

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Financial Statements  
As of June 30, 2017  
Together with Auditor's Report

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
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## Independent Auditor's Report

Board of Commissioners  
Housing Authority of the City of Idabel  
Idabel, Oklahoma

### Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Idabel, Oklahoma, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Idabel's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the City of Idabel, Oklahoma, as of June 30, 2017, 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.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management Discussion & Analysis on page 4, Schedule of the Authority's Proportionate Share of the Net Pension Liability on page 27, Schedule of the Authority Contributions on pages 28, as listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Idabel's basic financial statements. The accompanying Financial Data Schedule and Statements of Modernization Costs are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Financial Data Schedule and the Statements of Modernization Costs are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the reports listed in this paragraph are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2018, on our consideration of the Housing Authority of the City of Idabel's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Idabel's internal control over financial reporting and compliance.

*Urlaub & Co., PLLC*

Urlaub & Co., PLLC  
Ada, Oklahoma  
March 26, 2018

**Housing Authority of the City of Idabel, Oklahoma**  
Management's Discussion and Analysis (MD & A)  
June 30, 2017

Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their *Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999.

Our discussion and analysis of the Housing Authority of the City of Idabel, Oklahoma financial performance provides an overview of the Housing Authority's financial activities for the fiscal year ended June 30, 2017 please read the MD&A in conjunction with the Housing Authority's financial statements.

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 and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

**Financial Highlights**

The Housing Authority's total assets changed during the year. Total assets decreased from \$5,429,576 to \$5,346,144. The reason for the decrease is primarily due to selling of the component unit's apartment complex. Current assets decreased by \$155,676 due to the collection and use of insurance proceeds due at the end of the previous year.

The Housing Authority's Tenant Revenue decreased in 2017 by \$61,596, from \$406,593 in 2016, to \$344,997 in 2017. The reason for the decrease was due to the selling of the component unit's apartment complex.

Total recurring revenues of the authority have increased by \$101,023 in the fiscal year 2017. Total recurring revenues for the year ended June 30, 2016 were \$899,472 as compared to \$1,000,495 for the year ended June 30, 2017. The major reason for the increase in revenues was an increase in activities in the Capital Grant Programs.

Total operating expenses for the year ended June 30, 2016 were \$1,140,821 as compared to expenses of \$1,189,748 for the year ended June 30, 2017. The increase of \$48,927 is attributable to the increase in the cost of depreciation and retirement costs required to be reported from the participation in the State of Oklahoma's Pension Plan.

**Housing Authority of the City of Idabel, Oklahoma**  
Management's Discussion and Analysis (MD & A)  
June 30, 2017

**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 annual report also contains the Financial Data Schedule (FDS) as referenced in the section of Supplemental Information Required by HUD. The Housing Authority's financial statements are presented as fund level financial statements because the Housing Authority only has proprietary funds.

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

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

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operation, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

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

The section Supplemental Information Required by HUD contains the Financial Data Schedule (FDS). HUD has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2017.

**Financial Analysis**

The Housing Authority's basic financial statements are the Statement of Net Position and the Statement of Changes in Net Position. The Statement of Net Position provides a summary of the Housing Authority's assets and liabilities as of the close of business on June 30. The Statement of Changes in Net Position summarizes the revenues and sources of those revenues generated

**Housing Authority of the City of Idabel, Oklahoma**  
**Management's Discussion and Analysis (MD & A)**  
**June 30, 2017**

during the year ended June 30 and the expenses incurred in operating the Housing Authority for the year ended June 30.

The Housing Authority accounts for its public housing activities in two related programs. The Housing Authority has a low rent and a capital fund program that the Housing Authority uses for improvements to its low rent property. Our analysis below focuses on the net position and the change in net position of the Housing Authority as a whole and not the individual programs.

**Net Position**  
**For the Year ended June 30th**

<u>Category</u>	<u>FYE 2017</u>	<u>FYE 2016</u>	<u>Change \$</u>	<u>Change %</u>
Current Assets	1,001,501	1,157,177	(155,676)	-13%
Capital Assets (Net of Depreciation)	4,344,643	4,272,399	72,244	2%
Total Assets	5,346,144	5,429,576	(83,432)	-2%
Deferred Outflow of Resources	120,314	59,855	60,459	101%
Current Liabilities	166,383	114,370	52,013	64%
Non-Current Liabilities	98,691	47,655	51,036	107%
Total Liabilities	265,074	162,025	103,049	64%
Deferred Inflow of Resources	31,639	55,075	(23,436)	-43%
Unrestricted	825,102	999,932	(174,830)	-2%
Net Investment in Capital Assets	4,344,643	4,272,399	72,244	2%
Total Net Position	5,169,745	5,272,331	(102,586)	-2%

The unrestricted net position decreased from \$999,932 to 825,708 for the year end June 30, 2017

Current assets decreased by \$155,676 due to cost incurred related to the flood and fire damage incurred in previous years.

Current liabilities increased by \$52,013 for the year end June 30, 2017 due primarily to an accrual of a CFP contract liability at the end of the fiscal year.

**Housing Authority of the City of Idabel, Oklahoma**  
**Management's Discussion and Analysis (MD & A)**  
**June 30, 2017**

**Changes in Net Position**  
**For the Year Ended June 30th**

<u>Category</u>	<u>FYE 2017</u>	<u>FYE 2016</u>	<u>Change \$</u>	<u>Change %</u>
Tenant Revenue	344,997	406,593	(61,596)	-15%
Operating Grants	450,023	424,866	25,157	6%
Interest Income	28	27	1	4%
Capital Grants	203,571	27,816	175,755	632%
Other Revenue	1,876	40,170	(38,294)	-95%
Total Revenue	1,000,495	899,472	101,023	11%
			-	
Administration	222,772	216,000	6,772	3%
Tenant Services	386	952	(566)	-59%
Utilities	89,382	112,277	(22,895)	-20%
Ordinary Maintenance	338,648	319,137	19,511	6%
Protective Services	300	357	(57)	-16%
General Expense	148,102	158,851	(10,749)	-7%
Depreciation	390,158	333,247	56,911	17%
Total Expenses	1,189,748	1,140,821	48,927	4%
Excess of Revenue over Expenses	(189,253)	(241,349)	52,096	-22%
Loss on Sale of Real Estate	-	(150,199)	150,199	N/A
Insurance Proceeds	86,667	394,145	(307,478)	-78%
Casualty Losses	-	(186,522)	186,522	-100%
Total Nonoperating Revenues/(Expenses)	86,667	57,424	29,243	51%
Change in Net Position	(102,586)	(183,925)	81,339	-44%
Net Position, Beginning of Year	5,272,331	5,456,256	(183,925)	-3%
Net Position, End of Year	5,169,745	5,272,331	(102,586)	-2%

Total recurring revenues of the authority have increased by \$101,023 in the fiscal year 2017. Total revenues for the year ended June 30, 2016 were \$899,472 as compared to \$1,000,495 for the year ended June 30, 2017. The major reason for the increase in revenues was due to the increase of CFP activity.

