

**HOUSING AUTHORITY OF THE
CITY OF DEL CITY**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITORS' REPORTS**

Years Ended December 31, 2012 and 2011

HOUSING AUTHORITY OF THE CITY OF DEL CITY

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MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE HOUSING AUTHORITY OF THE CITY OF DEL CITY (the “Authority”) FINANCIAL STATEMENTS

Our discussion and analysis of the Authority’s financial performance provides an overview of the Authority’s financial activities for the year ended December 31, 2012. Please read it in conjunction with the Authority’s financial statements.

FINANCIAL HIGHLIGHTS

- The Authority’s net position decreased by \$169,870 or 5% during the year ended December 31, 2012, from \$3,488,575 at December 31, 2011 to \$3,318,705 at December 31, 2012.
- Total operating revenues of the Authority increased by \$9,377 or 6% for the year ended December 31, 2012, from \$163,247 for the year ended December 31, 2011 to \$172,624 for the year ended December 31, 2012.
- Total operating expenses of the Authority decreased by \$23,593 or 4% for the year ended December 31, 2012, from \$660,022 for the year ended December 31, 2011 to \$636,429 for the year ended December 31, 2012.
- Total non-operating revenue (expense) decreased by \$120,668 or 29% for the year ended December 31, 2012, from \$411,561 for the year ended December 31, 2011 to \$290,893 for the year ended December 31, 2012.

USING THIS ANNUAL REPORT

The following summarizes the content of the Authority’s financial statements and differs from previous presentations:

- Management Discussion and Analysis
- Financial Statements, including the Statements of Net Position on page nine, the Statements of Revenues, Expenses and Changes in Net Position on page ten, and the Statements of Cash Flows on page eleven.
- Notes to Financial Statements

The primary focus of the Authority’s financial statements is on the Authority as a whole. This perspective allows the user to address relevant questions, broaden the basis for comparison and enhance the Authority’s accountability.

ENTITY WIDE FINANCIAL STATEMENTS

The Authority engages in only business-type activities. The financial statements are designed to be corporate-like in that all business-type activities are consolidated to a total for the entire entity. The Authority's major business activities include the following:

- Rental of real estate under a low rent public housing contract.
- Provide rental assistance under Section 8 voucher contracts.
- Modernization of low rent public housing property through use of Capital Fund Program ("CFP") grants.

STATEMENTS OF NET POSITION

The following table reflects the condensed Statement of Net Position compared to prior year.

	<u>2012</u>	<u>2011</u>
Current assets	\$ 341,964	\$ 331,248
Capital assets	<u>3,039,704</u>	<u>3,220,829</u>
Total Assets	<u>\$ 3,381,668</u>	<u>\$ 3,552,077</u>
Current liabilities	\$ 60,496	\$ 62,251
Noncurrent liabilities	<u>2,467</u>	<u>1,251</u>
Total Liabilities	<u>\$ 62,963</u>	<u>\$ 63,502</u>
Net Position		
Unrestricted	\$ 274,046	\$ 178,777
Restricted	4,955	88,969
Net Investment in capital assets	<u>3,039,704</u>	<u>3,220,829</u>
Total Net Position	<u>\$ 3,318,705</u>	<u>\$ 3,488,575</u>

For more detailed information, see page nine for the Statements of Net Position.

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Current assets increased by \$10,716 primarily due to an increase in the operating subsidiary accounts receivable account offsetting decreases in cash, prepaid expenses and inventories. The decrease of \$181,125 in capital assets is attributed primarily to current year depreciation.

CHANGE IN UNRESTRICTED NET POSITION

Unrestricted Net Position at the beginning of the year	\$	178,777
Change in Unrestricted Net Position		<u>95,269</u>
Unrestricted Net Position at the end of the year	\$	<u>274,046</u>

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer picture of the change in the Authority's financial well-being.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following schedule compares the revenues and expenses for the current and previous fiscal year. As stated before, the Authority engages in only business-type activities.

	<u>2012</u>	<u>2011</u>
Revenues		
Operating grants and subsidies	\$ 599,757	\$ 708,895
Capital grants	3,042	-
Tenant rental and other operating revenue	172,624	163,247
Investment income	<u>292</u>	<u>547</u>
Total Revenues	<u>\$ 775,715</u>	<u>\$ 872,689</u>
Expenses		
Housing assistance payments	\$ 309,156	\$ 297,881
Maintenance	202,889	207,000
Depreciation	185,496	191,211
Administrative services	135,414	151,037
Utilities	58,624	58,820
Insurance	30,182	30,009
Other	<u>23,824</u>	<u>21,945</u>
Total Expenses	<u>\$ 945,585</u>	<u>\$ 957,903</u>
Net Decrease	<u>\$ (169,870)</u>	<u>\$ (85,214)</u>

MAJOR FACTORS AFFECTING THE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITIONS

Operating grants decreased by \$109,138, primarily attributed to a decrease in Section 8 funding of \$99,669. This was the primary factor contributing to an overall decrease in total revenues of \$96,974.

