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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 Aprio, LLP, Independent Public Accountants, for the period July 1, 2017 to June 30, 2018. 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, 2018 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.

A handwritten signature in blue ink that reads "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, 2018

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, 2018, 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 opinion.

Opinion

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, 2018, 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 10, 2018 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.



Birmingham, Alabama
December 10, 2018

**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**

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, 2018, 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 10, 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 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.

Aprio, LLP

Birmingham, Alabama
December 10, 2018

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

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, 2018. 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 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 programs. 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, 2018.

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.

Aprio, LLP

Birmingham, Alabama
December 10, 2018

**THE HOUSING AUTHORITY OF THE CITY OF MARION, INDIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2018**

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 \$299,311 in 2018. Net Position was \$7,163,054 and \$6,863,743 for 2017 and 2018 respectively.
- Revenues increased \$504,501 during 2018 and were \$4,697,711 and \$5,202,212 for 2017 and 2018 respectively.
- Total expenses increased \$509,815 during 2018 and were \$4,991,708 and \$5,501,523 for 2017 and 2018 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

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 to provide rental assistance in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing.

Business Activities - The Authority's business activities own and manage two affordable housing apartment buildings. Beckford Place Apartments has 49 units and Parkville Apartments has 49 units.

Other smaller programs are:

- State and Local
- Resident Opportunity Supportive Services
- Resident Opportunity Supportive Services – Service Coordinators

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

	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Assets:			
Current & Restricted Assets	\$ 1,933,366	\$ 2,214,846	\$ (281,480)
Capital Assets	<u>8,138,229</u>	<u>7,687,901</u>	<u>450,328</u>
Total Assets	<u>\$ 10,071,595</u>	<u>\$ 9,902,747</u>	<u>\$ 168,848</u>
Liabilities:			
Current Liabilities	\$ 470,479	\$ 438,197	\$ 32,282
Non Current Liabilities	<u>2,737,373</u>	<u>2,301,496</u>	<u>435,877</u>
Total Liabilities	<u>\$ 3,207,852</u>	<u>\$ 2,739,693</u>	<u>\$ 468,159</u>
Net Position:			
Net Investment in Capital Assets	\$ 5,497,765	\$ 5,438,150	\$ 59,615
Restricted Net Position	47,391	35,182	12,209
Unrestricted Net Position	<u>1,318,587</u>	<u>1,689,722</u>	<u>(371,135)</u>
Total Net Position	<u>\$ 6,863,743</u>	<u>\$ 7,163,054</u>	<u>\$ (299,311)</u>

Major Factors Affecting the Statement of Net Position

During 2018, current and restricted assets decreased by \$281,480. The decrease was primarily due to a decrease in cash and cash equivalents as illustrated by the statement of cash flows. Capital assets increased due to capital asset additions exceeding depreciation expense. Current liabilities increased due to an increase in accounts payable and unearned revenues. Non-Current liabilities increased due to issuance of new debt offset by 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, 2017	\$ 1,689,722
Results of Operations	(297,429)
Capital Expenditures from Operations	(1,005,632)
Investment Income	13,330
Transfer from (to) Restricted Net Position	(12,209)
Proceeds from issuance of Capital Debt	1,443,562
Principal and Interest on Capital Debt	(1,169,673)
Depreciation Expense	<u>656,916</u>
Unrestricted Net Position, June 30, 2018	<u><u>\$ 1,318,587</u></u>

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.

	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Revenues:			
Tenant Rental Revenue	\$ 1,626,477	\$ 1,507,385	\$ 119,092
Operating Grants	3,233,377	2,757,283	476,094
Capital Grants	101,612	275,280	(173,668)
Investment Income	13,330	4,191	9,139
Other Revenue	<u>227,416</u>	<u>153,572</u>	<u>73,844</u>
Total Revenues	<u>\$ 5,202,212</u>	<u>\$ 4,697,711</u>	<u>\$ 504,501</u>
Expenses:			
Administrative Expenses	\$ 1,192,559	\$ 1,205,678	\$ (13,119)
Tenant Services	9,905	9,411	494
Utilities	437,007	388,131	48,876
Maintenance & Operations	854,548	625,480	229,068
Protective Services	21,422	19,524	1,898
General Expense	433,727	395,361	38,366
Housing Assistance Payments	1,778,615	1,501,274	277,341
Interest Expense	116,824	82,326	34,498
Depreciation	<u>656,916</u>	<u>764,523</u>	<u>(107,607)</u>
Total Expenses	<u>\$ 5,501,523</u>	<u>\$ 4,991,708</u>	<u>\$ 509,815</u>
Excess (Deficiency) Revenues Over Expenses	<u>\$ (299,311)</u>	<u>\$ (293,997)</u>	<u>\$ (5,314)</u>

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES AND EXPENSES

The deficiency of revenues over expenses increased slightly due to an increase in expenses exceeding an increase in revenues. Revenues increased due to increases in tenant rental revenue and operating grants received. Operating grants increased due to an increase in operating funds drawn from the Capital Fund Program and housing assistance payments received in the Section 8 Housing Choice Vouchers and New Construction programs. Tenant revenues increased due to an increase in tenant income.

Expenses increased primarily due to increases in maintenance expenses and HAP payments. Maintenance expenses increased due to increases in materials and contract costs as the Authority made repairs to Public Housing properties. Housing Assistance Payments increased due to an increase in rents paid to landlords.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Authority had \$8,138,229 invested in a variety of capital assets as reflected in the following schedule, which represents a 6% increase from last year.