Total expenses for the year ended June 30, 2016 were \$1,140,821 as compared to expenses of 1,189,748 for the year ended June 30, 2017. The increase of \$48,927 is attributable to increased cost related to insurance, retirement costs (GASB 68), and depreciation expense.

**Housing Authority of the City of Idabel, Oklahoma**  
**Management's Discussion and Analysis (MD & A)**  
**June 30, 2017**

**Capital Assets**

At June 30, 2017, the Housing Authority had \$2,886,425 invested in capital assets. This amount represents a net decrease of \$1,385,974 for year ending 2017.

**Capital Assets at Year-end**  
**(Net of Accumulated Depreciation)**

<u>Category</u>	<u>FYE 2017</u>	<u>FYE 2016</u>	<u>Change \$</u>	<u>Change %</u>
Land	62,440	62,440	-	0%
Buildings	10,529,746	10,211,350	318,396	3%
Equipment	266,863	260,063	6,800	3%
Accumulated Depreciation	(7,099,858)	(6,709,700)	(390,158)	6%
Construction in Progress	585,452	448,246	137,206	31%
Total Net Capital Assets	4,344,643	4,272,399	72,244	2%

Increases in equipment relate to the purchase of a new copier, while increases in buildings related to projects completed funded from the Capital Fund Program.

**Economic Factors**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of other programs could be affected by the 2016 budget.

**Contacting the Housing Authority's Financial Management**

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Dana Logan, Executive Director, at the Housing Authority of the city of Idabel, Oklahoma, 901 Lyndon Rd., Idabel, Oklahoma 74745, telephone number (580) 286-9444.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Net Position-Proprietary Fund Type  
 June 30, 2017

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents-Unrestricted	\$	882,562
Cash-Restricted		22,434
Receivables, Net of Allowances		45,822
Investments		25,550
Maintenance Inventories, Net of Allowance		13,090
Prepaid Expenses		12,043
<b>Total Current Assets</b>		<b>1,001,501</b>

**Noncurrent Assets:**

Land & Construction in Progress		647,892
Other Capital Assets, Net of Depreciation		3,696,751
<b>Total Noncurrent Assets</b>		<b>4,344,643</b>
<b>Total Assets</b>		<b>5,346,144</b>

**DEFERRED OUTFLOW OF RESOURCES**

Deferred Outflow of Resources - Pension Plan		120,314
		<b>120,314</b>

**LIABILITIES**

**Current Liabilities:**

Accounts Payable		49,473
Wages/Payroll Taxes Payable		8,937
Accrued Employee Leave		1,009
Intergovernmental Payables		46,041
Tenant Security Deposits		22,434
Unearned Income		38,489
<b>Total Current Liabilities</b>		<b>166,383</b>

**Non Current Liabilities:**

Accrued Employee Leave - Non-Current		9,083
Net Pension Obligation		89,608
<b>Total Non Current Liabilities</b>		<b>98,691</b>
<b>Total Liabilities</b>		<b>265,074</b>

**DEFERRED INFLOW OF RESOURCES**

Deferred Inflow of Resources - Pension Plan		31,639
		<b>31,639</b>

**NET POSITION**

Investment in Net Capital Assets		4,344,643
Unrestricted		825,102
<b>Total Net Position</b>	\$	<b>5,169,745</b>

*The notes to the financial statements are an integral part of this statement.*

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Revenues, Expenses, and Changes in Fund Net Position-  
 Proprietary Fund Type  
 For the Year Ended June 30, 2017

***OPERATING REVENUES***

Tenant Revenue	\$	344,997
HUD Operating Grants		450,023
Other Revenue		1,876
<b>Total Operating Revenues</b>		<u>796,896</u>

***OPERATING EXPENSES***

Administrative	222,772
Tenant Services	386
Utilities	89,382
Maintenance	331,623
Protective Services	300
General	148,102
Nonroutine Maintenance	7,025
Depreciation	390,158
<b>Total Operating Expenses</b>	<u>1,189,748</u>

**Net Operating Income (Loss)** (392,852)

***NONOPERATING REVENUES (EXPENSES)***

Interest Income	28
Insurance Proceeds	86,667
<b>Net Nonoperating Revenues (Expenses)</b>	<u>86,695</u>

Income (Loss) Before Contributions (306,157)

Capital Contributions 203,571

Change in Net Position (102,586)

Total Net Position-Beginning of Year 5,272,331

**Total Net Position-End of Year** \$ 5,169,745

*The notes to the financial statements are an integral part of this statement.*

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Cash Flows-Proprietary Fund Type  
 For the Year Ended June 30, 2017

***CASH FLOWS FROM OPERATING ACTIVITIES:***

Cash Received from Grantor	\$	523,059
Cash Received from Tenants		347,313
Cash Received from Misc. Sources		1,195
Cash Payments to Intergovernmental Payables		(218)
Cash Payments to Employees for Services		(275,646)
Cash Payments to Vendors		(529,467)
<b>Net Cash Provided by Operating Activities</b>		<b>66,236</b>

***CASH FLOWS FROM INVESTING ACTIVITIES***

Purchase of Investments		(27)
Interest Received		27
<b>Net Cash Provided by Investing Activities</b>		<b>-</b>

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

Capital Grant Funding Received from HUD		158,516
Insurance Proceeds		179,521
Property and Equipment Purchased		(470,314)
<b>Net Cash Used by Capital and Related Financing Activities</b>		<b>(132,277)</b>
Net Increase (Decrease) in Cash		(66,041)
Cash and Cash Equivalent-Beginning of Year		971,037
Cash and Cash Equivalent-End of Year	\$	<b>904,996</b>
Reconciliation to Cash Accounts		
Cash Equivalents-Unrestricted		882,562
Restricted Cash		22,434
Total Cash Equivalents	\$	<b>904,996</b>

*The notes to the financial statements are an integral part of this statement*

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Cash Flows-Proprietary Fund Type-Cont.  
 For the Year Ended June 30, 2017

**RECONCILIATION OF NET OPERATING INCOME TO CASH**

**PROVIDED BY OPERATING ACTIVITIES:**

Net Operating Income (Loss)	\$	(392,852)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		390,158
Decrease in Accounts Rec - Operations		41,847
Decrease in Maintenance Inventories		2,257
Increase in Prepaid Expenses		(2,240)
Increase in Operating Accounts Payable		27
Increase in Wages/Payroll Taxes Payable		259
Increase in Unearned Revenue		36,993
Increase in Accrued Leave		1,155
Decrease in Tenant Security Deposits		(191)
Decrease in Interest Payable		-
Increase in Intergovernmental Payables		22,722
Increase in Net Pension Obligation		49,996
Decrease in Deferred Inflow of Resources		(23,436)
Increase in Deferred Outflow of Resources		(60,459)
Net Cash Provided by Operating Activities	\$	<u>66,236</u>

Of the capital acquisitions, related construction cost capitalized in the amount of \$45,055 was accrued as a payable at June 30, 2017.

