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June 2, 2023

Board of Directors  
Putnam County Housing Authority  
220 E Main St  
P.O. Box 421  
Crawfordsville, IN 47933

We have received the audit report of the Putnam County Housing Authority, which was opined upon by Audit Solutions, LLC, Independent Public Accountant, for the period July 1, 2021 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Putnam County Housing Authority, as of June 30, 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 Indiana 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

**PUTNAM COUNTY HOUSING AUTHORITY  
GREENCASTLE, INDIANA**

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

**FOR THE YEAR ENDED JUNE 30, 2022**

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

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# Audit Solutions, LLC.

Certified Public Accountant

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Putnam County Housing Authority  
Greencastle, Indiana

### Report on the Audit of the Financial Statements

#### *Opinions*

I have audited the accompanying financial statements of the business-type activities of the Putnam County Housing Authority (Authority), Indiana, as of and for the year ended June 30, 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 of the Authority, as of June 30, 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 on pages i-vi, 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 is presented for the purpose of additional analysis and is 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated April 18, 2023, 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

April 18, 2023

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
June 30, 2022

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This section of the Putnam County Housing Authority, Indiana's (Authority) annual financial report presents our management's discussion and analysis of the Authority's financial performance during the fiscal year ended on June 30, 2022. This discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the financial statements as a whole.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities similar to those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets, all deferred outflows of resources, all liabilities, and all deferred inflows of resources, associated with the operation of these funds are included on the Statement of Net Position. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

**FINANCIAL HIGHLIGHTS**

- The term "net position" refers to the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The Authority's total net position as of June 30, 2022 was \$(167,969). The net position decreased by \$37,578, a decrease of 28.8% from the prior year.
- The Authority had a \$2,058 net decrease in the Section 8 Housing Choice Voucher Program and a \$35,520 net decrease in the Section 8 New Construction Program.
- Revenues for the Authority were \$772,566 for the year ended June 30, 2022. This was a decrease of \$21,443 or 2.7% from the prior year.
- Expenses for the Authority were \$819,109 for the year ended June 30, 2022. This was a decrease of \$38,738 or 4.5% from the prior year.
- Tenant revenue for the Authority was \$35,342 for the year ended June 30, 2022, an increase of \$8,352 or 30.9% over the prior year.
- Governmental grants and subsidy for the Authority was \$726,793 for the year ended June 30, 2022, a decrease of \$37,640 or 4.9% from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Required Financial Statements**

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

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)  
June 30, 2022

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

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

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where cash came from, what was cash used for, and what was the change in the cash balance during the reporting period.

Notes to the Financial Statements

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

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authority's to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2022 and is required to be included in the audit reporting package.

**FINANCIAL ANALYSIS**

Net position may serve, over time, as a useful indicator of a government's financial position. As stated in the table on the following page, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$(167,969) at the close of the year ended June 30, 2022, down from \$(130,391) in fiscal year 2021. The decrease in net position of \$37,578 was due to the reasons noted below.

- Current and other assets include cash, receivables and prepaid expenses. Of the \$95,090 decrease in this category, cash decreased \$102,299, receivables increased \$12,876 and prepaid expenses decreased \$5,667.
- Capital assets decreased \$14,399 because current year capital depreciation exceeded current year capital asset additions. Change in capital assets is explained in section titled "Capital Assets and Debt Administration" of this analysis.
- Current liabilities decreased \$61,564 from FY 2021 mainly due to a \$65,239 decrease in unearned revenue. Unearned revenue was higher in the prior fiscal year for CARES Act funding received, not yet expended or earned.
- Noncurrent liabilities decreased \$10,347 from FY 2021 due to current year principal payments on long-term debt.

The unrestricted net position was \$ (10,725) as of June 30, 2022. This amount may be used to meet the Authority's ongoing obligations. The restricted net position was \$207 as of June 30, 2022 and may only be used for housing assistance payments in the Housing Choice Voucher program.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)**  
June 30, 2022

**FINANCIAL ANALYSIS – (CONTINUED)**

**CONDENSED STATEMENTS OF NET POSITION**  
**JUNE 30,**

|                                  | 2022                | 2021                | Dollar<br>Change   | Percent<br>Change |
|----------------------------------|---------------------|---------------------|--------------------|-------------------|
| Current and other assets         | \$ 15,168           | \$ 110,258          | \$ (95,090)        | -86.2%            |
| Capital assets                   | <u>369,895</u>      | <u>384,294</u>      | <u>(14,399)</u>    | -3.7%             |
| Total Assets                     | <u>385,063</u>      | <u>494,552</u>      | <u>(109,489)</u>   | -22.1%            |
| Current liabilities              | 38,039              | 99,603              | (61,564)           | -61.8%            |
| Noncurrent liabilities           | <u>514,993</u>      | <u>525,340</u>      | <u>(10,347)</u>    | -2.0%             |
| Total Liabilities                | <u>553,032</u>      | <u>624,943</u>      | <u>(71,911)</u>    | -11.5%            |
| Net Position                     |                     |                     |                    |                   |
| Net investment in capital assets | (157,451)           | (152,915)           | (4,536)            | -3.0%             |
| Restricted                       | 207                 | 30,552              | (30,345)           | -99.3%            |
| Unrestricted                     | <u>(10,725)</u>     | <u>(8,028)</u>      | <u>(2,697)</u>     | -33.6%            |
| Total Net Position               | <u>\$ (167,969)</u> | <u>\$ (130,391)</u> | <u>\$ (37,578)</u> | -28.8%            |

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

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

As can be seen in the table on the following page, total revenues decreased \$21,443 due to the reasons noted below.

