



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B61519

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

May 26, 2023

Board of Commissioners
Housing Authority of the City of Anderson
528 W. 11th Street
Anderson, IN 46016

We have reviewed the audit report of the Housing Authority of the City of Anderson, which was opined upon by Audit Solutions, LLC, Independent Public Accountants, for the period April 1, 2021 to March 31, 2022. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Housing Authority of the City of Anderson, as of March 31, 2022, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Audit Solutions, LLC, 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.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**HOUSING AUTHORITY OF THE CITY OF ANDERSON
ANDERSON, INDIANA**

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED MARCH 31, 2022

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

TABLE OF CONTENTS

	<u>PAGE</u>
FINANCIAL SECTION	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	i-vi
Basic Financial Statements:	
Statement of Net Position	4-5
Statement of Revenue, Expenses and Changes in Net Position	6
Statement of Cash Flows	7-8
Notes to the Basic Financial Statements	9-27
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the Pension Plan's Proportionate Share of the Net Pension Liability (Asset) and Related Ratios	28
Schedule of Pension Plan Contributions	29
SUPPLEMENTAL INFORMATION	
PHA's Statement of Certification of Actual Modernization Costs	30
Schedule of Expenditures of Federal Awards	31
Financial Data Schedule	32-37
COMPLIANCE SECTION	
Independent Auditor's 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>	38-39
Independent Auditor's Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	40-41
Independent Auditor's Report on Applying Agreed-Upon Procedures	42-43
Schedule of Findings and Questioned Costs	44



Audit Solutions, LLC.

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Anderson (Authority), Indiana, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of March 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Authority and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards, I*:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i-vi, the schedule of proportionate share of net pension liability (asset) and related ratios on page 28 and the schedule of pension plan contributions on page 29 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Financial Data Schedule, PHA's Statement of Certification of Actual Modernization Cost and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 my opinion, the accompanying Financial Data Schedule, PHA's Statement of Certification of Actual Modernization Cost and the Schedule of Expenditures of Federal Awards 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*, I have also issued my report dated December 16, 2022, on my consideration of the Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my 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 Authority's internal control over financial reporting and compliance.

Audit Solutions, LLC

Chesterfield, Missouri

December 16, 2022

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
March 31, 2022

The Anderson Housing Authority management's discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual fund issues or concerns.

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

Financial Highlights

- The Authority's net position decreased during 2022. Net Position was \$1,715,231 and \$2,452,075 for 2022 and 2021 respectively.
- Operating Revenues increased by \$275,058 during 2022 and were \$10,999,060 and \$10,724,002 for 2022 and 2021 respectively.
- The total expenses of all Authority programs increased by \$1,354,755. Total operating expenses were \$11,736,099 and \$10,381,344 for 2022 and 2021 respectively.

USING THIS ANNUAL REPORT

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

The primary focus of the Authority's financial statements is on the Authority as a whole (Authority-wide).

AUTHORITY-WIDE FINANCIAL STATEMENTS

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

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

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

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

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)
March 31, 2022

AUTHORITY-WIDE FINANCIAL STATEMENTS – (Continued)

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

Unrestricted Net Position: Consists of Net Position that do not meet the definition of “Net Assets Invested in Capital Assets, Net of Related Debt”, or “Restricted Net Position”.

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

FUND FINANCIAL STATEMENTS

The Authority is accounted for as an Enterprise Fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

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

THE AUTHORITY'S PROGRAMS

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

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

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)
March 31, 2022

COMPARATIVE STATEMENT OF NET POSITION AUTHORITY-WIDE STATEMENTS

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

	2022	2021	Net Change	Percent
Cash & Equivalents	\$ 481,142	\$ 1,278,421	\$ (797,279)	-165.7%
Other Current Assets	38,923	60,271	(21,348)	-54.8%
Capital Assets	2,449,877	2,639,004	(189,127)	37.0%
Non Current Assets	-	-	-	0.0%
Deferred Outflow of Resources	251,369	144,392	106,977	42.6%
Total Assets	3,221,311	4,122,088	(900,777)	-28.0%
Current Liabilities	241,087	366,771	(125,684)	-52.1%
Non Current Liabilities	980,779	1,186,895	(206,116)	-21.0%
Deferred Inflow of Resources	284,214	116,347	167,867	59.1%
Total Liabilities	1,506,080	1,670,013	(163,933)	-10.9%
Net Investment in Capital Assets	1,636,040	1,728,268	(92,228)	-5.6%
Restricted Net Position	37,534	269,885	(232,351)	-619.0%
Unrestricted Net Position	41,657	453,922	(412,265)	-989.7%
Total Net Position	1,715,231	2,452,075	(736,844)	-43.0%
Total Liabilities & Net Position	\$ 3,221,311	\$ 4,122,088	\$ (900,777)	-28.0%

Major Factors Affecting the Statement of Net Position

The change in cash is primarily due to net increases in funding from Federal sources and increased tenant revenues.

The change in Capital Assets is due to a net decrease in equipment and by the annual increase in accumulated depreciation.

Overall assets decreased by \$900,777, liabilities were decreased by \$163,933.

The results of income from operations for the year was -\$736,844.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)
March 31, 2022

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – (Continued)

The following report presents details on the change in Net Position:

CHANGE OF NET POSITION

Net Position 03/31/2021	\$ 2,452,075
Results of Operations	(709,439)
Adjustments/Non-Routine	(27,405)
Prior Period Adjustment	-
Net Position 03/31/2022	\$ 1,715,231
 Variance	 (736,844)
% Change	0.1%

	2022	2021	Net Change	Percentage Change
Operating Revenue				
Charges to Tenants	\$ 626,581	\$ 540,539	\$ 86,042	15.9%
Fraud Recovery	10,882	671	10,211	1521.8%
Federal Sources	9,636,705	9,427,411	209,294	2.2%
Other Government Grants		-	-	0.0%
Other Revenues	724,892	755,381	(30,489)	-4.0%
 Total Operating Revenue	\$ 10,999,060	\$ 10,724,002	\$ 275,058	2.6%
 Operating Expenses				
Administrative	\$ 1,378,477	\$ 1,114,027	\$ 264,450	23.7%
Tenant Services	-	211,826	(211,826)	-100.0%
Utilities	184,392	167,846	16,546	9.9%
Maintenance/Protective Svcs	1,100,872	800,720	300,152	37.5%
General Expense	667,349	411,614	255,735	62.1%
Housing Assistance Payments	8,090,469	7,302,060	788,409	10.8%
Depreciation Expense	314,540	373,251	(58,711)	-15.7%
 Total Operating Expenses	\$ 11,736,099	\$ 10,381,344	\$ 1,354,755	13.0%

Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Position

The increase in Revenue is primarily due to increases in tenant revenue and federal sources.

Tenant revenue increased by 15.9% and Federal Sources increased by 2.2%.

Total operating expenses increased by 13.0% mostly due to an increase in administrative costs, of \$264,450, Housing Assistance Payments of \$788,409, maintenance costs of \$300,152, offset by a decrease in tenant services of \$211,826.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)
March 31, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of year-end, the Authority had \$2,449,877 invested in a variety of Capital Assets as reflected in the following report, which represents a net decrease (additions, deductions and depreciation) of \$189,127

The table below illustrates the changes in Capital Assets throughout the fiscal year:

	2022	2021	Net Change	Percent
Land	\$ 177,954	\$ 172,954	\$ 5,000	2.9%
Buildings	9,064,954	9,024,437	40,517	0.4%
Dwelling Equipment	148,578	148,578	0	0.0%
Administrative Equipment	380,803	379,283	1,520	0.4%
Leasehold Improvements	627,754	569,708	58,046	10.2%
Construction in Progress	28,330	0	28,330	100.0%
Infrastructure	45,535	45,535	0	0.0%
Total Capital Assets	10,473,908	10,340,495	133,413	1.3%
Accumulated Depreciation	8,024,031	7,701,491	322,540	4.2%
Net Capital Assets	\$ 2,449,877.00	\$ 2,639,004.00	\$ (189,127.00)	-7.2%

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on the notes to the financial statements.