*The notes to the financial statements are an integral part of this statement.*

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to the Basic Financial Statements  
June 30, 2017

**Note 1    Reporting Entity**

The Housing Authority of the City of Idabel was created for the purpose of administering Public Housing Programs authorized by the United States Housing Act of 1937. The Department of Housing and Urban Development has direct responsibility for the administering of low-income housing programs. The Housing Authority has entered into an annual contribution contract with the Department of Housing and Urban Development for the funding of these programs through annual contributions and subsidies.

The Housing Authority's basic financial statements include all organizations, activities, and functions that comprise the Housing Authority. Component units are legally separate entities for which the Housing Authority is financially accountable. The decision to include a component unit in the reporting entity is defined by applying the criteria identified by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 61, "The Financial Reporting Entity: Omnibus."

*Blended Component Units*

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Board of Commissioners of the Housing Authority or the component unit provides services entirely to the Housing Authority. These component units are blended into those of the Housing Authority by appropriate activity type to compose the primary government presentation. As of June 30, 2017, management has determined that no component units are required to be reported. A previous component unit "Community Frameworks, Inc." has been dissolved.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to the Basic Financial Statements-Cont.  
June 30, 2017

The following programs are administered by the Housing Authority:

*Public Housing Program-*

This program consists of 198 public housing units. Under this program, HUD provides funding through an annual contribution contract. These funds, along with dwelling rental income received from the tenants, are used to maintain the dwelling units.

*Capital Fund Program-*

The purpose of this program is to provide funding for the modernization and improvement of the Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.

*Local Fund*

A Local Fund has been established to account for ineligible costs previously paid and owed back to the Public Housing Program.

**Note 2      Summary of Significant Accounting Policies**

**A. Basis of Accounting**

The Housing Authority's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

A Statement of Net Position provides information about the assets, liabilities, and net position of the Authority at the end of the year. Assets and liabilities are classified as current, non-current, or other assets. Net position is classified according to availability of assets to satisfy the Authority's obligations. Investment in Net Capital Assets represents that value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Restricted Component of Net Position represents resources that have been externally restricted for specific purposes. Unrestricted Component of Net Position includes all other net position, including those that have been designated by management to be used for other than general operating purposes.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to the Basic Financial Statements-Cont.  
June 30, 2017

A Statement of Revenues, Expenses and Changes in Net Position provides information about the Authority's financial activities during the year. Revenues and expenses are classified as either operating or non-operating, and all changes in net position are reported, including capital contributions. Operating revenues and expenses generally result from providing which is objective. Accordingly, revenue such as dwelling rent, operating grants and subsidies from HUD, and other tenant charges are considered to be operating revenues. Other revenues, such as interest income and capital contributions provided for building improvement projects or equipment purchases, are considered to be non-operating revenues. Operating expenses include: administrative, maintenance, utilities, tenant services, depreciation on capital assets, and other general expenses.

A Statement of Cash Flow provides information about the Authority's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either, operating activities, non-capital financing, capital financing, or investing.

The Housing Authority uses a single enterprise fund to maintain its financial records on an accrual basis. The Housing Authority's individual programs are accounted for in self-balancing accounts to account for specific resources allocated to them for the purpose of carrying on programs requirements. The individual programs of the Housing Authority are considered to be a single Proprietary Fund Type.

The enterprise method is used to account for those operations that are financed and operated in a manner similar to private business, or where the board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the Housing Authority are included on the Statement of Net Position.

The accounting and reporting policies of the Housing Authority relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (FASB) when applicable.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to Basic Financial Statements-Cont.  
June 30, 2017

**B. Cash and Cash Equivalents**

Cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less. Cash equivalents are carried at fair value. Investments with an initial maturity of more than three months are reported as investments.

The Housing Authority is authorized to invest in financial instruments that have been HUD approved. Generally, these financial instruments consist of direct obligations of the Federal Government, obligations of Federal Government agencies, demand and savings accounts, and Certificates of Deposits. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

**C. Receivables**

Tenant Accounts Receivable consists primarily of tenant charges, including dwelling rents, and other tenant charges. Accrued interest receivable consists of amounts earned on investments at the end of the year. Accounts Receivable – HUD consists of operating subsidies or grant income earned at the end of the year.

**D. Inventory**

The Housing Authority's inventory balances consist of expendable supplies held for consumption. The inventory is valued at cost. The Housing Authority uses the first-in, first-out basis in determination of cost.

**E. Fixed Assets**

Fixed assets owned by the Housing Authority are recorded at cost or, in contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expensed; renewals and betterments are capitalized. The policy of the Housing Authority is to capitalize all assets with a cost in excess of \$5,000. The exception is ranges and refrigerators which are capitalized regardless of cost. Depreciation has been calculated on each class of depreciable property using the straight line method. Estimated useful lives are as follows:

Buildings	20-40 Years
Building Improvements	15-20 Years
Furniture & Equipment	3-10 Years

**F. Restricted Assets**

Restricted assets consist of tenant security deposits maintain under the Low Rent Housing Program and Component Unit as well as unspent insurance proceeds.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to Basic Financial Statements-Cont.  
June 30, 2017

**G. Compensated Absences**

The Housing Authority of the City of Idabel allows its full time employees to carry over up to 40 hours worth of earned annual leave per calendar year, and such leave is fully vested when earned. Unused leave will be paid upon the termination of an employee.

**H. Equity Classifications**

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

*Investment in Net Capital Assets* – Consists of capital assets net of accumulated depreciation and reduced by any outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Component of Net Position* - consists of assets that are restricted by limitations placed on these assets by an external source or party.

*Unrestricted Component of Net Position* – All other net position that does not meet the definition, of “restricted” or “investment in net capital assets”.

**I. Determination of Use of Net Asset Balances**

When the Housing Authority incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned due to funds not being utilized. Restricted net position is those assets which have been restricted by an outside party.

**J. Revenue Recognition**

The Proprietary Fund Type is accounted for an economical resources measurement focus using the accrual basis of accounting. Revenues are recognized when earned. Grant revenue is recognized when program expenditures are incurred and/or program funding is approved, depending on the requirements of the individual program type. Proprietary fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Housing Authority’s enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of maintaining the facilities. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to Basic Financial Statements-Cont.  
June 30, 2017

**K. Income Tax**

The Housing Authority is a governmental subdivision of the City of Idabel and is exempt from Federal and State income taxes. The Housing Authority operates a Component Unit that is exempt from federal income taxes under section 501 (C) (3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, no provision for income taxes has been made in the accompanying financial statements.

**L. Budget Policy and Practice**

An annual Operating Budget is prepared and submitted to the Board of Commissioners for approval. A budget revision is prepared and approved prior to year-end to account for significant differences throughout the year that would reflect deviations from the original budget.

**M. Interfund Transfers**

During the course of operations, the Housing Authority's operations have utilized a centralized revolving account to record disbursements for the individual programs. These receivable and payable balances have been eliminated in the preparation of the basic financial statements. In addition, offsetting inter-program operating transfers between individual programs have been eliminated in the preparation of the financial statements.