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

	2018	2017	Variance	% Change
Land	\$ 436,907	\$ 436,907	\$ -	0%
Buildings and Improvements	23,534,581	22,548,401	986,180	4%
Furniture and Equipment	939,168	919,716	19,452	2%
Construction in Progress	727,189	625,577	101,612	16%
Accumulated Depreciation	<u>(17,499,616)</u>	<u>(16,842,700)</u>	<u>(656,916)</u>	4%
Net Capital Assets	<u>\$ 8,138,229</u>	<u>\$ 7,687,901</u>	<u>\$ 450,328</u>	<u>6%</u>

**TABLE 5
CHANGE IN CAPITAL ASSETS**

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, July 1, 2017	\$ 7,687,901
Additions	
Improvements - Capital Fund	101,612
Improvements - Operating	1,005,632
Depreciation Expense	<u>(656,916)</u>
Ending Balance, June 30, 2018	<u>\$ 8,138,229</u>

DEBT ADMINISTRATION

As of year-end, the Authority had \$2,640,464 in long term debt outstanding, compared to a \$2,249,751 balance in 2017. The increase is due to the issuance of new debt in the current year of \$1,443,562 offset by payments made on existing long-term debt.

TABLE 6

OUTSTANDING LONG-TERM DEBT, AT YEAR-END

	<u>2018</u>	<u>2017</u>
Capital Improvements	<u>2,640,464</u>	<u>2,249,751</u>
Total	<u>\$ 2,640,464</u>	<u>\$ 2,249,751</u>

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, 2018. 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, 2018

**ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES**

	Enterprise Fund
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 976,499
Tenants Accounts Receivable	26,390
Allowance for Doubtful Accounts	(2,644)
Investments	716,608
Prepaid Costs	42,176
Inventory	10,310
Total Current Assets	<u>1,769,339</u>
<u>Restricted Assets</u>	
Cash and Cash Equivalents	128,577
Investments	35,450
Total Restricted Assets	<u>164,027</u>
<u>Capital Assets</u>	
Land	436,907
Buildings and Improvements	23,534,581
Furniture and Equipment	939,168
Construction in Progress	727,189
	<u>25,637,845</u>
(Less): Accumulated Depreciation	<u>(17,499,616)</u>
Net Capital Assets	<u>8,138,229</u>
<u>Deferred Outflows of Resources</u>	
	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 10,071,595</u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF NET POSITION
JUNE 30, 2018

LIABILITIES, DEFERRED INFLOWS
OF RESOURCES AND NET POSITION

	Enterprise Fund
<u>Current Liabilities</u>	
Accounts Payable	\$ 90,240
Accrued Wages and Payroll Taxes	17,545
Accrued Interest Payable	6,553
A/P - Other Government	107,834
Tenant Security Deposits	119,133
Unearned Revenues	44,427
Current Portion of Notes Payable	81,740
Other Current Liabilities	3,007
Total Current Liabilities	<u>470,479</u>
 <u>Long Term Liabilities</u>	
Notes Payable - Long-Term	2,558,724
FSS Escrows	57,793
Accrued Compensated Absences	120,856
Total Long Term Liabilities	<u>2,737,373</u>
Total Liabilities	<u>3,207,852</u>
 <u>Deferred Inflows of Resources</u>	 <u>-</u>
 <u>Net Position</u>	
Net Investment in Capital Assets	5,497,765
Restricted Net Position	47,391
Unrestricted Net Position	1,318,587
Total Net Position	<u>6,863,743</u>
 Total Liabilities, Deferred Inflows of Resources and Net Position	 <u>\$ 10,071,595</u>

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, 2018**

	Enterprise Fund
<u>Operating Revenues</u>	
Dwelling Rent	\$ 1,626,477
Operating Grants	3,233,377
Other Revenue	227,416
Total Operating Revenues	<u>5,087,270</u>
<u>Operating Expenses</u>	
Administrative	1,192,559
Tenant Services	9,905
Utilities	437,007
Maintenance and Operations	854,548
Protective Services	21,422
General Expense	433,727
Housing Assistance Payments	1,778,615
Depreciation	656,916
Total Operating Expenses	<u>5,384,699</u>
Operating Income (Loss)	<u>(297,429)</u>
<u>Non-Operating Revenues (Expenses)</u>	
Investment Income	13,330
Interest Expense	(116,824)
Total Non-Operating Revenues (Expenses)	<u>(103,494)</u>
Increase (Decrease) in Net Position before Capital Contributions	<u>(400,923)</u>
Capital Contributions	<u>101,612</u>
Increase (Decrease) in Net Position	(299,311)
Net Position, Beginning	7,163,054
Net Position, Ending	<u>\$ 6,863,743</u>

See the accompanying notes to financial statements.

