

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED MARCH 31, 2012

Mike Estes, P.C.
A Professional Accounting Corporation

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MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestespc.com
website: mikeestespc.com

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Independent Auditor's Report

Board of Commissioners
Housing Authority of Guthrie
Guthrie, Oklahoma

We have audited the accompanying basic financial statements of each major fund of the Housing Authority of the City of Guthrie, Oklahoma as of and for the year ended March 31, 2012, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of Guthrie, Oklahoma's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of the City of Guthrie, Oklahoma, as of March 31, 2012, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2012, on our consideration of the Housing Authority of the City of Guthrie, Oklahoma'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* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, presented for purposes of additional analysis as required by OMB Budget Circular A-133, the Financial Data Schedules required by HUD, and other accompanying information are presented for purposes of additional analysis and are not required parts of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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.

Mike Estes, P.C.
Fort Worth, Texas
October 11, 2012

Guthrie Housing Authority Management's Discussion and Analysis For the Year Ended March 31, 2012

Introduction

This Management's Discussion and Analysis (MD&A) of the Guthrie Housing Authority (Authority) provides an introduction and overview to the financial statements of the Guthrie Housing Authority for the fiscal year ended March 31, 2012. The Guthrie Housing Authority presents this discussion and analysis of its financial performance during the fiscal year ended March 31, 2012, to assist the reader in focusing on significant financial issues.

The primary focus of the Authority's financial statements is on the statements of its two enterprise funds encompassing the general fund, which consists of the public housing Low Rent program and the Capital Fund program, and the Rural Rental fund by the Guthrie Housing Authority. This information contained herein this MD&A should be considered in conjunction with the Authority's basic financial statements and related notes to the financial statements.

The Authority has 4 individual programs. They include the Low Rent Public Housing Program, the Capital Fund Program, and the Rural Development Program and a Management Fund Program.

- The Low Rent Program consists of 159 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received from the Department of Housing & Urban Development based on a formula.
- The Capital Fund Program is also a formula based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.
- The Rural Development Housing Program is a 28 unit apartment complex constructed from loans provided by the Department of Agriculture benefiting rural residents classified as elderly or disabled. The apartment complex is subsidized by HUD through Section 8 rental assistance payments. Tenants typically pay rent, which is 30 percent of the adjusted gross income. The remaining portion of the rent is provided by HUD in the form of rental assistance.
- The Management Fund Program was developed for the purpose of providing management and consulting services to Public Housing Authorities.

Management's Discussion and Analysis-Cont.

Overview of the Financial Statements

This overview of the financial statement is intended to inform and introduce the reader to the Authority's basic financial statements. The basic financial statements are comprised of three individual statements. These statements include:

- The Statement of Net Assets
- The Statement of Revenues, Expense, and Changes in Net Assets
- The Statement of Cash Flows

The Statement of Net Assets presents information on the assets and liabilities, with the differences between the two being reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial situation of the Authority is improving or deteriorating. Net Assets is comprised of three individual components:

- *Investment in Capital Assets, Net of Related Debt* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with these assets.
- *Restricted Net Assets* consists of assets that are restricted by limitations placed on these assets by an external source or party.
- *Unrestricted Net Assets* consists of net assets that do not meet the definition of the above categories. Unrestricted net assets is basically the amount of funds available for future year appropriations.

The Statement of Revenues, Expenses, and Changes in Net Assets reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Authority for the fiscal year ended March 31, 2012, to determine the change in net assets for the fiscal year.

The Statement of Cash Flows reports cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended March 31, 2012.

Financial Highlights

- The Guthrie Housing Authority's total net assets decreased from \$2,791,468 to \$2,550,938, a decrease of \$240,530 or 9%. The total assets decreased by \$227,091 or 7%.

Management's Discussion and Analysis-Cont.

- The unrestricted net asset balance is listed as \$770,403 at March 31, 2012. This represents a decrease of \$30,536 or 4% from the previous year.
- Total revenues decreased from \$1,206,185 to \$817,100, a decrease of \$389,085 or 32%.
- Total expenses increased by \$43,454 from \$1,014,176 to \$1,057,630 for the current year.