**N. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Note 3 Cash and Investments**

The Housing Authority's policies regarding cash and investment balances are discussed in Note 2.B. The composition of the Housing Authority's cash, cash equivalents and investments on June 30, 2017, was as follows:

Cash on hand, deposits in banks, savings deposits	\$ 904,996
U.S. certificates of deposit	<u>25,550</u>
Total Deposits	\$ <u>930,546</u>

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its investment. The Housing Authority's bank balances in the amount of \$948,251 were secured through federal depository insurance or collateralized securities at June 30, 2017. The investment balances of \$25,550 were also secured through federal depository insurance or collateralized securities at June 30, 2017. The Housing Authority had no custodial credit risk for its investments as of June 30, 2017.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's policy minimizes the risk by staggering the maturity dates of its investments as well as limiting terms to one year.

Credit risk

Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments are concentrated to one primary financial institution. The concentration of credit risk is reduced by investing in secured certificates of deposit.

**Note 4 Restricted Cash and Investments**

Restricted assets consisted of the following:

Tenant Security Deposits	\$ <u>22,434</u>
Total Restricted Cash	\$ <u>22,434</u>

**Note 5 Accounts Receivable**

A summary of accounts receivable at June 30, 2017 is as follows:

Low Rent Housing Program:	
Accounts Receivable – Tenants	\$ 6,098
Allowance for Doubtful Accounts – Tenants	(6,016)
HUD –Capital Fund Program	45,055
Interest Receivable	4
Misc.	<u>681</u>
Total Accounts Receivable	\$ <u>45,822</u>



**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

**Note 9 Accrued Leave**

As of June 30, 2017, the Accrued Leave balance was \$10,092. Of this amount, \$1,009 was classified as current, with the remaining portion of \$9,083 classified as noncurrent.

Balance as of 6/30/16	Earned	Taken	Balance as of 6/30/17	Due Within 1 Year
\$ 8,932	\$ 15,625	\$ 14,465	\$ 10,092	\$ 1,009

**Note 10 Unearned Income**

The unearned income balance of \$38,489 consists of the following items:

Item	Balance
Tenant Prepaid Rents	\$ 1,195
HUD Operating Fund (Over Drawn)	37,294
Total	38,489

**Note 11 Pension Plan – Oklahoma Public Employees Retirement System**

*Plan Description:* Substantially all of the Authority’s full-time employees participate in a public employee retirement system authorized under the Oklahoma Statutes Title 74, Section 901 – 932. The Oklahoma Public Employees Retirement System (OPERS) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of living adjustments to plan members and beneficiaries. OPERS issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by accessing the OPERS website at <http://www.opers.ok.gov>.

For members that enrolled after November 1, 2011, benefits can be provided upon reaching the age of 65 with six full years of employment; or when turning the age of 60 years and the sum of years of service equals 90.

*Benefits provided:* OPERS provides retirement, disability, and death benefits. Retirement benefits are determined based on date before becoming a member. For members that enrolled before November 1, 2011, benefits can be provided for employees with an age of 62 with six full years of employment; or, 80 points, calculated from the sum of your age and years of service; or 90 points for members that are at least 60 years of age and years of service.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

*Contributions:* The contribution requirements of plan members and the Authority are established by the Authority. The requirements may be amended by acts of the legislature. Employees are required to contribute 5.5 percent of their annual pay. The Authority's contractually required contribution rate for the year ended June 30, 2017 was 14.5 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$56,294 for the year ended June 30, 2017, consisting of employer portion of \$40,793 and employee portion of \$15,501.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the Authority reported a liability of \$89,608 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities as, actuarially determined. At June 30, 2016, the Authority's proportion was 0.01344351 percent.

For the year ended June 30, 2017, the Authority recognized pension expense of \$18,111. At June 30, 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Item	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on pension plan investments	\$ 65,207	\$ 27,716
Changes of Assumptions	\$ 14,314	
Net difference between expected and actual experience		\$ 3,923
Authority contributions subsequent to the measurement date	\$ 40,793	
Total	\$ 120,314	\$ 31,639

The amount of \$40,793 reported as deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

*Actuarial assumptions.* The total pension liability in the June 30, 2016 actuarial valuation, prepared as of July 1, 2016 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.25% annual rate, net of investment expense
Payroll growth	4.0% annual rate
Projected salary increases	4.5% to 8.4% annual rate
Inflation	3.00% annual rate

The mortality rates used the RP-2000 Mortality Table projected to 2010 by Scale AA. No increases were noted for annual post-retirement benefit increases.

The long-term expected rate of return on pension plan investments was determined using statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation
U.S. Large Cap Equity	38.0%
U.S. Small Cap Equity	6.0%
U.S. Fixed Income	25.0%
International Stock	18.0%
Emerging Market Stock	6.0%
TIPS	3.5%
Rate Anticipation	3.5%
Total	100.0%

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASB 67. Therefore, the 7.25% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

*Sensitivity of the net pension liability to changes in the discount rate:*

The following presents the net pension liability of OPERS, calculated using the discount rate of 7.25 percent, as well as what PERA's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Authority's proportionate share of the net pension liability	\$183,432	\$89,608	\$9,960

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

*Funding Policy:* Plan members are required to contribute 5.5% of their gross salary. The Authority is required to contribute 14.5% of the gross covered salary. The contribution requirements of plan members and the Authority are established by State statute. The Authority's contributions to OPERS for the fiscal years ending June 30, 2017, 2016 and 2015 were \$40,793, \$36,602, and \$41,522, respectively, which equal the amount of the required contributions for each fiscal year.

**Note 12 Risk Management**

The Housing Authority is exposed to various risks of loss related to torts; damage to; and theft or destruction of assets; errors and omissions; injuries to employees and natural disaster. The Housing Authority manages these various risks of loss as follows:

**Type of Loss**

**Method Managed**

- |                           |  |
|---------------------------|--|
| a. Employee Dishonesty    | Purchased insurance with Housing Authority Risk Retention                |
| b. Physical Property Loss | Purchased insurance with Housing Authority Insurance Services, Inc.      |
| c. Liability              | Purchased insurance with Housing Authority Risk Retention                |
| d. Worker's Compensation  | Purchased insurance with Compsource Oklahoma                             |
| e. Automobile Liability   | Purchased insurance with Traveler's Property Casualty Company of America |

Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage except for deductibles.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Notes to Basic Financial Statements-Cont.  
 June 30, 2017

**Note 13 Insurance Proceeds**

Insurance proceeds in the amount of \$86,667 were earned during the current year related to damages incurred from fire and flooding events.

**Note 14 Commitments and Contingencies**

Contingencies

The Authority participates in grant programs which are governed by various rules and regulations of grantor agencies and therefore subject to their review and audits. Such audits could lead to a request for reimbursement to the agency for ineligible expenditures.

An Office of Inspector General (OIG) report dated June 21, 2017, indicated that the Authority had inappropriately used more than \$180,000 to subsidize the component unit's operations. The OIG advised HUD that the Authority should repay the misused funds. The amount discovered in that report was added to the inter-program receivables and payables, but is eliminated on the top level financial statements.