**THE HOUSING AUTHORITY OF MARION, INDIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018**

	Enterprise Fund
<u>Cash flows from operating activities:</u>	
Cash Received from Dwelling Rent	\$ 1,553,926
Cash Received from Operating Grants	3,233,377
Cash Received from Other Sources	263,392
Cash Payments for Salaries & Benefits	(1,225,044)
Cash Payments to Vendors & Landlords	(3,414,139)
Net Cash flows provided (used) by Operating activities	<u>411,512</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital Grants Received	103,612
Capital Outlay	(1,107,244)
Proceeds Received from Capital Debt	1,443,562
Principal and Interest Payments on Capital Debt	(1,168,754)
Net cash flows provided (used) by capital and related financing activities	<u>(728,824)</u>
<u>Cash flows from investing activities:</u>	
Cash Transfer from (to) Investments	(5,764)
Cash received from earnings on investments	13,330
Net cash flows provided (used) by investing activities	<u>7,566</u>
Net Increase (decrease) in cash and cash equivalents	(309,746)
<u>Cash and cash equivalents, beginning of year:</u>	<u>1,414,822</u>
<u>Cash and cash equivalents, end of year:</u>	<u>\$ 1,105,076</u>
<u>Reconciliation of operating income to net cash provided by (used in) operating activities:</u>	
Operating Income (Loss)	\$ (297,429)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	656,916
Bad Debt Expense	80,463
Change in Accounts Receivable	(89,311)
Change in Prepaid Costs	(13,562)
Change in Inventory	(2,092)
Change in Accounts Payable	20,237
Change in Accrued Expenses	2,859
Change in Tenant Security Deposits	2,133
Change in FSS Escrow	6,241
Change in Unearned Revenues	44,427
Change in Other Liabilities	630
Net cash provided by (used in) operating activities	<u>\$ 411,512</u>

See the accompanying notes to financial statements.

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

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.

FURTHER SIGNIFICANT ACCOUNTING POLICIES ARE:

Cash and Cash Equivalents

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.

Tenant Accounts Receivable

Accounts receivables are carried at the amount considered by management to be collectible. Tenant accounts receivable are immaterial for further disclosures.

Prepaid Costs

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

Inventories

Inventories consist of supplies that have not been used or consumed. Inventory is valued at lower of cost or net realizable value and recorded as an expense when it is consumed on the first in first out basis.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

Unearned Revenue

The Authority recognizes revenues as earned. The amount received in advance of the period in which it is earned is recorded as a liability under Unearned Revenue.

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.

Capital Assets

Capital assets 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 revenues and expenses. Estimated useful lives are as follows:

Buildings and Improvements	15 - 40 years
Furniture and Equipment	5 - 10 years

Authority management has assessed the carrying values of capital asset balances as of June 30, 2018, and as of December 10, 2018. No significant capital asset value impairments exist as of the noted dates.

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.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE C - CASH AND CASH EQUIVALENTS

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 \$1,104,876. Investments consist of certificates of deposit totaling \$752,058. 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:

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured by FDIC	\$ 1,001,435	\$ 1,002,213
Insured by the Public Deposit Insurance Fund (PDIF) of Indiana	855,499	951,348
Uncollateralized	-	-
	<u>\$ 1,856,934</u>	<u>\$ 1,953,561</u>

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:

<u>Type Commitment</u>	<u>Amount</u>
Improvements	\$54,746

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE E – USE OF ESTIMATES IN PREPARING FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows and inflows, revenues and expenses in the financial statements. Accordingly, actual results could differ from those estimates.

NOTE F – 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. The Housing Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

NOTE G – 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 H – 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 I - PENSION PLAN

The Authority participates in a defined contribution pension plan which is administered by the American United Life – One America Retirement Plan, a third party, and was adopted by the Board of Commissioners in 1979. All full-time employees are eligible for participation in the plan after six months of continuous service. The plan provisions and changes to the plan contributions are determined by the Board of the Housing Authority.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 7% of each employee's base salary to the plan, while employees contribute 5% of their base salary to the plan. Total employer contributions to the plan for the year were \$57,349, while employees contributed \$41,001.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE J – 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 K – 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	\$ 261,577
Section 8 Housing Choice Vouchers	<u>(261,577)</u>
	<u><u>\$ -</u></u>

NOTE L – 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, 2018, the balance on the agreement was \$97,510, all of which was owed to the Public Housing Program. The loan has been eliminated on the financial statements.

NOTE M – PILOT AGREEMENT/PROPERTY TAXES

The Authority has entered into a Payment in Lieu of Taxes Agreement with the City of Marion, Indiana, whereby the Authority agrees to pay a negotiated sum in lieu of City real property taxes. As of June 30, 2018, \$49,317 remains outstanding. The Authority also has outstanding property taxes due on Beckford Place Apartments, Parkville Apartments, Centrum Mall and Maidenburg in the amount of \$58,517.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE N – NOTES PAYABLE

Long-term debt at June 30, 2018, consisted of the following:

<u>Creditor and Description</u>	<u>Balance</u>
Mortgage payable to local financial institution, bearing 5.24% interest, maturing December 2042 monthly principal and interest payments of \$6,031, collateralized by certain real property located in Marion, Indiana	\$ 990,194
Note payable to local financial institution, bearing 4.75% interest, maturing April 2042, annual principal and interest payments of \$66,897, collateralized by certain real property located in Marion, Indiana	946,938
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	57,522
Construction Loan payable to local financial institution, interest only payments due monthly at a rate of 3.75%, maturing on August 18, 2019, the loan will be converted to a mortgage at the end of construction, collateralized by certain real property located in Marion, Indiana	160,000
Line of Credit payable to local financial institution, interest only payments due monthly at a rate of 4.5075% with a maximum credit limit of \$1,762,500 and maturing on December 22, 2018, the loan will be renewed for one year and will be converted to a mortgage at the end of construction, collateralized by certain real property located in Marion, Indiana	443,562
Note payable to local financial institution, bearing 8.23% interest, maturing October 2019, annual principal and interest payments of \$36,508, and a maturity date of September 1, 2019, collateralized by certain real property located in Marion, Indiana	42,248
	<u>2,640,464</u>
Less: Current Portion	<u>(81,740)</u>
Notes Payable, Non-Current	<u>\$ 2,558,724</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE N – NOTES PAYABLE - CONTINUED

The notes are payable as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance Due</u>
2019	81,740	108,636	2,558,724
2020	661,456	104,214	1,897,268
2021	52,464	95,381	1,844,804
2022	54,880	92,722	1,789,924
2023	56,724	90,233	1,733,200
2024 - 2028	322,393	421,366	1,410,807
2029 - 2033	383,569	333,420	1,027,238
2034 - 2038	498,583	221,183	528,655
2039 - 2043	528,655	75,820	-
Total Payments	<u>\$ 2,640,464</u>	<u>\$ 1,542,975</u>	

Interest expense for the year ended June 30, 2018 was \$116,824.