Housing Authority Activities & Highlights

The Housing Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the asset and liability comparisons for the year ended March 31, 2012, and March 31, 2011.

Summary Statement of Net Assets

<u>Category</u>	<u>FYE 2012</u>	<u>FYE 2011</u>	<u>Change \$</u>	<u>Change %</u>
Current Assets	\$ 1,068,828	\$ 1,044,650	\$ 24,178	2%
Fixed Assets (Net of Depreciation)	\$ 2,036,968	\$ 2,288,237	\$ (251,269)	-11%
Total Assets	\$ 3,105,796	\$ 3,332,887	\$ (227,091)	-7%
Current Liabilities	\$ 119,756	\$ 87,290	\$ 32,466	37%
Long Term Liabilities	\$ 435,102	\$ 454,129	\$ (19,027)	-4%
Total Liabilities	\$ 554,858	\$ 541,419	\$ 13,439	2%
Unrestricted Net Assets	\$ 770,403	\$ 800,939	\$ (30,536)	-4%
Restricted Net Assets	\$ 188,287	\$ 162,403	\$ 25,884	0%
Investment in Net Fixed Assets	\$ 1,592,248	\$ 1,828,126	\$ (235,878)	-13%
Total Net Assets	\$ 2,550,938	\$ 2,791,468	\$ (240,530)	-9%

Current Assets

Current assets increased by \$24,178 or 2%. This increase is primarily due to cash related revenues exceeding cash related expenses.

Fixed Assets

Fixed assets decreased from \$2,288,237 to \$2,036,968, a decrease of \$251,269 from March 31, 2011 to March 31, 2012. This decrease is primarily due to depreciation expense. Further discussion is located in the capital asset section.

Management's Discussion and Analysis-Cont.

Long Term Liabilities

Long term liabilities decreased from \$454,129 to \$435,102, a decrease of \$19,027 from March 31, 2011 to March 31, 2012. The difference is due to the decrease in the note payable related to the Rural Development program.

Net Assets

The Authority's total net asset balance decreased by \$240,530 from the previous year.

The Authority's unrestricted net assets decreased from \$800,939 to \$770,403, a decrease of \$30,536, or 4% for the current year, while the Authority's restricted net assets increased by \$25,884. The principal reason for the changes is due to the contribution of cash into the Rural Development reserve account. The unrestricted net asset account balance is the amount available for future appropriations. This balance is subject to program specific guidelines. Individual program balances are as follows:

Unrestricted Net Assets:

Low Rent Housing Program	\$ 705,426
Rural Development Program	50,905
Management Program	<u>14,072</u>
Total	\$ <u>770,403</u>

Investment in net fixed assets decreased by \$251,269 for the current fiscal year. This is due to the addition of the current year assets and accumulated depreciation.

Restricted Net Assets

Restricted net assets increased by \$25,884 from \$162,403 to \$188,287 due to current year interest and contributions.

Management's Discussion and Analysis-Cont.

Overview of the Financial Statements-Cont.

Summary Statement of Revenues & Expenses and Changes in Net Assets Years Ended March 31, 2012 and 2011

Category	FYE 2012	FYE 2011	Change \$	Change %
Tenant Revenue	\$ 245,057	\$ 222,213	\$ 22,844	10%
HUD Operating Grants	532,961	550,626	(17,665)	-3%
Capital Grants	913	368,839	(367,926)	-100%
Interest Income	11,871	11,402	469	4%
Other Revenue	26,298	53,105	(26,807)	-50%
Total Revenue	<u>\$ 817,100</u>	<u>\$ 1,206,185</u>	<u>\$ (389,085)</u>	<u>-32%</u>
Administration	\$ 281,667	\$ 289,585	\$ (7,918)	-3%
Tenant Services	6,824	4,351	2,473	57%
Utilities	94,882	89,873	5,009	6%
Ordinary Maintenance	272,803	263,717	9,086	3%
General Expense	110,199	97,330	12,869	13%
Interest Expense	34,648	38,158	(3,510)	-9%
Depreciation	254,242	231,162	23,080	10%
Extraordinary Maintenance	2,365	-	2,365	N/A
Total Expenses	<u>\$ 1,057,630</u>	<u>\$ 1,014,176</u>	<u>\$ 43,454</u>	<u>4%</u>
Excess of Revenue over Expenses	<u>\$ (240,530)</u>	<u>\$ 192,009</u>	<u>\$ (432,539)</u>	<u>-225%</u>
Net Assets, Beginning of Year	<u>\$ 2,791,468</u>	<u>\$ 2,599,459</u>	<u>\$ 192,009</u>	<u>7%</u>
Net Assets, End of Year	<u>\$ 2,550,938</u>	<u>\$ 2,791,468</u>	<u>\$ (240,530)</u>	<u>-9%</u>

