



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B58634

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

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

February 21, 2022

Board of Commissioners  
Housing Authority of the City of Terre Haute  
2001 North 19<sup>th</sup> Street  
Terre Haute, IN 47804

We have reviewed the audit report of the Housing Authority of the City of Terre Haute, which was opined upon by Novogradac & Company LLP, Independent Public Accountants, for the period October 1, 2020 to September 30, 2021. Per the *Report of Independent Auditors*, the financial statements included in the report present fairly the financial condition of Housing Authority of the City of Terre Haute as of September 30, 2021, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Novogradac & Company LLP prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

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

*Paul D. Joyce*

Paul D. Joyce, CPA  
State Examiner

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED SEPTEMBER 30, 2021**

**WITH  
REPORT OF INDEPENDENT AUDITORS**

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**TABLE OF CONTENTS**  
**YEAR ENDED SEPTEMBER 30, 2021**

<u>Contents</u>	<u>Page</u>
Report of Independent Auditors	1-2
Management's Discussion and Analysis	3-7
Financial Statements:	
Statement of Net Position	8-9
Statement of Revenues, Expenses and Changes in Net Position	10
Statement of Cash Flows	11-12
Combining Statement of Net Position	
- Discretely Presented Component Units	13
Combining Statement of Revenues, Expenses and Changes in Net Position	
- Discretely Presented Component Units	14
Notes to Financial Statements	15-32
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 <i>Government Auditing Standards</i>	33-34
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	35-36
Supplementary Information:	
Schedule of Expenditures of Federal Awards	37
Notes to Schedule of Expenditures of Federal Awards	38
Schedule of Findings and Questioned Costs	39-40
Financial Data Schedule	41-45

## REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners of the  
Housing Authority of the City of Terre Haute:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Housing Authority of the City of Terre Haute (the "Authority") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, as listed in the accompanying table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units (Warren Village, L.P. and Warren Village II, L.P.). Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Warren Village, L.P. and Warren Village II, L.P. is based solely on the reports of the other auditors. 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. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the net position of the business-type activities (primary government) and the discretely presented component units of the Authority as of September 30, 2021, and the changes in their net position and where applicable, their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. The accompanying financial data schedule is also not a required part of the basic financial statements and is presented for the purposes of additional analysis as required by the U.S. Department of Housing and Urban Development.

The schedule of expenditures of federal awards and financial data schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Novogradac & Company LLP*

January 26, 2022  
Toms River, New Jersey

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**SEPTEMBER 30, 2021**

The management of the Terre Haute Housing Authority (the "Housing Authority") offers this narrative overview and analysis of its audited financial statements for the fiscal year ended September 30, 2021. The goal is for the reader to better understand the Housing Authority's financial activities and its overall financial position and to show whether current year revenues covered current year expenses and the extent to which the Authority has invested its capital assets. We encourage readers to consider the information presented here in conjunction with the Housing Authority's financial statements.

Financial reporting is based on the accounting principles for government enterprise funds, which are similar to the accounting principles as established by the Governmental Accounting Standards Board (GASB). Since these are business-type activities the standards of the Financial Accounting Standards Board (FASB) must also be followed except where there is conflict with GASB.

**ECONOMIC FACTORS**

Significant economic factors affecting the Housing Authority are as follows:

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

**HIGHLIGHTS**

- The major event that impacted the Housing Authority during fiscal year 2021 was the continuing COVID pandemic. The Housing Authority experienced a lot of COVID related absences and staffing challenges. The eviction ban associated with the pandemic affected negatively several categories in the financial statements, mostly accounts receivable. However, the Housing Authority managed to maintain normal operations and serve the needs of our tenants. We foresee ramifications most probably in the next fiscal years associated with the maintenance charges and write offs.
- The Housing Authority completed the major reconstruction project for the exterior renovations of 80 Turnkey Houses, located on scattered sites in Terre Haute. The project consists of three packages: roof and siding replacement, window and door replacement and sidewalk and stoop replacement. The estimated cost of the overall project is \$1,155,000.
- The tax intercept program was very successful. We managed to recover \$ 96,358.96 from the tenant outstanding balances.
- For the tenth consecutive year the Housing Authority has not utilized the 10% management fee allowed for capital fund administration, instead expensed it in the capital projects themselves.
- The THHA applied for a grant from the United Way of the Wabash Valley in August 2021 and was awarded \$140,150 on October 18, 2021 to establish our "Getting to Work Fund" program.

- The assets of the Housing Authority exceed its liabilities as of September 30, 2021 by \$31,307,577 (Net Position).
- The Housing Authority's net investment in capital assets as of September 30, 2021 was \$19,774,813 which is on par with the prior year.
- The Housing Authority's total revenue and contributions for the fiscal year end September 30, 2021 was \$11,535,980.
- The Housing Authority's total operating expenses for the fiscal year end September 30, 2021 were \$10,889,355.

## **OVERVIEW OF THE FINANCIAL STATEMENTS:**

The following financial statements are included in this report:

- Statement of Net Position - reports the Housing Authority's current financial resources: its cash and other current assets, current and non-current liabilities and comparing those two elements, the resulting net position of the Housing Authority. A comparison between this year and the preceding year is also provided.
- Statement of Revenue and Expenses and Change in Net Position - reports the Housing Authority's various revenue and expenses and provides a comparison between this year and the preceding year.

## **ANALYSIS OF FINANCIAL STATEMENTS:**

### **Statement of Net Position**

	SEPTEMBER 30		Change
	2021	2020	
Cash and investments	\$ 11,427,189	\$ 10,198,450	\$ 1,228,739
Other current assets	987,225	713,158	274,067
Net capital assets	20,594,103	21,074,017	(479,914)
Other non-current assets	1,732,944	1,557,109	175,835
<b>Total Assets</b>	<b>\$ 34,741,461</b>	<b>\$ 33,542,734</b>	<b>\$ 1,198,727</b>
Current liabilities	\$ 1,007,191	\$ 922,128	\$ 85,063
Non-current liabilities	2,426,693	2,450,465	(23,772)
<b>Total Liabilities</b>	<b>\$ 3,433,884</b>	<b>\$ 3,372,593</b>	<b>\$ 61,291</b>
Net investment in capital assets	\$ 19,774,813	\$ 20,194,253	\$ (419,440)
Restricted	495,670	246,519	249,151
Unrestricted	11,037,094	9,729,369	1,307,725
<b>Total Net Position</b>	<b>\$ 31,307,577</b>	<b>\$ 30,170,141</b>	<b>\$ 1,137,436</b>

The significant increase in cash and investments is a result from several factors:

- The free cash flow from the outstanding performance of THHADC and LIHDC.
- Overall increase of the HUD Operating Grants by \$222,134.

There is a decrease in the public housing tenant accounts receivable due to COVID 19, however it is offset by increase in the accounts receivable in the blended component unit.

The increase in other current assets category is a result of the spike in the category Accounts Receivable – HUD other projects which consists of funds to be drawn for capital projects.

The increase in the current liabilities is a result of the higher unearned revenue, which is used to classify the drawn but not currently expended CARE Act funds.

The net investments in capital assets are lower due to the accumulated depreciation for the year.

For the calendar year 2021, the administrative fee reimbursement rate is based on the number of units leased as of the last day of each month, extended by the per unit rate established by HUD, and by the HUD pro-ratio to equate expenditures to the total appropriated funds.

### **Statement of Revenues, Expenses, and Changes in Net Position**

	SEPTEMBER 30		Change
	2021	2020	
Dwelling rental revenue	\$ 2,563,362	\$ 2,511,863	\$ 51,499
HUD operating grants	8,481,064	8,258,930	222,134
Other revenue	491,554	773,022	(281,468)
<b>Total Operating Revenue</b>	<b><u>\$ 11,535,980</u></b>	<b><u>\$ 11,543,815</u></b>	<b><u>\$ (7,835)</u></b>
Administrative expenses	\$ 1,497,414	\$ 1,537,092	\$ (39,678)
Tenant services	57,311	225,446	(168,135)
Utilities	1,034,209	1,060,659	(26,450)
Maintenance and repairs	2,202,681	2,193,500	9,181
General expenses	323,746	303,955	19,791
Protective services	186,837	216,889	(30,052)
Insurance expenses	490,155	463,646	26,509
Housing assistance payments	3,384,164	3,468,731	(84,567)
Depreciation	1,712,838	1,856,757	(143,919)
<b>Total Operating Expenses</b>	<b><u>\$ 10,889,355</u></b>	<b><u>\$ 11,326,675</u></b>	<b><u>\$ (437,320)</u></b>
Investment income	\$ 46,195	\$ 109,156	\$ (62,961)
Casualty losses, non-capitalized	(152,667)	(10,187)	(142,480)
Gain on insurance proceeds received	-	293,067	(293,067)
Capital grants	597,283	721,514	(124,231)
<b>Total Non-Operating Revenues (Expenses)</b>	<b><u>\$ 490,811</u></b>	<b><u>\$ 1,113,550</u></b>	<b><u>\$ (622,739)</u></b>
<b>Change in Net Position</b>	<b><u>\$ 1,137,436</u></b>	<b><u>\$ 1,330,690</u></b>	<b><u>\$ (193,254)</u></b>

Housing Authority retained a very strong financial position due to increase in dwelling rental revenue and increase in the operating subsidy for FYE 2021.