- Tenant revenue increased \$8,352 or 30.9% from FY 2021 primarily due to an increase in average rental charge per dwelling unit of \$23.90 or 22.3% in the Section 8 New Construction program. The average rental charge was \$131.00 in FY 2022, up from \$107.09 in FY 2021. The Authority also had an 8.8% increase in occupancy.
- Governmental grants and subsidy decreased \$37,640 from FY 2021 due to a decrease in funding for Housing Choice Voucher program of \$90,488 or 14.3% and a decrease in rental assistance received in the Section 8 New Construction program of \$643 or 0.5%. This was partially offset by an increase in revenue recognized from CARES Act funds of \$53,491 during FY 2022.
- Investment income decreased \$29 or 63.0% from FY 2021.
- Miscellaneous income increased \$7,874 from FY 2021.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)  
June 30, 2022

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**FINANCIAL ANALYSIS – (CONTINUED)**

Total expenses decreased \$38,738 due to the reasons noted below:

- Administrative expenses increased \$6,359 or 3.9% primarily due to an increase in administrative wages and benefits of \$13,746 or 11.9%. This was partially offset by a decrease in office and other administrative expenses of \$7,413 or 19.3%.
- Utilities increased \$101 or 0.9% from FY 2021.
- Ordinary maintenance and operations decreased \$7,761 or 15.4% from FY 2021 due to a decrease in maintenance materials purchased during the year of \$3,487 or 43.2% and a decrease in maintenance wages and benefits of \$5,350 or 14.8%. The decreases were partially offset by an increase in services contracted for maintenance and repair of \$1,076 or 17.4%.
- Insurance expense decreased \$3,933 or 23.8% from FY 2021 mainly due to a decrease in property and liability insurance of \$960 or 8.0% and a decrease in workers compensation insurance of \$2,890 or 66.3%.
- General expenses decreased \$12,971 or 100.0% from FY 2021 due to a \$6,229 decrease in expense for tenant bad debts and a \$6,742 decrease in expense for compensated absences.
- Housing assistance payments decreased \$23,487 or 4.3% from FY 2021. The Authority had a 0.8% decrease in Housing Choice Voucher program lease-up rate and a decrease in average housing assistance payment of \$11.47 or 3.4%. The average housing assistant payment was \$325.48 in FY 2022, down from \$336.96 in FY 2021.
- Interest expense increased \$2,203 or 10.1% from FY 2021.
- The Authority had a \$751 or 2.4% increase in Depreciation, which is the write-off of capital assets over their estimated useful life.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)**  
June 30, 2022

**FINANCIAL ANALYSIS - (CONTINUED)**

**CONDENSED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
JUNE 30**

|  | 2022         | 2021         | Dollar<br>Change | Percent<br>Change |
|--|--------------|--------------|------------------|-------------------|
| <b>Revenues and Contributions</b>                  |              |              |                  |                   |
| Operating - non-operating - capital contributions: |              |              |                  |                   |
| Tenant revenue                                     | \$ 35,342    | \$ 26,990    | \$ 8,352         | 30.9%             |
| Governmental grants and subsidy                    | 726,793      | 764,433      | (37,640)         | -4.9%             |
| Investment income                                  | 17           | 46           | (29)             | -63.0%            |
| Miscellaneous                                      | 10,414       | 2,540        | 7,874            | 310.0%            |
| Total Revenues & Contributions                     | 772,566      | 794,009      | (21,443)         | -2.7%             |
| <b>Expenses</b>                                    |              |              |                  |                   |
| Administrative                                     | 168,034      | 161,675      | 6,359            | 3.9%              |
| Utilities  | 11,165       | 11,064       | 101              | 0.9%              |
| Ordinary maintenance and operations                | 42,628       | 50,389       | (7,761)          | -15.4%            |
| Insurance  | 12,563       | 16,496       | (3,933)          | -23.8%            |
| General  | -            | 12,971       | (12,971)         | -100.0%           |
| Housing assistance payments                        | 528,731      | 552,218      | (23,487)         | -4.3%             |
| Interest expense                                   | 24,083       | 21,880       | 2,203            | 10.1%             |
| Depreciation                                       | 31,905       | 31,154       | 751              | 2.4%              |
| Total Expenses                                     | 819,109      | 857,847      | (38,738)         | -4.5%             |
| Change in net position                             | (46,543)     | (63,838)     | 17,295           |                   |
| Total net position - beginning of year             | (130,391)    | (66,553)     | (63,838)         |                   |
| Prior period adjustments                           | 8,965        | -            | 8,965            |                   |
| Beginning net position, adjusted                   | (121,426)    | (66,553)     | (54,873)         |                   |
| Ending net position                                | \$ (167,969) | \$ (130,391) | \$ (37,578)      |                   |

The Authority had the following programs during the current fiscal year:

1. Northview Apartments - 24 units Section 8 New Construction owned and managed by the Authority. The project had an 89.9% occupancy level in FY 2022, up from 78.8% in FY 2021.
2. Section 8 Housing Choice Vouchers - Authorized to assist 184 households with rental assistance. The lease-up rate for FY 2022 was 72.6%, down from 76.8% in FY 2021.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - (Continued)  
June 30, 2022

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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The Putnam County Housing Authority, Indiana's net investment in capital assets as of June 30, 2022 amounts to \$(157,451). The investment in capital assets includes land, buildings, improvements and equipment, net of related debt and accumulated depreciation.

**Capital Assets** - The total decrease in the Authority's capital assets for the current fiscal year was 3.7% in terms of net book value. Actual expenditure to purchase or construct capital assets from revenues and capital contributions were \$17,506 for the year. Depreciation charges for the year totaled \$31,905. Additional information on the Authority's capital assets can be found in the notes to the financial statements of this report.

|                | Beginning | Additions | Depreciation | Ending    |
|----------------|-----------|-----------|--------------|-----------|
| Capital assets | \$384,294 | \$17,506  | \$(31,905)   | \$369,895 |

**Debt Administration** - The Authority has a mortgage on its apartment complex known as Northview Apartments held by U.S. Department of Agriculture Rural Development as part of their Section 515 Loan Program. Total mortgage debt as of June 30, 2022 was \$527,346, down from \$537,209 in FY 2021. Total debt retirements for fiscal year ended June 30, 2022 was \$9,863. Additional information on the Authority's long-term debt can be found in the notes to the financial statements of this report.