Results of Operations

Revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). The Authority's revenue decreased by \$345,934 during the current fiscal year. Significant changes noted between the current and previous fiscal years include:

- Other revenue decreased by \$26,807 from the previous year.
- HUD operating grants decreased by \$17,665 primarily due to lower operating subsidy for the Low Rent program. Operating Subsidy decreased from \$407,121 to \$357,895 in the current year.
- Tenant revenue increased by \$22,844 or 10 % due to higher average rent and higher units leased for the Low Rent program. Units months leased for the low rent program increased from 1,722 in the previous year to 1,755 in the current year while the average rent increased from \$108 in the previous year to \$112 in the current year. Units months

Management's Discussion and Analysis-Cont.

leased for the rural rental program decreased from 336 in the previous year to 318 while the average rent remained relatively unchanged.

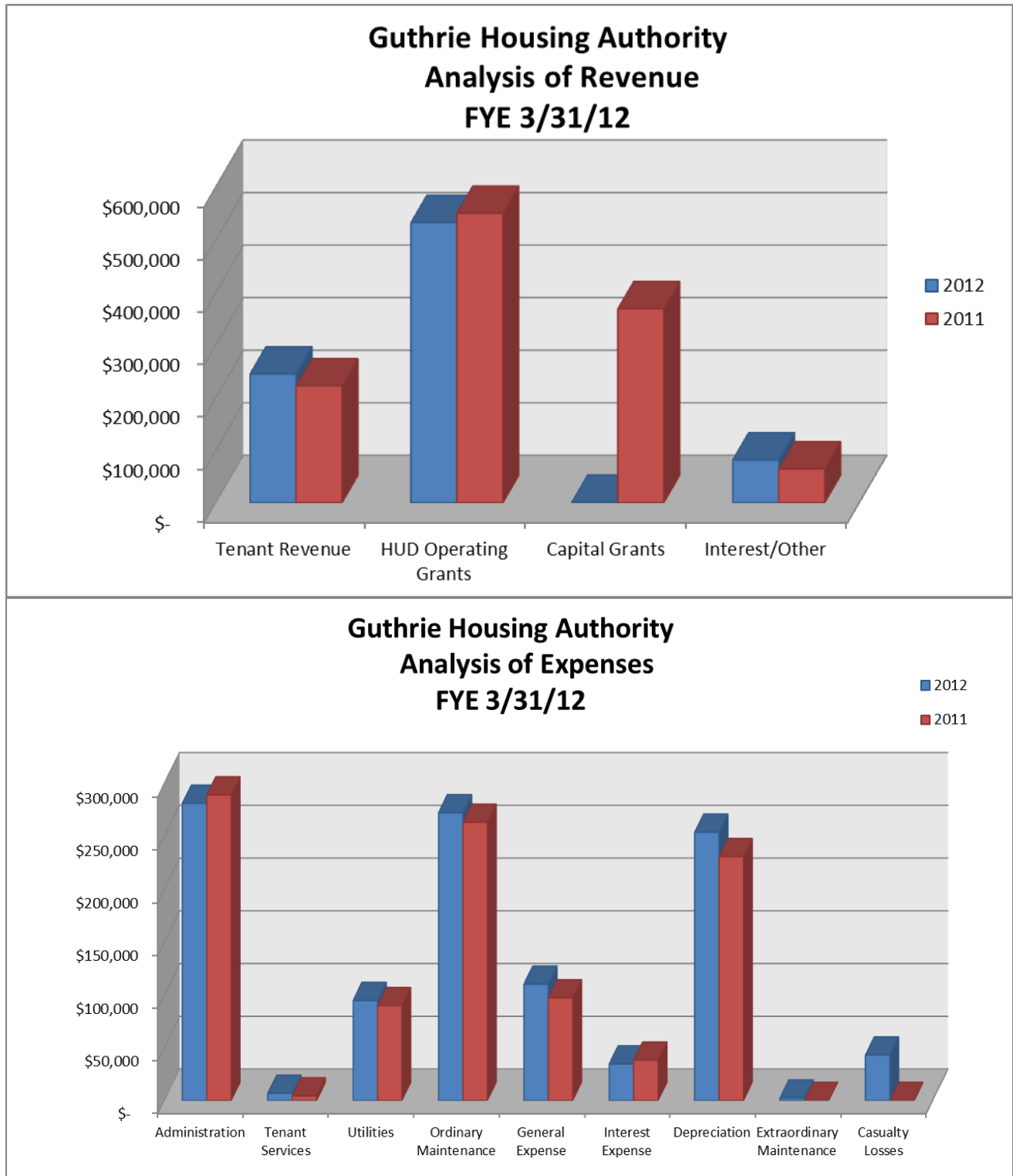
- Capital grants decreased by \$367,926 from the prior year. These grants are expenditure driven, and as a result of less capital item activity during the current year, there was a decrease in the amount of capital grant revenue recognized due to ARRA funds in the prior year.