The decrease in the utility category is due to locking the gas prices at the beginning of the year.

The decrease in administrative expenses is primarily due to the overall staffing challenges which affected the labor markets on national level as a result of the COVID pandemic.

Capital grants expenditures decreased by 17%. This is due to the HUD regulations for the CFP. CFP program is an expenditure driven grant program. The revenue recognition occurs when an eligible CFP expense is incurred by the PHA.

## CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY DURING THE YEAR:

### Capital Assets

	SEPTEMBER 30		Change
	2021	2020	
Land	\$ 985,924	\$ 972,873	\$ 13,051
Buildings and improvements	58,324,833	57,108,674	1,216,159
Furniture, equipment, and machinery	1,326,183	1,302,852	23,331
Accumulated depreciation	(40,635,057)	(38,977,293)	(1,657,764)
Construction in progress	592,220	666,911	(74,691)
<b>Capital Assets, Net</b>	<b>\$ 20,594,103</b>	<b>\$ 21,074,017</b>	<b>\$ (479,914)</b>

- Capital Assets - The Housing Authority's capital assets, as of September 30, 2021, totals \$20,594,103 (net of accumulated depreciation). Capital assets include land, buildings, improvements, equipment, and construction in progress.
- The increase in Accumulated Depreciation is a result of transferring capital funds to AMPs books.
- Additional information regarding capital assets can be found at Note 5 of the notes to the financial statements.

### Long-Term Debt

	SEPTEMBER 30		Change
	2021	2020	
Accrued compensated absences	\$ 108,287	\$ 109,679	\$ (1,392)
Notes payable	2,319,290	2,379,764	(60,474)
Family Self-Sufficiency escrows	132,700	105,652	27,048
Unclaimed tenant refunds	6,138	5,543	595
<b>Total Long-Term Debt</b>	<b>\$ 2,566,415</b>	<b>\$ 2,600,638</b>	<b>\$ (34,223)</b>

- The increase in tenant escrow is a result of adding new people to the program.
- Additional information regarding long-term debt can be found at Note 10 of the notes to the financial statements.

**CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT:**

This financial report is designed to provide a general overview of the Housing Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Executive Director:

Mr. Jeff Stewart  
2001 N. 19<sup>th</sup> Street  
Terre Haute, IN 47804

## **FINANCIAL STATEMENTS**

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	ASSETS		
	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current assets:			
Cash and cash equivalents	\$ 10,244,571	\$ 375,872	\$ 10,620,443
Tenant security deposits	331,689	45,569	377,258
Accounts receivable, net	477,857	28,762	506,619
Prepaid expenses	445,365	91,881	537,246
Inventories, net	64,003	-	64,003
Total current assets	11,563,485	542,084	12,105,569
Non-current assets:			
Restricted cash	850,929	521,080	1,372,009
Notes receivable, non-current	1,619,750	-	1,619,750
Accrued interest receivable	113,194	-	113,194
Other assets	-	111,494	111,494
Capital assets, net	20,594,103	18,087,001	38,681,104
Total non-current assets	23,177,976	18,719,575	41,897,551
Total assets	\$ 34,741,461	\$ 19,261,659	\$ 54,003,120

See accompanying notes to financial statements

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**STATEMENT OF NET POSITION (continued)**  
**SEPTEMBER 30, 2021**

LIABILITIES			
	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Current liabilities:			
Accounts payable	\$ 133,570	\$ 140,149	\$ 273,719
Accrued expenses	131,167	4,775	135,942
Tenant security deposits	331,689	45,569	377,258
Prepaid rent	26,453	2,572	29,025
Unearned revenues	222,559	-	222,559
Accrued compensated absences, current	79,248	4,539	83,787
Notes payable, current	60,474	152,615	213,089
Accrued interest payable	-	209,301	209,301
Other current liabilities	<u>22,031</u>	<u>16,536</u>	<u>38,567</u>
Total current liabilities	<u>1,007,191</u>	<u>576,056</u>	<u>1,583,247</u>
Non-current liabilities:			
Accrued compensated absences, non-current	29,039	102	29,141
Notes payable, non-current	2,258,816	2,760,098	5,018,914
Other non-current liabilities	<u>138,838</u>	<u>-</u>	<u>138,838</u>
Total non-current liabilities	<u>2,426,693</u>	<u>2,760,200</u>	<u>5,186,893</u>
Total liabilities	<u>3,433,884</u>	<u>3,336,256</u>	<u>6,770,140</u>
NET POSITION			
Net position:			
Net investment in capital assets	19,774,813	15,174,288	34,949,101
Restricted	495,670	521,080	1,016,750
Unrestricted	<u>11,037,094</u>	<u>230,035</u>	<u>11,267,129</u>
Total net position	<u>\$ 31,307,577</u>	<u>\$ 15,925,403</u>	<u>\$ 47,232,980</u>

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Operating revenues:			
Tenant revenue	\$ 2,563,362	\$ 532,302	\$ 3,095,664
HUD operating grants	8,481,064	-	8,481,064
Other government grants	60,474	717,219	777,693
Other revenues	<u>431,080</u>	<u>106,986</u>	<u>538,066</u>
Total operating revenues	<u>11,535,980</u>	<u>1,356,507</u>	<u>12,892,487</u>
Operating expenses:			
Administrative	1,497,414	350,789	1,848,203
Tenant services	57,311	1,190	58,501
Utilities	1,034,209	266,064	1,300,273
Ordinary repairs and maintenance	2,202,681	197,423	2,400,104
Protective services	186,837	19,552	206,389
Insurance	490,155	64,901	555,056
General	323,746	153,966	477,712
Housing assistance payments	3,384,164	-	3,384,164
Depreciation	<u>1,712,838</u>	<u>650,909</u>	<u>2,363,747</u>
Total operating expenses	<u>10,889,355</u>	<u>1,704,794</u>	<u>12,594,149</u>
Operating income (loss)	<u>646,625</u>	<u>(348,287)</u>	<u>298,338</u>
Non-operating revenues (expenses):			
Investment income	46,195	382	46,577
Interest expense	-	(129,935)	(129,935)
Casualty losses, non-capitalized	<u>(152,667)</u>	<u>-</u>	<u>(152,667)</u>
Net non-operating revenues (expenses)	<u>(106,472)</u>	<u>(129,553)</u>	<u>(236,025)</u>
Income (loss) before capital grants and contributions	540,153	(477,840)	62,313
Capital grants	597,283	-	597,283
Capital contributions	<u>-</u>	<u>3,204,108</u>	<u>3,204,108</u>
Change in net position	1,137,436	2,726,268	3,863,704
Total net position, beginning of year	<u>30,170,141</u>	<u>13,199,135</u>	<u>43,369,276</u>
Total net position, end of year	<u>\$ 31,307,577</u>	<u>\$ 15,925,403</u>	<u>\$ 47,232,980</u>

See accompanying notes to financial statements

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Primary Government</u>
<b>Cash Flows from Operating Activities:</b>	
Cash received from tenants and others	\$ 2,862,236
Cash received from grantors	8,352,569
Cash paid to employees	(1,445,251)
Cash paid to vendors and suppliers	<u>(7,622,867)</u>
Net cash provided by operating activities	<u>2,146,687</u>
<b>Cash Flows from Noncapital Financing Activities:</b>	
Casualty losses	<u>(152,667)</u>
Net cash used in noncapital financing activities	<u>(152,667)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Proceeds from capital grants	597,283
Purchase of capital assets	<u>(1,232,924)</u>
Net cash used in capital and related financing activities	<u>(635,641)</u>
<b>Cash Flows from Investing Activities:</b>	
Investment income	5,110
Issuance of notes receivable	(203,450)
Collection of notes receivable	<u>68,700</u>
Net cash used in investing activities	<u>(129,640)</u>
Net increase in cash and cash equivalents and restricted cash	1,228,739
Cash and cash equivalents and restricted cash, beginning of year	<u>10,198,450</u>
Cash and cash equivalents and restricted cash, end of year	<u>\$ 11,427,189</u>
 <b>Reconciliation of cash and cash equivalents and restricted cash to the Statement of Net Position is as follows:</b>	
Cash and cash equivalents	\$ 10,244,571
Tenant security deposits	331,689
Restricted cash	<u>850,929</u>
Total cash and cash equivalents and restricted cash	<u>\$ 11,427,189</u>

See accompanying notes to financial statements

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
STATEMENT OF CASH FLOWS (continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Primary Government</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 646,625
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,712,838
Bad debt expense	81,309
Forgiveness of debt income	(60,474)
Changes in operating assets and liabilities:	
Accounts receivable, net	(90,685)
Prepaid expenses	(59,387)
Inventory, net	1,791
Accounts payable	(204,166)
Accrued expenses	52,163
Tenant security deposits liability	14,343
Prepaid rent	2,433
Unearned revenues	11,880
Accrued compensated absences	(1,392)
Other liabilities	39,409
Net cash provided by operating activities	\$ 2,146,687