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

The Authority receives annual budget authority from HUD based on prior year leasing and HAP utilization. In addition to annual budget authority, the Authority has \$207 in HAP Reserves and \$123,479 in HUD-Held Program Reserves available for housing assistance payments. Administrative fees for the Housing Choice Voucher program will be based on actual utilization in FY 2023 and adjusted for pro-ration which is currently at 89.55%.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Putnam County Housing Authority, 309 East Franklin Street, Putnam County, Indiana 46135.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**STATEMENT OF NET POSITION**  
June 30, 2022

---

**ASSETS**

Current Assets:

|                                 |    |              |
|---------------------------------|----|--------------|
| Receivables - net of allowances | \$ | 14,015       |
| Prepaid expenses                |    | <u>1,153</u> |

|                      |  |               |
|----------------------|--|---------------|
| Total Current Assets |  | <u>15,168</u> |
|----------------------|--|---------------|

Non-current Assets:

Capital assets:

|   |  |                |
|---|--|----------------|
| Land and construction in progress         |  | 33,120         |
| Other capital assets, net of depreciation |  | <u>336,775</u> |

|                            |  |                |
|----------------------------|--|----------------|
| Total capital assets - net |  | <u>369,895</u> |
|----------------------------|--|----------------|

|                          |  |                |
|--------------------------|--|----------------|
| Total Non-current Assets |  | <u>369,895</u> |
|--------------------------|--|----------------|

|              |    |                       |
|--------------|----|-----------------------|
| Total Assets | \$ | <u><u>385,063</u></u> |
|--------------|----|-----------------------|

See accompanying notes to the basic financial statements

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**STATEMENT OF NET POSITION - (Continued)**  
June 30, 2022

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**LIABILITIES**

Current Liabilities:

|                                   |    |              |
|-----------------------------------|----|--------------|
| Bank overdraft                    | \$ | 10,685       |
| Accounts payable                  |    | 6,320        |
| Accrued salaries and benefits     |    | 2,055        |
| Tenant security deposit liability |    | 3,845        |
| Accrued interest payable          |    | 1,313        |
| Current portion of long-term debt |    | 12,353       |
| Unearned revenues                 |    | <u>1,468</u> |

Total Current Liabilities 38,039

Non-current Liabilities:

|  |  |                |
|--|--|----------------|
| Long-term debt, net of current portion |  | <u>514,993</u> |
|--|--|----------------|

Total Non-current Liabilities 514,993

Total Liabilities 553,032

**NET POSITION**

|                                  |                 |
|----------------------------------|-----------------|
| Net investment in capital assets | (157,451)       |
| Restricted                       | 207             |
| Unrestricted                     | <u>(10,725)</u> |

Total Net Position (167,969)

Total Liabilities and Net Position \$ 385,063

See accompanying notes to the basic financial statements

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
For the Year Ended June 30, 2022

|  |                            |
|--|----------------------------|
| <b>OPERATING REVENUES</b>                        |                            |
| Tenant revenue                                   | \$ 35,342                  |
| Governmental grants and subsidy                  | 726,793                    |
| Miscellaneous                                    | <u>10,414</u>              |
| Total operating revenue                          | <u>772,549</u>             |
| <b>OPERATING EXPENSES</b>                        |                            |
| Administrative                                   | 168,034                    |
| Utilities  | 11,165                     |
| Ordinary maintenance and operations              | 42,628                     |
| Insurance  | 12,563                     |
| Housing assistance payment                       | 528,731                    |
| Depreciation expense                             | <u>31,905</u>              |
| Total operating expenses                         | <u>795,026</u>             |
| Operating income (loss)                          | <u>(22,477)</u>            |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>         |                            |
| Investment income                                | 17                         |
| Interest expense                                 | <u>(24,083)</u>            |
| Net non-operating revenues (expenses)            | <u>(24,066)</u>            |
| Income (loss) before contributions and transfers | <u>(46,543)</u>            |
| Change in net position                           | (46,543)                   |
| Total net position - beginning of year           | (130,391)                  |
| Prior period adjustments                         | <u>8,965</u>               |
| Total net position - end of year                 | <u><u>\$ (167,969)</u></u> |

See accompanying notes to the basic financial statements

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**STATEMENT OF CASH FLOWS**  
For the Year Ended June 30, 2022

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**CASH FLOWS FROM OPERATING ACTIVITIES**

|   |    |                  |
|---|----|------------------|
| Received from tenants                         | \$ | 32,720           |
| Received from governmental grants and subsidy |    | 666,775          |
| Received from other operating activities      |    | 18,396           |
| Payments for goods and services               |    | (74,347)         |
| Payments to employees                         |    | (166,467)        |
| Payment for housing assistance                |    | <u>(528,731)</u> |

Net cash provided by (used in) operating activities (51,654)

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

|                                |  |                 |
|--------------------------------|--|-----------------|
| Purchases of capital assets    |  | (17,506)        |
| Principal paid on capital debt |  | (9,863)         |
| Interest paid on capital debt  |  | <u>(23,293)</u> |

Net cash provided by (used in) capital and related financing activities (50,662)

**CASH FLOWS FROM INVESTING ACTIVITIES**

|                                    |  |           |
|------------------------------------|--|-----------|
| Receipts of interest and dividends |  | <u>17</u> |
|------------------------------------|--|-----------|

Net cash provided by (used in) investing activities 17

Net increase (decrease) in cash and cash equivalents (102,299)

Cash and cash equivalents at beginning of year 102,299

Cash and cash equivalents at end of year \$ -

See accompanying notes to the basic financial statements

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**STATEMENT OF CASH FLOWS - (Continued)**  
For the Year Ended June 30, 2022

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**Reconciliation of operating income (loss) to net cash provided (used) by operating activities**

|   |    |                        |
|---|----|------------------------|
| Operating income (loss)   | \$ | (22,477)               |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |    |                        |
| Depreciation expense  |    | 31,905                 |
| Change in assets and liabilities:   |    |                        |
| Receivables, net  |    | (3,911)                |
| Prepaid expenses  |    | 5,667                  |
| Accounts and other payables   |    | 8,426                  |
| Tenant security deposit   |    | 1,801                  |
| Unearned revenues   |    | (65,239)               |
| Compensated absences  |    | (3,750)                |
| Accrued expenses  |    | <u>(4,076)</u>         |
| Net cash provided by (used) by operating activities   | \$ | <u><u>(51,654)</u></u> |

See accompanying notes to the basic financial statements

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2022

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

The Putnam County Housing Authority (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 administers 184 units under Section 8 Housing Choice Vouchers program which provides housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD). 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 No. 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, there are no component units which are required to be included in the Authority's financial statements.