Total expenses decreased by \$12,318, primarily due to a decrease in administrative services of \$15,623. During 2012, the Board of Commissioners of the Authority replaced the Executive Director and other staff at lower wages overall.

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of year-end, the Authority had \$3,039,704 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$181,125 from the end of last year.

	<u>2012</u>	<u>2011</u>
Land	\$ 344,951	\$ 344,951
Buildings and improvements	5,245,421	5,244,092
Furniture and equipment	<u>116,575</u>	<u>139,031</u>
Total cost of assets	5,706,947	5,728,074
Accumulated depreciation	<u>2,667,243</u>	<u>2,507,245</u>
Net	<u>\$ 3,039,704</u>	<u>\$ 3,220,829</u>

The following summarizes the changes in capital assets:

CHANGE IN CAPITAL ASSETS

Balance, beginning of year	\$ 3,220,829
Additions to capital assets	4,371
Depreciation	<u>(185,496)</u>
Balance, end of year	<u>\$ 3,039,704</u>

This year's additions were from capital funds project and low rent funds and were used for the replacement of equipment and the installation of an electronic exit device for the low rent public housing property.

Debt Outstanding

As of year-end, the Authority had no debt outstanding.

ECONOMIC FACTORS

Significant economic factors affecting the entity are as follows:

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

FINANCIAL CONTACT

The individual to be contacted regarding this report is Vicki Gleason, Executive Director of the Housing Authority of the City of Del City, at (405) 672-1412. Specific requests may be submitted to Vicki Gleason, Executive Director, at 4613 Tinker Diagonal St., Del City, Oklahoma, 73115-3977.



Independent Auditors' Report

To the Board of Commissioners
Housing Authority of the City of Del City
Del City, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Del City (the "Authority") which comprise the statements of net position as of December 31, 2012 and 2011, and the related statements of revenues and expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based upon our audits. We conducted our audits 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 audits 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 Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Commissioners
Housing Authority of the City of Del City

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2012 and 2011, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 Management's Discussion and Analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basis 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.

Schedule of Expenditures of Federal Awards

Our audit was conducted for the purpose of forming an opinion on the Authority's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the Authority's financial statements. This supplemental schedule is also the responsibility of the Authority's management and was derived from and relates directly to the underlying accounting and other records used to prepare the Authority's financial statements. The information has been subjected to the auditing procedures applied in the audit of the Authority's financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the Authority's financial statements as a whole.

Financial Data Schedule

Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The accompanying Financial Data Schedule is presented for purposes of additional analysis and to fulfill requirements of the U.S. Department of Housing and Urban Development, Real Estate Assessment Center, and is not a required part of the basic financial statements. This supplemental schedule is also the responsibility of the Authority's management and was derived from and relates directly to the underlying accounting and

To the Board of Commissioners
Housing Authority of the City of Del City

other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Sartin Fischbein + Co.

September 30, 2013

HOUSING AUTHORITY OF THE CITY OF DEL CITY

STATEMENTS OF NET POSITION

<i>December 31,</i>	2012	2011
ASSETS		
Current Assets:		
Cash - unrestricted	\$ 125,274	\$ 176,465
Cash - restricted for tenants' security deposits	12,975	12,000
Cash - restricted for housing assistance payments	4,955	88,969
Investments - unrestricted	29,064	28,984
Accounts receivable:		
Tenants, net of allowance for doubtful accounts of \$35 in 2012 and \$243 in 2011	662	986
U.S. Department of Housing and Urban Development	158,012	408
Other	-	257
Interest receivable	12	17
Inventory	6,443	14,106
Prepaid expenses	4,567	9,056
Total Current Assets	341,964	331,248
Property and Equipment, at cost:		
Land	344,951	344,951
Buildings and improvements	5,245,421	5,244,092
Furniture and equipment	116,575	139,031
Total Property and Equipment	5,706,947	5,728,074
Less accumulated depreciation	2,667,243	2,507,245
Net Property and Equipment	3,039,704	3,220,829
Total Assets	\$ 3,381,668	\$ 3,552,077

The accompanying notes are an integral part of the financial statements.

<i>December 31,</i>	2012	2011
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LIABILITIES AND NET POSITION

Current Liabilities:

Accounts payable:		
Trade	\$ 9,123	\$ 13,556
Tenants' security deposits	12,975	12,000
Accrued liabilities:		
Payroll and payroll taxes	9,316	8,934
Compensated absences	2,812	3,295
Payments in lieu of taxes	19,007	17,112
Other	5,563	6,018
Unearned revenues	<u>1,700</u>	<u>1,336</u>
Total Current Liabilities	60,496	62,251
Accrued Compensated Absences - Noncurrent	<u>2,467</u>	<u>1,251</u>
Total Liabilities	<u>62,963</u>	<u>63,502</u>
Net Position:		
Unrestricted	274,046	178,777
Restricted	4,955	88,969
Net Investment in capital assets	<u>3,039,704</u>	<u>3,220,829</u>
Total Net Position	<u>3,318,705</u>	<u>3,488,575</u>
Total Liabilities and Net Position	<u><u>\$ 3,381,668</u></u>	<u><u>\$ 3,552,077</u></u>

