER	16,807	-	-	11,612	-	8,969	42,325	-	-	79,713
70500	TOTAL TENANT REVENUE	532,681	-	-	309,869	-	137,119	523,333	-	-	1,503,002
70600	HUD PHA OPERATING GRANTS	638,855	4,914	1,642,990	157,458	106,635	-	-	-	-	2,550,852
70610	CAPITAL GRANTS	-	140,374	-	-	-	-	-	-	-	140,374
70710	MANAGEMENT FEE	-	-	-	-	-	-	-	344,568	(344,568)	-
70720	ASSET MANAGEMENT FEE	-	-	-	-	-	-	-	32,400	(32,400)	-
70730	BOOKKEEPING FEE	-	-	-	-	-	-	-	77,427	(77,427)	-
70740	FRONT LINE SERVICE FEE	-	-	-	-	-	-	-	2,928	(2,928)	-
70750	OTHER FEE	-	-	-	-	-	-	-	-	-	-
70800	OTHER GOVERNMENT GRANTS	-	-	-	73,099	-	-	-	-	-	73,099
71100	INVESTMENT INCOME - UNRESTRICTED	2,382	-	11	139	-	9	8	64	-	2,613

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		LOW RENT 14.850a	CAPITAL FUND PROGRAM 14.872	HOUSING CHOICE VOUCHERS 14.871	N/C S/R SECTION 8 PROGRAMS 14.182	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES 14.896	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
71200	MORTGAGE INTEREST INCOME	-	-	-	-	-	-	-	-	-	-
71400	FRAUD RECOVERY	2,074	-	2,349	-	-	508	-	5,929	-	10,860
71500	OTHER REVENUE	35,717	-	477	795	-	2,912	12,513	71,348	(2,348)	121,414
71600	GAIN OR LOSS ON THE SALE OF FIXED ASSETS	-	-	3,250	-	-	-	-	-	-	3,250
72000	INVESTMENT INCOME - RESTRICTED	-	-	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	1,211,709	145,288	1,649,077	541,360	106,635	140,548	535,854	534,664	(459,671)	4,405,464
	EXPENSES										
	ADMINISTRATIVE										
91100	ADMINISTRATIVE SALARIES	110,966	-	47,092	98,566	81,501	7,370	8,577	231,296	-	585,368
91200	AUDITING FEES	7,501	-	1,054	1,953	-	575	3,366	1,881	-	16,330
91300	MANAGEMENT FEE	179,232	-	55,572	65,043	-	8,385	36,336	-	(344,568)	-
91310	BOOKKEEPING FEE	23,086	-	34,732	8,377	-	2,160	9,072	-	(77,427)	-
91400	ADVERTISING AND MARKETING	7,213	-	22	2,561	-	1	136	296	-	10,229
91500	EMPLOYEE BENEFIT CONTRIBUTIONS	99,231	-	17,641	30,426	25,134	11,041	15,184	70,470	-	269,127
91600	OFFICE EXPENSES	65,513	-	27,548	26,790	-	6,639	16,895	66,982	(2,928)	207,439
91700	LEGAL EXPENSE	2,031	-	275	152	-	807	822	4,976	-	9,063