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
SEPTEMBER 30, 2021**

ASSETS			
	Warren <u>Village, LP</u>	Warren <u>Village II, LP</u>	Total Discretely Presented <u>Component Units</u>
Current assets:			
Cash and cash equivalents	\$ 170,080	\$ 205,792	\$ 375,872
Tenant security deposits	25,002	20,567	45,569
Accounts receivable, net	12,778	15,984	28,762
Prepaid expenses	<u>30,901</u>	<u>60,980</u>	<u>91,881</u>
Total current assets	<u>238,761</u>	<u>303,323</u>	<u>542,084</u>
Non-current assets:			
Restricted cash	437,317	83,763	521,080
Other assets	62,944	48,550	111,494
Capital assets, net	<u>11,430,414</u>	<u>6,656,587</u>	<u>18,087,001</u>
Total non-current assets	<u>11,930,675</u>	<u>6,788,900</u>	<u>18,719,575</u>
Total assets	<u>12,169,436</u>	<u>7,092,223</u>	<u>19,261,659</u>
LIABILITIES			
Current liabilities:			
Accounts payable	57,190	82,959	140,149
Accrued expenses	3,596	1,179	4,775
Tenant security deposits	25,002	20,567	45,569
Prepaid rent	1,838	734	2,572
Accrued compensated absences, current	3,389	1,150	4,539
Notes payable, current	143,387	9,228	152,615
Accrued interest payable	176,028	33,273	209,301
Other current liabilities	<u>13,904</u>	<u>2,632</u>	<u>16,536</u>
Total current liabilities	<u>424,334</u>	<u>151,722</u>	<u>576,056</u>
Non-current liabilities:			
Accrued compensated absences, non-current	76	26	102
Notes payable, non-current	<u>1,604,326</u>	<u>1,155,772</u>	<u>2,760,098</u>
Total non-current liabilities	<u>1,604,402</u>	<u>1,155,798</u>	<u>2,760,200</u>
Total liabilities	<u>2,028,736</u>	<u>1,307,520</u>	<u>3,336,256</u>
NET POSITION			
Net position:			
Net investment in capital assets	9,682,701	5,491,587	15,174,288
Restricted	437,317	83,763	521,080
Unrestricted	<u>20,682</u>	<u>209,353</u>	<u>230,035</u>
Total net position	<u>\$ 10,140,700</u>	<u>\$ 5,784,703</u>	<u>\$ 15,925,403</u>

See accompanying notes to financial statements

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION -  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Warren <u>Village, LP</u>	Warren <u>Village II, LP</u>	Total Discretely Presented Component Units
Operating revenues:			
Tenant revenue	\$ 352,695	\$ 179,607	\$ 532,302
Other government grants	625,546	91,673	717,219
Other revenues	<u>80,807</u>	<u>26,179</u>	<u>106,986</u>
Total operating revenues	<u>1,059,048</u>	<u>297,459</u>	<u>1,356,507</u>
Operating expenses:			
Administrative	296,015	54,774	350,789
Tenant services	517	673	1,190
Utilities	236,541	29,523	266,064
Ordinary repairs and maintenance	151,387	46,036	197,423
Protective services	18,752	800	19,552
Insurance	45,802	19,099	64,901
General	80,630	73,336	153,966
Depreciation	<u>449,307</u>	<u>201,602</u>	<u>650,909</u>
Total operating expenses	<u>1,278,951</u>	<u>425,843</u>	<u>1,704,794</u>
Operating loss	<u>(219,903)</u>	<u>(128,384)</u>	<u>(348,287)</u>
Non-operating revenues (expenses):			
Investment income	344	38	382
Interest expense	<u>(90,197)</u>	<u>(39,738)</u>	<u>(129,935)</u>
Net non-operating revenues (expenses)	<u>(89,853)</u>	<u>(39,700)</u>	<u>(129,553)</u>
Loss before capital contributions	(309,756)	(168,084)	(477,840)
Capital contributions	<u>-</u>	<u>3,204,108</u>	<u>3,204,108</u>
Change in net position	(309,756)	3,036,024	2,726,268
Total net position, beginning of year	<u>10,450,456</u>	<u>2,748,679</u>	<u>13,199,135</u>
Total net position, end of year	<u>\$ 10,140,700</u>	<u>\$ 5,784,703</u>	<u>\$ 15,925,403</u>

See accompanying notes to financial statements

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization**

The Housing Authority of the City of Terre Haute (the "Authority") is a governmental, public organization created under federal and state housing laws for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate income families residing in the City of Terre Haute (the "City"). The Authority is responsible for operating certain low-rent housing programs in the City under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The Authority is governed by a board of commissioners which is essentially autonomous, but is responsible to HUD. An executive director is appointed by the Authority's board of commissioners to manage the day-to-day operations of the Authority.

**B. Basis of Accounting / Financial Statement Presentation**

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The programs of the Authority are organized as separate accounting entities. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

On January 30, 2008, HUD issued PIH Notice 2008-9 which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the financial data schedule as unrestricted.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Accounting / Financial Statement Presentation (continued)**

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to \$500 on these funds may be retained by the Authority. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

**C. Reporting Entity**

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government (Authority) is legally entitled to or can otherwise access the organization's resources.
2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based upon the application of these criteria, this report includes the following blended component units. The blended component units are, although legally separate entities, in substance part of the Authority's operations and so data from these units are combined with data of the primary government and reflected in the "Primary Government" column on the financial statements.

Low Income Housing Development Corporation

Low Income Housing Development Corporation ("LIHDC") was established on September 8, 2009 to develop, finance, construct, and/or operate four housing projects known as Garfield Gardens, Warren Village, Warren Village II and thirty eight (38) homes through Neighborhood Stabilization Program grants. LIHDC is a wholly owned not-for-profit subsidiary of the Authority and the Board of Directors of LIHDC is identical to the Authority's Board of Commissioners.

Terre Haute Housing Development Corporation

Terre Haute Housing Development Corporation ("THHDC") was established by the Authority in 1975 to provide low-rent housing for qualified individuals. THHDC is a wholly owned not-for-profit subsidiary of the Authority and the Board of Directors of THHDC is identical to the Authority's Board of Commissioners.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO FINANCIAL STATEMENTS (continued)  
SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Reporting Entity (continued)**

Based upon the application of these criteria, this report includes the following discretely presented component units. The discretely presented component units are reported in a separate column to emphasize that they are legally separate from the primary government.

Warren Village, LP

Warren Village, LP consists of one hundred and eleven (111) housing units. The Authority is financially accountable, but does not have full ownership of the entity.

Warren Village II, LP

Warren Village II, LP consists of forty (40) housing units. The Authority is financially accountable, but does not have full ownership of the entity.

The discretely presented component units' issue their own separate audited financial statements which are presented as of and for the year ended December 31, 2020 and can be obtained by writing to the Executive Director, Housing Authority of the City of Terre Haute, 2001 N 19th Street., Terre Haute, IN 47804.

**D. Description of Programs**

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Section 8 Housing Choice Vouchers

The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income households under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating household.

Public and Indian Housing Program

The Public and Indian Housing Program is designed to provide low-cost housing within the City. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Public Housing Capital Fund Program

The purpose of the Public Housing Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

Family Self-Sufficiency Program

The purpose of the Family Self-Sufficiency Program is to promote the development of local strategies to coordinate the use of assistance under the Section 8 Housing Choice Vouchers and Public Housing programs with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Description of Programs (continued)**

Resident Opportunity and Supportive Services - Service Coordinators

The purpose of the Resident Opportunity and Supportive Services - Service Coordinators Program is to address the needs of Public Housing residents by providing service coordinator positions to coordinate supportive services, resident empowerment activities, and/or assisting residents in becoming economically self-sufficient or age-in-place.

Central Office Cost Center

The Central Office Cost Center is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the Central Office Cost Center is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

CARES Act Funding Programs

During the year ended September 30, 2020, the Authority was awarded CARES Act funding as part of the Public and Indian Housing and Section 8 Housing Choice Vouchers Programs. These funds are to be used to prevent, prepare for, and respond to the Coronavirus ("COVID-19"), as well as help the Authority maintain normal operations during the period impacted by COVID-19.

Emergency Housing Vouchers Program

During the year ended September 30, 2021, the Authority was awarded Emergency Housing Voucher ("EHV") funding as part of the Section 8 Housing Choice Vouchers Programs. These funds are to be used to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or having a high risk of housing instability.

**E. Use of Management Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

**F. Cash and Cash Equivalents**

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

For the statement of cash flows, cash and cash equivalents include all cash balances and treasury investments with a maturity of three months or less at time of purchase. It is the Authority's policy to maintain collateralization in accordance with HUD requirements.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Accounts Receivable, Net**

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and due from vacated tenants. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also, included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation. These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order.

The Authority recognizes a receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts unbilled, but earned as of year end.