CHANGE IN CAPITAL ASSETS

Beginning Balance, April 1, 2021	\$ 2,639,004
Additions / (Disposals)	125,413
Depreciation and Amortization	(314,540)
Ending Balance, March 31, 2022	<u>\$ 2,449,877</u>

Debt Outstanding

At year-end, the Authority had \$813,837 in debt outstanding including current portion.

BUDGETARY HIGHLIGHTS

For the Year Ended March 31, 2021, individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. The budgets were primarily used as a management tool and have no legal stature. (Also, the Authority adopted a comprehensive annual budget for the General Fund). The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)
March 31, 2022

ECONOMIC FACTORS

Significant economic factors affecting the 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
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

FINANCIAL CONTACT

The individual to be contacted regarding this report is the Executive Director of the City of Anderson, Indiana.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

STATEMENT OF NET POSITION
March 31, 2022

	<u>Primary Government</u>	<u>Total Discretely Presented Component Units</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 192,444	\$ 201,193
Cash - restricted	69,805	17,700
Receivables - net of allowances	12,346	13,031
Inventory - net of allowances	2,281	-
Prepaid expenses	11,265	-
	<u>288,141</u>	<u>231,924</u>
Non-current Assets:		
Capital assets:		
Land and construction in progress	124,497	81,787
Other capital assets, net of depreciation	934,950	1,308,643
	<u>1,059,447</u>	<u>1,390,430</u>
Total capital assets - net	<u>1,059,447</u>	<u>1,390,430</u>
Total Non-current Assets	<u>1,059,447</u>	<u>1,390,430</u>
Total Assets	<u>1,347,588</u>	<u>1,622,354</u>
DEFERRED OUTFLOWS OF RESOURCES		
Accrued pension	<u>251,369</u>	<u>-</u>
Total Deferred Outflow of Resources	<u>251,369</u>	<u>-</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 1,598,957</u>	<u>\$ 1,622,354</u>

See accompanying notes to the basic financial statements

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

STATEMENT OF NET POSITION - (Continued)
March 31, 2022

	<u>Primary Government</u>	<u>Total Discretely Presented Component Units</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 33,623	\$ 11,156
Accrued salaries and benefits	35,940	-
Tenant security deposit liability	28,607	17,700
Accrued compensated absences	10,220	-
Current portion of long-term debt	-	102,016
Unearned revenues	1,787	38
	<u>110,177</u>	<u>130,910</u>
Total Current Liabilities		
Non-current Liabilities:		
Long term debt, net of current portion	-	711,821
Compensated absences	91,976	-
Non-current liabilities - Other	176,982	-
	<u>268,958</u>	<u>711,821</u>
Total Non-current Liabilities		
	<u>379,135</u>	<u>842,731</u>
Total Liabilities		
DEFERRED INFLOWS OF RESOURCES		
Accrued pension	284,214	-
	<u>284,214</u>	<u>-</u>
Total Deferred Inflow of Resources		
NET POSITION		
Net investment in capital assets	1,059,447	576,593
Restricted	37,534	-
Unrestricted	(161,373)	203,030
	<u>935,608</u>	<u>779,623</u>
Total Net Position		
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 1,598,957</u>	<u>\$ 1,622,354</u>

See accompanying notes to the basic financial statements

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended March 31, 2022

	Primary Government	Total Discretely Presented Component Units
OPERATING REVENUES		
Tenant revenue	\$ 185,544	\$ 441,037
Governmental grants and subsidy	9,666,384	-
Miscellaneous	415,483	290,612
	<u>10,267,411</u>	<u>731,649</u>
OPERATING EXPENSES		
Administrative	1,222,895	155,582
Utilities	165,497	18,895
Ordinary maintenance and operations	1,047,585	53,287
Insurance	91,071	23,998
General	244,669	237,485
Non routine maintenance	27,405	-
Housing assistance payment	8,090,469	-
Depreciation expense	138,843	175,697
	<u>11,028,434</u>	<u>664,944</u>
Total operating expenses	<u>11,028,434</u>	<u>664,944</u>
Operating income (loss)	<u>(761,023)</u>	<u>66,705</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	156	39
Interest expense	-	(42,721)
	<u>156</u>	<u>(42,682)</u>
Net non-operating revenues (expenses)	<u>156</u>	<u>(42,682)</u>
Income (loss) before contributions and transfers	<u>(760,867)</u>	<u>24,023</u>
Change in net position	<u>(760,867)</u>	<u>24,023</u>
Total net position - beginning of year	<u>1,696,475</u>	<u>755,600</u>
Total net position - end of year	<u>\$ 935,608</u>	<u>\$ 779,623</u>

See accompanying notes to the basic financial statements

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2022

	Primary Government	Total Discretely Presented Component Units
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from tenants	\$ 182,792	\$ 380,157
Received from governmental grants and subsidy	9,631,620	-
Received from other operating activities	449,631	290,045
Payments for goods and services	(1,504,818)	(602,934)
Payments to employees	(1,116,678)	(76,648)
Payment for housing assistance	(8,090,469)	-
Net cash provided by (used in) operating activities	<u>(447,922)</u>	<u>(9,380)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,520)	(131,893)
Receipts (payments) from deferred credits and escrow deposits	(173,686)	-
Principal paid on capital debt	-	(96,899)
Interest paid on capital debt	-	(42,721)
Net cash provided by (used in) capital and related financing activities	<u>(175,206)</u>	<u>(271,513)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds (payments) from sale (purchase) of investments	27,025	143,071
Receipts of interest and dividends	156	39
Net cash provided by (used in) investing activities	<u>27,181</u>	<u>143,110</u>
Net increase (decrease) in cash and cash equivalents	(595,947)	(137,783)
Cash and cash equivalents at beginning of year	<u>858,196</u>	<u>356,676</u>
Cash and cash equivalents at end of year	<u>\$ 262,249</u>	<u>\$ 218,893</u>

See accompanying notes to the basic financial statements

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

STATEMENT OF CASH FLOWS - (Continued)
For the Year Ended March 31, 2022

	<u>Primary Government</u>	<u>Total Discretely Presented Component Units</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ (761,023)	\$ 66,705
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	138,843	175,697
Change in assets and liabilities:		
Receivables, net	37,728	(10,739)
Prepaid expenses	(112,618)	-
Accounts and other payables	283	(193,424)
Tenant security deposit	(1,214)	1,520
Unearned revenues	133,305	(49,139)
Compensated absences	80,834	-
Accrued expenses	35,940	-
Net cash provided by (used) by operating activities	<u>\$ (447,922)</u>	<u>\$ (9,380)</u>

See accompanying notes to the basic financial statements

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS
March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of the City of Anderson (Authority) is a public body and a body corporate and politic organized under the laws of the State of Indiana that is legally separate, fiscally independent and governed by a Board of Commissioners. The Authority was established to provide Low-Rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD) and other applicable federal agencies. Additionally, HUD has entered into Annual Contributions Contract with the Authority for the purpose of administering housing and housing relating programs described herein. The Authority is not subject to federal or state income taxes and is not required to file federal or state income tax returns.