**HOUSING AUTHORITY OF THE CITY OF DEL CITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION**

<i>Years Ended December 31,</i>	2012	2011
Operating Revenues:		
Dwelling rental	\$ 154,659	\$ 152,858
Other tenant revenue	728	-
Total tenant revenue	155,387	152,858
Other operating revenue	17,237	10,389
Total Operating Revenues	172,624	163,247
Operating Expenses:		
Ordinary maintenance and operation	197,589	194,170
Administrative services	135,414	151,037
Depreciation	185,496	191,211
Utilities	58,624	58,820
Insurance	30,182	30,009
Other general expenses	9,721	9,247
Payments in lieu of taxes	9,604	9,404
Tenant services	4,499	3,294
Extraordinary maintenance	5,300	12,830
Total Operating Expenses	636,429	660,022
Operating Loss	(463,805)	(496,775)
Nonoperating Revenue (Expense):		
HUD grants and subsidies:		
Section 8 vouchers	249,125	348,794
Public housing operating subsidies	235,148	238,043
Public housing capital fund	115,484	122,058
Housing assistance payments	(309,156)	(297,881)
Investment income	292	547
Total Nonoperating Revenue (Expense)	290,893	411,561
Change in Net Position Before Capital Grants	(172,912)	(85,214)
Capital Grants	3,042	-
Change in Net Position	(169,870)	(85,214)
Net Position, beginning of year	3,488,575	3,573,789
Net Position, end of year	\$ 3,318,705	\$ 3,488,575

The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE CITY OF DEL CITY

STATEMENTS OF CASH FLOWS

<i>Years Ended December 31,</i>	2012	2011
Cash Flows From Operating Activities:		
Cash received from tenants	\$ 157,050	\$ 153,656
Cash received from other sources	17,494	11,720
Cash payments to employees for services	(115,763)	(147,442)
Cash payments for goods and services	<u>(318,589)</u>	<u>(343,241)</u>
Net Cash Used in Operating Activities	<u>(259,808)</u>	<u>(325,307)</u>
Cash Flows From Noncapital Financing Activities:		
HUD grants and subsidies	442,153	706,828
Housing Assistance Payments	<u>(315,463)</u>	<u>(291,574)</u>
Net Cash Provided By Noncapital Financing Activities	<u>126,690</u>	<u>415,254</u>
Cash Flows From Capital and Related Financing Activities		
HUD grants and subsidies	3,042	12,719
Additions to property and equipment	<u>(4,371)</u>	<u>(39,351)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,329)</u>	<u>(26,632)</u>
Cash Flows From Investing Activities:		
Receipts of interest income	297	575
Increase in investments	<u>(80)</u>	<u>(222)</u>
Net Cash Provided by Investing Activities	<u>217</u>	<u>353</u>
Net Increase (Decrease) Cash and Cash Equivalents	(134,230)	63,668
Cash and Cash Equivalents, beginning of year	<u>277,434</u>	<u>213,766</u>
Cash and Cash Equivalents, end of year	<u>\$ 143,204</u>	<u>\$ 277,434</u>

The accompanying notes are an integral part of the financial statements.

	2012	2011
Composition of Cash and Cash Equivalents:		
Cash - unrestricted	\$ 125,274	\$ 176,465
Cash - restricted for tenants' security deposits	12,975	12,000
Cash - restricted for housing assistance payments	<u>4,955</u>	<u>88,969</u>
	<u>\$ 143,204</u>	<u>\$ 277,434</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	\$ (463,805)	\$ (496,775)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	185,496	191,211
Net change in:		
Accounts receivable - tenants	324	229
Accounts receivable - other	257	1,331
Prepaid expenses	4,489	(4,923)
Inventory	7,663	(3,211)
Accounts payable - trade	1,874	(10,904)
Accounts payable - tenant security deposits	975	750
Accrued liabilities	2,555	(2,834)
Unearned revenues	<u>364</u>	<u>(181)</u>
Net Cash Used in Operating Activities	<u>\$ (259,808)</u>	<u>\$ (325,307)</u>

HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Reporting Entity: The Housing Authority of the City of Del City (the "Authority") is a municipal entity organized for the development, operation and administration of low rent housing programs. The programs are administered through the U.S. Department of Housing and Urban Development ("HUD") under the U.S. Housing Act of 1937, as amended. The primary purpose of the programs is to provide safe, decent, and sanitary housing for low-income families in the Del City, Oklahoma area.

The Authority operates its programs primarily with grants and subsidies received from HUD under contractual agreements and with rental proceeds received from tenants. Funds for the acquisition, development, or modernization of dwelling units have generally been derived from HUD grants.