Grant Commitments

The Authority had the following grant commitments in progress at June 30, 2017. These grants are summarized as follows:

	<u>Grant Award</u>	<u>Grant Expend. thru June 30, 2017</u>
Capital Fund Program 501-15	209,427	168,300
Capital Fund Program 501-16	<u>217,949</u>	<u>15,835</u>
Total	\$ <u>427,376</u>	\$ <u>184,135</u>

Construction Commitments

The Authority had the following construction commitments outstanding with contractors at June 30, 2017.

	<u>Contract Award</u>	<u>Expend. thru June 30, 2017</u>
Bathroom Remodel Contract	\$ 191,140	\$ 44,255

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Notes to Basic Financial Statements-Cont.  
June 30, 2017

**Note 15 Economic Dependency**

The Housing Authority is economically dependent on annual contributions and grants received from HUD. The extent of this funding from HUD depends upon appropriations from the federal level.

**Note 16 Subsequent Events**

Management has evaluated subsequent events through March 26, 2018, the date that the financial statements were available to be issued. Management has determined no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma

Schedule of the Authority's Proportionate Share of the Net Pension Liability (RSI)  
Oklahoma Public Employee Retirement System  
Last 10 Fiscal Years \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Authority's proportion of the net pension liability	0.01344351%	0.01101299%	0.0121345%	N/A						
Authority's proportionate share of the net pension liability	\$89,608	\$39,612	\$ 22,275	N/A						
Authority's covered-employee payroll	\$259,688	\$183,008	\$ 215,759	N/A						
Authority's proportionate share on the net pension liability as a percentage of its covered-employee payroll	35%	22%	10%	N/A						
Plan fiduciary net position as a percentage of the total pension liability	89.48%	96.0%	97.90%	N/A						

\* Previous year data was unavailable as 2015 represents the first fiscal year that the Authority and the Public Employees Retirement Plan has implemented the reporting requirements of GASB Statement 68.

*See accompanying notes to the financial statements.*

**Housing Authority of the City of Idabel**  
**Idabel, Oklahoma**  
**Schedule of the Authority Contributions (RSI)**  
**Oklahoma Public Employee Retirement System**  
**Last 10 Fiscal Years \***

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Contractually required contribution	\$ 40,793	\$ 36,602	\$ 41,523	N/A							
Contributions in relation to the contractually required contributions	\$ 40,793	\$ 36,602	\$ 41,523	N/A							
Contribution deficiency (excess)	\$ -----	\$ -----	\$ -----	N/A							
Authority's covered-employee payroll	\$259,688	\$183,008	\$215,759	N/A							
Contributions as a percentage of covered-employee payroll	15.71%	20.00%	19.25%	N/A							

\* Previous year data was unavailable as 2015 represents the first fiscal year that the Authority and the Public Employees Retirement Plan has implemented the reporting requirements of GASB Statement 68.



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

Board of Commissioners  
Housing Authority of the City of Idabel  
Idabel, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of Idabel, as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the Housing Authority of the City of Idabel's basic financial statements, and have issued our report thereon dated March 26, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Idabel's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the Housing Authority of the City of Idabel's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Idabel'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Housing Authority of the City of Idabel's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies 2017-001 and 2017-002.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Idabel's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### **Housing Authority of the City of Idabel's Response to Findings**

The Housing Authority of the City of Idabel's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Housing Authority of the City of Idabel's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of the internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness on 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.

*Urlaub & Co., PLLC*

Urlaub & Co., PLLC  
March 26, 2018

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2017

- 2013-2    Lack of Segregation of Duties  
          See current finding 2017-001.
  
- 2013-3    Financial Statement Presentation  
          See current finding 2017-002.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2017

## **Findings – Financial Statements Audit**

### ***SIGNIFICANT DEFICIENCY***

#### ***2017-001 Lack of Segregation of Duties***

*Criteria:* Internal control is a process, effected by the Housing Authority's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

*Condition:* Due to the limited employees and resources available to the Housing Authority of the City of Idabel, many aspects of the internal control structure that rely on segregation of duties are missing. Specific accounting processes noted that are affected by the lack of segregation of duties include: Cash disbursements, payroll disbursements, cash receipting, and specific reporting functions required for the Housing Authority.

*Context:* During our analysis of the internal control structure, we noted that the structure was limited due to the number of employees and economic resources available to the Housing Authority of the City of Idabel. Many aspects needed to implement an acceptable internal control process are not feasible.

*Effect:* Due to the limitations of the internal control system, a potential material misstatement of the financial statements may not be prevented or detected.

*Recommendation:* Although the Housing Authority does not have enough resources to completely address this issue; steps can be taken to reduce the risk. Steps that can be taken are to have the board of directors become a more active component of the internal control system and to formalize the internal control procedures of the Authority. From a practical point, a cost/benefit analysis must be performed to determine if the benefit arrived is worth the potential additional cost incurred. In many cases, the cost will be too high to fully implement the needed controls.

*Reply:* Segregation of duties by the Idabel Housing Authority is limited due to the small number of employees and the economic resources that are available. The administrative staff has segregate duties as much as possible.

#### ***2017-002 Financial Statement Presentation***

*Criteria:* Controls of the drafting of the financial statement prepared in conformity with generally accepted accounting principles (GAAP) must be documented. These controls should address the selection of accounting principles used, the controls over the preparation of the period-end financial statements, and the authorization of nonrecurring adjustments.

*Condition:* The Housing Authority has not established effective controls over the preparation of the overall financial statements and accompanying notes to verify the statements have been prepared in accordance with generally accepted accounting principles.

**Housing Authority of the City of Idabel**  
Idabel, Oklahoma  
Schedule of Findings and Questioned Costs-Cont.  
For the Year Ended June 30, 2017

*Context:* During the course of our audit, we noted material misstatements of the financial statements regarding unrecorded liabilities and revenue which has led to a material weakness.

*Effect:* Due to the limitations of the internal control system, material misstatements of the financial statements were not detected.

*Recommendation:* We recommend that the Housing Authority document the year end procedures used to arrive at the year end financial statements. Year end financial statements must be prepared free from material misstatement.

*Reply:* The Housing Authority will work more closely with the fee accountant on the classification of casualty loss types.

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Modernization Costs  
 June 30, 2017

(1) The actual Modernization Cost of the Project is as follows:

The actual Modernization Cost of the Project is as follows:

<u>Classification</u>	<u>Project OK56P00450113</u>
Administration	\$ 114.99
Fees and Costs	19,415.00
Site Improvements	17,862.22
Dwelling Structures	<u>167,184.79</u>
 Total Cost	 \$ <u>214,057.00</u>

(2) The total cost as shown on the Actual Modernization Cost Certificate submitted to HUD on December 15, 2016 are in agreement with the Housing Authority's records.

(3) All modernization costs and related liabilities have been paid.

(4) The Housing Authority had no budget overruns.