Total expenses increased by \$43,454. Significant differences between the years include:

- Tenant Services increased by \$2,473 or 57% during the year. The increase is primarily due to more time being spent operating tenant participation programs.
- Utilities increased by \$5,009 or 6% from the prior year. The primary reason for the change in utility expenses was the increase in water and electric consumptions due to a higher occupancy rate.
- General expenses increased by \$12,869 primarily due to higher rates for insurance and accrued leave.
- Interest expense decreased by \$3,510 or 9% due to the reduction in the outstanding principal balance on the Rural Development note payable.
- Depreciation expense increased by \$23,080 due to capital assets placed in service in the previous year.
- Extraordinary maintenance for the year was due to damages to utility lines caused during construction. Casualty losses are related to the fire damages that were sustained by units.

Management's Discussion and Analysis-Cont.

We have provided the following presentations to demonstrate the revenues and expenses by summarized account category:



Management's Discussion and Analysis-Cont.

Capital Assets

As of March 31, 2012, the Guthrie Housing Authority's investment in capital assets was \$1,592,248. This investment includes land, building, and equipment. The principal balance of the notes has been reduced from the cost of the fixed assets in the calculation of investment in capital assets.

Category	FYE 2012	FYE 2011	Change \$	Change %
Land	\$ 133,924	\$ 133,924	\$ -	0%
Buildings	\$ 8,069,720	\$ 8,067,747	\$ 1,973	0%
Equipment	\$ 254,301	\$ 253,302	\$ 999	0%
Construction in Progress	\$ -	\$ -	\$ -	0%
Accumulated Depreciation	\$ (6,420,977)	\$ (6,166,736)	\$ (254,241)	4%
Total Net Fixed Assets	\$ 2,036,968	\$ 2,288,237	\$ (251,269)	-11%

- Additions noted in the building account are due to unit upgrades in both the Low Rent and Rural Development programs.

Debt Administration

The Rural Development Project was financed through notes issued by the Department of Agriculture. The principal amount of these notes decreased by \$15,391 from \$460,111 to \$444,720 for the current year. No additional debt has been incurred during the current fiscal year. Of the \$444,720 note balance \$17,456 is classified as current debt and \$427,264 is classified as long term debt.

The Authority classifies a portion of accrued employee's leave as long term debt. This is because the Authority does not anticipate paying out the total amount accrued in the upcoming fiscal year. The amount estimated as long term was \$7,838.