91800	TRAVEL	460	4,914	137	46	-	-	892	244	-	6,693
91810	ALLOCATED OVERHEAD	-	-	-	-	-	-	-	-	-	-
91900	OTHER	3,674	-	906	709	-	318	1,488	14,676	(2,348)	19,423
92000	ASSET MANAGEMENT FEE	32,400	-	-	-	-	-	-	-	(32,400)	-
	TENANT SERVICES										
92100	TENANT SERVICES - SALARIES	-	-	-	-	-	-	-	-	-	-
92200	RELOCATION COSTS	-	-	-	-	-	-	-	-	-	-
92300	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-
92400	TENANT SERVICES - OTHER	3,738	-	-	3,026	-	15	19	4,778	-	11,576
	UTILITIES										
93100	WATER	38,877	-	-	19,712	-	694	33,698	2,381	-	95,362
93200	ELECTRICITY	165,355	-	-	80,305	-	958	6,725	7,862	-	261,205
93300	GAS	-	-	-	-	-	433	296	2,688	-	3,417
93400	FUEL	-	-	-	-	-	-	-	-	-	-
93500	LABOR	-	-	-	-	-	-	-	-	-	-
93600	SEWER	-	-	-	-	-	-	-	-	-	-
93700	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-
93800	OTHER UTILITIES EXPENSE	-	-	-	-	-	-	-	-	-	-
	ORDINARY MAINTENANCE & OPERATIONS										
94100	ORDINARY MAINTENANCE & OPERATIONS - LABOR	151,293	-	-	51,110	-	18,814	32,716	2,730	-	256,663
94200	ORDINARY MAINTENANCE & OPERATIONS - MATERIALS	59,386	-	185	15,893	-	4,958	17,456	3,271	-	101,149
94300	ORDINARY MAINTENANCE & OPERATIONS - CONTRACTS	121,659	-	19,823	36,552	-	6,993	29,996	6,481	-	221,504
94500	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-
	PROTECTIVE SERVICES										
95100	PROTECTIVE SERVICES - LABOR	-	-	-	-	-	-	-	-	-	-
95200	PROTECTIVE SERVICES - OTHER CONTRACT COSTS	15,702	-	-	1,963	-	392	1,570	-	-	19,627
95300	PROTECTIVE SERVICES - OTHER	-	-	-	-	-	-	-	-	-	-
95500	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-
	GENERAL EXPENSES										
96100	INSURANCE PREMIUMS	89,928	-	8,594	25,244	-	11,277	27,042	14,108	-	176,193
96200	OTHER GENERAL EXPENSES	9,488	-	-	-	-	-	60,397	3,643	-	73,528
96210	COMPENSATED ABSENCES	-	-	-	15,464	-	622	-	-	-	16,086
96300	PAYMENTS IN LIEU OF TAXES	33,287	-	-	20,786	-	-	-	-	-	54,073
96400	BAD DEBT - TENANT RENTS	-	-	20,451	363	-	7,431	119	-	-	28,364
96500	BAD DEBT - MORTGAGES	-	-	-	-	-	-	-	-	-	-
96600	BAD DEBT - OTHER	-	-	-	-	-	-	-	-	-	-
96700	INTEREST EXPENSE	-	-	-	-	-	9,685	66,260	-	-	75,945