NOTE O – NON-CURRENT LIABILITIES

Non-current liabilities consist of the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Notes Payable	2,249,751	1,443,562	1,052,849	2,640,464	81,740
Accrued Compensated Absences	125,813	32,240	37,197	120,856	-
FSS Escrows	51,552	6,241	-	57,793	-
Total Debt	<u>\$ 2,427,116</u>	<u>\$ 1,482,043</u>	<u>\$ 1,090,046</u>	<u>\$ 2,819,113</u>	<u>\$ 81,740</u>

NOTE P – RESTRICTED ASSETS AND NET POSITION

The Authority's restricted assets consist of the following as of June 30, 2018:

FSS Escrows	\$ 57,793
Section 8 HAP Funds	11,941
Replacement Reserves	35,450
Insurance Proceeds	44,427
Section 8 New Construction - Service Coordinator	9,445
Local Grant Funding	4,971
	<u>\$ 164,027</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE P – RESTRICTED ASSETS AND NET POSITION - CONTINUED

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, 2018:

Section 8 HAP Funds	\$ 11,941
Replacement Reserves	35,450
	<u>\$ 47,391</u>

NOTE Q – CAPITAL ASSETS

A summary of Capital Assets for the Authority at June 30, 2018 is as follows:

	Low Rent Public <u>Housing</u>	Capital <u>Fund</u>	Housing Choice <u>Vouchers</u>	New <u>Construction</u>
Land	\$ 251,583	\$ -	\$ -	\$ 91,928
Building and Improvements	14,604,106	-	-	2,543,154
Furniture and Equipment	549,138	-	10,337	116,784
Construction in Progress	-	727,189	-	-
Less Accumulated Depreciation	<u>(12,477,357)</u>	<u>-</u>	<u>(9,822)</u>	<u>(2,370,063)</u>
Total Capital Assets	<u>\$ 2,927,470</u>	<u>\$ 727,189</u>	<u>\$ 515</u>	<u>\$ 381,803</u>

	<u>State/Local</u>	Business <u>Activities</u>	Central <u>Office</u>	Total Enterprise <u>Fund</u>
Land	\$ 73,227	\$ 7,025	\$ 13,144	\$ 436,907
Building and Improvements	2,128,934	3,089,508	1,168,879	23,534,581
Furniture and Equipment	3,863	7,010	252,036	939,168
Construction in Progress	-	-	-	727,189
Less Accumulated Depreciation	<u>(1,237,344)</u>	<u>(836,794)</u>	<u>(568,236)</u>	<u>(17,499,616)</u>
Total Capital Assets	<u>\$ 968,680</u>	<u>\$ 2,266,749</u>	<u>\$ 865,823</u>	<u>\$ 8,138,229</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE Q – CAPITAL ASSETS – CONTINUED

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers & Deletions</u>	<u>Ending Balance</u>
Land	\$ 436,907	\$ -	\$ -	\$ 436,907
Construction in Progress	<u>625,577</u>	<u>101,612</u>	<u>-</u>	<u>727,189</u>
Total Assets not being Depreciated	1,062,484	101,612	-	1,164,096
Buildings and Improvements	22,548,401	986,180	-	23,534,581
Furniture and Equipment	<u>919,716</u>	<u>19,452</u>	<u>-</u>	<u>939,168</u>
Total Capital Assets	24,530,601	1,107,244	-	25,637,845
Less Accumulated Depreciation:				
Building and Improvements	(16,156,256)	(613,890)	-	(16,770,146)
Furniture and Equipment	<u>(686,444)</u>	<u>(43,026)</u>	<u>-</u>	<u>(729,470)</u>
Net Book Value	<u>\$ 7,687,901</u>	<u>\$ 450,328</u>	<u>\$ -</u>	<u>\$ 8,138,229</u>

NOTE R – SUBSEQUENT EVENTS

In preparing financial statements, management evaluated subsequent events through December 10, 2018 the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

**THE HOUSING AUTHORITY OF MARION, INDIANA
 STATEMENT AND CERTIFICATION OF PROGRAM COSTS - CAPITAL FUND PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2018**

	Public Housing Capital Fund Program IN36P04150113	Public Housing Capital Fund Program IN36P04150114
Funds Approved	\$ 307,751	\$ 341,434
Funds Expended	307,751	341,434
Excess of Funds Approved	<u>\$ -</u>	<u>\$ -</u>
Funds Advanced	\$ 307,751	\$ 341,434
Funds Expended	307,751	341,434
Excess of Funds Advanced	<u>\$ -</u>	<u>\$ -</u>

1. The distribution of costs as shown on the Actual Modernization Cost Certificates submitted to HUD for approval are in agreement with the Housing Authority's records.
2. All modernization costs have been paid and all related liabilities have been discharged through payment.