Funds Approved	\$ 214,057.00
Funds Advanced	<u>214,057.00</u>
Excess of Funds Approved	\$ <u>0.00</u>
Funds Advanced	\$ 214,057.00
Funds Expended	<u>214,057.00</u>
Excess of Funds Advanced	\$ <u>0.00</u>

**Housing Authority of the City of Idabel**  
 Idabel, Oklahoma  
 Statement of Modernization Costs  
 June 30, 2017

(1) The actual Modernization Cost of the Project is as follows:

The actual Modernization Cost of the Project is as follows:

<u>Classification</u>	<u>Project OK56P00450114</u>
Administration	\$ 200.00
Fees and Costs	21,000.00
Site Improvements	17,119.18
Dwelling Structures	<u>167,184.82</u>
 Total Cost	 \$ <u>205,504.00</u>

(2) The total cost as shown on the Actual Modernization Cost Certificate submitted to HUD on February 14, 2017 are in agreement with the Housing Authority's records.

(3) All modernization costs and related liabilities have been paid.

(4) The Housing Authority had no budget overruns.

Funds Approved	\$ 205,504.00
Funds Advanced	<u>205,504.00</u>
Excess of Funds Approved	\$ <u>0.00</u>
Funds Advanced	\$ 205,504.00
Funds Expended	<u>205,504.00</u>
Excess of Funds Advanced	\$ <u>0.00</u>

**Housing Authority of the City of Idabel**  
**Idabel, Oklahoma**  
**Financial Data Schedule**  
**June 30, 2017**

Line Item No.	Description	Project Totals	Component Unit	State/Local	Program Totals	Subtotal	Elimination	Total
<b>Balance Sheet</b>								
111	Cash-unrestricted	\$ 882,562			\$ -	\$ 882,562		\$ 882,562
112	Cash-restricted-modernization and development	\$ -			\$ -	\$ -		\$ -
113	Cash-other restricted				\$ -	\$ -		\$ -
114	Cash-tenant security deposits	\$ 22,434			\$ -	\$ 22,434		\$ 22,434
115	Cash - Restricted for payment of current liability				\$ -	\$ -		\$ -
100	<b>Total Cash</b>	<b>\$ 904,996</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 904,996</b>	<b>\$ -</b>	<b>\$ 904,996</b>
121	Accounts receivable - PHA projects				\$ -	\$ -		\$ -
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -			\$ -	\$ -		\$ -
122-020	Accounts receivable - HUD other projects - Capital fund	\$ 45,055	\$ -		\$ -	\$ 45,055		\$ 45,055
122-030	Accounts receivable - HUD other projects - Other				\$ -	\$ -		\$ -
122	<b>Accounts receivable - HUD other projects</b>	<b>\$ 45,055</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 45,055</b>		<b>\$ 45,055</b>
124	Account receivable - other government	\$ -			\$ -	\$ -		\$ -
125	<b>Account receivable - miscellaneous</b>	<b>\$ 681</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 681</b>		<b>\$ 681</b>
126	Accounts receivable - tenants	\$ 6,098			\$ -	\$ 6,098		\$ 6,098
126.1	Allowance for doubtful accounts - tenants	\$ (6,016)			\$ -	\$ (6,016)		\$ (6,016)
126.2	Allowance for doubtful accounts - other				\$ -	\$ -		\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -			\$ -	\$ -		\$ -
128	Fraud recovery				\$ -	\$ -		\$ -
128.1	Allowance for doubtful accounts - fraud				\$ -	\$ -		\$ -
129	Accrued interest receivable	\$ 4			\$ -	\$ 4		\$ 4
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 45,822</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 45,822</b>	<b>\$ -</b>	<b>\$ 45,822</b>
131	Investments - unrestricted	\$ 25,550			\$ -	\$ 25,550		\$ 25,550
132	Investments - restricted				\$ -	\$ -		\$ -
135	Investments - Restricted for payment of current liability				\$ -	\$ -		\$ -
142	Prepaid expenses and other assets	\$ 12,043			\$ -	\$ 12,043		\$ 12,043
143	Inventories	\$ 13,779			\$ -	\$ 13,779		\$ 13,779
143.1	Allowance for obsolete inventories	\$ (689)			\$ -	\$ (689)		\$ (689)
144	Inter program - due from	\$ 197,006			\$ -	\$ 197,006	\$ -197,006	\$ -
145	Assets held for sale				\$ -	\$ -		\$ -
150	<b>Total Current Assets</b>	<b>\$ 1,198,507</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 1,198,507</b>	<b>\$ (197,006)</b>	<b>\$ 1,001,501</b>
161	Land	\$ 62,440			\$ -	\$ 62,440		\$ 62,440
162	Buildings	\$ 9,463,615			\$ -	\$ 9,463,615		\$ 9,463,615
163	Furniture, equipment and machinery - dwellings	\$ 146,429			\$ -	\$ 146,429		\$ 146,429
164	Furniture, equipment and machinery - administration	\$ 120,434			\$ -	\$ 120,434		\$ 120,434
165	Leasehold improvements	\$ 1,432,257			\$ -	\$ 1,432,257		\$ 1,432,257
166	Accumulated depreciation	\$ (7,099,859)			\$ -	\$ (7,099,859)		\$ (7,099,859)
167	Construction in progress	\$ 219,327			\$ -	\$ 219,327		\$ 219,327
168	Infrastructure				\$ -	\$ -		\$ -
160	<b>Total capital assets, net of accumulated depreciation</b>	<b>\$ 4,344,643</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 4,344,643</b>	<b>\$ -</b>	<b>\$ 4,344,643</b>
171	<b>Notes, Loans, &amp; mortgages receivable - Non-current</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ -</b>
180	<b>Total Non-current Assets</b>	<b>\$ 4,344,643</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 4,344,643</b>	<b>\$ -</b>	<b>\$ 4,344,643</b>
200	Deferred Outflow of Resources	\$ 120,314				\$ 120,314		\$ 120,314
290	<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$ 5,663,464</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,663,464</b>	<b>\$ (197,006)</b>	<b>\$ 5,466,458</b>
311	Bank overdraft				\$ -	\$ -		\$ -
312	Accounts payable <= 90 days	\$ 4,418			\$ -	\$ 4,418		\$ 4,418
313	Accounts payable > 90 days past due				\$ -	\$ -		\$ -
321	Accrued wage/payroll taxes payable	\$ 8,937			\$ -	\$ 8,937		\$ 8,937
322	Accrued compensated absences - current portion	\$ 1,009			\$ -	\$ 1,009		\$ 1,009
324	Accrued contingency liability				\$ -	\$ -		\$ -
325	Accrued interest payable				\$ -	\$ -		\$ -
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy				\$ -	\$ -		\$ -
331-020	Accounts payable - HUD PHA Programs - Capital fund				\$ -	\$ -		\$ -
331-030	Accounts payable - HUD PHA Programs - Other				\$ -	\$ -		\$ -
331	<b>Accounts payable - HUD PHA Programs</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
332	Accounts payable - PHA Projects				\$ -	\$ -		\$ -
333	Accounts payable - other government	\$ 46,041			\$ -	\$ 46,041		\$ 46,041
341	Tenant security deposits	\$ 22,434	\$ -		\$ -	\$ 22,434		\$ 22,434
342-010	Unearned revenue - Operating Subsidy				\$ -	\$ -		\$ -
342-020	Unearned revenue - Capital fund	\$ -			\$ -	\$ -		\$ -
342-030	Unearned revenue - Other	\$ 38,489	\$ -		\$ -	\$ 38,489		\$ 38,489
342	<b>Unearned revenue</b>	<b>\$ 38,489</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 38,489</b>		<b>\$ 38,489</b>
343-010	CFFP				\$ -	\$ -		\$ -
343-020	Capital Projects/ Mortgage Revenue				\$ -	\$ -		\$ -
343	<b>Current portion of long-term debt - capital projects/mortgage revenue bonds</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
344	Current portion of long-term debt - operating borrowings				\$ -	\$ -		\$ -
345	Other current liabilities	\$ -	\$ -		\$ -	\$ -		\$ -
346	Accrued liabilities - other	\$ 45,055	\$ -		\$ -	\$ 45,055		\$ 45,055
347	Inter program - due to			\$ 197,006	\$ 197,006	\$ 197,006	\$ -197,006	\$ -
310	<b>Total Current Liabilities</b>	<b>\$ 166,383</b>	<b>\$ -</b>	<b>\$ 197,006</b>	<b>\$ 197,006</b>	<b>\$ 363,389</b>	<b>\$ (197,006)</b>	<b>\$ 166,383</b>
351	Capital Projects/ Mortgage Revenue Bonds	\$ -	\$ -		\$ -	\$ -		\$ -
352	Long-term debt, net of current - operating borrowings				\$ -	\$ -	\$ 0	\$ -
353	Non-current liabilities - other				\$ -	\$ -		\$ -
354	Accrued compensated absences- Non-current	\$ 9,083	\$ -		\$ -	\$ 9,083		\$ 9,083
357	Accrued Pension and OPEB Liability	\$ 89,608			\$ -	\$ 89,608		\$ 89,608
350	<b>Total Non-current liabilities</b>	<b>\$ 98,691</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ 98,691</b>	<b>\$ -</b>	<b>\$ 98,691</b>
300	<b>Total Liabilities</b>	<b>\$ 265,074</b>	<b>\$ -</b>	<b>\$ 197,006</b>	<b>\$ 197,006</b>	<b>\$ 462,080</b>	<b>\$ (197,006)</b>	<b>\$ 265,074</b>
400	Deferred Inflow of Resources	\$ 31,639				\$ 31,639		\$ 31,639
508.1	Invested in capital assets, net of related debt	\$ 4,344,643	\$ -		\$ -	\$ 4,344,643		\$ 4,344,643
511.1	Restricted Net Assets	\$ -	\$ -		\$ -	\$ -		\$ -
512.1	Unrestricted Net Assets	\$ 1,022,108	\$ -	\$ (197,006)	\$ (197,006)	\$ 825,102		\$ 825,102
513	<b>Total Equity/Net Assets</b>	<b>\$ 5,366,751</b>	<b>\$ -</b>	<b>\$ (197,006)</b>	<b>\$ (197,006)</b>	<b>\$ 5,169,745</b>	<b>\$ -</b>	<b>\$ 5,169,745</b>
600	<b>Total Liabilities, Deferred Inflows and Equity</b>	<b>\$ 5,663,464</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,663,464</b>	<b>\$ (197,006)</b>	<b>\$ 5,466,458</b>