**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.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)  
June 30, 2022

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

**1B. Basis of Presentation – (Continued)**

The Authority operates the following programs in the enterprise fund:

**Section 8 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.

**Section 8 New Construction** - Under this program, HUD provides Section 8 project-based assistance to the housing authorities to help bridge the gap between the rents needed to make a project feasible and the rents affordable to the tenants. The project was initially financed through the USDA-RD Program, however, refinanced through a loan with North Salem State Bank.

**HCV CARES Act** - The CARES Act provides funding to prevent, prepare for, and respond to COVID-19, and to maintain normal operations and take other necessary actions during the period the program is impacted by the pandemic.

**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.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)  
June 30, 2022

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

**1F. Assets, Deferred Outflow, Liabilities, Deferred Inflow 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.

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 balance consists of tenant, miscellaneous, HUD and fraud receivable.

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 \$500 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 - administrative | 3-5 years   |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)  
June 30, 2022

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

**1F. Assets, Deferred Outflow, Liabilities, Deferred Inflow and Equity - (Continued)**

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.
- 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 \$207 of restricted net position which consists of HAP funds under Section 8 Housing Choice Voucher 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 are available, the Authority’s policy is to apply restricted assets to fund restricted costs and then unrestricted as they are needed.

**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.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)  
June 30, 2022

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**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:

| <b><u>Program</u></b>                      | <b><u>Required By</u></b>                        |
|--|--|
| Section 8 Housing Choice Vouchers          | U.S. Department of Housing and Urban Development |
| Section 8 N/C & Substantial Rehabilitation | U.S. Department of Housing and Urban Development |
| HCV CARES Act                              | U.S. Department of Housing and Urban Development |

**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. 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:

| <b><u>Revenue Source</u></b>      | <b><u>Legal Restrictions of Use</u></b> |
|-----------------------------------|---|
| Section 8 Housing Choice Vouchers | Housing assistance payments             |
| HCV CARES Act                     | COVID related expenses                  |

For the year ended June 30, 2022, the Authority complied, in all material respects, with these revenue restrictions.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)**  
June 30, 2022

**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 Deposits**

As of June 30, 2022, the Authority had the following cash deposits:

|               |                          |
|---------------|--------------------------|
| Cash deposits | \$ <u>          </u> --- |
|---------------|--------------------------|

Following is a reconciliation of the Authority’s deposit balances as of June 30, 2022:

|                           |  |
|---------------------------|--|
| Cash and cash equivalents | \$            ---                        |
| Cash - restricted         | ---                                      |
| Bank overdraft            | <u>                  (10,685)</u>        |
| <br>Total                 | <br>\$ <u>                  (10,685)</u> |

**Deposits**

Custodial Credit Risk - Deposits

The custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At June 30, 2022, the Authority’s bank balances of (\$5,627) were entirely covered by FDIC insurance or by the Public Deposit Insurance Fund (PDIF) which was created in 1937 to protect the public funds of the state and its political subdivisions deposited in approved financial institutions in the state of Indiana. The PDIF insures those public funds deposited in approved financial institutions which exceed the limits of coverage provided by federal deposit insurance. The fund is administered by the Indiana Board for Depositories.

**3B. Accounts Receivable**

Receivables at June 30, 2022 consist of the following:

|  |                                  |  |
|--|----------------------------------|--|
| Tenants  | \$            5,891              |  |
| Less: Allowance for doubtful account - tenants | <u>                  </u> ---    |  |
| Tenants - net of allowance                     |                                  | \$            5,891                    |
| Fraud recovery                                 | 5,696                            |  |
| Less: Allowance for doubtful account - fraud   | <u>                  (4,557)</u> |  |
| Fraud recovery - net of allowance              |                                  | 1,139                                  |
| Miscellaneous                                  |                                  | 4,709                                  |
| HUD  |                                  | <u>                  2,276</u>         |
| <br>Total Accounts Receivable                  |                                  | <br>\$ <u>                  14,015</u> |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)**  
June 30, 2022

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

**3C. Capital Assets**

A summary of capital asset activity for the year ended June 30, 2022 is as follows:

|                                      | <b>Balance<br/>July 1,<br/>2021</b> | <b>Additions</b>   | <b>(Retirement)</b> | <b>Balance<br/>June 30,<br/>2022</b> |
|--------------------------------------|-------------------------------------|--------------------|---------------------|--------------------------------------|
| <b>Non-depreciable assets:</b>       |                                     |                    |                     |                                      |
| Land                                 | \$ 33,120                           | \$ -               | \$ -                | \$ 33,120                            |
| <b>Total non-depreciable assets</b>  | <b>33,120</b>                       | <b>-</b>           | <b>-</b>            | <b>33,120</b>                        |
| <b>Depreciable assets:</b>           |                                     |                    |                     |                                      |
| Building                             | 853,769                             | 17,506             | -                   | 871,275                              |
| Equipment - dwelling                 | 1,600                               | -                  | -                   | 1,600                                |
| Equipment - administration           | 21,325                              | -                  | -                   | 21,325                               |
| Leasehold improvements               | 22,298                              | -                  | -                   | 22,298                               |
| <b>Total depreciable assets</b>      | <b>898,992</b>                      | <b>17,506</b>      | <b>-</b>            | <b>916,498</b>                       |
| <b>Accumulated depreciation</b>      | <b>(547,818)</b>                    | <b>(31,905)</b>    | <b>-</b>            | <b>(579,723)</b>                     |
| <b>Total depreciable assets, net</b> | <b>351,174</b>                      | <b>(14,399)</b>    | <b>-</b>            | <b>336,775</b>                       |
| <b>Capital assets, net</b>           | <b>\$ 384,294</b>                   | <b>\$ (14,399)</b> | <b>\$ -</b>         | <b>\$ 369,895</b>                    |

Depreciation expense is charged to programs as follows:

|                                   | <b>Business-type Activities</b> |
|-----------------------------------|---------------------------------|
| HCV                               | \$ 100                          |
| S8 N/C                            | 31,805                          |
| <b>Total depreciation expense</b> | <b>\$ 31,905</b>                |