The Authority is exposed to all common risks associated with the ownership of rental real estate properties. These risks are covered by commercial insurance.

The Authority has no component units, as defined by the Government Accounting Standards Board ("GASB").

Basis of Accounting: The Authority presents its activities in a proprietary fund category. The measurement focus of proprietary activities is on the determination of net income, financial position, and cash flows. As a result, the Authority uses the accrual method of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services to tenants. Operating revenues and expenses consist of rental revenues and other charges collected from tenants, and expenses associated with operating low-income housing projects. All other revenues and expenses are reported as nonoperating revenues and expenses.

The Authority follows the policy of applying all applicable pronouncements of GASB, as well as following all Financial Accounting Standards Board statements and interpretations, except for those that conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents: For purposes of the statements of cash flows, the Authority considers highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Cash balances are maintained at financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation currently up to \$250,000.

HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

Investments: Investments consist of short-term certificates of deposit, which are considered money market type investments as defined by the GASB. The investments are recorded at cost, which approximates market value.

Inventory: Inventory consists of expendable materials and supplies held for consumption. They are valued at cost (first-in, first-out method).

Property and Equipment: Property and equipment are recorded at cost, which is comprised of development and modernization costs (including capitalized interest, if any), the fair value of donated assets, the cost of property betterments, and the cost of additions from operations. Upon sale or retirement, the costs are removed from the accounts and the resulting gain or loss is included in income or expense. It is the policy of the Authority to capitalize all assets with a cost of \$500 or greater. Depreciation of property and equipment is provided using the straight-line method over the estimated lives of the respective assets as follows:

Buildings and improvements	15 - 40 years
Furniture and equipment	3 - 5 years

Repairs and maintenance are expensed as incurred, whereas major improvements are capitalized.

Compensated Absences: Vested or accumulated vacation leave is accrued as an expense as the benefits accrue to employees.

Income Taxes: The Authority, as a governmental entity, is not liable for federal and state income taxes. However, the Authority does make annual payments in lieu of taxes ("PILOT") to local school districts.

Interfund Balances: Balances receivable or payable between separate program funds established by the Authority, and interfund operating transfers and equity transfers are eliminated in the preparation of these financial statements.

Net Position: Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Restricted net position at December 31, 2012 and 2011 consist of housing assistance payment funding received from HUD's Housing Choice Voucher Program. HUD has restricted the use of this funding for future rental assistance payments, subject to current program guidelines.

HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements, and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates.

Subsequent Events: Subsequent events have been evaluated through September 30, 2013, which is the date the financial statements were available to be issued.

New Accounting Pronouncements: Effective January 1, 2012, the Authority adopted Statement of Governmental Accounting Standards Board No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" ("Statement No. 63"). Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, and incorporates these items into the definitions of the net assets, which has been renamed net position. Other than the renaming of net position (which the Authority has retrospectively done for 2011, Statement No. 63 did not have a significant impact on the Authority's financial statements, as the Authority does not have any deferred outflows or deferred inflows of resources, as defined by Statement No. 63.

2. DEPOSITS AND INVESTMENTS

It is the Authority's policy to invest in those securities which are authorized by HUD. Such investments generally consist of obligations of the U. S. government and its agencies and instrumentalities, collateralized or insured certificates of deposit, or other bank deposits, and certain other commercial instruments. The primary objectives of the Authority's investment policy are safety, liquidity, yield, and administrative costs.

The cash balances of the Authority are categorized to give an indication of the level of custodial credit risk assumed by the Authority at December 31, 2012 and 2011, as follows:

	2012				
	(a)	Category (b)	(c)	Bank Balance	Carrying Amount
Cash and cash equivalents	\$ 154,242	\$ -	\$ -	\$ 154,242	\$ 143,204
Certificates of deposit (classified as investments)	29,064	-	-	29,064	29,064
	<u>\$ 183,306</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,306</u>	<u>\$ 172,268</u>

HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

	2011			Bank Balance	Carrying Amount
	(a)	Category (b)	(c)		
Cash and cash equivalents	\$ 290,855	\$ -	\$ 22,772	\$ 313,627	\$ 277,434
Certificates of deposit (classified as investments)	28,984	-	-	28,984	28,984
	<u>\$ 319,839</u>	<u>\$ -</u>	<u>\$ 22,772</u>	<u>\$ 342,611</u>	<u>\$ 306,418</u>

Deposit Categories of Custodial Credit Risk

- (a): Insured by the Federal Deposit Insurance Corporation.
- (b): Collateralized with securities held by the pledging financial institutions' trust department or agent, but not in the Authority's name.
- (c): Uncollateralized.

As of December 31, 2012, the Authority's investments in certificates of deposit are all due in 2013.