The financial statements of the Authority have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

1A. Financial Reporting Entity

The Authority's financial reporting entity comprises the following:

Primary Government: Housing Authority

In determining the financial reporting entity, the Authority complies with the provisions of GASB Statement No. 14 as amended by GASB no 39 and 61, "The Financial Reporting Entity," and includes all component units of which the Authority appointed a voting majority of the units' board; the Authority is either able to impose its will on the unit or a financial benefit or burden relationship exists. On the basis of the application of these criteria, the financial statements of the reporting entity include the Housing Authority of the City of Anderson, Indiana and the following component units:

Discretely Presented Component Unit:

Anderson Housing Inc.: Anderson Housing Inc., is a 501(c)(3) not-for-profit organization that provides quality and safe rental housing for eligible low-income families, the elderly and persons with disabilities.

Westwood Estates, L.P: The project was formed in 1996 for the purpose of constructing 49 housing units in a specified area of the City of Anderson, Indiana. The units are rented to low-income individuals and as a result, federal income tax credits are available to investors. The project will terminate on December 31, 2045 unless otherwise dissolved according to the partnership agreement.

Anderson Housing Inc. and Westwood Estates, L.P has a fiscal year end of December 31, and the financial statements include its activities for the year ended December 31, 2021. There were no material transactions during the three-month period from January 1, 2022 to March 31, 2022.

The Authority is not part of any other entity nor does it have oversight responsibility over any other agency.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

1B. Basis of Presentation

The accounts of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. The operations of each fund are reported as a separate set of self-balancing accounts that are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds consist of three major categories: governmental, proprietary and fiduciary. Funds within each major category are grouped by fund type in the combined financial statements. The Authority uses the following fund:

Proprietary Fund Types - This fund is used to account for the Authority's ongoing activities that are similar to those often found in the private sector. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a proprietary fund's activities are included on its statement of net position. Proprietary fund equity is segregated into net investment in capital assets and restricted and unrestricted net position. The following are the Authority's proprietary fund types:

Enterprise Fund - Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes all of the Authority's programs as an enterprise fund.

The Authority operates the following programs in the enterprise fund:

Public and Indian Housing – The objective of the program is to provide decent, safe and sanitary housing and related facilities for eligible low-income individuals.

Public Housing Capital Fund – The purpose of this program is to provide funds annually to housing authorities for the modernization of the housing development and for management improvements.

Housing Choice Vouchers – The objective of the program is to help low-income families obtain decent, safe, and sanitary housing through a system of rental assistance. HUD reimburses the Authority for the rental supplements paid to private landlords and the administrative costs of managing the program.

Mainstream Vouchers – Provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30 percent of the family's adjusted income. Mainstream Vouchers can be provided to non-elderly disabled families.

Discretely Presented Component Units –

(a) *Anderson Housing Inc.* - This is a nonprofit organization formed to provide further affordable housing options with 11 units available for eligible individuals.

(b) *Westwood Estates, L.P* - The organization operates 49-unit apartment project located in Anderson, Indiana for low-income individuals.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

1C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus - The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting - In the financial statements, the proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

1D. Budgets

Budgets are prepared for regulatory purposes in accordance with the Authority’s contract with HUD on an annual basis for all operating programs and on a project length basis for capital projects funds which are approved by the Board of Commissioners and submitted to HUD for their approval, if required.

1E. Estimates and assumptions

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

1F. Assets, Liabilities, and Equity

Cash and Investments

For the purpose of the Statement of Net Position, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposits or short-term investments with an original maturity of three months or less. For the purpose of the Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations, if any, with a remaining maturity at the time of purchase of one year or less. Those investments, if any, are reported at amortized cost. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Notes 2B and 3A.

Inter-fund Receivables and Payables

During the course of operations, numerous transactions occur within individual funds that may result in amounts owed between funds. Inter-fund receivables and payables between funds are eliminated for financial statement presentation.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

1F. Assets, Liabilities, and Equity – (Continued)

Receivables

Receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances consist of fraud recovery, miscellaneous and tenant accounts receivable.

Inventories

Inventories are valued at lower of cost or market on an average cost basis. Inventories consist primarily of maintenance materials and supplies held for consumption. The consumption method is used to account for inventories. Under the consumption method, inventories are recorded as assets when purchased and expenses when used.

Fixed Assets

Fixed assets in the proprietary fund types are stated at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. It is the policy of the Authority to capitalize all assets with a cost of \$1,000 or greater. The cost of maintenance and repairs are charged to operations as incurred. Costs of major additions, improvements, and betterments are capitalized.

Depreciation of all exhaustible fixed assets is charged as an expense against operations and is recorded in the Statement of Revenues, Expenses and Changes in Net Position with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Building	15-40 years
Furniture, equipment and machinery - dwelling	7 years
Furniture, equipment and machinery - administrative	7-15 years

Restricted Assets

Restricted assets include cash of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to the security deposit and HAP fund under Low Rent, Housing Choice Vouchers, Mainstream Vouchers, Anderson Housing Inc. and Westwood Estates, L.P. programs.

Compensated Absences

The Authority's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term and short-term liabilities based on historical trends. Amounts not expected to be paid within the next fiscal year are classified as long-term liabilities.

Equity Classifications

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

1) 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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

1F. Assets, Liabilities, and Equity – (Continued)

Equity Classifications

2) Restricted net position - Consists of net position with constraints placed on the use either by (i) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; (ii) law through constitutional provisions or enabling legislation. The statement of net position of the Authority reports \$37,534 (HAP) of restricted net position under Section Housing Choice Voucher and Mainstream Vouchers program.

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

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Authority’s policy is to apply restricted assets first.

1G. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

Inter-fund Transfers

Permanent reallocation of resources between programs of the reporting entity is classified as inter-fund transfers. For the purposes of the Statement of Revenues, Expenses and Changes in Net Position, all inter-fund transfers between individual programs, if any, have been eliminated.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Authority and its component units, if any, are subject to various federal, state, and local laws and contractual regulations. An analysis of the Authority’s compliance with significant laws and regulations and demonstration of its stewardship over Authority resources follows.

2A. Program Accounting Requirements

The Authority's complies with all state and local laws and regulations requiring the use of separate programs. The programs used by the Authority are as follows:

<u>Program</u>	<u>Required By</u>
Public and Indian Housing	U.S. Department of Housing and Urban Development
Public Housing Capital Fund	U.S. Department of Housing and Urban Development
Housing Choice Vouchers	U.S. Department of Housing and Urban Development
Mainstream Vouchers	U.S. Department of Housing and Urban Development
Discretely Presented Component Unit:	
- Anderson Housing Inc.	Housing Authority of the City of Anderson
- Westwood Estates, L.P.	Housing Authority of the City of Anderson

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – (Continued)

2B. Deposits and Investments Laws and Regulations

It is the Authority's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. The Authority must maintain a written collateral agreement from all financial institutions pledging collateral to the Authority. As reflected in Note 3A, all deposits were fully insured or collateralized.

Investing is performed in accordance with HUD regulations and State Statutes. Funds may be invested in the following type of investments:

- Direct obligations of the U.S. Government pledged by its full faith and credit.
- Demand, savings, money-market and certificates of deposit at commercial banks, mutual savings banks, savings and loan associations and credit unions provided that the entire deposit be insured by the FDIC and any deposits in excess of insured amounts are adequately collateralized.

2C. Revenue Restrictions

The Authority has various restrictions placed over certain revenue sources. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Public Housing Capital Fund	Modernization
Housing Choice Vouchers	Housing assistance payments
Mainstream Vouchers	Housing assistance payments

For the year ended March 31, 2022, the Authority complied, in all material respects, with these revenue restrictions.