Subsequent Event

Due to HUD budget cuts in the 2012 federal fiscal year, agencies with more than 6 months of expenses in reserve (working capital) may be subject to a recapture. The Guthrie Housing Authority is having some reserves recaptured through lower subsidy payments.

Our future CFP contracts will include installation of 10 units of energy efficient central heat and air conditioning systems. Ten (10) have already been completed. There are no lawsuits or grievances at this time or known about. We are reviewing our staffing and other management expense items to determine where we can create savings to offset the reduced amount of operating subsidy due to the Operating Fund Proration. Additionally we are reviewing our CFP Plan for possible revision due to the reduced amount of CFP funding received.

Management's Discussion and Analysis-Cont.

Request for Information

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Guthrie Housing Authority
Jennifer Ricker, Executive Director
1524 E. Perkins Ave
Guthrie, OK 73044-5843

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT OF NET ASSETS

MARCH 31, 2012

	General	Rural Rental	Total
	<hr/>	<hr/>	<hr/>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 263,266	\$ 53,170	\$ 316,436
Investments	506,174	0	506,174
Investments - restricted	0	122,212	122,212
Accounts receivable net	8,817	14	8,831
Interest receivable	229	77	306
Prepaid items and other assets	8,688	1,967	10,655
Inventory	11,012	1,943	12,955
Restricted assets - cash and cash equivalents	18,517	72,742	91,259
	<hr/>	<hr/>	<hr/>
Total Current Assets	816,703	252,125	1,068,828
	<hr/>	<hr/>	<hr/>
Capital Assets, net			
Land and other non-depreciated assets	108,933	24,991	133,924
Other capital assets - net of depreciation	1,713,233	189,811	1,903,044
	<hr/>	<hr/>	<hr/>
Total Capital Assets, net	1,822,166	214,802	2,036,968
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 2,638,869	466,927	\$ 3,105,796
	<hr/>	<hr/>	<hr/>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 49,419	\$ 1,666	\$ 51,085
Deferred revenue	2,570	259	2,829
Compensated absences payable	8,911	670	9,581
Accrued PILOT	10,496	3,125	13,621
Deposits due others	18,517	6,667	25,184
Current portion of long term debt	0	17,456	17,456
	<hr/>	<hr/>	<hr/>
Total Current Liabilities	89,913	29,843	119,756
	<hr/>	<hr/>	<hr/>
Noncurrent Liabilities			
Compensated absences payable	7,292	546	7,838
Long term debt	0	427,264	427,264
	<hr/>	<hr/>	<hr/>
Total Liabilities	97,205	457,653	554,858
	<hr/>	<hr/>	<hr/>
NET ASSETS			
Invested in capital assets, net of related debt	1,822,166	(229,918)	1,592,248
Restricted	0	188,287	188,287
Unrestricted	719,498	50,905	770,403
	<hr/>	<hr/>	<hr/>
Net Assets	2,541,664	9,274	2,550,938
	<hr/>	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 2,638,869	\$ 466,927	\$ 3,105,796
	<hr/>	<hr/>	<hr/>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2012

	General	Rural Rental	Total
OPERATING REVENUES			
Dwelling rental	\$ 196,773	\$ 34,302	\$ 231,075
Governmental operating grants	414,609	118,352	532,961
Other	39,337	943	40,280
Total Operating Revenues	650,719	153,597	804,316
OPERATING EXPENSES			
Administration	258,892	22,775	281,667
Tenant services	5,896	928	6,824
Utilities	91,828	3,054	94,882
Ordinary maintenance & operations	254,124	18,679	272,803
General expenses	95,315	14,884	110,199
Depreciation	227,542	26,700	254,242
Extraordinary maintenance	2,365	0	2,365
Total Operating Expenses	935,962	87,020	1,022,982
Income (Loss) from Operations	(285,243)	66,577	(218,666)
Non Operating Revenues (Expenses)			
Interest earnings	10,045	1,826	11,871
Interest expense	0	(34,648)	(34,648)
Total Non-Operating Revenues (Expenses)	10,045	(32,822)	(22,777)
Income (Loss) before contribution	(275,198)	33,755	(241,443)
Capital Contribution	913	0	913
Change in net assets	(274,285)	33,755	(240,530)
Total net assets - beginning	2,815,949	(24,481)	2,791,468
Total net assets - ending	\$ 2,541,664	\$ 9,274	\$ 2,550,938