3. PROPERTY AND EQUIPMENT

Activity in property and equipment for 2012 and 2011 is as follows:

	<u>01/01/12</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/12</u>
Land (not depreciated)	\$ 344,951	\$ -	\$ -	\$ 344,951
Buildings and improvements	5,244,092	1,329	-	5,245,421
Furniture and equipment	139,031	3,042	(25,498)	116,575
Total Depreciable Assets	<u>5,383,123</u>	<u>4,371</u>	<u>(25,498)</u>	<u>5,361,996</u>
Less Accumulated Depreciation	(2,507,245)	(185,496)	25,498	(2,667,243)
Net Property and Equipment	<u>\$ 3,220,829</u>	<u>\$ (181,125)</u>	<u>\$ -</u>	<u>\$ 3,039,704</u>

HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>01/01/11</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/11</u>
Land (not depreciated)	\$ 344,951	\$ -	\$ -	\$ 344,951
Buildings and improvements	5,209,972	34,120	-	5,244,092
Furniture and equipment	133,800	5,231	-	139,031
Total Depreciable Assets	<u>5,343,772</u>	<u>39,351</u>	<u>-</u>	<u>5,383,123</u>
Less Accumulated Depreciation	<u>(2,316,034)</u>	<u>(191,211)</u>	<u>-</u>	<u>(2,507,245)</u>
Net Property and Equipment	<u>\$ 3,372,689</u>	<u>\$ (151,860)</u>	<u>\$ -</u>	<u>\$ 3,220,829</u>

4. ACCOUNTS RECEIVABLE-U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

Accounts receivable-HUD consists of the following as of December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Low Rent Operating Subsidy	\$ 158,012	\$ -
Section 8 Housing Choice Vouchers	-	408
	<u>\$ 158,012</u>	<u>\$ 408</u>

5. COMMITMENTS AND CONTINGENCIES

The activities of the Authority are currently funded in large part by the Federal Government and future operations of the Authority are reliant on continuation of this funding from the Federal Government.

Amounts received or receivable from HUD are subject to audit and adjustment by HUD. Any disallowed expenses resulting from audit findings and adjustments may constitute a liability of the Authority. The amount of expenses which may be disallowed by HUD, if any, cannot be determined at this time, although the Authority expects such amounts to be immaterial.

6. RETIREMENT PLAN

The Authority has a defined contribution plan covering all eligible employees who elect to participate. The Authority is required to contribute 5% of a participating employee's compensation to the plan. Employee and Authority contributions to the plan vest immediately. The Authority contributions to the plan were \$1,284 in 2012 and \$1,581 in 2011.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF DEL CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA No.</u>	<u>Current Year Award Amount</u>	<u>Current Year Expenditures</u>
US Department of Housing and Urban Development			
Section 8 – Housing Choice Vouchers	14.871	\$ 249,125	\$ 249,125 (*)
Low Rent Public Housing	14.850	235,148	235,148
Public Housing Capital Fund Program	14.872	<u>118,526</u>	<u>118,526 (*)</u>
Total		<u>\$ 602,799</u>	<u>\$ 602,799</u>

(*) Major Program

**HOUSING AUTHORITY OF THE CITY OF DEL CITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2012**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal contract and grant activity of the Housing Authority of the City of Del City, (the "Authority") and is presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations.*" Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the basic financial statements.

2. AMOUNTS PAID TO SUBRECIPIENTS

There were no significant amounts provided to subrecipients for the year ended December 31, 2012.



Independent Auditors' Report on Other Supplementary Information

To the Board of Commissioners
Housing Authority of the City of Del City
Del City, Oklahoma

We have audited the financial statements of the Housing Authority of the City of Del City (the "Authority") as of and for the year ended December 31, 2012, and issued our report thereon dated September 30, 2013, which appears on page 6 through page 8 and expressed an unmodified opinion on those financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 20 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of the Authority's management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

September 30, 2013

HOUSING AUTHORITY OF THE CITY OF DEL CITY
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
CERTIFICATE PROJECT NUMBER OK56P15050110
DECEMBER 31, 2012

1. The actual development cost of the project is as follows:

	Classification	OK56P15050110
1430	Fees and costs	\$ 115,484
1465	Dwelling equipment	<u>3,042</u>
		<u>\$ 118,526</u>

- The distribution of costs by major cost accounts as shown above and the actual modernization cost certificate submitted to HUD on March 27, 2012 are in agreement with the Authority's records.
- All modernization costs and related liabilities have been paid.
- The Authority had no budget overruns.

Funds approved	\$ 118,526
Funds advanced	<u>(118,526)</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 118,526
Funds expended	<u>(118,526)</u>
Excess of funds advanced	<u>\$ -</u>

**OTHER REPORTS AND SCHEDULES IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*
AND OMB CIRCULAR A-133**



Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Housing Authority of the City of Del City
Del City, 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 Del City (the "Authority") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 30, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



September 30, 2013



Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Commissioners
Housing Authority of the City of Del City (the "Authority")
Del City, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited the Authority's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2012. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Basis for Qualified Opinion on the Housing Choice Vouchers Program (CFDA #14.871)

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with the requirements regarding CFDA 14.871 - Housing Choice Vouchers Program as described in Finding 12-01. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Qualified Opinion on the Housing Choice Vouchers Program (CFDA #14.871)

In our opinion, except for the noncompliance described in the Basis For Qualified Opinion paragraph, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Housing Choice Vouchers Program (CFDA #14.871) for the year ended December 31, 2012.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs, identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 12-02 and 12-03. Our opinion on each major federal program is not modified with respect to these matters.