Housing Authority of the City of Idabel

Idabel, Oklahoma

Financial Data Schedule

June 30, 2017

Line Item No.	Description	Low Rent	Capital Fund	Project Totals	Component Unit	State/Local	Program Totals	Subtotal	Elimination	Total
<b>Income Statement</b>										
70300	Net tenant rental revenue	\$ 316,678	\$ -	\$ 316,678	\$ -	\$ -	\$ -	\$ 316,678		\$ 316,678
70400	Tenant revenue - other	\$ 28,319	\$ -	\$ 28,319	\$ -	\$ -	\$ -	\$ 28,319		\$ 28,319
70500	Total Tenant Revenue	\$ 344,997	\$ -	\$ 344,997	\$ -	\$ -	\$ -	\$ 344,997		\$ 344,997
70600	HUD PHA operating grants	\$ 449,938	\$ 85	\$ 450,023	\$ -	\$ -	\$ -	\$ 450,023		\$ 450,023
70610	Capital grants	\$ -	\$ 203,571	\$ 203,571	\$ -	\$ -	\$ -	\$ 203,571		\$ 203,571
70700	Total Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
70800	Other government grants		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
71100	Investment income - unrestricted	\$ 28	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ 28		\$ 28
71200	Mortgage interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
71300	Proceeds from disposition of assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
71310	Cost of sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
71500	Other revenue	\$ 88,543	\$ -	\$ 88,543	\$ -	\$ -	\$ -	\$ 88,543		\$ 88,543
71600	Gain or loss on sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
72000	Investment income - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
70000	Total Revenue	\$ 883,506	\$ 203,656	\$ 1,087,162	\$ -	\$ -	\$ -	\$ 1,087,162		\$ 1,087,162
91100	Administrative salaries	\$ 142,805	\$ -	\$ 142,805	\$ -	\$ -	\$ -	\$ 142,805		\$ 142,805
91200	Auditing fees	\$ 8,444	\$ -	\$ 8,444	\$ -	\$ -	\$ -	\$ 8,444		\$ 8,444
91300	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
91310	Book-Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
91400	Advertising and Marketing	\$ 424	\$ -	\$ 424	\$ -	\$ -	\$ -	\$ 424		\$ 424
91500	Employee benefit contributions - administrative	\$ 45,132	\$ -	\$ 45,132	\$ -	\$ -	\$ -	\$ 45,132		\$ 45,132
91600	Office Expenses	\$ 8,206	\$ -	\$ 8,206	\$ -	\$ -	\$ -	\$ 8,206		\$ 8,206
91700	Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
91800	Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
91900	Other	\$ 17,761	\$ 85	\$ 17,761	\$ -	\$ -	\$ -	\$ 17,761		\$ 17,761
91000	Total Operating-Administrative	\$ 222,687	\$ 85	\$ 222,772	\$ -	\$ -	\$ -	\$ 222,772		\$ 222,772
92000	Asset Management Fee							\$ -		\$ -
92100	Tenant services - salaries		\$ -	\$ -				\$ -		\$ -
92200	Relocation Costs		\$ -	\$ -				\$ -		\$ -
92300	Employee benefit contributions - tenant services		\$ -	\$ -				\$ -		\$ -
92400	Tenant services - other	\$ 386	\$ -	\$ 386	\$ -	\$ -	\$ -	\$ 386		\$ 386
92500	Total Tenant Services	\$ 386	\$ -	\$ 386	\$ -	\$ -	\$ -	\$ 386		\$ 386
93100	Water	\$ 37,134	\$ -	\$ 37,134	\$ -	\$ -	\$ -	\$ 37,134		\$ 37,134
93200	Electricity	\$ 21,299	\$ -	\$ 21,299	\$ -	\$ -	\$ -	\$ 21,299		\$ 21,299
93300	Gas	\$ 4,556	\$ -	\$ 4,556	\$ -	\$ -	\$ -	\$ 4,556		\$ 4,556
93400	Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
93500	Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
93600	Sewer	\$ 26,393	\$ -	\$ 26,393	\$ -	\$ -	\$ -	\$ 26,393		\$ 26,393
93700	Employee benefit contributions - utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
93800	Other utilities expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
93000	Total Utilities	\$ 89,382	\$ -	\$ 89,382	\$ -	\$ -	\$ -	\$ 89,382		\$ 89,382
94100	Ordinary maintenance and operations - labor	\$ 134,255	\$ -	\$ 134,255	\$ -	\$ -	\$ -	\$ 134,255		\$ 134,255
94200	Ordinary maintenance and operations - materials and other	\$ 51,404	\$ -	\$ 51,404	\$ -	\$ -	\$ -	\$ 51,404		\$ 51,404
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ 27,692	\$ -	\$ 27,692	\$ -	\$ -	\$ -	\$ 27,692		\$ 27,692
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 26,419	\$ -	\$ 26,419	\$ -	\$ -	\$ -	\$ 26,419		\$ 26,419
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ 28,900	\$ -	\$ 28,900	\$ -	\$ -	\$ -	\$ 28,900		\$ 28,900
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$ 11,395	\$ -	\$ 11,395	\$ -	\$ -	\$ -	\$ 11,395		\$ 11,395
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ 350	\$ -	\$ 350	\$ -	\$ -	\$ -	\$ 350		\$ 350
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 5,022	\$ -	\$ 5,022	\$ -	\$ -	\$ -	\$ 5,022		\$ 5,022
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$ 3,589	\$ -	\$ 3,589	\$ -	\$ -	\$ -	\$ 3,589		\$ 3,589
94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
94300	Ordinary Maintenance and Operations Contracts	\$ 103,367	\$ -	\$ 103,367	\$ -	\$ -	\$ -	\$ 103,367		\$ 103,367