**3D. Accounts Payable**

Accounts payable at June 30, 2022 consist of the following:

|                               |                 |
|-------------------------------|-----------------|
| Vendors & contractors         | \$ 6,320        |
| <b>Total Accounts Payable</b> | <b>\$ 6,320</b> |

**3E. Non-Current Liabilities**

Non-current liabilities at June 30, 2022 consists of the following:

|               |            |
|---------------|------------|
| Notes payable | \$ 514,993 |
|---------------|------------|

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)**  
June 30, 2022

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

**3E. Non-Current Liabilities – (Continued)**

Changes in non-current liabilities

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

| <u>Description</u> | <u>Balance<br/>July 1,<br/>2021</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance<br/>June 30,<br/>2022</u> | <u>Amounts<br/>Due within<br/>One Year</u> |
|--------------------|-------------------------------------|------------------|-------------------|--------------------------------------|--|
| Notes payable      | \$ 525,340                          | \$ ---           | \$ 10,347         | \$ 514,993                           | \$ 12,353                                  |

Notes Payable – North Salem State Bank

In connection with the purchase of Northview Apartments, the Authority assumed note from North Salem State Bank in the amount of \$578,232. The note payable is due in annual installments of \$33,156, including principal and interest, with final maturity scheduled for August 17, 2047, at an interest rate of 3.95%. The balance due as of June 30, 2022, is \$527,346 (including current portion). All land and structures of the project serve as collateral for this loan. The annual debt service requirements to maturity for long-term debt as of June 30, 2022, are as follows:

| <u>Maturity</u> | <u>Principal</u>  | <u>Interest</u>   | <u>Total</u>      |
|-----------------|-------------------|-------------------|-------------------|
| 2023            | \$ 12,353         | \$ 20,803         | \$ 33,156         |
| 2024            | 12,801            | 20,355            | 33,156            |
| 2025            | 13,379            | 19,777            | 33,156            |
| 2026            | 13,925            | 19,231            | 33,156            |
| 2027-2031       | 78,568            | 87,212            | 165,780           |
| 2032-2036       | 95,927            | 69,853            | 165,780           |
| 2037-2041       | 117,203           | 48,577            | 165,780           |
| 2042-2046       | 143,164           | 22,616            | 165,780           |
| 2047-2048       | 40,026            | 31,812            | 71,838            |
|                 | <u>\$ 527,346</u> | <u>\$ 340,236</u> | <u>\$ 867,582</u> |

**3F. Inter-program Transactions and Balances**

Inter-program Receivable/Payable

Inter-program receivable/payable is eliminated for financial statement presentation. The following inter-program receivable/payable existed at March 31, 2022:

|        | <u>Due<br/>From</u> | <u>Due<br/>To</u>  |
|--------|---------------------|--------------------|
| HCV    | \$ 18,388           | \$ -               |
| S8 N/C | -                   | (18,388)           |
| Total  | <u>\$ 18,388</u>    | <u>\$ (18,388)</u> |

**3G. Prior Period Error Correction**

HCV program – To correct prior year HUD receivable \$ 8,965

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)  
June 30, 2022

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**NOTE 4 – OTHER NOTES**

**4A. Pension Plan**

The Authority does not provide pension benefits to employees. As such, no employer contribution is recorded in FY 2022.

**4B. 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. Claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The Authority manages these various risks of loss as follows:

| <b><u>Type of Loss</u></b>                          | <b><u>Method Managed</u></b>  |
|---|---|
| a. Torts, errors and omissions                      | Purchased insurance with Auto-Insurance Company Co.   |
| b. Injuries to employees<br>(workers' compensation) | Purchased insurance with Technology Associated Risk Co.<br>Claims are administered by the same company. |
| c. Physical property loss and<br>natural disasters  | Purchased commercial insurance with \$1,000 deductibles.  |

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.

**4C. 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.

**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 expense, interest expense and HAP and includes investment income in operating activities, which differs from the presentation of basic financial statements.

**4E. 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.

As of July 1, 2022, Crawfordsville Housing Authority entered into the MOU with Putnam County Housing Authority.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**NOTES TO THE BASIC FINANCIAL STATEMENTS – (Continued)**  
June 30, 2022

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**NOTE 4 – OTHER NOTES – (Continued)**

**4E. Subsequent Events – (Continued)**

Management evaluated the activity of the Authority through April 18, 2023, and concluded that no additional subsequent events have occurred that would require adjustment to or disclosures within these financial statements except for the one noted above.

**4F. 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.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**FINANCIAL DATA SCHEDULE**  
Year Ended June 30, 2022