The Authority's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

To the Board of Commissioners
Housing Authority of the City of Del City
Page 3

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 12-01, that we consider to be a significant deficiency.

The Authority's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. We did not audit the Authority's response and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly this report is not suitable for any other purpose.



September 30, 2013

HOUSING AUTHORITY OF THE CITY OF DEL CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2012

PART I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of independent auditors' report issued: **Unmodified**

Internal control over financial reporting:

Material weakness identified? **No**

Significant deficiency identified not considered to be a material weakness? **None Noted**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over major programs:

Material weakness identified? **No**

Significant deficiencies identified not considered to be a material weakness? **Yes**

Type of independent auditors' report issued on compliance with requirements applicable to major federal programs: **Qualified**

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (Section .510(a))? **Yes**

Identification of Major Federal Programs or Clusters

CFDA Number

Section 8 – Housing Choice Vouchers Program
Public Housing Capital Fund

14.871
14.872

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? **No**

HOUSING AUTHORITY OF THE CITY OF DEL CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2012

PART II - FINANCIAL STATEMENT FINDINGS

There were no material weaknesses, instances of noncompliance, or other items related to financial statements required to be reported in accordance with *Government Auditing Standards*.

PART III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Instances of Noncompliance Resulting in Qualified Opinion on Compliance

Finding: 12-01 Section 8 Housing Vouchers, CFDA #14.871

Criteria- A Public Housing Authority administering a Section 8 Housing Choice Vouchers program is required to perform inspections at least annually to determine if the unit meets Housing Quality Standards, i.e., file a HUD-50058 *Family Report*.

Condition and Context- The Authority failed to document annual inspections on four units out of a sample of ten Section 8 tenants that were selected as part of auditing procedures test of Section 8 eligibility and reporting compliance requirement testing.

Effect- Failing to perform inspections or to document the results of those inspections on an annual basis could potentially result in units not meeting the Housing Quality Standards.

Recommendation- A system should be in place to ensure that inspections are performed at least an annual basis and documented in accordance with the criteria noted above.

Views of Responsible Officials and Planned Corrective Action- See Correction Action Plan on page 27.

Other Instances of Noncompliance Not Resulting in Modification of Report on Compliance

Finding: 12-02 Section 8 Housing Vouchers, CFDA #14.871

We noted an immaterial instance of noncompliance as the Authority is required to maintain a signed depository agreement with their banking institutions. This depository agreement includes among other items, the requirement that the Authority's financial institutions provide collateral to the Authority for deposits in excess of Federal Deposit of Insurance Corporation ("FDIC") limits. The Authority was able to provide depository agreements signed by Authority Management, but they were not signed by the banking institution. It should be noted that as of December 31, 2012, all of the Authority's deposits were insured by the FDIC.

Finding: 12-03 Section 8 Housing Vouchers, CFDA #14.871

We noted an immaterial instance of noncompliance as the Authority is required to maintain applications of waiting list applicants. Upon reviewing the waiting list, the Authority was unable to provide two of the waiting list applications because the applications had been misfiled.

HOUSING AUTHORITY OF THE CITY OF DEL CITY

CORRECTIVE ACTION PLAN (UNAUDITED)

Year Ended December 31, 2012

Finding 12-01 (Annual Inspections)

The Authority concurs with the recommendation and will review its practices to ensure compliance with the criteria related to inspections.

Person Responsible: Vicki Gleason, Executive Director

Action Plan: The Authority's processes and controls will be reviewed and a system thereby initiated to ensure that all inspections are performed and documented on an annual basis. Additionally, the Authority will obtain a signed depository agreement with its banking institution and take the necessary steps to ensure the waiting list applications are maintained.

Completion Date: December 31, 2013

HOUSING AUTHORITY OF THE CITY OF DEL CITY

STATUS OF PRIOR YEAR FINDINGS

Year Ended December 31, 2011

Prior Year Finding 11-01: Low Rent Public Housing; Section 8 Housing Choice Vouchers

Finding – The Authority failed to perform annual reexaminations on four out of a sample of eighteen Section 8 tenants.

Status –Corrective action has been taken and this matter has been fully resolved. The Authority has made the necessary changes to ensure the reexaminations are being performed on annual basis.