94500	Employee benefit contribution - ordinary maintenance	\$ 42,597	\$ -	\$ 42,597	\$ -	\$ -	\$ -	\$ 42,597		\$ 42,597
94000	Total Maintenance	\$ 331,623	\$ -	\$ 331,623	\$ -	\$ -	\$ -	\$ 331,623		\$ 331,623
95100	Protective services - labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
95200	Protective services - other contract costs	\$ 300	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ 300		\$ 300
95300	Protective services - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
95500	Employee benefit contributions - protective services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
95000	Total Protective Services	\$ 300	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ 300		\$ 300
96110	Property Insurance	\$ 95,603	\$ -	\$ 95,603	\$ -	\$ -	\$ -	\$ 95,603		\$ 95,603
96120	Liability Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96130	Workmen's Compensation	\$ 7,092	\$ -	\$ 7,092	\$ -	\$ -	\$ -	\$ 7,092		\$ 7,092
96140	All other Insurance	\$ 2,864	\$ -	\$ 2,864	\$ -	\$ -	\$ -	\$ 2,864		\$ 2,864
96100	Total Insurance Premiums	\$ 105,559	\$ -	\$ 105,559	\$ -	\$ -	\$ -	\$ 105,559		\$ 105,559
96200	Other general expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96210	Compensated absences	\$ 15,625	\$ -	\$ 15,625	\$ -	\$ -	\$ -	\$ 15,625		\$ 15,625
96300	Payments in lieu of taxes	\$ 22,940	\$ -	\$ 22,940	\$ -	\$ -	\$ -	\$ 22,940		\$ 22,940
96400	Bad debt - tenant rents	\$ 3,978	\$ -	\$ 3,978	\$ -	\$ -	\$ -	\$ 3,978		\$ 3,978
96500	Bad debt - mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96600	Bad debt - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96800	Severance expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96000	Total Other General Expenses	\$ 42,543	\$ -	\$ 42,543	\$ -	\$ -	\$ -	\$ 42,543		\$ 42,543
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96700	Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
96900	Total Operating Expenses	\$ 792,480	\$ 85	\$ 792,565	\$ -	\$ -	\$ -	\$ 792,565		\$ 792,565
97000	Excess Revenue Over Operating Expenses	\$ 91,026	\$ 203,571	\$ 294,597	\$ -	\$ -	\$ -	\$ 294,597		\$ 294,597
97100	Extraordinary maintenance	\$ 7,025	\$ -	\$ 7,025	\$ -	\$ -	\$ -	\$ 7,025		\$ 7,025
97200	Casualty losses-Non-capitalized	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
97400	Depreciation expense	\$ 390,158	\$ -	\$ 390,158	\$ -	\$ -	\$ -	\$ 390,158		\$ 390,158
97500	Fraud losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
97800	Dwelling units rent expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
90000	Total Expenses	\$ 1,189,663	\$ 85	\$ 1,189,748	\$ -	\$ -	\$ -	\$ 1,189,748		\$ 1,189,748
10010	Operating transfer in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
10020	Operating transfer out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
10093	Transfers between Programs and Projects - in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
10094	Transfers between Programs and Projects - out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
10100	Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

**Housing Authority of the City of Idabel**  
**Idabel, Oklahoma**  
Financial Data Schedule  
June 30, 2017

Line Item No.	Description	Low Rent	Capital Fund	Project Totals	Component Unit	State/Local	Program Totals	Subtotal	Elimination	Total
<b>Income Statement</b>										
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ (306,157)	\$ 203,571	\$ (102,586)	\$ -	\$ -	\$ -	\$ (102,586)	\$ -	\$ (102,586)
11020	Required Annual Debt Principal Payments				\$ -	\$ -	\$ -	\$ -		\$ -
11030	Reimburse equity	\$ 5,469,337	\$ -	\$ 5,469,337	\$ (197,006)	\$ -	\$ (197,006)	\$ 5,272,331		\$ 5,272,331
11040-010	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
11040-070	Equity Transfers	\$ -	\$ -	\$ -	\$ 197,006	\$ (197,006)	\$ -	\$ -		\$ -
11040	Prior period adjustments, equity transfers, and correction of errors	\$ -	\$ -	\$ -	\$ 197,006	\$ (197,006)	\$ -	\$ -		\$ -
11190	Unit Months Available	2,251	-	2,251	-	-	-	2,251		2,251
11210	Unit Months Leased	1,923	-	1,923	-	0	-	1,923		1,923
11270	Excess Cash	\$ 940,951	\$ -	\$ 940,951	\$ -	\$ -	\$ -	\$ 940,951		\$ 940,951
11610	Land Purchases							\$ -		\$ -
11620	Building Purchases	\$ -	\$ 203,571	\$ 203,571				\$ 203,571		\$ 203,571
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -	\$ -				\$ -		\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ 6,800	\$ -	\$ 6,800				\$ 6,800		\$ 6,800
11650	Leasehold Improvements Purchases		\$ -	\$ -				\$ -		\$ -
11660	Infrastructure Purchases							\$ -		\$ -
13510	CFPP Debt Service Payments							\$ -		\$ -
13901	Replacement Housing Factor Funds							\$ -		\$ -