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

3A. Cash and Investments

As of March 31, 2022, the Authority had the following cash deposits and investments:

Cash deposit	\$ 481,117
Change fund	<u>25</u>
Total	<u>\$ 481,142</u>

Following is a reconciliation of the Authority's deposit balances as of March 31, 2022:

Cash and cash equivalents – PG	\$ 192,444
Cash and cash equivalents – DPCU	201,193
Restricted assets – PG	69,805
Restricted assets – DPCU	<u>17,700</u>
Total	<u>\$ 481,142</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3A. Cash and Investments – (Continued)

Deposits

Custodial Credit Risk - Deposits

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At March 31, 2022, the Authority’s bank balances of \$488,739 were entirely covered by FDIC insurance or by pledged collateral held by the Authority’s agent bank in the Authority’s name.

Investments

Custodial Credit Risk - Investments

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At March 31, 2022, the Authority had no investments.

Interest Rate Risk

The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investment in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organization. The Authority had no investments at March 31, 2022. As such, credit risk is not applicable to the Authority.

3B. Restricted Assets

Restricted assets at March 31, 2022 consist of the following:

<u>Type of Restricted Assets</u>	<u>Cash Including Time Deposits</u>	<u>Investments</u>	<u>Accrued Interest</u>	<u>Total</u>
Security deposit – PG	\$ 69,805	\$ ----	\$ ----	\$ 69,805
Security deposit – DPCU	<u>17,700</u>	<u>----</u>	<u>----</u>	<u>17,700</u>
Total	<u>\$ 87,505</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 87,505</u>

3C. Accounts Receivables

Receivables at March 31, 2022, consist of the following:

	<u>PG</u>	<u>DPCU</u>
Tenants - PG	\$ 9,909	\$ 16,203
Less: Allowance for doubtful account – Tenants	<u>(1,345)</u>	<u>(3,739)</u>
Tenants – net of allowance	8,564	12,464
Fraud recovery	3,782	---
Miscellaneous	<u>---</u>	<u>567</u>
Total Accounts Receivable	<u>\$ 12,346</u>	<u>\$ 13,031</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3D. Inventory

Inventory at March 31, 2022 comprised of the following:

	PG
Inventory	\$ 2,535
Less: Allowance for obsolete inventory	(254)
Inventory - net of allowance	\$ 2,281

3E. Capital Assets

A summary of capital asset activity for the year ended March 31, 2022 is as follows:

PG	Balance April 1, 2021	Additions	(Retirement)	Balance March 31, 2022
Non-depreciable assets:				
Land	\$ 124,497	\$ -	\$ -	\$ 124,497
Total non-depreciable assets	124,497	-	-	124,497
Depreciable assets:				
Building	4,478,581	-	-	4,478,581
Equipment - dwelling	148,578	-	-	148,578
Equipment - administration	298,024	1,520	-	299,544
Total depreciable assets	4,925,183	1,520	-	4,926,703
Accumulated depreciation	(3,852,910)	(138,843)	-	(3,991,753)
Total depreciable assets, net	1,072,273	(137,323)	-	934,950
Capital assets, net	\$ 1,196,770	\$ (137,323)	\$ -	\$ 1,059,447

Depreciation expense is charged to programs as follows:

Business-type Activities	
Public and Indian Housing	\$ 138,748
Housing Choice Vouchers	95
Total depreciation expense	\$ 138,843

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3E. Capital Assets – (Continued)

DPCU	Balance Jan 1, 2021	Additions	(Retirement)	Balance Dec 31, 2021
Non-depreciable assets:				
Land	\$ 48,457	\$ 5,000	\$ -	\$ 53,457
Construction in progress	<u>28,330</u>	<u>-</u>	<u>-</u>	<u>28,330</u>
Total non-depreciable assets	<u>76,787</u>	<u>5,000</u>	<u>-</u>	<u>81,787</u>
Depreciable assets:				
Building	4,517,526	68,847	-	4,586,373
Equipment - administration	81,259	-	-	81,259
Leasehold improvements	569,708	58,046	-	627,754
Infrastructure	<u>45,535</u>	<u>-</u>	<u>-</u>	<u>45,535</u>
Total depreciable assets	5,214,028	126,893	-	5,340,921
Accumulated depreciation	<u>(3,856,581)</u>	<u>(175,697)</u>	<u>-</u>	<u>(4,032,278)</u>
Total depreciable assets, net	<u>1,357,447</u>	<u>(48,804)</u>	<u>-</u>	<u>1,308,643</u>
Capital assets, net	\$ <u>1,434,234</u>	\$ <u>(43,804)</u>	\$ <u>-</u>	\$ <u>1,390,430</u>

Depreciation expense is charged to programs as follows:

Business-type Activities	
Anderson Housing Inc.	\$ 36,093
Westwood Estates, L.P.	<u>139,604</u>
Total depreciation expense	\$ <u>175,697</u>

3F. Accounts Payable

Accounts payable at March 31, 2022, consist of the following:

	PG	DPCU
Vendors	\$ 33,623	\$ ---
Other current liabilities	<u>---</u>	<u>11,156</u>
Total Accounts Payable	\$ <u>33,623</u>	\$ <u>11,156</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3G. Non-current Liabilities

Non-current liabilities at March 31, 2022, consist of the following:

PG:

	PG	DPCU
Accrued compensated absences	\$ 91,976	\$ ---
Accrued pension	176,982	---
Notes payable	---	711,821
Total Non-Current Liabilities	\$ 268,958	\$ 711,821

The following is the summary of changes in long-term liabilities:

	Balance April 1, 2021	Additions	Deductions	Balance March 31, 2022	Amounts Due within One Year
PG					
Accrued compensated absences	\$ 19,226	\$ 72,750	\$ ---	\$ 91,976	\$ 10,220
Accrued pension	350,668	---	173,686	176,982	---
Total	\$ 369,894	\$ 72,750	\$ 173,686	\$ 268,958	\$ 10,220
DPCU					
Notes payable	\$ 817,001	\$ ---	\$ 105,180	\$ 711,821	102,016

DPCU:

Annual Debt Service Requirements

The long-term debt consists of the following notes:

Westwood Estates, L.P. obtained a note, payable to Star Financial Bank in the original amount of \$1,104,040 with a fixed interest rate of 5.08%. The loan requires monthly principal and interest payments of \$11,795 and matures on June 1, 2028. The loan is secured by a mortgage on certain real estate and an assignment of leases and rents.

The annual debt service requirements to maturity for long-term debt as of December 31, 2021, are as follows:

Year Ending Dec 31,	Principal	Interest	Total
2022	\$ 102,016	\$ 39,526	\$ 141,542
2023	107,397	34,146	141,543
2024	112,975	28,567	141,542
2025	119,019	22,523	141,542
2026	125,296	16,246	141,542
2027-2028	247,134	11,880	259,014
	\$ 813,837	\$ 152,888	\$ 966,725

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3H. Inter-program Transactions and Balances

Inter-program Receivable/Payable

Inter-program receivable/payable is eliminated for financial statement presentation. There are no inter-program receivables / payables at March 31, 2022.

Operating Transfers

Transfers are used to move revenues from one program to the other program in accordance with the budgetary authorizations.