|  | 14.182 N/C S/R<br>Section 8<br>Programs | 14.871 Housing<br>Choice Vouchers | 14.HCC HCV<br>CARES Act<br>Funding | Subtotal   | ELIM      | Total      |
|--|---|-----------------------------------|------------------------------------|------------|-----------|------------|
| 111 Cash - Unrestricted  |   |                                   |                                    |            |           |            |
| 113 Cash - Other Restricted                                    |   |                                   |                                    |            |           |            |
| 114 Cash - Tenant Security Deposits                            |   |                                   |                                    |            |           |            |
| 100 Total Cash   | \$0                                     | \$0                               | \$0                                | \$0        | \$0       | \$0        |
| 122 Accounts Receivable - HUD Other Projects                   |   | \$2,276                           |                                    | \$2,276    |           | \$2,276    |
| 124 Accounts Receivable - Other Government                     |   |                                   |                                    |            |           |            |
| 125 Accounts Receivable - Miscellaneous                        |   | \$4,709                           |                                    | \$4,709    |           | \$4,709    |
| 126 Accounts Receivable - Tenants                              | \$5,891                                 |                                   |                                    | \$5,891    |           | \$5,891    |
| 128 Fraud Recovery   |   | \$5,696                           |                                    | \$5,696    |           | \$5,696    |
| 128.1 Allowance for Doubtful Accounts - Fraud                  |   | -\$4,557                          |                                    | -\$4,557   |           | -\$4,557   |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$5,891                                 | \$8,124                           | \$0                                | \$14,015   | \$0       | \$14,015   |
| 142 Prepaid Expenses and Other Assets                          | \$461                                   | \$692                             |                                    | \$1,153    |           | \$1,153    |
| 144 Inter Program Due From                                     |   | \$18,388                          |                                    | \$18,388   | -\$18,388 | \$0        |
| 150 Total Current Assets                                       | \$6,352                                 | \$27,204                          | \$0                                | \$33,556   | -\$18,388 | \$15,168   |
| 161 Land   | \$33,120                                |                                   |                                    | \$33,120   |           | \$33,120   |
| 162 Buildings  | \$871,275                               |                                   |                                    | \$871,275  |           | \$871,275  |
| 163 Furniture, Equipment & Machinery - Dwellings               | \$1,600                                 |                                   |                                    | \$1,600    |           | \$1,600    |
| 164 Furniture, Equipment & Machinery - Administration          | \$9,097                                 | \$12,228                          |                                    | \$21,325   |           | \$21,325   |
| 165 Leasehold Improvements                                     | \$22,298                                |                                   |                                    | \$22,298   |           | \$22,298   |
| 166 Accumulated Depreciation                                   | -\$567,630                              | -\$12,093                         |                                    | -\$579,723 |           | -\$579,723 |
| 160 Total Capital Assets, Net of Accumulated Depreciation      | \$369,760                               | \$135                             | \$0                                | \$369,895  | \$0       | \$369,895  |
| 180 Total Non-Current Assets                                   | \$369,760                               | \$135                             | \$0                                | \$369,895  | \$0       | \$369,895  |
| 290 Total Assets and Deferred Outflow of Resources             | \$376,112                               | \$27,339                          | \$0                                | \$403,451  | -\$18,388 | \$385,063  |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**FINANCIAL DATA SCHEDULE - (Continued)**  
Year Ended June 30, 2022

|   | 14.182 N/C S/R<br>Section 8<br>Programs | 14.871 Housing<br>Choice Vouchers | 14.HCC HCV<br>CARES Act<br>Funding | Subtotal   | ELIM      | Total      |
|---|---|-----------------------------------|------------------------------------|------------|-----------|------------|
| 311 Bank Overdraft  | \$3,352                                 | \$7,333                           |                                    | \$10,685   |           | \$10,685   |
| 312 Accounts Payable <= 90 Days   | \$3,871                                 | \$2,449                           |                                    | \$6,320    |           | \$6,320    |
| 321 Accrued Wage/Payroll Taxes Payable                                    |   | \$2,055                           |                                    | \$2,055    |           | \$2,055    |
| 325 Accrued Interest Payable  | \$1,313                                 |                                   |                                    | \$1,313    |           | \$1,313    |
| 341 Tenant Security Deposits  | \$3,845                                 |                                   |                                    | \$3,845    |           | \$3,845    |
| 342 Unearned Revenue  | \$1,468                                 |                                   |                                    | \$1,468    |           | \$1,468    |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue | \$12,353                                |                                   |                                    | \$12,353   |           | \$12,353   |
| 347 Inter Program - Due To  | \$18,388                                |                                   |                                    | \$18,388   | -\$18,388 | \$0        |
| 310 Total Current Liabilities   | \$44,590                                | \$11,837                          | \$0                                | \$56,427   | -\$18,388 | \$38,039   |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue    | \$514,993                               |                                   |                                    | \$514,993  |           | \$514,993  |
| 357 Accrued Pension and OPEB Liabilities                                  |   |                                   |                                    |            |           |            |
| 350 Total Non-Current Liabilities   | \$514,993                               | \$0                               | \$0                                | \$514,993  | \$0       | \$514,993  |
| 300 Total Liabilities   | \$559,583                               | \$11,837                          | \$0                                | \$571,420  | -\$18,388 | \$553,032  |
| 508.4 Net Investment in Capital Assets                                    | -\$157,586                              | \$135                             |                                    | -\$157,451 |           | -\$157,451 |
| 511.4 Restricted Net Position   | \$6,248                                 | \$207                             |                                    | \$6,455    |           | \$6,455    |
| 512.4 Unrestricted Net Position   | -\$32,133                               | \$15,160                          | \$0                                | -\$16,973  |           | -\$16,973  |
| 513 Total Equity - Net Assets / Position                                  | -\$183,471                              | \$15,502                          | \$0                                | -\$167,969 | \$0       | -\$167,969 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net     | \$376,112                               | \$27,339                          | \$0                                | \$403,451  | -\$18,388 | \$385,063  |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**FINANCIAL DATA SCHEDULE - (Continued)**  
Year Ended June 30, 2022