**H. Allowance for Doubtful Accounts**

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

**I. Notes Receivable**

The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous affordable housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with generally accepted accounting principles, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

**J. Prepaid Expenses**

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

**K. Inventories, Net**

Inventory consists of miscellaneous supplies and appliances and is valued at cost using the First-In First-Out method. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority writes down inventory to its net realizable value through the establishment of an allowance for obsolete inventory.

**L. Capital Assets, Net**

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**L. Capital Assets, Net (continued)**

Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- |   |                            |             |
|---|----------------------------|-------------|
| • | Buildings and Improvements | 10-40 Years |
| • | Furniture and Equipment    | 3-10 Years  |

The Authority has established a capitalization threshold of \$5,000.

**M. Impairment of Long Lived Assets**

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. For the year ended September 30, 2021, there were no impairment losses incurred.

**N. Inter-program Receivables and Payables**

Inter-program receivables and payables are current, and are the result of the use of the Central Office Cost Center fund as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all inter-program balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes.

**O. Accounts Payable and Accrued Liabilities**

The Authority recognizes a liability for goods and services received but not paid for as of year-end. The Authority recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

**P. Compensated Absences**

Compensated absences are those absences for which employees will be paid in accordance with the Authority's Personnel Policy. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such event take place.

**Q. Prepaid Rent**

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**R. Equity Classifications**

Equity is classified as net position and displayed in three components:

Net investment in capital assets — Consists of capital assets including restricted capital assets, net of accumulated depreciation and 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 — Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position — All other resources that do not meet the definition of “restricted” or “net investment in capital assets.”

**S. Operating Revenues and Expenses**

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded when received and are accounted for as revenue. Other contributions from HUD that are for development and modernization of capital assets are reflected separately in the accompanying financial statements as capital grants.

Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

**T. Budgets and Budgetary Accounting**

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards, which are used as a management tool throughout the accounting cycle. All budgets are prepared on a HUD basis, which differs with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant periods.

**U. Taxes**

The Authority is a unit of local government under the State of Indiana law and is exempt from real estate, sales and income taxes by both the federal and state governments. However, the Authority will pay a payment in lieu of taxes to cover municipal services provided by the local government for certain properties owned throughout the City.

**V. Economic Dependency**

The Section 8 Housing Choice Vouchers and Public and Indian Housing Programs of the Authority are economically dependent on grants and subsidies from HUD. The programs operate at a loss prior to receiving the grants.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO FINANCIAL STATEMENTS (continued)  
SEPTEMBER 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**W. Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

**X. Contingencies**

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of September 30, 2021, the Authority estimates that no material liabilities will result from such audits.

**NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH**

As of September 30, 2021, the Authority had funds on deposit in checking, savings, and certificates of deposits. The carrying amount of the primary government's cash and cash equivalents (including restricted cash) was \$11,427,189, and the bank balances approximated \$11,699,124.

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Unrestricted	\$ 10,244,571	\$ 375,872	\$ 10,620,443
Tenant security deposits	331,689	45,569	377,258
Restricted	<u>850,929</u>	<u>521,080</u>	<u>1,372,009</u>
Total cash and cash equivalents	<u>\$ 11,427,189</u>	<u>\$ 942,521</u>	<u>\$ 12,369,710</u>

Of the bank balances, \$257,964 was covered by federal depository insurance and the remaining \$11,441,160 was collateralized with the pledging financial institutions as of September 30, 2021.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of September 30, 2021, the Authority's bank balances were not exposed to custodial credit risk.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 3. ACCOUNTS RECEIVABLE, NET**

Accounts receivable, net consists of the following as of September 30, 2021:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Accounts receivable - HUD	\$ 296,023	\$ -	\$ 296,023
Accounts receivable - tenants, net	96,314	9,602	105,916
Accounts receivable - PHA projects	3,646	-	3,646
Accounts receivable - fraud recovery, net	81,874	-	81,874
Accounts receivable - miscellaneous	<u>-</u>	<u>19,160</u>	<u>19,160</u>
 Total accounts receivable, net	 <u>\$ 477,857</u>	 <u>\$ 28,762</u>	 <u>\$ 506,619</u>

Accounts Receivable - HUD

As of September 30, 2021, accounts receivable - HUD consisted of amounts due to the Authority for amounts expended under the Public Housing Capital Fund Program that have not yet been received. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Tenants, Net

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$11,768.

Accounts Receivable - PHA Projects

Accounts receivable - PHA projects represents amounts owed to the Authority for housing assistance payments under the portability provisions of the Section 8 Housing Choice Vouchers Program. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Fraud Recovery, Net

Accounts receivable - fraud recovery, net represents amounts owed from tenants or other program participants who committed fraud or misrepresentation and now owe additional rent or retroactive rent. The amount is shown net of an allowance for doubtful accounts of \$256,772.

Accounts Receivable - Miscellaneous

Accounts receivable - miscellaneous consists of amounts owed for the reimbursement of expenses from affiliate entities. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 4. RESTRICTED DEPOSITS**

As of September 30, 2021, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Housing assistance payment reserve	\$ 97,061	\$ -	\$ 97,061
Family Self-Sufficiency program escrows	132,700	-	132,700
Replacement reserves	398,609	230,155	628,764
Operating deficit escrows	-	290,925	290,925
CARES Act funds	166,570	-	166,570
EHV funds	55,989	-	55,989
Tenant security deposits	<u>331,689</u>	<u>45,569</u>	<u>377,258</u>
 Total restricted deposits	 <u>\$ 1,182,618</u>	 <u>\$ 566,649</u>	 <u>\$ 1,749,267</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers program for future housing assistance payments.

Family Self-Sufficiency program escrows are restricted for use in the Section 8 Housing Choice Vouchers and Public and Indian Housing programs by program participants.

Replacement reserves represents funds that are restricted for repairs and replacement of building components and equipment.

Operating deficit escrows represents funds that are restricted in the case that the discretely presented component units encounter an operating deficit.

CARES Act funds are restricted to be used on expenditures directly related to COVID-19. These funds are to be used to prevent, prepare for, and respond to COVID-19, as well as help the Authority maintain normal operations during the period impacted by COVID-19.

EHV funds are restricted to be used to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or having a high risk of housing instability.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination from the Authority, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 5. CAPITAL ASSETS, NET**

The following is a summary of the primary government's changes in capital assets during the year ended September 30, 2021:

Description	September 30, 2020	Additions	Dispositions	Transfers	September 30, 2021
<u>Non-depreciable:</u>					
Land	\$ 972,873	\$ 13,051	\$ -	\$ -	\$ 985,924
Construction in progress	<u>666,911</u>	<u>863,706</u>	<u>-</u>	<u>(938,397)</u>	<u>592,220</u>
Subtotal	<u>1,639,784</u>	<u>876,757</u>	<u>-</u>	<u>(938,397)</u>	<u>1,578,144</u>
<u>Depreciable:</u>					
Buildings and improvements	57,108,674	332,836	(55,074)	938,397	58,324,833
Furniture and equipment	<u>1,302,852</u>	<u>23,331</u>	<u>-</u>	<u>-</u>	<u>1,326,183</u>
Subtotal	<u>58,411,526</u>	<u>356,167</u>	<u>(55,074)</u>	<u>938,397</u>	<u>59,651,016</u>
Less: accumulated depreciation	<u>38,977,293</u>	<u>1,712,838</u>	<u>(55,074)</u>	<u>-</u>	<u>40,635,057</u>
Net capital assets	<u>\$ 21,074,017</u>	<u>\$ (479,914)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,594,103</u>

Depreciation expense for the primary government for the year ended September 30, 2021 amounted to \$1,712,838.

The following is a summary of the discretely presented component units' changes in capital assets during the year ended September 30, 2021:

Description	September 30, 2020	Additions	Dispositions	Transfers	September 30, 2021
<u>Non-depreciable:</u>					
Land	\$ 144,691	\$ -	\$ -	\$ -	\$ 144,691
Construction in progress	<u>-</u>	<u>236,273</u>	<u>-</u>	<u>-</u>	<u>236,273</u>
Subtotal	<u>144,691</u>	<u>236,273</u>	<u>-</u>	<u>-</u>	<u>380,964</u>
<u>Depreciable:</u>					
Buildings and improvements	19,700,189	-	-	-	19,700,189
Furniture and equipment	<u>1,220,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,220,770</u>
Subtotal	<u>20,920,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,920,959</u>
Less: accumulated depreciation	<u>2,564,013</u>	<u>650,909</u>	<u>-</u>	<u>-</u>	<u>3,214,922</u>
Net capital assets	<u>\$ 18,501,637</u>	<u>\$ (414,636)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,087,001</u>

Depreciation expense for the discretely presented component units for the year ended September 30, 2021 amounted to \$650,909.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO FINANCIAL STATEMENTS (continued)  
SEPTEMBER 30, 2021**

**NOTE 6. NOTES RECEIVABLE**

Outstanding notes receivable as of September 30, 2021 consisted of the following:

On September 27, 2013, LIHDC entered into an Affordable Housing Program loan agreement with Warren Village in the amount of \$500,000. The loan accrues interest at 5.00% and matures on December 31, 2042, at which time the entire balance of principal and interest shall be due and payable in full. The loan is secured by a mortgage on the property. Accrued interest on the loan totaled \$194,778.	\$ 500,000
On December 12, 2018, LIHDC entered into an Affordable Housing Program loan agreement with Warren Village II in the amount of \$500,000. The loan accrues interest at 2.50% and matures on December 31, 2048, at which time the entire balance of principal and interest shall be due and payable in full. The loan is secured by a mortgage on the property. Accrued interest on the loan totaled \$35,162.	500,000
On December 12 2018, LIHDC agreed to loan Warren Village II for costs incurred during construction in the amount of \$569,365. The loan accrues interest at 3.00% and matures on December 31, 2048, at which time the entire balance of principal and interest shall be due and payable in full. The loan is secured by a mortgage on the property. Accrued interest on the loan totaled \$-0-.	485,000
On December 17, 2020, LIHDC agreed to loan Warren Village to fund a repair and replacement project in the amount of \$203,450. The loan accrues interest at 3.00% and matures on December 31, 2023, at which time the entire balance of principal and interest shall be due and payable in full. The loan is secured by a mortgage on the property. Accrued interest on the loan totaled \$3,032.	<u>134,750</u>
Total notes receivable	<u>\$ 1,619,750</u>

As of September 30, 2021, accrued interest on the aforementioned notes receivable amounted to \$232,972 and is shown net of an allowance for doubtful accounts in the amount of \$119,778.

**NOTE 7. ACCOUNTS PAYABLE**

As of September 30, 2021, accounts payable consisted of the following:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Accounts payable - vendors	\$ 49,643	\$ 15,411	\$ 65,054
Accounts payable - other governments	<u>83,927</u>	<u>124,738</u>	<u>208,665</u>
Total accounts payable	<u>\$ 133,570</u>	<u>\$ 140,149</u>	<u>\$ 273,719</u>

Accounts Payable - Vendors

Accounts payable - vendors represents the amounts payable to contractors and vendors for materials received or services rendered.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 7. ACCOUNTS PAYABLE (continued)**

Accounts Payable - Other Governments

Accounts payable - other governments represents amounts due and payable to the City for payment in lieu of taxes.

**NOTE 8. PAYMENTS IN LIEU OF TAXES**

Under Federal, State and Local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make a payment in lieu of taxes ("PILOT") for their Authority owned properties in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. During the fiscal year ended September 30, 2021, the primary government and the discretely presented component units incurred PILOT expense in the amounts of \$81,400 and \$132,760, respectively.

**NOTE 9. NOTES PAYABLE**

Notes payable of the primary government consisted of the following as of September 30, 2021:

On September 14, 2010, THHDC entered into multiple loan agreements with the City of Terre Haute Department of Redevelopment related to the rehabilitation of seven properties. The loans are unsecured, interest free and are forgivable over a 20-year period at 5% each year.	\$ 277,957
In August 2014, LIHDC entered into an Affordable Housing Program loan agreement through the Federal Home Loan Bank of Indianapolis in the amount of \$500,000. The loan is interest free and shall be forgiven after a 15 year compliance period ending in August 2029. The loan is secured by a mortgage with Warren Village.	500,000
In December 2018, LIHDC entered into an Affordable Housing Program loan agreement through the Federal Home Loan Bank of Indianapolis in the amount of \$500,000. The loan is interest free and shall be forgiven after a 15 year compliance period ending in December 2033. The loan is secured by a mortgage with Warren Village II.	500,000
In November 2018, LIHDC entered into an Affordable Housing Program loan agreement through the Federal Home Loan Bank of Indianapolis in the amount of \$500,000. The loan is interest free and shall be forgiven after a 15 year compliance period ending in November 2033. The loan is secured by properties known as Scattered Sites.	500,000
On August 28, 2018, LIHDC entered into a HOME Program loan agreement through the Federal Home Loan Bank of Indianapolis in the amount of \$640,000. The loan is interest free and is forgivable over a 20-year period at 5% each year. The loan is secured by properties known as Scattered Sites.	<u>541,333</u>
Total notes payable	2,319,290
Less: current portion	<u>60,474</u>
Notes payable, net of current portion	<u>\$ 2,258,816</u>

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO FINANCIAL STATEMENTS (continued)  
SEPTEMBER 30, 2021**

**NOTE 9. NOTES PAYABLE (continued)**

Annual debt service for principal over the next five years and in five-year increments thereafter is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 60,474	\$ -	\$ 60,474
2023	60,474	-	60,474
2024	60,474	-	60,474
2025	60,474	-	60,474
2026	60,474	-	60,474
2027-2031	706,253	-	706,253
2032-2036	1,160,000	-	1,160,000
2037-2038	<u>150,667</u>	<u>-</u>	<u>150,667</u>
	<u>\$ 2,319,290</u>	<u>\$ -</u>	<u>\$ 2,319,290</u>

A summary of the Authority's discretely presented component units' notes payable is as follows:

<u>Notes payable to the Authority as evidenced by a Note Receivable (see Note 6):</u>	<u>Amount</u>
Warren Village, LP Affordable Housing Program Loan with LIHDC	\$ 500,000
Warren Village II, LP Affordable Housing Program Loan with LIHDC	500,000
Warren Village II, LP Construction Loan with LIHDC	485,000
Warren Village, LP Repair and Replacement Project Loan with LIHDC	<u>203,450</u>
Total primary government loans to discretely presented component units	<u>1,688,450</u>

Notes payable to other lenders: Amount

On September 27, 2015, Warren Village, LP entered into a construction loan agreement with First Financial Bank in the maximum amount of \$12,000,000. The loan accrues interest at a rate of 6.00% and matures on September 30, 2030, at which time the remaining principal and interest will be due in full. The loan is secured by a Multifamily Apartment Complex. Accrued interest on the loan totaled \$176,028. 891,128

On April 1, 2016, Warren Village, LP entered into a loan agreement with the Indiana Housing and Community Development Authority in the amount of \$500,000. The loan accrues interest at a rate of 1.00% and matures on January 31, 2022, at which time the remaining principal and interest will be due in full. The loan is secured by a Multifamily Apartment Complex. 153,135

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO FINANCIAL STATEMENTS (continued)  
SEPTEMBER 30, 2021**

**NOTE 9. NOTES PAYABLE (continued)**

On December 12, 2018, Warren Village II, LP entered into a construction loan agreement with First Financial Bank in the maximum amount of \$3,000,000. The loan accrues interest at a rate of 4.75% and is secured by a Multifamily Apartment Complex. The loan was paid in full on December 12, 2020. -

On December 12, 2018, Warren Village II, LP entered into an Affordable Housing and Community Development Fund loan agreement with the Indiana Housing and Community Development Authority in the maximum amount of \$310,000. The loan accrues interest at a rate of 3.00% and is due in monthly payments of principal and interest in the amount of \$15,078. The loan matures on July 31, 2036 and is secured by a Multifamily Apartment Complex. As of December 31, 2020 \$180,000 has been drawn down on the loan.

	<u>180,000</u>
Total notes payable to other lenders	<u>1,224,263</u>
Total notes payable	2,912,713
Less: current portion of notes payable	<u>152,615</u>
Total notes payable, net of current portion	<u>\$ 2,760,098</u>

Annual debt service for principal over the next five years and thereafter is as follows:

Year	Principal	Interest	Total
2022	\$ 152,615	\$ 168,800	\$ 321,415
2023	155,017	130,409	285,426
2024	79,335	120,330	199,665
2025	287,564	113,490	401,054
2026	84,114	105,806	189,920
Thereafter	<u>2,154,068</u>	<u>847,474</u>	<u>3,001,542</u>
	<u>\$ 2,912,713</u>	<u>\$ 1,486,309</u>	<u>\$ 4,209,102</u>

Interest expense for the year ended September 30, 2021 totaled \$129,935 for the discretely presented component units.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 10. NON-CURRENT LIABILITIES**

Non-current liabilities of the primary government as of September 30, 2021 consisted of the following:

Description	September 30, 2020	Additions	Reductions/ Payments	September 30, 2021	Amounts due within one Year
Accrued compensated absences	\$ 109,679	\$ 28,452	\$ (29,844)	\$ 108,287	\$ 79,248
Notes payable	2,379,764	-	(60,474)	2,319,290	60,474
Family Self-Sufficiency escrows	105,652	79,593	(52,545)	132,700	-
Unclaimed tenant refunds	<u>5,543</u>	<u>2,478</u>	<u>(1,883)</u>	<u>6,138</u>	<u>-</u>
Total non-current liabilities	<u>\$ 2,600,638</u>	<u>\$ 110,523</u>	<u>\$ (144,746)</u>	<u>\$ 2,566,415</u>	<u>\$ 139,722</u>

Non-current liabilities of the discretely presented component units as of September 30, 2021 consisted of the following:

Description	September 30, 2020	Additions	Payments	September 30, 2021	Amounts due within one Year
Accrued compensated absences	\$ 2,267	\$ 2,374	\$ -	\$ 4,641	\$ 4,539
Notes payable	5,034,171	383,450	(2,504,908)	2,912,713	152,615
Development fees	<u>213,000</u>	<u>-</u>	<u>(213,000)</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>\$ 5,249,438</u>	<u>\$ 385,824</u>	<u>\$ (2,717,908)</u>	<u>\$ 2,917,354</u>	<u>\$ 157,154</u>

**NOTE 11. RESTRICTED NET POSITION**

Restricted net position consists of the following as of September 30, 2021:

Description	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Housing assistance payments reserves	\$ 97,061	\$ -	\$ 97,061
Replacement reserves	398,609	230,155	628,764
Operating deficit escrows	<u>-</u>	<u>290,925</u>	<u>290,925</u>
Total restricted net position	<u>\$ 495,670</u>	<u>\$ 521,080</u>	<u>\$ 1,016,750</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers program for future housing assistance payments.