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2012

	General	Rural Rental	Total
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 190,127	\$ 34,964	\$ 225,091
Other receipts	45,067	429	45,496
Federal grants	414,563	129,798	544,361
Payments to vendors	(302,713)	(35,144)	(337,857)
Payments to employees – net	(369,207)	(25,656)	(394,863)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	(22,163)	104,391	82,228
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(1,914)	(1,058)	(2,972)
Federal Capital Grants	913	0	913
Payments on notes payable	0	(15,391)	(15,391)
Interest expense	0	(34,648)	(34,648)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by capital and related financing activities	(1,001)	(51,097)	(52,098)
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Investments	103,948	0	103,948
Interest income	11,448	1,835	13,283
Purchase of investments	0	(25,810)	(25,810)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	115,396	(23,975)	91,421
	<u> </u>	<u> </u>	<u> </u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	92,232	29,319	121,551
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS			
Beginning of Fiscal Year	189,551	96,593	286,144
	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS			
End of Fiscal Year	\$ 281,783	125,912	407,695
	<u> </u>	<u> </u>	<u> </u>

Continued

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2012

	General	Rural Rental	Total
	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (285,243)	\$ 66,577	\$ (218,666)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	227,542	26,700	254,242
Provision of uncollectible accounts	(617)	(2,134)	(2,751)
Change in assets and liabilities:			
Receivables	3,943	3,499	7,442
Inventories	(551)	(94)	(645)
Prepaid items	(1,995)	(402)	(2,397)
Account payables	34,323	9,897	44,220
Deferred revenue	(990)	0	(990)
Deposits due others	1,425	348	1,773
	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operations	\$ (22,163)	\$ 104,391	\$ 82,228
	<u> </u>	<u> </u>	<u> </u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

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HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of Guthrie have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the state laws for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city declaring a need for the Housing Authority to function in such city. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of Guthrie, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	159 units
Rural Development	28 units

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the City of Guthrie since the City of Guthrie appoints a voting majority of the Housing Authority's governing board. The City of Guthrie is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Guthrie. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Guthrie.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

- 1) Appointing a voting majority of an organization's governing body, and:
 - a) The ability of the government to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the public housing Low Rent program and the Capital Fund program. The Authority also assists other PHAs. The consulting income and related expenses are also accounted for in the General Fund. The Rural Rental fund accounts for the Rural Development program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish 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 funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under state law and national banks having their principal offices in the state.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$407,695. This is comprised of cash and cash equivalents of \$316,436 and restricted assets – cash of \$91,259, on the statement of net assets.

E. INVESTMENTS Investments are limited by the Housing Authority’s investment policy to Certificates of Deposit. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. REVENUE RECOGNITION Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

G. INVENTORY All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

H. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

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

J. DEFERRED REVENUES The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the statement of net assets sheet and the revenue is recognized.

K. COMPENSATED ABSENCES The Housing Authority follows adopted Board policy for accumulated annual and sick leave. Employees may accumulate up to 160 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate. Employees with less than five full years of service, upon separation will not be paid. Employees with five or more years of continuous service who resign or retire will be paid for 10% of this accrued sick leave.

L. POST EMPLOYMENT BENEFITS The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

M. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset use are either:

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. 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 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, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at March 31, 2012. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$18,517 is restricted in the General Fund for security deposits. \$6,667 of Rural Rental funds are restricted. An additional \$66,075 of cash and cash equivalents and \$122,212 of investments are restricted. This \$188,287 is equal to the restricted net assets balance.