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2012

Submission Type: Audited/A-133

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$105,685	\$19,589	\$125,274	\$0	\$125,274
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$4,955	\$4,955	\$0	\$4,955
114 Cash - Tenant Security Deposits	\$12,975	\$0	\$12,975	\$0	\$12,975
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$118,660	\$24,544	\$143,204	\$0	\$143,204
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$158,012	\$0	\$158,012	\$0	\$158,012
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$697	\$0	\$697	\$0	\$697
126.1 Allowance for Doubtful Accounts - Tenants	-\$35	\$0	-\$35	\$0	-\$35
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$12	\$0	\$12	\$0	\$12
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$158,686	\$0	\$158,686	\$0	\$158,686
131 Investments - Unrestricted	\$29,064	\$0	\$29,064	\$0	\$29,064
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$3,793	\$774	\$4,567	\$0	\$4,567
143 Inventories	\$7,159	\$0	\$7,159	\$0	\$7,159

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2012

Submission Type: Audited/A-133

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	-\$716	\$0	-\$716	\$0	-\$716
144 Inter Program Due From	\$45,683	\$0	\$45,683	-\$45,683	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$362,329	\$25,318	\$387,647	-\$45,683	\$341,964
161 Land	\$344,951	\$0	\$344,951	\$0	\$344,951
162 Buildings	\$5,245,421	\$0	\$5,245,421	\$0	\$5,245,421
163 Furniture, Equipment & Machinery - Dwellings	\$550	\$0	\$550	\$0	\$550
164 Furniture, Equipment & Machinery - Administration	\$115,115	\$910	\$116,025	\$0	\$116,025
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$2,666,333	-\$910	-\$2,667,243	\$0	-\$2,667,243
167 Construction in Progress	\$0	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,039,704	\$0	\$3,039,704	\$0	\$3,039,704
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$3,039,704	\$0	\$3,039,704	\$0	\$3,039,704
190 Total Assets	\$3,402,033	\$25,318	\$3,427,351	-\$45,683	\$3,381,668
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$8,931	\$192	\$9,123	\$0	\$9,123

See independent auditors' report.

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$9,126	\$190	\$9,316	\$0	\$9,316
322 Accrued Compensated Absences - Current Portion	\$2,333	\$479	\$2,812	\$0	\$2,812
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$19,007	\$0	\$19,007	\$0	\$19,007
341 Tenant Security Deposits	\$12,975	\$0	\$12,975	\$0	\$12,975
342 Deferred Revenues	\$764	\$936	\$1,700	\$0	\$1,700
343 Current Portion of Long-term Debt - Capital Projects/Mortgage	\$0	\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$5,563	\$0	\$5,563	\$0	\$5,563
347 Inter Program - Due To	\$0	\$45,683	\$45,683	-\$45,683	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$58,699	\$47,480	\$106,179	-\$45,683	\$60,496
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$1,988	\$479	\$2,467	\$0	\$2,467
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$1,988	\$479	\$2,467	\$0	\$2,467

See independent auditors' report.

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
300 Total Liabilities	\$60,687	\$47,959	\$108,646	-\$45,683	\$62,963
508.1 Invested In Capital Assets, Net of Related Debt	\$3,039,704	\$0	\$3,039,704	\$0	\$3,039,704
511.1 Restricted Net Assets	\$0	\$4,955	\$4,955	\$0	\$4,955
512.1 Unrestricted Net Assets	\$301,642	-\$27,596	\$274,046	\$0	\$274,046
513 Total Equity/Net Assets	\$3,341,346	-\$22,641	\$3,318,705	\$0	\$3,318,705
600 Total Liabilities and Equity/Net Assets	\$3,402,033	\$25,318	\$3,427,351	-\$45,683	\$3,381,668

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2012

Submission Type: Audited/A-133

	Project Total	14,871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$154,659	\$0	\$154,659	\$0	\$154,659
70400 Tenant Revenue - Other	\$728	\$0	\$728	\$0	\$728
70500 Total Tenant Revenue	\$155,387	\$0	\$155,387	\$0	\$155,387
70600 HUD PHA Operating Grants	\$350,632	\$249,125	\$599,757	\$0	\$599,757
70610 Capital Grants	\$3,042	\$0	\$3,042	\$0	\$3,042
70710 Management Fee	\$0	\$0	\$0	\$0	\$0
70720 Asset Management Fee	\$0	\$0	\$0	\$0	\$0
70730 Book Keeping Fee	\$0	\$0	\$0	\$0	\$0
70740 Front Line Service Fee	\$0	\$0	\$0	\$0	\$0
70750 Other Fees	\$0	\$0	\$0	\$0	\$0
70700 Total Fee Revenue	\$0	\$0	\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$246	\$0	\$246	\$0	\$246
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$0
71500 Other Revenue	\$14,069	\$3,168	\$17,237	\$0	\$17,237
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$46	\$46	\$0	\$46
70000 Total Revenue	\$523,376	\$252,339	\$775,715	\$0	\$775,715
91100 Administrative Salaries	\$52,138	\$13,318	\$65,456	\$0	\$65,456