Replacement reserves represents funds that are restricted for repairs and replacement of building components and equipment.

Operating deficit escrows represents funds that are restricted in the case that the discretely presented component units encounter an operating deficit.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 12. PENSION PLAN**

The Authority provides pension benefits for its full-time employees through a defined benefit contribution plan titled "Housing Authority of the City of Terre Haute Pension Trust" (the "Plan"), administered by One America. The Plan was established and may be amended under IRC Code Section 401(a). In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees who choose to participate can contribute some of their regular wages, on a tax-deferred basis, to their retirement account. Enrollment in the Plan occurs once per year. New full time employees who are at least 20 and a half years old and have completed at least six months of service as of the enrollment date are eligible to be enrolled in the Plan.

Employees may contribute up to the maximum amount allowable by law to the Plan. The Authority will contribute an amount equal to 2.5% of the employees' regular wages. Additionally, the Authority will match employee contributions up to 6%.

The Authority's total eligible payroll in the year ended September 30, 2021, approximated \$1,848,402. The Authority's contributions for the year ended September 30, 2021 totaled \$107,359 and have been charged to the employee fringe benefit account.

**NOTE 13. CONDENSED FINANCIAL INFORMATION OF THE BLENDED COMPONENT UNITS**

	<u>LIHDC</u>	<u>THHDC</u>	<u>Total Blended Component Units</u>
Assets:			
Current assets	\$ 4,040,839	\$ 1,768,645	\$ 5,809,484
Other assets	1,842,354	289,199	2,131,553
Capital assets, net	<u>4,563,867</u>	<u>2,234,496</u>	<u>6,798,363</u>
Total assets	<u>10,447,060</u>	<u>4,292,340</u>	<u>14,739,400</u>
Liabilities:			
Current liabilities	92,065	102,033	194,098
Non-current liabilities	<u>2,011,342</u>	<u>249,854</u>	<u>2,261,196</u>
Total liabilities	<u>2,103,407</u>	<u>351,887</u>	<u>2,455,294</u>
Net Position:			
Net investment in capital assets	4,022,534	1,956,539	5,979,073
Restricted	109,410	289,199	398,609
Unrestricted	<u>4,211,709</u>	<u>1,694,715</u>	<u>5,906,424</u>
Net position	<u>\$ 8,343,653</u>	<u>\$ 3,940,453</u>	<u>\$ 12,284,106</u>
Operating revenues:			
Tenant revenue	\$ 359,085	\$ 378,601	\$ 737,686
Other governmental grants	437,297	528,305	965,602
Other revenues	<u>19,274</u>	<u>1,605</u>	<u>20,879</u>
Total operating revenues	<u>815,656</u>	<u>908,511</u>	<u>1,724,167</u>
Operating expenses:			
Administrative, utilities, maintenance, etc.	430,901	450,405	881,306
Depreciation	<u>182,379</u>	<u>264,920</u>	<u>447,299</u>
Total operating expenses	<u>613,280</u>	<u>715,325</u>	<u>1,328,605</u>
Non-operating revenues (expenses)	<u>20,675</u>	<u>1,757</u>	<u>22,432</u>
Change in net position	<u>\$ 223,051</u>	<u>\$ 194,943</u>	<u>\$ 417,994</u>

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**SEPTEMBER 30, 2021**

**NOTE 14. VULNERABILITY - IMPACT OF COVID-19**

The severity of the impact of COVID-19 on the Authority's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Authority's tenants and borrowers, all of which are uncertain and cannot be predicted. The Authority's future results could be adversely impacted by delays in rent and loan payment collections. Management is unable to predict with absolute certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

**NOTE 15. SUBSEQUENT EVENTS**

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through January 26, 2022, which is 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 disclosure in the notes to the financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners of the  
Housing Authority of the City of Terre Haute:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities (primary government) and the discretely presented component units of the Housing Authority of the City of Terre Haute (the "Authority") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated January 26, 2022. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units of the Authority as described in our report on the Authority's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards* and accordingly do not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with those entities.

**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) as a basis for designing 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

*Novogradac & Company LLP*

January 26, 2022  
Toms River, New Jersey

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

To the Board of Commissioners of the  
Housing Authority of the City of Terre Haute:

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

We have audited the Housing Authority of the City of Terre Haute's (the "Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2021. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

## **Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

## **Purpose of this Report**

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

*Novogradac & Company LLP*

January 26, 2022  
Toms River, New Jersey

**SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:		
Housing Voucher Cluster		
Section 8 Housing Choice Vouchers	14.871	\$ 4,751,941
Section 8 Housing Choice Vouchers CARES Act	14.HCC	<u>3,155</u>
Total Housing Voucher Cluster		4,755,096
Public and Indian Housing Program	14.850	3,764,992
Public and Indian Housing CARES Act	14.PHC	40,955
Public Housing Capital Fund Program	14.872	597,283
Resident Opportunity and Supportive Services - Service Coordinators	14.870	5,062
Family Self-Sufficiency Program	14.896	<u>110,366</u>
Total Expenditures of Federal Awards		<u>\$ 9,273,754</u>

See Notes to Schedule of Expenditures of Federal Awards.

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**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 principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE 3. INDIRECT COST RATE**

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

**NOTE 4. SCHEDULE OF CAPITAL FUND COSTS AND ADVANCES**

The total amounts of Capital Fund Program Costs and Advances incurred and earned by the Authority as of and for the year ended September 30, 2021 are provided herein:

	<u>501-17</u>	<u>501-18</u>	<u>Totals</u>
<u>Budget</u>	\$ <u>1,132,677</u>	\$ <u>1,752,260</u>	\$ <u>2,884,937</u>
<u>Advances:</u>			
Cumulative through 9/30/2020	\$ 724,972	\$ -	\$ 724,972
Current Year	<u>363,181</u>	<u>-</u>	<u>363,181</u>
Cumulative through 9/30/2021	<u>1,088,153</u>	<u>-</u>	<u>1,088,153</u>
<u>Costs:</u>			
Cumulative through 9/30/2020	786,893	-	786,893
Current Year	<u>301,260</u>	<u>296,023</u>	<u>597,283</u>
Cumulative through 9/30/2021	<u>1,088,153</u>	<u>296,023</u>	<u>1,384,176</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>(296,023)</u>	\$ <u>(296,023)</u>

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

I. Summary of Auditors' Results

Financial Statement Section

- |    |   |               |
|----|---|---------------|
| 1. | Type of auditors' report issued:                    | Unmodified    |
| 2. | Internal control over financial reporting           |               |
|    | a. Material weakness(es) identified?                | No            |
|    | b. Significant deficiency(ies) identified?          | None Reported |
| 3. | Noncompliance material to the financial statements? | No            |

Federal Awards Section

- |    |  |               |
|----|--|---------------|
| 1. | Internal Control over compliance:  |               |
|    | a. Material weakness(es) identified?   | No            |
|    | b. Significant deficiency(ies) identified?   | None Reported |
| 2. | Type of auditors' report on compliance for major programs:   | Unmodified    |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No            |
| 4. | Identification of major programs:  |               |

CFDA Number

Name of Federal Program

14.850  
14.PHC

Public and Indian Housing Program  
Public Housing CARES Act

- |    |  |           |
|----|--|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$750,000 |
| 6. | Auditee qualified as low-risk Auditee?                                   | Yes       |

**HOUSING AUTHORITY OF THE CITY OF TERRE HAUTE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Federal Audit Findings

There were no findings or questioned costs in the prior year.