		Transfers In		Transfers Out
Public Housing	\$	92,750	\$	-
Capital Fund		-		(92,750)
Total	\$	<u>92,750</u>	\$	<u>(92,750)</u>

3I. Combining Schedule of Discretely Presented Component Unit

**Statement of Net Position
March 31, 2021**

	Anderson Housing Inc. DPCU	Westwood Estates DPCU	Total Discretely Presented Component Units
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 37,831	\$ 163,362	\$ 201,193
Cash - restricted	3,300	14,400	17,700
Receivables - net of allowances	<u>3,876</u>	<u>9,155</u>	<u>13,031</u>
Total Current Assets	<u>45,007</u>	<u>186,917</u>	<u>231,924</u>
Non-current Assets:			
Capital assets:			
Land and construction in progress	69,630	12,157	81,787
Other capital assets, net of depreciation	<u>614,239</u>	<u>694,404</u>	<u>1,308,643</u>
Total capital assets - net	<u>683,869</u>	<u>706,561</u>	<u>1,390,430</u>
Total Non-current Assets	<u>683,869</u>	<u>706,561</u>	<u>1,390,430</u>
Total Assets	\$ <u>728,876</u>	\$ <u>893,478</u>	\$ <u>1,622,354</u>
DEFERRED OUTFLOWS OF RESOURCES			
Accrued pension	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Outflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflow of Resources	\$ <u>728,876</u>	\$ <u>893,478</u>	\$ <u>1,622,354</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3I. Combining Schedule of Discretely Presented Component Unit – (Continued)

Statement of Net Position – (Continued)
March 31, 2022

	<u>Anderson Housing Inc. DPCU</u>	<u>Westwood Estates DPCU</u>	<u>Total Discretely Presented Component Units</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 3,766	\$ 7,390	\$ 11,156
Tenant security deposit liability	3,300	14,400	17,700
Current portion of long term debt	-	102,016	102,016
Unearned revenues	<u>-</u>	<u>38</u>	<u>38</u>
Total Current Liabilities	<u>7,066</u>	<u>123,844</u>	<u>130,910</u>
Non-current Liabilities:			
Long term debt, net of current portion	<u>-</u>	<u>711,821</u>	<u>711,821</u>
Total Non-current Liabilities	<u>-</u>	<u>711,821</u>	<u>711,821</u>
Total Liabilities	<u>7,066</u>	<u>835,665</u>	<u>842,731</u>
DEFERRED INFLOWS OF RESOURCES			
Accrued pension	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	683,869	(107,276)	576,593
Unrestricted	<u>37,941</u>	<u>165,089</u>	<u>203,030</u>
Total Net Position	<u>721,810</u>	<u>57,813</u>	<u>779,623</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 728,876</u>	<u>\$ 893,478</u>	<u>\$ 1,622,354</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 3 – DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - (Continued)

3I. Combining Schedule of Discretely Presented Component Unit – (Continued)

**Condensed Statement of Revenues, Expenses and Changes in Net Position
March 31, 2022**

	<u>Anderson Housing Inc. DPCU</u>	<u>Westwood Estates DPCU</u>	<u>Total Discretely Presented Component Units</u>
OPERATING REVENUES			
Tenant revenue	\$ 91,716	\$ 349,321	\$ 441,037
Miscellaneous	<u>283,806</u>	<u>6,806</u>	<u>290,612</u>
Total operating revenue	<u>375,522</u>	<u>356,127</u>	<u>731,649</u>
OPERATING EXPENSES			
Administrative	102,600	52,982	155,582
Utilities	1,966	16,929	18,895
Ordinary maintenance and operations	15,678	37,609	53,287
Insurance	11,385	12,613	23,998
General	229,843	7,642	237,485
Depreciation expense	<u>36,093</u>	<u>139,604</u>	<u>175,697</u>
Total operating expenses	<u>397,565</u>	<u>267,379</u>	<u>664,944</u>
Operating income (loss)	<u>(22,043)</u>	<u>88,748</u>	<u>66,705</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	4	35	39
Interest expense	<u>-</u>	<u>(42,721)</u>	<u>(42,721)</u>
Net non-operating revenues (expenses)	<u>4</u>	<u>(42,686)</u>	<u>(42,682)</u>
Income (loss) before contributions and transfers	<u>(22,039)</u>	<u>46,062</u>	<u>24,023</u>
Change in net position	(22,039)	46,062	24,023
Total net position - beginning of year	707,911	(681)	707,230
Prior period adjustments	<u>35,938</u>	<u>12,432</u>	<u>48,370</u>
Total net position - end of year	<u>\$ 721,810</u>	<u>\$ 57,813</u>	<u>\$ 779,623</u>

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES

4A. Commitments - Construction

At March 31, 2022, the Authority had no pending Capital Fund projects in progress.

4B. Pension Plan

Description of Defined Benefit Funds

Public Employees' Defined Benefit Account (PERF DB)

PERF DB is a cost-sharing, multiple-employer DB fund providing retirement, disability and survivor benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships and other governmental units) that elect to participate in the retirement fund. Administration of the fund is generally in accordance with IC 5-10.2, 5-10.3, 5-10.5, 35 IAC 1.2 and other Indiana pension law. PERF DB is a component of the Public Employees' Hybrid plan (PERF Hybrid).

Public Employees' Defined Benefit Account (PERF DB) – (Continued)

PERF Hybrid consists of two components: PERF DB, the monthly employer-funded defined benefit component, along with the Public Employees' Hybrid Members Defined Contribution Account (PERF DC), a member-funded account. First time new employees hired by the State or a participating political subdivision who offers a choice, have a one-time election to join either the PERF Hybrid plan or PERF MC DC. Refer to the Description of Defined Contribution Funds for discussion of both the PERF DC and PERF MC DC plans. A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

Members who have service in both PERF DB and either TRF Pre-'96 DB or TRF '96 DB, have the option of choosing from which of these funds they would like to retire.

INPRS financial reports are available online at <https://www.in.gov/inprs>.

Eligibility for Pension Benefit Payment

Full Retirement Benefit

- Age 65 with at least 10 years of creditable service (eight years for certain elected officials).
- Age 60 with at least 15 years of creditable service.
- Age 55 if age and creditable service total at least 85 (“Rule of 85”).
- Age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position.
- Age 70 with 20 years of creditable service and still active in the PERF-covered position.

Early Retirement Benefit

Age 50 and minimum of 15 years of creditable service (44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59).

Disability Benefit

An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month).

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES – (Continued)

4B. Pension Plan – (Continued)

Eligibility for Pension Benefit Payment – (Continued)

Survivor Benefit

If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death.

If a member dies while receiving a benefit, a beneficiary receives the benefit associated with the member's selected form of payment:

Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Contribution

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 11.2 percent of covered payroll, with 0.44 percent funding a supplemental reserve account for postretirement benefit increases. Contributions from employers with PERF MC DC plan members who offered PERF Hybrid prior to July 1, 2016 fund PERF DB's unfunded liability at 8.0 percent of covered payroll for the State and 7.2 percent for political subdivisions as of June 30, 2021. No member contributions are required.

Benefit Formula & Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1 percent (minimum of \$180 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the Board. For the year ended June 30, 2021, postretirement benefits of \$31.2 million were issued to members as a 13th check.

INPRS Basis of Accounting

The financial statement of INPRS have been prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to government units. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when liabilities are incurred, regardless of the timing of related cash flows. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for established governmental accounting and financial reporting principles. INPRS applies all applicable GASB pronouncements in accounting and reporting for its operations.

Use of Estimates

In preparing the financial statements to conform to generally accepted accounting principles, INPRS makes estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from estimates and assumptions.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES – (Continued)

4B. Pension Plan - (Continued)

Employer Allocations

The allocation percentages for the Housing Authority’s share of the collective pension amounts as of June 30, 2021 and 2020 was based on the ratio of its contributions to the total of the employer and non-employer contributions of the group for the fiscal years ended June 30, 2021 and 2020, respectively.