|   | 14.182 N/C S/R<br>Section 8<br>Programs | 14.871 Housing<br>Choice Vouchers | 14.HCC HCV<br>CARES Act<br>Funding | Subtotal  | ELIM      | Total     |
|---|---|-----------------------------------|------------------------------------|-----------|-----------|-----------|
| 70300 Net Tenant Rental Revenue                                 | \$33,928                                |                                   |                                    | \$33,928  |           | \$33,928  |
| 70400 Tenant Revenue - Other                                    | \$1,414                                 |                                   |                                    | \$1,414   |           | \$1,414   |
| 70500 Total Tenant Revenue                                      | \$35,342                                | \$0                               | \$0                                | \$35,342  | \$0       | \$35,342  |
| 70600 HUD PHA Operating Grants                                  | \$122,496                               | \$540,336                         | \$63,961                           | \$726,793 |           | \$726,793 |
| 71100 Investment Income - Unrestricted                          | \$14                                    | \$2                               |                                    | \$16      |           | \$16      |
| 71500 Other Revenue   | \$442                                   | \$22,663                          |                                    | \$23,105  | -\$12,691 | \$10,414  |
| 72000 Investment Income - Restricted                            | \$1                                     |                                   |                                    | \$1       |           | \$1       |
| 70000 Total Revenue   | \$158,295                               | \$563,001                         | \$63,961                           | \$785,257 | -\$12,691 | \$772,566 |
| 91100 Administrative Salaries                                   | \$52,017                                | \$42,490                          | \$23,683                           | \$118,190 |           | \$118,190 |
| 91200 Auditing Fees   | \$2,694                                 | \$4,040                           |                                    | \$6,734   |           | \$6,734   |
| 91300 Management Fee  | \$12,691                                |                                   |                                    | \$12,691  | -\$12,691 | \$0       |
| 91500 Employee Benefit contributions - Administrative           |   | \$11,508                          |                                    | \$11,508  |           | \$11,508  |
| 91600 Office Expenses   | \$6,411                                 | \$12,746                          |                                    | \$19,157  |           | \$19,157  |
| 91800 Travel  | \$276                                   | \$254                             |                                    | \$530     |           | \$530     |
| 91900 Other   | \$4,485                                 | \$7,430                           |                                    | \$11,915  |           | \$11,915  |
| 91000 Total Operating - Administrative                          | \$78,574                                | \$78,468                          | \$23,683                           | \$180,725 | -\$12,691 | \$168,034 |
| 93100 Water   | \$7,007                                 |                                   |                                    | \$7,007   |           | \$7,007   |
| 93200 Electricity   | \$4,158                                 |                                   |                                    | \$4,158   |           | \$4,158   |
| 93000 Total Utilities   | \$11,165                                | \$0                               | \$0                                | \$11,165  | \$0       | \$11,165  |
| 94100 Ordinary Maintenance and Operations - Labor               | \$30,788                                |                                   |                                    | \$30,788  |           | \$30,788  |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$4,585                                 |                                   |                                    | \$4,585   |           | \$4,585   |
| 94300 Ordinary Maintenance and Operations Contracts             | \$7,255                                 |                                   |                                    | \$7,255   |           | \$7,255   |
| 94000 Total Maintenance   | \$42,628                                | \$0                               | \$0                                | \$42,628  | \$0       | \$42,628  |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**FINANCIAL DATA SCHEDULE - (Continued)**  
Year Ended June 30, 2022

|   | 14.182 N/C S/R<br>Section 8<br>Programs | 14.871 Housing<br>Choice Vouchers | 14.HCC HCV<br>CARES Act<br>Funding | Subtotal   | ELIM      | Total      |
|---|---|-----------------------------------|------------------------------------|------------|-----------|------------|
| 96110 Property Insurance  | \$3,075                                 | \$964                             |                                    | \$4,039    |           | \$4,039    |
| 96120 Liability Insurance   | \$1,314                                 | \$5,621                           |                                    | \$6,935    |           | \$6,935    |
| 96130 Workmen's Compensation  | \$1,123                                 | \$347                             |                                    | \$1,470    |           | \$1,470    |
| 96140 All Other Insurance   | \$48                                    | \$71                              |                                    | \$119      |           | \$119      |
| 96100 Total insurance Premiums  | \$5,560                                 | \$7,003                           | \$0                                | \$12,563   | \$0       | \$12,563   |
| 96710 Interest of Mortgage (or Bonds) Payable                             | \$24,083                                |                                   |                                    | \$24,083   |           | \$24,083   |
| 96700 Total Interest Expense and Amortization Cost                        | \$24,083                                | \$0                               | \$0                                | \$24,083   | \$0       | \$24,083   |
| 96900 Total Operating Expenses  | \$162,010                               | \$85,471                          | \$23,683                           | \$271,164  | -\$12,691 | \$258,473  |
| 97000 Excess of Operating Revenue over Operating Expenses                 | -\$3,715                                | \$477,530                         | \$40,278                           | \$514,093  | \$0       | \$514,093  |
| 97300 Housing Assistance Payments   |   | \$481,798                         | \$40,278                           | \$522,076  |           | \$522,076  |
| 97350 HAP Portability-In  |   | \$6,655                           |                                    | \$6,655    |           | \$6,655    |
| 97400 Depreciation Expense  | \$31,805                                | \$100                             |                                    | \$31,905   |           | \$31,905   |
| 90000 Total Expenses  | \$193,815                               | \$574,024                         | \$63,961                           | \$831,800  | -\$12,691 | \$819,109  |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | -\$35,520                               | -\$11,023                         | \$0                                | -\$46,543  | \$0       | -\$46,543  |
| 11020 Required Annual Debt Principal Payments                             | \$9,863                                 | \$0                               | \$0                                | \$9,863    |           | \$9,863    |
| 11030 Beginning Equity  | -\$147,951                              | \$17,560                          | \$0                                | -\$130,391 |           | -\$130,391 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors |   | \$8,965                           |                                    | \$8,965    |           | \$8,965    |
| 11170 Administrative Fee Equity   |   | \$15,295                          |                                    | \$15,295   |           | \$15,295   |
| 11180 Housing Assistance Payments Equity                                  |   | \$207                             |                                    | \$207      |           | \$207      |
| 11190 Unit Months Available   | 298                                     | 1956                              |                                    | 2254       |           | 2254       |
| 11210 Number of Unit Months Leased  | 259                                     | 1604                              |                                    | 1863       |           | 1863       |



# 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  
Putnam County Housing Authority  
Greencastle, 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 Putnam County Housing Authority (Authority), Indiana, as of and for the year ended June 30, 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 April 18, 2023.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. I identified certain deficiencies in internal control, described in the accompanying schedule of current findings, recommendations and replies as finding #2022-001, #2022-002, #2022-003 and #2022-004 that I consider to be material weaknesses.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of current findings, recommendations and replies as finding #2022-002, #2022-003 and #2022-004.

**Authority's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the findings identified in my audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

**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 entity'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

April 18, 2023



# Audit Solutions, LLC.

Certified Public Accountant

## INDEPENDENT AUDITORS REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners  
Putnam County Housing Authority  
Greencastle, Indiana

I have performed the procedure described in the second paragraph of this report, which was agreed to by the Putnam County Housing Authority (Authority) 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 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 for the Authority as of and for the year ended June 30, 2022 and have issued my reports thereon dated April 18, 2023. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of the audit. Further, my opinion on the fair presentation of the Authority's Financial Data Schedule (FDS) dated April 18, 2023, was expressed in relation to the basic financial statements of the Authority taken as a whole.