Housing Authority of the City of Terre Haute (IN021)

Terre Haute, IN

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 9/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	ELIM	Total
111 Cash - Unrestricted	\$3,596,643		\$375,872	\$5,497,870		\$83,860				\$1,066,198		\$10,620,443
112 Cash - Restricted - Modernization and Development												
113 Cash - Other Restricted	\$68,894	\$8,572	\$521,080	\$398,609		\$160,867		\$157,998	\$55,989			\$1,372,009
114 Cash - Tenant Security Deposits	\$240,851		\$45,569	\$90,838								\$377,258
115 Cash - Restricted for Payment of Current Liabilities												
100 Total Cash	\$3,906,388	\$8,572	\$942,521	\$5,987,317	\$0	\$244,727	\$0	\$157,998	\$55,989	\$1,066,198	\$0	\$12,369,710
121 Accounts Receivable - PHA Projects												
122 Accounts Receivable - HUD Other Projects	\$296,023											\$296,023
124 Accounts Receivable - Other Government						\$3,646						\$3,646
125 Accounts Receivable - Miscellaneous			\$19,160									\$19,160
126 Accounts Receivable - Tenants	\$58,978		\$10,669	\$44,078		\$3,959	\$0	\$0	\$0			\$117,684
126.1 Allowance for Doubtful Accounts - Tenants	-\$5,898		-\$1,067	-\$4,407		-\$396	\$0	\$0	\$0			-\$11,768
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0			\$0				\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current												
128 Fraud Recovery						\$338,646						\$338,646
128.1 Allowance for Doubtful Accounts - Fraud						-\$256,772	\$0	\$0		\$0		-\$256,772
129 Accrued Interest Receivable												
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$349,103	\$0	\$28,762	\$39,671	\$0	\$89,083	\$0	\$0	\$0	\$0	\$0	\$506,619
131 Investments - Unrestricted												
132 Investments - Restricted												
135 Investments - Restricted for Payment of Current Liability												
142 Prepaid Expenses and Other Assets	\$321,317		\$91,881	\$88,409		\$2,881				\$32,758		\$537,246
143 Inventories	\$26,974									\$37,029		\$64,003
143.1 Allowance for Obsolete Inventories	\$0					\$0	\$0	\$0	\$0			\$0
144 Inter Program Due From			\$0	\$92,696	\$15,501					\$43,438	-\$151,635	\$0
145 Assets Held for Sale												
150 Total Current Assets	\$4,603,782	\$8,572	\$1,063,164	\$6,208,093	\$15,501	\$336,691	\$0	\$157,998	\$55,989	\$1,179,423	-\$151,635	\$13,477,578
161 Land	\$589,452		\$144,691	\$383,447						\$13,025		\$1,130,615
162 Buildings	\$41,669,677		\$19,700,189	\$14,871,174						\$1,783,982		\$78,025,022
163 Furniture, Equipment & Machinery - Dwellings	\$529,880		\$960,799	\$68,740						\$27,740		\$1,587,159
164 Furniture, Equipment & Machinery - Administration	\$419,496		\$258,971	\$18,503		\$21,940				\$239,884		\$959,794
165 Leasehold Improvements												
166 Accumulated Depreciation	-\$31,012,003		-\$3,214,922	-\$8,551,891		-\$21,940				-\$1,049,223		-\$43,849,979
167 Construction in Progress	\$583,830		\$236,273	\$8,390								\$828,493
168 Infrastructure												
160 Total Capital Assets, Net of Accumulated Depreciation	\$12,780,332	\$0	\$18,087,001	\$6,798,363	\$0	\$0	\$0	\$0	\$0	\$1,015,408	\$0	\$38,681,104
171 Notes, Loans and Mortgages Receivable - Non-Current				\$1,619,750								\$1,619,750
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due												
173 Grants Receivable - Non Current												
174 Other Assets			\$111,494	\$113,194								\$224,688
176 Investments in Joint Ventures												
180 Total Non-Current Assets	\$12,780,332	\$0	\$18,198,495	\$8,531,307	\$0	\$0	\$0	\$0	\$0	\$1,015,408	\$0	\$40,525,542
200 Deferred Outflow of Resources												
290 Total Assets and Deferred Outflow of Resources	\$17,384,114	\$8,572	\$19,261,659	\$14,739,400	\$15,501	\$336,691	\$0	\$157,998	\$55,989	\$2,194,831	-\$151,635	\$54,003,120

Housing Authority of the City of Terre Haute (IN021)

Terre Haute, IN

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 9/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	ELIM	Total
311 Bank Overdraft												
312 Accounts Payable <= 90 Days	\$15,856		\$15,411	\$445						\$33,342		\$65,054
313 Accounts Payable >90 Days Past Due												
321 Accrued Wage/Payroll Taxes Payable	\$54,145		\$4,775	\$15,674	\$5,500	\$13,029				\$42,819		\$135,942
322 Accrued Compensated Absences - Current Portion	\$30,425		\$4,539	\$10,317	\$2,314	\$5,098				\$31,094		\$83,787
324 Accrued Contingency Liability												
325 Accrued Interest Payable			\$209,301									\$209,301
331 Accounts Payable - HUD PHA Programs												
332 Account Payable - PHA Projects												
333 Accounts Payable - Other Government	\$80,440		\$124,738			\$3,487						\$208,665
341 Tenant Security Deposits	\$240,851		\$45,569	\$90,838								\$377,258
342 Unearned Revenue	\$18,991	\$8,572	\$2,572	\$7,462	\$0			\$157,998	\$55,989			\$251,584
344 Current Portion of Long-term Debt - Operating Borrowings			\$152,615	\$60,474								\$213,089
344 Current Portion of Long-term Debt - Operating Borrowings												
345 Other Current Liabilities					\$7,687							\$7,687
346 Accrued Liabilities - Other	\$10,495		\$16,536	\$2,193						\$1,656		\$30,880
347 Inter Program - Due To				\$6,695		\$36,743				\$108,197	-\$151,635	\$0
348 Loan Liability - Current												
310 Total Current Liabilities	\$451,203	\$8,572	\$576,056	\$194,098	\$15,501	\$58,357	\$0	\$157,998	\$55,989	\$217,108	-\$151,635	\$1,583,247
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$2,760,098	\$758,816								\$3,518,914
352 Long-term Debt, Net of Current - Operating Borrowings				\$1,500,000								\$1,500,000
353 Non-current Liabilities - Other	\$68,894					\$63,806				\$6,138		\$138,838
354 Accrued Compensated Absences - Non Current	\$8,705		\$102	\$2,380		\$2,334				\$15,620		\$29,141
355 Loan Liability - Non Current												
356 FASB 5 Liabilities												
357 Accrued Pension and OPEB Liabilities												
350 Total Non-Current Liabilities	\$77,599	\$0	\$2,760,200	\$2,261,196	\$0	\$66,140	\$0	\$0	\$0	\$21,758	\$0	\$5,186,893
300 Total Liabilities	\$528,802	\$8,572	\$3,336,256	\$2,455,294	\$15,501	\$124,497	\$0	\$157,998	\$55,989	\$238,866	-\$151,635	\$6,770,140
400 Deferred Inflow of Resources												
508.4 Net Investment in Capital Assets	\$12,780,332		\$15,174,288	\$5,979,073						\$1,015,408		\$34,949,101
511.4 Restricted Net Position	\$0		\$521,080	\$398,609		\$97,061						\$1,016,750
512.4 Unrestricted Net Position	\$4,074,980	\$0	\$230,035	\$5,906,424	\$0	\$115,133	\$0	\$0	\$0	\$940,557		\$11,267,129
513 Total Equity - Net Assets / Position	\$16,855,312	\$0	\$15,925,403	\$12,284,106	\$0	\$212,194	\$0	\$0	\$0	\$1,955,965	\$0	\$47,232,980
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$17,384,114	\$8,572	\$19,261,659	\$14,739,400	\$15,501	\$336,691	\$0	\$157,998	\$55,989	\$2,194,831	-\$151,635	\$54,003,120

Housing Authority of the City of Terre Haute (IN021)