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

EXPENDITURES

Low Rent Public Housing Expenditures Total CFDA Number 14.850	<u>\$ 679,536</u>
Public Housing Capital Fund Program Total CFDA Number 14.872	<u>363,159</u>
Section 8 Housing Choice Vouchers Total CFDA Number 14.871	<u>1,963,434</u>
Section 8 New Construction Total CFDA Number 14.182	<u>197,206</u>
Resident Opportunity Supportive Services - Service Coordinators Total CFDA Number 14.870	<u>56,197</u>
Resident Opportunity Supportive Services Total CFDA Number 14.896	<u>68,893</u>
TOTAL HUD EXPENDITURES	<u>3,328,425</u>
TOTAL FEDERAL EXPENDITURES	<u>\$ 3,328,425</u>

Note 1 - 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*. Because the schedule presents only a selected portion of operations of the Authority it is not intended to and does not present the financial net position, changes in net position or cash flows of the Authority.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The Authority did not elect to use the 10% *De Minimus Cost Rate*.

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
 FINANCIAL DATA SCHEDULE
 JUNE 30, 2018

		LOW RENT	CAPITAL FUND PROGRAM	HOUSING CHOICE VOUCHERS	N/C S/R SECTION 8 PROGRAMS	ROSS SERVICE COORDINATORS	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
		14.850	14.872	14.871	14.182	14.191	14.896					
	ASSETS											
	CURRENT ASSETS											
	CASH											
111	CASH UNRESTRICTED	36,834	-	1,714	21,681	-	2,723	33,029	75,830	685,555	-	857,366
112	CASH - RESTRICTED - MODERNIZATION & DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-
113	CASH - OTHER RESTRICTED	70,724	-	43,437	9,445	-	-	-	-	4,971	-	128,577
114	CASH - TENANT SECURITY DEPOSITS	57,505	-	-	24,173	-	-	10,005	20,886	6,564	-	119,133
115	CASH - RESTRICTED FOR PYMT OF CURRENT LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
100	TOTAL CASH	165,063	-	45,151	55,299	-	2,723	43,034	96,716	697,090	-	1,105,076
	ACCOUNTS AND NOTES RECEIVABLE											
121	A/R - PHA PROJECTS	-	-	-	-	-	-	-	-	-	-	-
122	A/R - HUD OTHER PROJECTS	-	-	-	-	-	-	-	-	-	-	-
124	A/R - OTHER GOVERNMENT	-	-	-	-	-	-	-	-	-	-	-
125	A/R - MISCELLANEOUS	-	-	-	-	-	-	-	-	-	-	-
126	A/R - TENANTS	7,000	-	-	1,405	-	-	7,305	4,982	5,698	-	26,390
126.1	ALLOWANCE FOR DOUBTFUL ACCOUNTS - TENANTS	(700)	-	-	(141)	-	-	(731)	(502)	(570)	-	(2,644)
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	6,300	-	-	1,264	-	-	6,574	4,480	5,128	-	23,746
	CURRENT INVESTMENTS											
131	INVESTMENTS - UNRESTRICTED	716,608	-	-	-	-	-	-	-	-	-	716,608
132	INVESTMENTS - RESTRICTED	-	-	-	35,450	-	-	-	-	-	-	35,450
135	INVESTMENTS - RESTRICTED FOR PYMT OF CURRENT LIABILITY	-	-	-	-	-	-	-	-	-	-	-
142	PREPAID EXPENSES AND OTHER ASSETS	12,746	-	3,990	2,292	-	756	712	2,394	19,286	-	42,176
143	INVENTORIES	-	-	-	-	-	-	-	-	10,310	-	10,310
143.1	ALLOWANCE FOR OBSOLETE INVENTORY	-	-	-	-	-	-	-	-	-	-	-
144	INTER PROGRAM DUE FROM	-	-	-	-	-	-	-	-	261,577	(261,577)	-
145	ASSETS HELD FOR SALE	-	-	-	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	900,717	-	49,141	94,305	-	3,479	50,320	103,590	993,391	(261,577)	1,933,366
	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	1,017,280	-	12,684,176
163	FURNITURE & EQUIPMENT - DWELLINGS	186,386	-	2,878	65,085	-	-	2,056	1,754	2,539	-	260,698
163	FURNITURE & EQUIPMENT - ADMINISTRATION	362,752	-	7,459	51,699	-	-	1,807	5,256	249,497	-	678,470
165	LEASEHOLD IMPROVEMENTS	9,119,880	-	-	335,822	-	-	567,075	676,029	151,599	-	10,850,405
167	CONSTRUCTION IN PROGRESS	-	727,189	-	-	-	-	-	-	-	-	727,189
168	INFRASTRUCTURE	-	-	-	-	-	-	-	-	-	-	-
166	ACCUMULATED DEPRECIATION	(12,477,357)	-	(9,822)	(2,370,063)	-	-	(1,237,344)	(836,794)	(568,236)	-	(17,499,616)
160	TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	2,927,470	727,189	515	381,803	-	-	968,680	2,266,749	865,823	-	8,138,229
171	NOTES & MORTGAGES RECEIVABLE - NON-CURRENT	97,510	-	-	-	-	-	-	-	-	(97,510)	-
172	NOTES & MORTGAGES RECEIVABLE - NON-CURRENT - PAST-DUE	-	-	-	-	-	-	-	-	-	-	-
173	GRANTS RECEIVABLE - NON-CURRENT	-	-	-	-	-	-	-	-	-	-	-
174	OTHER ASSETS	-	-	-	-	-	-	-	-	-	-	-
176	INVESTMENTS IN JOINT VENTURES	-	-	-	-	-	-	-	-	-	-	-
180	TOTAL NON-CURRENT ASSETS	3,024,980	727,189	515	381,803	-	-	968,680	2,266,749	865,823	(97,510)	8,138,229
200	DEFERRED OUTFLOW OF RESOURCES	-	-	-	-	-	-	-	-	-	-	-
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	3,925,697	727,189	49,656	476,108	-	3,479	1,019,000	2,370,339	1,859,214	(359,087)	10,071,595
	LIABILITIES AND EQUITY											
	CURRENT LIABILITIES											
311	BANK OVERDRAFT	-	-	-	-	-	-	-	-	-	-	-
312	A/P < 90 DAYS	22,283	-	273	292	-	-	456	24,260	25,770	-	73,334