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
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		LOW RENT 14.850a	CAPITAL FUND PROGRAM 14.872	HOUSING CHOICE VOUCHERS 14.871	N/C S/R SECTION 8 PROGRAMS 14.182	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES 14.896	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
96900	TOTAL OPERATING EXPENSES	1,220,020	4,914	234,032	505,041	106,635	99,568	369,062	438,763	(459,671)	2,518,364
97000	EXCESS OPERATING REVENUE OVER OP EXP	(8,311)	140,374	1,415,045	36,319	-	40,980	166,792	95,901	-	1,887,100
97100	EXTRAORDINARY MAINTENANCE	-	-	-	-	-	-	-	-	-	-
97200	CASUALTY LOSSES - NON-CAPITALIZED	-	-	-	-	-	-	-	-	-	-
97300	HOUSING ASSISTANCE PAYMENTS	-	-	1,445,378	-	-	-	-	-	-	1,445,378
97350	HAP PORTABILITY-IN	-	-	-	-	-	-	-	-	-	-
97400	DEPRECIATION EXPENSE	590,838	-	262	76,350	-	40,462	73,992	17,500	-	799,404
97500	FRAUD LOSSES	-	-	-	-	-	-	-	-	-	-
97600	CAPITAL OUTLAYS - GOVERNMENTAL FUNDS	-	-	-	-	-	-	-	-	-	-
97700	DEBT PRINCIPAL PAYENT - GOVERNMENTAL FUNDS	-	-	-	-	-	-	-	-	-	-
97800	DWELLING UNITS RENT EXPENSE	-	-	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	1,810,858	4,914	1,679,672	581,391	106,635	140,030	443,054	456,263	(459,671)	4,763,146
		-	-	-	-	-	-	-	-	-	
10010	OPERATING TRANSFER IN	-	-	-	-	-	-	-	-	-	-
10020	OPERATING TRANSFER OUT	-	-	-	-	-	-	-	-	-	-
10030	OPERATING TRANSFERS FROM/TO PRIMARY GOVERNMENT	-	-	-	-	-	-	-	-	-	-
10091	INTER PROJECT EXCESS CASH TRANSFER IN	-	-	-	-	-	-	-	-	-	-
10092	INTER PROJECT EXCESS CASH TRANSFER OUT	-	-	-	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	-	-	-
10000	EXCESS REVENUE OVER EXPENSES	(599,149)	140,374	(30,595)	(40,031)	-	518	92,800	78,401	-	(357,682)
11020	REQUIRED ANNUAL DEBT PRINCIPAL PAYMENTS	-	-	-	-	-	-	-	-	-	-
11030	BEGINNING EQUITY	5,206,162	209,923	(181,624)	518,377	-	1,011,133	149,855	900,907	-	7,814,733
11040	EQUITY TRANSFERS	-	-	-	-	-	-	-	-	-	-
11040	PRIOR PERIOD ADJUSTMENT	-	-	-	-	-	-	(32,387)	32,387	-	-
	ENDING EQUITY	4,607,013	350,297	(212,219)	478,346	-	1,011,651	210,268	1,011,695	-	7,457,051
		-	-	-	-	-	-	-	-	-	-
11170	ADMINISTRATIVE FEE EQUITY	-	-	(212,897)	-	-	-	-	-	-	(212,897)
11180	HOUSING ASSISTANCE PAYMENTS EQUITY	-	-	678	-	-	-	-	-	-	678
11190	UNIT MONTHS AVAILABLE	3,240	-	5,652	1,176	-	300	1,242	-	-	11,610
11120	# UNIT MONTHS LEASED	3,074	-	4,695	1,116	-	283	1,174	-	-	10,342
11620	BUILDING PURCHASES	-	-	-	-	-	-	-	-	-	-
11630	FURNITURE & EQUIPMENT - DWELLING PURCHASES	-	140,374	-	-	-	-	-	-	-	140,374
11640	FURNITURE & EQUIPMENT - ADMIN PURCHASES	-	-	-	-	-	-	-	-	-	-
11650	LEASEHOLD IMPROVEMENTS PURCHASES	-	-	-	-	-	-	-	-	-	-
11660	INFRASTUCTURE PURCHASES	-	-	-	-	-	-	-	-	-	-
13510	CFFP DEBT SERVICE PAYMENTS	-	-	-	-	-	-	-	-	-	-
13910	REPLACEMENT HOUSING FACTOR FUNDS	-	-	-	-	-	-	-	-	-	-

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

JUNE 30, 2016

Section I: Summary of Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified	
Internal Control over financial reporting:		
Are material weaknesses identified?	___Yes	_X_No
Are significant deficiencies that are not considered to be material weaknesses identified?	___Yes	_X_None Reported
Is noncompliance that could have a material effect on the financial statements identified?	___Yes	_X_No

FEDERAL AWARDS

Internal control over major programs:		
Are material weaknesses identified?	___Yes	_X_No
Are significant deficiencies that are not considered to be material weaknesses identified?	___Yes	_X_None Reported
Type of report issued on compliance with requirements applicable to each major program:	Unmodified	
Are there any audit findings that are required to be reported in accordance 2CFR Section 200.516(a) of the Uniform Guidance?	___Yes	_X_No

Identification of major programs:

Name of Federal Program	CFDA No.
Section 8 Housing Choice Vouchers	14.871

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

Is the auditee identified as a low-risk auditee? _X_Yes ___No

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

JUNE 30, 2016

Section II: Financial Statement Findings:

Summary Schedule of Prior Year Findings:

None

Current Year Findings and Questioned Costs:

None

Section III: Federal Award Findings and Questioned Costs

Summary Schedule of Prior Year Findings:

None

Current Year Findings and Questioned:

None