Terre Haute, IN

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 9/30/2021

	Project Total	14,PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,HCC HCV CARES Act Funding	14,EHV Emergency Housing Voucher	COCC	ELIM	Total
70300 Net Tenant Rental Revenue	\$1,671,669		\$520,013	\$714,926								\$2,906,608
70400 Tenant Revenue - Other	\$154,007		\$12,289	\$22,760								\$189,056
70500 Total Tenant Revenue	\$1,825,676	\$0	\$532,302	\$737,686	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,095,664
70600 HUD PHA Operating Grants	\$3,764,992	\$40,955			\$110,366	\$4,556,534	\$5,062	\$3,155				\$8,481,064
70610 Capital Grants	\$597,283											\$597,283
70710 Management Fee										\$859,680	-\$859,680	\$0
70720 Asset Management Fee										\$103,200	-\$103,200	\$0
70730 Book Keeping Fee										\$141,293	-\$141,293	\$0
70740 Front Line Service Fee												
70750 Other Fees												
70700 Total Fee Revenue										\$1,104,173	-\$1,104,173	\$0
70800 Other Government Grants			\$717,219	\$965,602								\$1,682,821
71100 Investment Income - Unrestricted			\$382	\$46,028		\$165				\$2		\$46,577
71200 Mortgage Interest Income												
71300 Proceeds from Disposition of Assets Held for Sale												
71310 Cost of Sale of Assets												
71400 Fraud Recovery						\$67,800						\$67,800
71500 Other Revenue	\$119,388		\$106,986	\$20,879		\$219,344				\$3,669		\$470,266
71600 Gain or Loss on Sale of Capital Assets												
72000 Investment Income - Restricted												
70000 Total Revenue	\$6,307,339	\$40,955	\$1,356,889	\$1,770,195	\$110,366	\$4,843,843	\$5,062	\$3,155	\$0	\$1,107,844	-\$2,009,301	\$13,536,347
91100 Administrative Salaries	\$195,560		\$48,618	\$59,375	\$79,140	\$142,753	\$4,551			\$484,351		\$1,014,348
91200 Auditing Fees	\$16,228		\$11,165	\$8,112		\$2,920				\$5,840		\$44,265
91300 Management Fee	\$594,723		\$108,511	\$75,223		\$108,204					-\$859,680	\$26,981
91310 Book-keeping Fee	\$73,667		\$3,360			\$67,627					-\$141,293	\$3,361
91400 Advertising and Marketing				\$60		\$65				\$1,729		\$1,854
91500 Employee Benefit contributions - Administrative	\$61,191		\$13,125	\$15,334	\$25,213	\$47,991				\$116,495		\$279,349
91600 Office Expenses	\$52,511	\$2,047	\$27,139	\$10,896	\$1,636	\$12,476				\$217,125		\$323,830
91700 Legal Expense	\$941		\$95	\$307		\$588				\$1,132		\$3,063
91800 Travel	\$424			\$167						\$760		\$1,351
91810 Allocated Overhead												
91900 Other			\$126,661							\$11,025		\$137,686
91000 Total Operating - Administrative	\$995,245	\$2,047	\$338,674	\$169,474	\$105,989	\$382,624	\$4,551	\$0	\$0	\$838,457	-\$1,000,973	\$1,836,088
92000 Asset Management Fee	\$103,200		\$12,115									\$12,115
92100 Tenant Services - Salaries		\$360										\$360
92200 Relocation Costs												
92300 Employee Benefit Contributions - Tenant Services		\$52										\$52
92400 Tenant Services - Other	\$12,010	\$38,496	\$1,190	\$369				\$3,155		\$2,869		\$58,089
92500 Total Tenant Services	\$12,010	\$38,908	\$1,190	\$369	\$0	\$0	\$0	\$3,155	\$0	\$2,869	\$0	\$58,501

Housing Authority of the City of Terre Haute (IN021)

Terre Haute, IN

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 9/30/2021

	Project Total	14,PHC Public Housing CARES Act Funding	6,1 Component Unit - Discretely Presented	6,2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,HCC HCV CARES Act Funding	14,EHV Emergency Housing Voucher	COCC	ELIM	Total
93100 Water	\$138,563		\$32,434	\$16,131						\$1,675		\$188,823
93200 Electricity	\$327,764		\$154,463	\$48,907						\$16,009		\$547,163
93300 Gas	\$111,127			\$5,210						\$6,341		\$122,678
93400 Fuel												
93500 Labor												
93600 Sewer	\$331,402		\$79,167	\$29,905						\$1,135		\$441,609
93700 Employee Benefit Contributions - Utilities												
93800 Other Utilities Expense												
93000 Total Utilities	\$908,896	\$0	\$266,064	\$100,153	\$0	\$0	\$0	\$0	\$0	\$25,160	\$0	\$1,300,273
94100 Ordinary Maintenance and Operations - Labor	\$622,536		\$78,473	\$196,932		\$46,537				\$22,434		\$966,912
94200 Ordinary Maintenance and Operations - Materials and Other	\$539,565		\$31,045	\$165,505		\$1,251				\$26,157		\$763,523
94300 Ordinary Maintenance and Operations Contracts	\$301,878		\$70,073	\$61,959		\$11,280				\$27,122		\$472,312
94500 Employee Benefit Contributions - Ordinary Maintenance	\$120,654		\$17,832	\$45,379		\$7,388				\$6,104		\$197,357
94000 Total Maintenance	\$1,584,633	\$0	\$197,423	\$469,775	\$0	\$66,456	\$0	\$0	\$0	\$81,817	\$0	\$2,400,104
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs	\$166,730		\$19,552	\$20,107								\$206,389
95300 Protective Services - Other												
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	\$166,730	\$0	\$19,552	\$20,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$206,389
96110 Property Insurance	\$226,121			\$61,770						\$4,856		\$292,747
96120 Liability Insurance	\$83,024			\$31,948						\$3,197		\$118,169
96130 Workmen's Compensation	\$15,556		\$1,920	\$553		\$2,722				\$5,494		\$26,245
96140 All Other Insurance	\$26,016		\$62,981	\$12,480		\$3,404				\$13,014		\$117,895
96100 Total Insurance Premiums	\$350,717	\$0	\$64,901	\$106,751	\$0	\$6,126	\$0	\$0	\$0	\$26,561	\$0	\$555,056
96200 Other General Expenses	\$39,918		\$11,353									\$51,271
96210 Compensated Absences	\$43,192		\$6,087	\$12,921	\$4,377	\$7,443				\$40,230		\$114,250
96300 Payments in Lieu of Taxes	\$80,440		\$132,760	\$960								\$214,160
96400 Bad debt - Tenant Rents	\$67,525		\$3,766	\$796								\$72,087
96500 Bad debt - Mortgages												
96600 Bad debt - Other						\$12,988						\$12,988
96800 Severance Expense												
96000 Total Other General Expenses	\$231,075	\$0	\$153,966	\$14,677	\$4,377	\$20,431	\$0	\$0	\$0	\$40,230	\$0	\$464,756
96710 Interest of Mortgage (or Bonds) Payable			\$118,867									\$118,867
96720 Interest on Notes Payable (Short and Long Term)												
96730 Amortization of Bond Issue Costs			\$11,068									\$11,068
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$129,935	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$129,935
96900 Total Operating Expenses	\$4,352,506	\$40,955	\$1,183,820	\$881,306	\$110,366	\$475,637	\$4,551	\$3,155	\$0	\$1,015,094	-\$1,104,173	\$6,963,217
97000 Excess of Operating Revenue over Operating Expenses	\$1,954,833	\$0	\$173,069	\$888,889	\$0	\$4,368,206	\$511	\$0	\$0	\$92,750	-\$905,128	\$6,573,130

Housing Authority of the City of Terre Haute (IN021)

Terre Haute, IN

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 9/30/2021

	Project Total	14,PHC Public Housing CARES Act Funding	6,1 Component Unit - Discretely Presented	6,2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	14,HCC HCV CARES Act Funding	14,EHV Emergency Housing Voucher	COCC	ELIM	Total
97100 Extraordinary Maintenance												
97200 Casualty Losses - Non-capitalized	\$129,071			\$23,596								\$152,667
97300 Housing Assistance Payments						\$4,095,332					-\$905,128	\$3,190,204
97350 HAP Portability-In						\$193,960						\$193,960
97400 Depreciation Expense	\$1,200,977		\$650,909	\$447,299						\$64,562		\$2,363,747
97500 Fraud Losses						\$12,956						\$12,956
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												
97800 Dwelling Units Rent Expense												
90000 Total Expenses	\$5,682,554	\$40,955	\$1,834,729	\$1,352,201	\$110,366	\$4,777,885	\$4,551	\$3,155	\$0	\$1,079,656	-\$2,009,301	\$12,876,751
10010 Operating Transfer In												
10020 Operating transfer Out												
10030 Operating Transfers from/to Primary Government												
10040 Operating Transfers from/to Component Unit												
10050 Proceeds from Notes, Loans and Bonds												
10060 Proceeds from Property Sales												
10070 Extraordinary Items, Net Gain/Loss												
10080 Special Items (Net Gain/Loss)			\$3,204,108									\$3,204,108
10091 Inter Project Excess Cash Transfer In	\$520,000										-\$520,000	\$0
10092 Inter Project Excess Cash Transfer Out	-\$520,000										\$520,000	\$0
10093 Transfers between Program and Project - In							\$0					\$0
10094 Transfers between Project and Program - Out												
10100 Total Other financing Sources (Uses)	\$0	\$0	\$3,204,108	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,204,108
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$624,765	\$0	\$2,726,268	\$417,994	\$0	\$65,958	\$511	\$0	\$0	\$28,188	\$0	\$3,863,704
11020 Required Annual Debt Principal Payments	\$0	\$0	\$152,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$152,615
11030 Beginning Equity	\$16,230,527	\$0	\$13,199,135	\$11,866,112	\$0	\$146,236	\$0	\$0	\$0	\$1,927,266		\$43,369,276
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0							\$511		\$0
11050 Changes in Compensated Absence Balance												
11060 Changes in Contingent Liability Balance												
11070 Changes in Unrecognized Pension Transition Liability												
11080 Changes in Special Term/Severance Benefits Liability												
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents												
11100 Changes in Allowance for Doubtful Accounts - Other												
11170 Administrative Fee Equity						\$115,133						\$115,133
11180 Housing Assistance Payments Equity						\$97,061						\$97,061
11190 Unit Months Available	10320		1812	2700		10992						25824
11210 Number of Unit Months Leased	9822		1789	2595		9017						23223