A copy of the reporting package, which includes the auditor's report, is available in its entirety from the Authority. I have not performed any additional auditing 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 was intended solely for the information and use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

*Audit Solutions, LLC*

Chesterfield, Missouri  
April 18, 2023

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**AGREED UPON PROCEDURES**

June 30, 2022

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| <b>Procedure</b> | <b>UFRS Rule Information</b>   | <b>Hard Copy Document(s)</b>                              | <b>Agrees</b> |
|------------------|--|---|---------------|
| 1                | Balance Sheet and Revenue Expense (data line items 111 to 13901)                       | Financial Data Schedule, all CFDAs, if applicable         | √             |
| 2                | Footnotes (data element G5000-010)   | Footnotes to audited basic financial statements           | √             |
| 3                | Type of opinion on FDS (data element G3100-040)  | Auditor's Supplemental report on FDS                      | √             |
| 4                | Basic financial statements and auditor reports required to be submitted electronically | Basic financial statements (inclusive of auditor reports) | √             |

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**CURRENT FINDINGS, RECOMMENDATIONS AND REPLIES**  
June 30, 2022

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The current audit report for the year ended June 30, 2022 disclosed the following audit findings:

2022-001. Missing Documents

Criteria:

Good internal control requires maintaining and securing all documents and records. In addition, requested documentation should be readily available for audit examination.

Condition:

Several items requested during the audit were not available for examination. Information requested that was either not prepared or could not be located by the Authority are as follows:

- Board minutes from November 2021 to current.
- Federal tax withholding form 941's for quarter ending September 2021 and December 2021.
- Supporting documentation for A/R fraud recovery, allowance for doubtful account and A/R miscellaneous under HCV program.
- Certain cash disbursement documentation (invoices).

Questioned Costs:

None noted.

Effect:

I was unable to examine the aforementioned items.

Cause:

It appears there is a lack of oversight in ensuring all documents are properly maintained or prepared.

Recommendation:

I recommend that the Authority place greater emphasis on safeguarding all records and documents. In addition, all documents requested during the audit should be readily available for examination.

Management's Response:

Putnam County Housing Authority former employees (last day of employment 06/30/2022) are unavailable to respond. Crawfordsville Housing Authority (CHA) entered into an MOU on July 1, 2022, and were not given the documents requested by the auditor. CHA cleaned out the former office and no further documents were ever located. July 1, 2022, CHA began preparing and maintaining all documents properly.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**CURRENT FINDINGS, RECOMMENDATIONS AND REPLIES – (Continued)**  
June 30, 2022

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2022-002 Tenant Files

Criteria:

HUD guidelines on tenant file documentation and maintenance must be followed at all times.

Condition:

During my review of ten tenant files (HCV program), I noted the following deficiencies:

- None of the files contained a rent reasonableness form.
- Nine files did not have a signed lease agreement.
- No HQS inspection documentation present in one file.
- One file did not have independent income verification.

During my review of three tenant files (S8 N/C program), I noted the following deficiencies:

- PHA were unable to provide any files for audit examination.

Questioned Costs:

None noted.

Effect:

Tenant files are incomplete and could have incorrect rent calculation.

Cause:

Unknown, as the current administration is not aware of the prior administration's process of managing the tenant files.

Recommendation:

I recommend that the Authority ensure that all tenant files are maintained properly, and supervisory reviews are performed to ensure completeness and accuracy.

Management's Response:

Putnam County Housing Authority former employees (last day of employment 06/30/2022) are unavailable to respond. Crawfordsville Housing Authority (CHA) entered into an MOU on July 1, 2022, and were not given the documents requested by the auditor. CHA cleaned out the former office and no further documents were ever located. July 1, 2022, CHA began preparing and maintaining all documents properly.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**CURRENT FINDINGS, RECOMMENDATIONS AND REPLIES – (Continued)**  
June 30, 2022

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2022-003. Interfund Receivable / Payable

Criteria:

HUD has certain regulations and procedures which should be followed by the PHA. Specifically, HUD programs should not advance loans to other HUD or non-HUD programs.

Condition:

At year end, the PHA had the following inter-program receivable/payable between HUD programs:

| Due From/Due To | HUD Program |             |
|-----------------|-------------|-------------|
|                 | HCV         | S8 N/C      |
| Due from S8 N/C | \$ 18,388   | \$ ---      |
| Due to HCV      | \$ ---      | \$ (18,388) |

Questioned Costs:

None noted.

Effect:

Program funds were advanced to another program.

Cause:

The HCV program is used as a general revolving fund. In other words, the HCV program pays for all expenses and S8 N/C program reimburses HCV on a pro-rated basis. However, the S8 N/C program has not paid its share of expenses to HCV program creating a significant balance of amount owed to HCV program.

Recommendation:

I recommend that the Authority implement a plan where the S8 N/C program can re-pay HCV program in a timely manner.

Management's Response:

Putnam County Housing Authority former employees (last day of employment 06/30/2022) are unavailable to respond. Crawfordsville Housing Authority (CHA) entered into an MOU on July 1, 2022, and were not given the documents requested by the auditor. CHA cleaned out the former office and no further documents were ever located. July 1, 2022, CHA began preparing and maintaining all documents properly.

PUTNAM COUNTY HOUSING AUTHORITY  
Greencastle, Indiana

**CURRENT FINDINGS, RECOMMENDATIONS AND REPLIES – (Continued)**  
June 30, 2022

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2022-004. Late FDS Submission

Criteria:

I noted that the Authority did not submit the electronic transmission of their GAAP based audited Financial Data Schedule (FDS) to the Financial Assessment Subsystem of REAC within the 9 months of their year-end.

Condition:

The Authority must submit the audited financial statement to REAC within 9 months of the fiscal year.

Questioned Costs:

None noted.

Effect:

As a result, the Authority did not comply with the HUD requirement of submitting the audited FDS within the time allotted.

Cause:

The Authority was not diligent enough to ensure that the audited FDS was submitted within time due.

Recommendation:

I recommend that the Authority implement controls to ensure audited FDS are submitted in a timely manner.

Management's Response:

Putnam County Housing Authority former employees (last day of employment 06/30/2022) are unavailable to respond. Crawfordsville Housing Authority (CHA) entered into an MOU on July 1, 2022, and were not given the documents requested by the auditor. CHA cleaned out the former office and no further documents were ever located. July 1, 2022, CHA began preparing and maintaining all documents properly.