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
 FINANCIAL DATA SCHEDULE
 JUNE 30, 2018

	LOW RENT	CAPITAL FUND PROGRAM	HOUSING CHOICE VOUCHERS	N/C S/R SECTION 8 PROGRAMS	ROSS SERVICE COORDINATORS	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
	14.850	14.872	14.871	14.182	14.191	14.896					
313	A/P > 90 DAYS PAST DUE	-	-	-	-	-	-	-	-	-	-
321	ACCRUED WAGE/PAYROLL TAXES PAYABLE	5,430	-	1,029	1,400	-	1,003	140	646	7,897	17,545
322	ACCRUED COMPENSATED ABSENCES - CURRENT PORTION	-	-	-	-	-	-	-	-	-	-
324	ACCRUED CONTINGENCY LIABILITY	-	-	-	-	-	-	-	-	-	-
325	ACCRUED INTEREST PAYABLE	-	-	-	-	-	-	5,716	837	-	6,553
331	A/P - HUD PHA PROGRAMS	-	-	-	-	-	-	-	-	-	-
332	A/P - PHA PROJECTS	-	-	-	-	-	-	-	97,510	(97,510)	-
333	A/P - OTHER GOVERNMENT	31,154	-	-	18,163	-	-	40,052	18,465	-	107,834
341	TENANT SECURITY DEPOSITS	57,505	-	-	24,173	-	-	10,005	20,886	6,564	119,133
342	UNEARNED REVENUES	44,427	-	-	-	-	-	-	-	-	44,427
343	CURRENT PORTION - LT DEBT - CAPITAL/MORTGAGE	-	-	-	-	-	34,094	47,646	-	-	81,740
344	CURRENT PORTION - LT DEBT - OPERATING BORROWINGS	-	-	-	-	-	-	-	-	-	-
345	OTHER CURRENT LIABILITIES	-	-	-	-	-	-	-	-	-	-
346	ACCRUED LIABILITIES - OTHER	9,950	-	981	1,983	-	651	3,001	3,347	-	19,913
347	INTER PROGRAM - DUE TO	-	-	261,577	-	-	-	-	-	(261,577)	-
348	LOAN LIABILITY - CURRENT	-	-	-	-	-	-	-	-	-	-
310	TOTAL CURRENT LIABILITIES	170,749	-	263,860	46,011	-	1,003	45,346	142,207	160,390	470,479
	NONCURRENT LIABILITIES										
351	LT DEBT, NET OF CURRENT - CAPITAL/MORTGAGE	-	-	-	-	-	8,154	1,947,008	603,562	-	2,558,724
352	LT DEBT, NET OF CURRENT - OPERATING BORROWINGS	-	-	-	-	-	-	-	-	-	-
353	NON-CURRENT LIABILITIES - OTHER	26,297	-	31,496	-	-	-	-	-	-	57,793
354	ACCRUED COMPENSATED ABSENCES - NON-CURRENT	27,509	-	6,326	4,918	-	586	295	78,746	-	120,856
355	LOAN LIABILITY - NON-CURRENT	-	-	-	-	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	53,806	-	37,822	4,918	-	2,476	8,740	1,947,303	682,308	2,737,373
300	TOTAL LIABILITIES	224,555	-	301,682	50,929	-	3,479	54,086	2,089,510	842,698	3,207,852
400	DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-	-
508.4	NET INVESTMENT IN CAPITAL ASSETS	2,927,470	727,189	515	381,803	-	-	926,432	272,095	262,261	5,497,765
511.4	RESTRICTED NET POSITION	-	-	11,941	35,450	-	-	-	-	-	47,391
512.4	UNRESTRICTED NET POSITION	773,672	-	(264,482)	7,926	-	-	38,482	8,734	754,255	1,318,587
513	TOTAL EQUITY - NET POSITION	3,701,142	727,189	(252,026)	425,179	-	-	964,914	280,829	1,016,516	6,863,743
600	TOTAL LIAB., DEF. INFLOW OF RES., AND NET POSITION	3,925,697	727,189	49,656	476,108	-	3,479	1,019,000	2,370,339	1,859,214	10,071,595
70300	NET TENANT RENTAL REVENUE	517,062	-	-	287,804	-	-	127,469	476,294	102,089	1,510,718
70400	TENANT REVENUE - OTHER	45,897	-	-	6,663	-	-	6,027	55,834	1,338	115,759
70500	TOTAL TENANT REVENUE	562,959	-	-	294,467	-	-	133,496	532,128	103,427	1,626,477
70600	HUD PHA OPERATING GRANTS	679,536	261,547	1,963,434	197,206	56,197	68,893	-	-	-	3,226,813
70610	CAPITAL GRANTS	-	101,612	-	-	-	-	-	-	-	101,612
70710	MANAGEMENT FEE	-	-	-	-	-	-	-	351,233	(351,233)	-
70720	ASSET MANAGEMENT FEE	-	-	-	-	-	-	-	32,400	(32,400)	-
70730	BOOKKEEPING FEE	-	-	-	-	-	-	-	78,214	(78,214)	-
70740	FRONT LINE SERVICE FEE	-	-	-	-	-	-	-	-	-	-
70750	OTHER FEE	-	-	-	-	-	-	-	2,928	(2,928)	-
70800	OTHER GOVERNMENT GRANTS	-	-	-	6,564	-	-	-	-	-	6,564
71100	INVESTMENT INCOME - UNRESTRICTED	6,388	-	122	916	-	-	117	5,690	97	13,330
71200	MORTGAGE INTEREST INCOME	-	-	-	-	-	-	-	-	-	-
71400	FRAUD RECOVERY	8,383	-	579	-	-	-	-	1,504	-	10,466
71500	OTHER REVENUE	21,597	-	3,978	4,482	-	-	1,570	15,529	169,794	216,950
71600	GAIN OR LOSS ON THE SALE OF FIXED ASSETS	-	-	-	-	-	-	-	-	-	-
72000	INVESTMENT INCOME - RESTRICTED	-	-	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	1,278,863	363,159	1,968,113	503,635	56,197	68,893	135,183	553,347	739,597	5,202,212
	EXPENSES										
	ADMINISTRATIVE										
91100	ADMINISTRATIVE SALARIES	109,169	-	52,467	31,097	33,763	45,724	6,965	26,495	365,842	671,522
91200	AUDITING FEES	9,432	-	753	891	-	-	687	2,055	3,562	17,380
91300	MANAGEMENT FEE	182,372	-	56,220	67,920	-	-	8,385	36,336	-	(351,233)