At June 30, 2021 (measurement date), the Housing Authority’s proportion was 0.0001345 and related wages were reported as \$741,770.

Net Pension Liability

At March 31, 2022 and 2021 (Authority’s year-end), the Housing Authority reported a liability of \$176,982 and \$350,688 respectively, for its proportionate share of the net pension liability.

Defined Benefit Assets

The following Defined Benefits global asset classes, target allocations and target ranges were approved by the Board based on a formal asset-liability study and shall remain in place until revised by the Board. An asset-liability study is conducted every five years. Further information regarding the Investment Policy Statement can be found in the Investment Section.

To maximize the probability of achieving the target rate of return over a 30-year time horizon, INPRS’s Board of Trustees approved a new asset allocation on May 7, 2021 that included the increased use of leverage. The explicit leverage enables the Plan to obtain additional investment exposure, which results in an asset allocation that exceeds 100 percent of invested assets.

Global Asset Classes	Target Allocation	Target Range
Public equity	22.0%	19.5 to 24.5%
Private Markets	14.0	10.0 to 18.0
Fixed Income – Ex Inflation-Linked	20.0	17.0 to 23.0
Fixed Income – Inflation-Linked	7.0	4.0 to 10.0
Commodities	8.0	6.0 to 10.0
Real Estate	7.0	3.5 to 10.5
Absolute Return	10.0	6.0 to 14.0
Risk Parity	12.0	7.0 to 17.0
Total	100.00%	

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES – (Continued)

4B. Pension Plan - (Continued)

Discount rate

The discount rate is equal to the expected long-term rate of return on plan investments, net of investment expense and including price inflation. The discount rate remained the same from the 6.75% used on the prior measurement date. The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of 11.2% (the current contribution rate) or a rate equal to the actuarially determined contribution rate, which is based on the assumptions and methods selected by the Board for the annual actuarial valuations and projected covered member payroll. The June 30, 2021 actuarial valuation assumes a long-term rate of return on assets of 6.25%, a 20-year level dollar closed method for amortizing the future layers of unfunded actuarial accrued liability (30 years for amortization layers established prior to June 30, 2016), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets.

In the past several years, the Board has followed its current funding policy and the State has complied in its contributions to the plan. Therefore, if past practice is continued, the appropriations will be sufficient to fully fund the plan within 20 to 30 years. Deterministic projections indicate the actuarially determined contribution rate will decline over the coming years. As a result, it is presumed that the projected plan assets will be sufficient to cover the future benefit payments for current members and a detailed projection of plan assets and cash flows has not been prepared.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate:

1% Decrease (5.25%)	Discount rate (6.25%)	1% Increase (7.25%)
\$462,884	\$176,982	(\$61,499)

Pension Expense

For the year ended June 30, 2021, the Authority recognized pension expense of (\$9,868) which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES – (Continued)

4B. Pension Plan - (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$6,053	3,534
Net difference between projected and actual investment earnings on pension plan investments	--	229,794
Change of assumptions	89,023	39,753
Changes in proportion and differences between Employer contributions and proportionate share of contributions	78,974	11,133
Employer contributions subsequent to June 30, 2021	77,319	--
Total	\$251,369	\$284,214

Amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Year ended:	
2022	\$52,765
2023	(8,815)
2024	(11,109)
2025	(65,686)
2026	--
Thereafter	--

The Authority's balance of deferred outflows of resources of \$251,369 will be included as a reduction of the collective net pension liability in future years

4C. Risk Management

The Authority is exposed to various risks of losses related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee's health and life; and natural disasters. The Authority carries the following insurance coverage: Commercial General Liability, Auto, Real & Personal Property, Commercial Liability and Workers' Compensation. Claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)
March 31, 2022

NOTE 4 – OTHER NOTES – (Continued)

4D. Financial Data Schedule

The Authority prepares its Financial Data Schedule (FDS) in accordance with HUD requirements in a prescribed format which differs from the presentation of the basic financial statements. The FDS format excludes depreciation, extraordinary maintenance and HAP expense and includes investment income and interest expense in operating activities, which differs from the presentation of basic financial statements.

4E. Contingencies

The Authority is subject to possible examinations made by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. No significant violations of finance-related legal or contractual provisions occurred.

4F. Subsequent Events

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the balance sheet date, require disclosure in the accompanying notes. Management evaluated the activity of the Authority through December 16, 2022 and concluded that no additional subsequent events have occurred that would require adjustment to or disclosures within these financial statements.

4G. Economic Dependency

The Authority is primarily dependent upon HUD for the funding of operations; therefore, the Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2023 federal budget.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

REQUIRED SUPPLEMENTARY INFORMATION
March 31, 2022

**Schedule of the Pension Plan's Proportionate Share
of the Net Pension Liability (Asset) and Related Ratios ***

Reporting Date for Employer under GASB 68 as of June 30,	Proportion of Net Pension Liability	Proportionate share of Net Pension Liability	Covered Employee Payroll **	Proportionate share of the Net Pension Liability as a percentage of covered employee payroll	Plan Fiduciary Net Position as a percentage of the Total Pension Liability
2015	0.0001204%	\$490,377	\$521,402	94.05%	77.35%
2016	0.0001164%	\$528,275	\$495,963	106.52%	75.35%
2017	0.0001271%	\$567,062	\$586,154	96.74%	76.65%
2018	0.0001085%	\$368,579	\$637,600	57.81%	78.89%
2019	0.0000976%	\$322,574	\$623,540	51.73%	80.06%
2020	0.0001161%	\$350,668	\$626,579	55.97%	81.45%
2021	0.0134500%	\$176,982	\$741,770	23.86%	92.51%

* This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.

** Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of the retirement benefits are included.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

REQUIRED SUPPLEMENTARY INFORMATION – (Continued)
March 31, 2022

Schedule of the Pension Plan's Contributions*

Reporting Date for Employer under GASB 68 as of June 30,	Actuarially determined contribution [A]	Contributions in relation to actuarially determined contribution [B]	Contribution deficiency (excess) [C] = [A] - [B]	Covered employee payroll	Contribution as a percentage covered employees payroll
2015	\$64,565	\$64,565	-	\$521,402	12.4%
2016	\$62,479	\$62,479	-	\$495,963	12.6%
2017	\$70,596	\$70,596	-	\$586,154	12.0%
2018	\$61,395	\$61,395	-	\$637,600	9.6%
2019	\$65,523	\$65,523	-	\$623,540	10.5%
2020	\$68,643	\$68,643	-	\$626,579	11.0%
2021	\$82,711	\$82,711	-	\$741,770	11.15%

* This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

PHA'S STATEMENT OF CERTIFICATION OF ACTUAL MODERNIZATION COST
March 31, 2022

1. Actual Capital Fund Program costs are as follows:

	<u>501-21</u>
Funds approved	\$ 265,003
Funds expended	<u>265,003</u>
Excess of Funds Approved	\$ <u><u>---</u></u>
Funds advanced	\$ 265,003
Funds expended	<u>265,003</u>
Excess (deficiency) of Funds Advanced	\$ <u><u>---</u></u>

2. The costs as shown on the Actual Cost Certificate dated October 27, 2022 submitted to HUD for approval is in agreement with the Authority's records as of March 31, 2022.