Housing Authority of the City of Del City (OK150)
 DEL CITY, OK
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
91200 Auditing Fees	\$8,455	\$1,045	\$9,500	\$0	\$9,500
91300 Management Fee	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$18,048	\$3,992	\$22,040	\$0	\$22,040
91600 Office Expenses	\$9,584	\$1,492	\$11,076	\$0	\$11,076
91700 Legal Expense	\$3,458	\$442	\$3,900	\$0	\$3,900
91800 Travel	\$4,900	\$521	\$5,421	\$0	\$5,421
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0
91900 Other	\$14,160	\$3,861	\$18,021	\$0	\$18,021
91000 Total Operating - Administrative	\$110,743	\$24,671	\$135,414	\$0	\$135,414
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$4,499	\$0	\$4,499	\$0	\$4,499
92500 Total Tenant Services	\$4,499	\$0	\$4,499	\$0	\$4,499
93100 Water	\$10,605	\$0	\$10,605	\$0	\$10,605
93200 Electricity	\$35,537	\$0	\$35,537	\$0	\$35,537
93300 Gas	\$256	\$0	\$256	\$0	\$256
93400 Fuel	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$12,226	\$0	\$12,226	\$0	\$12,226
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0

See independent auditors' report.

Housing Authority of the City of Del City (OK150)
DEL CITY, OK

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14,871 Housing Choice Vouchers	Subtotal	ELIM	Total
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0
93000 Total Utilities	\$58,624	\$0	\$58,624	\$0	\$58,624
94100 Ordinary Maintenance and Operations - Labor	\$45,694	\$0	\$45,694	\$0	\$45,694
94200 Ordinary Maintenance and Operations - Materials and Other	\$59,997	\$0	\$59,997	\$0	\$59,997
94300 Ordinary Maintenance and Operations Contracts	\$77,692	\$0	\$77,692	\$0	\$77,692
94500 Employee Benefit Contributions - Ordinary Maintenance	\$14,206	\$0	\$14,206	\$0	\$14,206
94000 Total Maintenance	\$197,589	\$0	\$197,589	\$0	\$197,589
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$16,570	\$0	\$16,570	\$0	\$16,570
96120 Liability Insurance	\$2,681	\$343	\$3,024	\$0	\$3,024
96130 Workmen's Compensation	\$3,855	\$680	\$4,535	\$0	\$4,535
96140 All Other Insurance	\$5,687	\$366	\$6,053	\$0	\$6,053
96100 Total insurance Premiums	\$28,793	\$1,389	\$30,182	\$0	\$30,182
96200 Other General Expenses	\$2,199	\$0	\$2,199	\$0	\$2,199
96210 Compensated Absences	\$4,868	\$860	\$5,728	\$0	\$5,728
96300 Payments in Lieu of Taxes	\$9,604	\$0	\$9,604	\$0	\$9,604
96400 Bad debt - Tenant Rents	\$1,794	\$0	\$1,794	\$0	\$1,794
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0

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Housing Authority of the City of Del City (OK150)
DEL CITY, OK

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14,871 Housing Choice Vouchers	Subtotal	ELIM	Total
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$18,465	\$860	\$19,325	\$0	\$19,325
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$418,713	\$26,920	\$445,633	\$0	\$445,633
97000 Excess of Operating Revenue over Operating Expenses	\$104,663	\$225,419	\$330,082	\$0	\$330,082
97100 Extraordinary Maintenance	\$5,300	\$0	\$5,300	\$0	\$5,300
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$309,156	\$309,156	\$0	\$309,156
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$185,496	\$0	\$185,496	\$0	\$185,496
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$609,509	\$336,076	\$945,585	\$0	\$945,585
10010 Operating Transfer In	\$115,484	\$0	\$115,484	-\$115,484	\$0
10020 Operating transfer Out	-\$115,484	\$0	-\$115,484	\$115,484	\$0

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Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14,871 Housing Choice Vouchers	Subtotal	ELIM	Total
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0		\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0		\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$86,133	-\$83,737	-\$169,870		-\$169,870
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$3,427,479	\$61,096	\$3,488,575	\$0	\$3,488,575
11040 Prior Period Adjustments, Equity Transfers and Correction of	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity		-\$27,596	-\$27,596		-\$27,596
11180 Housing Assistance Payments Equity		\$4,955	\$4,955		\$4,955

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Housing Authority of the City of Del City (OK150)
 DEL CITY, OK

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2012

	Project Total	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
11190 Unit Months Available	1187	604	1791	0	1791
11210 Number of Unit Months Leased	1172	594	1766	0	1766
11270 Excess Cash	\$258,502		\$258,502		\$258,502
11610 Land Purchases	\$0		\$0		\$0
11620 Building Purchases	\$1,329		\$1,329		\$1,329
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$3,042		\$3,042		\$3,042
11650 Leasehold Improvements Purchases	\$0		\$0		\$0
11660 Infrastructure Purchases	\$0		\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0		\$0