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
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		LOW RENT	CAPITAL FUND PROGRAM	HOUSING CHOICE VOUCHERS	N/C S/R SECTION 8 PROGRAMS	ROSS SERVICE COORDINATORS	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL
		14.850	14.872	14.871	14.182	14.191	14.896					
91310	BOOKKEEPING FEE	23,227	-	35,137	8,618	-	-	2,160	9,072	-	(78,214)	-
91400	ADVERTISING AND MARKETING	10,481	-	323	3,385	-	-	119	913	6,529	-	21,750
91500	EMPLOYEE BENEFIT CONTRIBUTIONS	92,595	-	20,784	12,140	14,111	22,795	8,498	10,713	78,544	-	260,180
91600	OFFICE EXPENSES	63,178	1,466	23,529	13,943	6,666	-	7,677	14,774	55,390	(2,928)	183,695
91700	LEGAL EXPENSE	4,728	-	60	3,046	-	-	753	1,538	5,917	-	16,042
91800	TRAVEL	1,008	-	-	222	-	-	38	1,536	167	-	2,971
91810	ALLOCATED OVERHEAD	-	-	-	-	-	-	-	-	-	-	-
91900	OTHER	10,677	-	697	1,820	-	-	503	1,972	3,350	-	19,019
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	4,321	-	-	2,544	-	-	100	-	2,940	-	9,905
	UTILITIES											
93100	WATER	45,808	-	-	20,612	825	-	1,249	34,814	6,668	-	109,976
93200	ELECTRICITY	187,907	-	-	91,134	825	-	1,396	7,778	24,343	-	313,383
93300	GAS	-	-	-	-	-	-	1,307	692	11,649	-	13,648
93400	FUEL	-	-	-	-	-	-	-	-	-	-	-
93500	LABOR	-	-	-	-	-	-	-	-	-	-	-
93600	SEWER	-	-	-	-	-	-	-	-	-	-	-
93700	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-
93800	OTHER UTILITIES EXPENSE	-	-	-	-	-	-	-	-	-	-	-
	ORDINARY MAINTENANCE & OPERATIONS											
94100	ORDINARY MAINTENANCE & OPERATIONS - LABOR	175,990	-	-	39,999	-	-	13,801	34,237	11,823	-	275,850
94200	ORDINARY MAINTENANCE & OPERATIONS - MATERIALS	113,197	-	1,221	17,334	7	7	12,550	48,319	8,215	-	200,850
94300	ORDINARY MAINTENANCE & OPERATIONS - CONTRACTS	203,783	-	70	65,115	-	-	23,669	46,604	38,607	-	377,848
94500	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-
	PROTECTIVE SERVICES											
95100	PROTECTIVE SERVICES - LABOR	-	-	-	-	-	-	-	-	-	-	-
95200	PROTECTIVE SERVICES - OTHER CONTRACT COSTS	17,136	-	-	2,143	-	-	433	1,710	-	-	21,422
95300	PROTECTIVE SERVICES - OTHER	-	-	-	-	-	-	-	-	-	-	-
95500	EMPLOYEE BENEFIT CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-
	GENERAL EXPENSES											
96100	INSURANCE PREMIUMS	96,260	-	9,257	26,156	-	-	13,386	36,917	37,033	-	219,009
96200	OTHER GENERAL EXPENSES	76	-	2,524	415	-	-	13	41,113	1,484	-	45,625
96210	COMPENSATED ABSENCES	-	-	1,273	760	-	-	367	-	8,153	-	10,553
96300	PAYMENTS IN LIEU OF TAXES	28,549	-	-	17,346	-	-	-	-	32,182	-	78,077
96400	BAD DEBT - TENANT RENTS	13,066	-	-	493	-	-	2,180	9,367	570	-	25,676
96500	BAD DEBT - MORTGAGES	-	-	-	-	-	-	-	16,825	-	-	16,825
96600	BAD DEBT - OTHER	34,772	-	-	1,186	-	-	2,004	-	-	-	37,962
96700	INTEREST EXPENSE	-	-	-	-	-	-	1,861	96,569	18,394	-	116,824
96900	TOTAL OPERATING EXPENSES	1,460,132	1,466	204,315	428,319	56,197	68,893	109,734	480,349	721,362	(464,775)	3,065,992
97000	EXCESS OPERATING REVENUE OVER OP EXP	(181,269)	361,693	1,763,798	75,316	-	-	25,449	72,998	18,235	-	2,136,220
97100	EXTRAORDINARY MAINTENANCE	-	-	-	-	-	-	-	-	-	-	-
97200	CASUALTY LOSSES - NON-CAPITALIZED	-	-	-	-	-	-	-	-	-	-	-
97300	HOUSING ASSISTANCE PAYMENTS	-	-	1,778,615	-	-	-	-	-	-	-	1,778,615
97350	HAP PORTABILITY-IN	-	-	-	-	-	-	-	-	-	-	-
97400	DEPRECIATION EXPENSE	394,322	-	281	83,338	-	-	42,372	106,430	30,173	-	656,916
97500	FRAUD LOSSES	-	-	-	-	-	-	-	-	-	-	-
97600	CAPITAL OUTLAYS - GOVERNMENTAL FUNDS	-	-	-	-	-	-	-	-	-	-	-
97700	DEBT PRINCIPAL PAYMENT - GOVERNMENTAL FUNDS	-	-	-	-	-	-	-	-	-	-	-
97800	DWELLING UNITS RENT EXPENSE	-	-	-	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	1,854,454	1,466	1,983,211	511,657	56,197	68,893	152,106	586,779	751,535	(464,775)	5,501,523
10010	OPERATING TRANSFER IN	260,081	-	-	-	-	-	-	-	74,343	(334,424)	-
10020	OPERATING TRANSFER OUT	(74,343)	(260,081)	-	-	-	-	-	-	-	334,424	-
10030	OPERATING TRANSFERS FROM/TO PRIMARY GOVERNMENT	-	-	-	-	-	-	-	-	-	-	-