3. All costs have been paid and all related liabilities have been discharged through payments.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended March 31, 2022

Federal Grantor	Assistance Listings Number	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
Public and Indian Housing	14.850	\$ 775,992
Public Housing Capital Fund	14.872	265,003
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	8,393,036
Mainstream Voucher Program (MV)	14.879	202,674
Passed through the City of Anderson:		
Community Development Block Grants/Entitlement Grants	14.228	<u>29,679</u>
Total Expenditures of Federal Awards		\$ <u><u>9,666,384</u></u>

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Housing Authority of the City of Anderson, Indiana (Authority) under programs of the federal government for the year ended March 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$182,548	\$201,193	\$0		\$9,896	\$393,637		\$393,637
113 Cash - Other Restricted	\$3,664			\$31,723	\$5,811	\$41,198		\$41,198
114 Cash - Tenant Security Deposits	\$28,607	\$17,700	\$0			\$46,307		\$46,307
100 Total Cash	\$214,819	\$218,893	\$0	\$31,723	\$15,707	\$481,142	\$0	\$481,142
125 Accounts Receivable - Miscellaneous		\$567				\$567		\$567
126 Accounts Receivable - Tenants	\$9,909	\$16,203	\$0		\$0	\$26,112		\$26,112
126.1 Allowance for Doubtful Accounts -Tenants	-\$1,345	-\$3,739	\$0		\$0	-\$5,084		-\$5,084
128 Fraud Recovery					\$3,782	\$3,782		\$3,782
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$8,564	\$13,031	\$0	\$0	\$3,782	\$25,377	\$0	\$25,377
142 Prepaid Expenses and Other Assets	\$10,794				\$471	\$11,265		\$11,265
143 Inventories	\$2,535					\$2,535		\$2,535
143.1 Allowance for Obsolete Inventories	-\$254					-\$254		-\$254
150 Total Current Assets	\$236,458	\$231,924	\$0	\$31,723	\$19,960	\$520,065	\$0	\$520,065
161 Land	\$124,497	\$53,457	\$0			\$177,954		\$177,954
162 Buildings	\$4,478,581	\$4,586,373	\$0			\$9,064,954		\$9,064,954
163 Furniture, Equipment & Machinery - Dwellings	\$148,578					\$148,578		\$148,578
164 Furniture, Equipment & Machinery - Administration	\$251,003	\$81,259	\$0		\$48,541	\$380,803		\$380,803
165 Leasehold Improvements		\$627,754	\$0			\$627,754		\$627,754
166 Accumulated Depreciation	-\$3,943,687	-\$4,032,278	\$0		-\$48,066	-\$8,024,031		-\$8,024,031
167 Construction in Progress		\$28,330	\$0			\$28,330		\$28,330
168 Infrastructure		\$45,535	\$0			\$45,535		\$45,535
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,058,972	\$1,390,430	\$0	\$0	\$475	\$2,449,877	\$0	\$2,449,877

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE – (Continued)
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
180 Total Non-Current Assets	\$1,058,972	\$1,390,430	\$0	\$0	\$475	\$2,449,877	\$0	\$2,449,877
200 Deferred Outflow of Resources	\$114,634				\$136,735	\$251,369		\$251,369
290 Total Assets and Deferred Outflow of Resources	\$1,410,064	\$1,622,354	\$0	\$31,723	\$157,170	\$3,221,311	\$0	\$3,221,311
312 Accounts Payable <= 90 Days	\$24,810				\$8,813	\$33,623		\$33,623
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable	\$17,819				\$18,121	\$35,940		\$35,940
322 Accrued Compensated Absences - Current Portion	\$3,608				\$6,612	\$10,220		\$10,220
341 Tenant Security Deposits	\$28,607	\$17,700	\$0			\$46,307		\$46,307
342 Unearned Revenue	\$1,787	\$38	\$0			\$1,825		\$1,825
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$102,016	\$0			\$102,016		\$102,016
345 Other Current Liabilities		\$11,156	\$0			\$11,156		\$11,156
310 Total Current Liabilities	\$76,631	\$130,910	\$0	\$0	\$33,546	\$241,087	\$0	\$241,087
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$711,821	\$0			\$711,821		\$711,821
354 Accrued Compensated Absences - Non Current	\$32,469				\$59,507	\$91,976		\$91,976
357 Accrued Pension and OPEB Liabilities	\$80,711				\$96,271	\$176,982		\$176,982
350 Total Non-Current Liabilities	\$113,180	\$711,821	\$0	\$0	\$155,778	\$980,779	\$0	\$980,779
300 Total Liabilities	\$189,811	\$842,731	\$0	\$0	\$189,324	\$1,221,866	\$0	\$1,221,866
400 Deferred Inflow of Resources	\$129,613				\$154,601	\$284,214		\$284,214

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE – (Continued)
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
508.4 Net Investment in Capital Assets	\$1,058,972	\$576,593	\$0	\$0	\$475	\$1,636,040		\$1,636,040
511.4 Restricted Net Position	\$0	\$0	\$0	\$31,723	\$5,811	\$37,534		\$37,534
512.4 Unrestricted Net Position	\$31,668	\$203,030	\$0	\$0	-\$193,041	\$41,657		\$41,657
513 Total Equity - Net Assets / Position	\$1,090,640	\$779,623	\$0	\$31,723	-\$186,755	\$1,715,231	\$0	\$1,715,231
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,410,064	\$1,622,354	\$0	\$31,723	\$157,170	\$3,221,311	\$0	\$3,221,311

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE – (Continued)
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$157,899	\$428,244	\$0			\$586,143		\$586,143
70400 Tenant Revenue - Other	\$27,645	\$12,793	\$0			\$40,438		\$40,438
70500 Total Tenant Revenue	\$185,544	\$441,037	\$0	\$0	\$0	\$626,581	\$0	\$626,581
70600 HUD PHA Operating Grants	\$1,040,995			\$202,674	\$8,393,036	\$9,636,705		\$9,636,705
70800 Other Government Grants	\$88,430					\$88,430		\$88,430
71100 Investment Income - Unrestricted	\$118	\$39	\$0		\$38	\$195		\$195
71400 Fraud Recovery					\$10,882	\$10,882		\$10,882
71500 Other Revenue	\$108,417	\$290,612	\$0		\$237,433	\$636,462		\$636,462
70000 Total Revenue	\$1,423,504	\$731,688	\$0	\$202,674	\$8,641,389	\$10,999,255	\$0	\$10,999,255
91100 Administrative Salaries	\$81,024	\$52,192	\$0	\$14,151	\$509,956	\$657,323		\$657,323
91200 Auditing Fees		\$6,543	\$0			\$6,543		\$6,543
91400 Advertising and Marketing	\$1,482	\$22	\$0		\$290	\$1,794		\$1,794
91500 Employee Benefit contributions - Administrative	\$5,366	\$22,871	\$0		\$330,966	\$359,203		\$359,203
91600 Office Expenses	\$69,644	\$22,288	\$0		\$25,511	\$117,443		\$117,443
91700 Legal Expense	\$2,421	\$1,185	\$0		\$7,355	\$10,961		\$10,961
91800 Travel	\$3,186	\$1,003	\$0		\$1,205	\$5,394		\$5,394
91810 Allocated Overhead								
91900 Other	\$106,792	\$49,478	\$0		\$63,546	\$219,816		\$219,816
91000 Total Operating - Administrative	\$269,915	\$155,582	\$0	\$14,151	\$938,829	\$1,378,477	\$0	\$1,378,477

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE – (Continued)
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
93100 Water	\$55,437	\$8,690	\$0		\$1,065	\$65,192		\$65,192
93200 Electricity	\$44,409	\$4,351	\$0		\$2,541	\$51,301		\$51,301
93300 Gas	\$9,408	\$5,854	\$0		\$952	\$16,214		\$16,214
93800 Other Utilities Expense	\$51,685					\$51,685		\$51,685
93000 Total Utilities	\$160,939	\$18,895	\$0	\$0	\$4,558	\$184,392	\$0	\$184,392
94100 Ordinary Maintenance and Operations - Labor	\$187,570	\$1,585			\$43,694	\$232,849		\$232,849
94200 Ordinary Maintenance and Operations - Materials and Other	\$177,488	\$12,039	\$0		\$755	\$190,282		\$190,282
94300 Ordinary Maintenance and Operations Contracts	\$573,825	\$39,663	\$0		\$23,472	\$636,960		\$636,960
94500 Employee Benefit Contributions - Ordinary Maintenance	\$12,423				\$28,358	\$40,781		\$40,781
94000 Total Maintenance	\$951,306	\$53,287	\$0	\$0	\$96,279	\$1,100,872	\$0	\$1,100,872
96110 Property Insurance	\$23,774	\$12,733	\$0			\$36,507		\$36,507
96120 Liability Insurance	\$3,587				\$2,111	\$5,698		\$5,698
96130 Workmen's Compensation	\$46,293	\$9,826	\$0		\$15,306	\$71,425		\$71,425
96140 All Other Insurance		\$1,439	\$0			\$1,439		\$1,439
96100 Total insurance Premiums	\$73,654	\$23,998	\$0	\$0	\$17,417	\$115,069	\$0	\$115,069
96200 Other General Expenses	\$132,520	\$234,396	\$0		\$30,363	\$397,279		\$397,279
96210 Compensated Absences	\$31,377				\$49,457	\$80,834		\$80,834
96400 Bad debt - Tenant Rents	\$952	\$3,089	\$0			\$4,041		\$4,041
96000 Total Other General Expenses	\$164,849	\$237,485	\$0	\$0	\$79,820	\$482,154	\$0	\$482,154
96710 Interest of Mortgage (or Bonds) Payable		\$42,721	\$0			\$42,721		\$42,721
96700 Total Interest Expense and Amortization Cost	\$0	\$42,721	\$0	\$0	\$0	\$42,721	\$0	\$42,721
96900 Total Operating Expenses	\$1,620,663	\$531,968	\$0	\$14,151	\$1,136,903	\$3,303,685	\$0	\$3,303,685

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

FINANCIAL DATA SCHEDULE – (Continued)
Year Ended March 31, 2022

	Project Total	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	-\$197,159	\$199,720	\$0	\$188,523	\$7,504,486	\$7,695,570	\$0	\$7,695,570
97100 Extraordinary Maintenance	\$27,405					\$27,405		\$27,405
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments				\$189,111	\$7,704,652	\$7,893,763		\$7,893,763
97350 HAP Portability-In					\$196,706	\$196,706		\$196,706
97400 Depreciation Expense	\$138,748	\$175,697	\$0		\$95	\$314,540		\$314,540
90000 Total Expenses	\$1,786,816	\$707,665	\$0	\$203,262	\$9,038,356	\$11,736,099	\$0	\$11,736,099
10010 Operating Transfer In	\$92,750					\$92,750	-\$92,750	\$0
10020 Operating transfer Out	-\$92,750					-\$92,750	\$92,750	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$363,312	\$24,023	\$0	-\$588	-\$396,967	-\$736,844	\$0	-\$736,844
11030 Beginning Equity	\$1,453,952	\$0	\$755,600	\$32,311	\$210,212	\$2,452,075		\$2,452,075
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		\$755,600	-\$755,600			\$0		\$0
11170 Administrative Fee Equity					-\$192,566	-\$192,566		-\$192,566
11180 Housing Assistance Payments Equity					\$5,811	\$5,811		\$5,811
11190 Unit Months Available	1386	720	0	900	14760	17766		17766
11210 Number of Unit Months Leased	1339	714	0	489	14342	16884		16884
11270 Excess Cash	\$22,388					\$22,388		\$22,388
11640 Furniture & Equipment - Administrative Purchases	\$1,520					\$1,520		\$1,520



Audit Solutions, LLC.

Certified Public Accountant

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

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Anderson (Authority), Indiana, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued my report thereon dated December 16, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Authority's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, I do not express an opinion on the effectiveness of the Authority's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instance 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 my 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Audit Solutions, LLC

Chesterfield, Missouri

December 16, 2022



Audit Solutions, LLC.

Certified Public Accountant

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Housing Authority of the City of Anderson (Authority), Indiana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Authority's major federal programs for the year ended March 31, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my 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 March 31, 2022.

Basis for Opinion on Each Major Federal Program

I conducted my 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). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the Authority and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Report on 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 a 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.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.

Audit Solutions, LLC

Chesterfield, Missouri
December 16, 2022



Audit Solutions, LLC.

Certified Public Accountant

INDEPENDENT AUDITORS REPORT ON APPLYING AGREED-UPON PROCEDURES

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

I have performed the procedure described in the second paragraph of this report, which was agreed to by the Housing Authority of the City of Anderson and the U.S. Department of Housing and Urban Development, Public Indian Housing - Real Estate Assessment Center (PIH-REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents included within the OMB Uniform Guidance reporting package. The Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in the Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

I compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of my agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the chart below.

I was engaged to perform an audit in accordance with the audit requirements of Title 2 U.S. Code of the Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), by the Authority as of and for the year ended March 31, 2022 and have issued my report thereon dated December 16, 2022. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, my opinion on the fair presentation of the Financial Data Schedule (FDS) dated December 16, 2022, was expressed in relation to the basic financial statements of the Authority taken as a whole.

A copy of the reporting package required by Uniform Guidance, which includes the auditor's reports, is available in its entirety from the Authority. I have not performed any additional procedures since the date of the aforementioned audit reports. Further, I take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, PIH-REAC.

This report is intended solely for the information and use of the Authority and the U.S. Department of Housing and Urban Development, PIH-REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Audit Solutions, LLC

Chesterfield, Missouri
December 16, 2022

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

AGREED UPON PROCEDURES

March 31, 2022

Procedure	UFRS Rule Information	Hard Copy Document(s)	Agrees
1	Balance Sheet and Revenue and Expense (data line items 111 to 1121)	Financial Data Schedule, all CFDA's	√
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	√
3	Type of opinion to FDS (data element G5100-010)	Auditor's supplemental report on FDS	√
4	Audit findings narratives (data element G5200-010)	Schedule of Findings and Questioned costs	√
5	General Information (data element series G2000, G2100, G2200, G2300, G90000, G9100)	OMB Data Collection Form	√
6	Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form	√
7	Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form	√
8	Type of compliance requirement (G4000-020 & G4000-030)	OMB Data Collection Form	√
9	Basic financial statements and auditors' reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	√

HOUSING AUTHORITY OF THE CITY OF ANDERSON
Anderson, Indiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
March 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
<u>Internal control over financial reporting:</u>	
➤ Material weakness(es) identified?	No
➤ Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

<u>Internal control over major programs:</u>	
➤ Material weakness(es) identified?	No
➤ Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
<u>Identification of Major programs:</u>	
➤ ALN #14.871 Housing Choice Vouchers	
➤ ALN #14.879 Mainstream Vouchers	
➤ ALN #14.872 Public Housing Capital Fund	
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

The current audit report for the year ended March 31, 2022 disclosed no Financial Statement audit findings.

Section III - Federal Award Findings and Questioned Costs

The current audit report for the year ended March 31, 2022 disclosed no Federal Awards audit finding and questioned costs.