THE HOUSING AUTHORITY OF MARION, INDIANA [IN041]
 FINANCIAL DATA SCHEDULE
 JUNE 30, 2018

	LOW RENT	CAPITAL FUND PROGRAM	HOUSING CHOICE VOUCHERS	N/C S/R SECTION 8 PROGRAMS	ROSS SERVICE COORDINATORS	RESIDENT OPPORTUNITY SUPPORTIVE SERVICES	STATE/ LOCAL	BUSINESS ACTIVITIES	COCC	ELIMINATION	TOTAL	
	14.850	14.872	14.871	14.182	14.191	14.896						
10091	INTER PROJECT EXCESS CASH TRANSFER IN	-	-	-	-	-	-	-	-	-	-	
10092	INTER PROJECT EXCESS CASH TRANSFER OUT	-	-	-	-	-	-	-	-	-	-	
10100	TOTAL OTHER FINANCING SOURCES (USES)	185,738	(260,081)	-	-	-	-	-	74,343	-	-	
10000	EXCESS REVENUE OVER EXPENSES	(389,853)	101,612	(15,098)	(8,022)	-	-	(16,923)	(33,432)	62,405	-	(299,311)
11020	REQUIRED ANNUAL DEBT PRINCIPAL PAYMENTS	-	-	-	-	-	-	-	-	-	-	-
11030	BEGINNING EQUITY	4,090,995	625,577	(236,928)	433,201	-	-	981,837	314,261	954,111	-	7,163,054
11040	EQUITY TRANSFERS	-	-	-	-	-	-	-	-	-	-	-
11040	PRIOR PERIOD ADJUSTMENT	-	-	-	-	-	-	-	-	-	-	-
	ENDING EQUITY	3,701,142	727,189	(252,026)	425,179	-	-	964,914	280,829	1,016,516	-	6,863,743
11170	ADMINISTRATIVE FEE EQUITY	-	-	(263,967)	-	-	-	-	-	-	-	(263,967)
11180	HOUSING ASSISTANCE PAYMENTS EQUITY	-	-	11,941	-	-	-	-	-	-	-	11,941
11190	UNIT MONTHS AVAILABLE	3,240	-	5,652	1,176	-	-	300	1,224	24	-	11,616
11120	# UNIT MONTHS LEASED	3,075	-	4,685	1,146	-	-	278	1,158	24	-	10,366
11620	BUILDING PURCHASES	-	-	-	-	-	-	-	-	-	-	-
11630	FURNITURE & EQUIPMENT - DWELLING PURCHASES	-	101,612	-	-	-	-	-	-	-	-	101,612
11640	FURNITURE & EQUIPMENT - ADMIN PURCHASES	-	-	-	-	-	-	-	-	-	-	-
11650	LEASEHOLD IMPROVEMENTS PURCHASES	-	-	-	-	-	-	-	-	-	-	-
11660	INFRASTRUCTURE 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, 2018

Section I: Summary of Auditors' Results:

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes None Reported

Is noncompliance that could have a material effect on the financial statements identified? Yes No

FEDERAL AWARDS

Internal control over major programs:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes 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 with 2CFR Section 200.516(a) of the Uniform Guidance? Yes 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? Yes No

THE HOUSING AUTHORITY OF MARION
MARION, INDIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

JUNE 30, 2018

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