At March 31, 2012, the Housing Authority's carrying amount of deposits was \$1,035,956 and the bank balance was \$1,064,946, which includes \$628,386 in certificates of deposits classified as investments. Petty cash consists of \$125. \$835,517 of the bank balance was covered by FDIC Insurance. \$206,882 was covered by pledged securities. \$22,547 was not covered at year-end. For the last several months, aggregate balance in the under-pledged bank have totaled less than \$250,000 FDIC coverage. \$229,429 was exposed to custodial credit risk as of March 31, 2012, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities (except for \$22,547) held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at March 31, 2012, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Rural Rental</u>	<u>Total</u>
Local sources:			
Tenants	\$ 1,241	\$ 14	\$ 1,255
Other	5,584	0	5,584
Federal sources:			
Grants	1,992	0	1,992
Total	<u>\$ 8,817</u>	<u>\$ 14</u>	<u>\$ 8,831</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$251. The other accounts receivable is net of allowance for doubtful accounts of \$1,224.

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets				
Land and buildings	\$ 133,924	\$ 0	\$ 0	\$ 133,924
Construction in progress	0	0	0	0
Depreciable assets:				
Buildings	8,067,747	1,973	0	8,069,720
Furniture and equipment	253,302	999	0	254,301
Total capital assets	<u>8,454,973</u>	<u>2,972</u>	<u>0</u>	<u>8,457,945</u>
Less: accumulated depreciation				
Buildings	5,963,905	234,780	0	6,198,685
Furniture and equipment	202,831	19,461	0	222,292
Total accumulated deprecation	<u>6,166,736</u>	<u>254,241</u>	<u>0</u>	<u>6,420,977</u>
Total capital assets, net	<u>\$ 2,288,237</u>	<u>\$ (251,269)</u>	<u>\$ 0</u>	<u>\$ 2,036,968</u>

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

NOTE 5 – ACCOUNTS PAYABLE The payables at March 31, 2012 are as follows:

	General	Rural Rental	Total
Vendors	\$ 37,077	\$ 1,412	\$ 38,489
Payroll taxes & Retirement withheld	1,806	169	1,975
Utilities	10,536	85	10,621
Total	\$ 49,419	\$ 1,666	\$ 51,085

NOTE 6 – COMPENSATED ABSENCES At March 31, 2012, employees of the Housing Authority have accumulated and vested \$17,419 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG-TERM OBLIGATIONS Transactions for the year ended March 31, 2012 are summarized as follows:

	Balance 4-1-11	Additions	Reductions	Balance 3-31-12	Due Within One Year
	\$				
USDA-RD note payable	460,111	0	15,391	444,720	17,456
Compensated absences	20,802	17,271	20,654	17,419	9,581
Total	\$ 480,913	17,271	36,045	462,139	27,037

The USDA–RD note are payable in monthly installments of \$4,549 including principal and interest, and bears interest of 8.25%. All land and structures of the USDA–RD project serve as collateral. The net depreciated cost at March 31, 2012 is \$214,802. An amortization schedule is not presented, due to fluctuations in principal and interest subsidies provided by USDA–RD.

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan after completion of a probationary period of six months.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 6% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 6% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before one year of service are used to offset future contributions of the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Renewal and Local Agency Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$20,932 for the year ended March 31, 2012, of which \$10,452 was paid by the Housing Authority and \$10,480 was paid by employees. No payments were made out of the forfeiture account.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Litigation The Housing Authority is not presently involved in litigation.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at March 31, 2012. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The entity transfer risk of loss by contracting with the Housing Authority Risk Retention Group, a mutual insurance carrier governed under Vermont state laws, for all major categories of exposed risk.

This includes coverage of property, general liability, and public official's liability. Their contract obligates the mutual carrier to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE BASIC FINANCIAL STATEMENTS

MARCH 31, 2012

The policies of the Housing Authority Risk Retention Group do not include a stipulation for assessment, which would expose the entity to additional liability. If the mutual carrier was unable to meet its obligations, the risk to the participating entity would be that only its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$533,874 to the Housing Authority, which represents approximately 62% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 11 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net assets sheet date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestespc.com
website: mikeestespc.com

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

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*

Housing Authority of Guthrie
Guthrie, Oklahoma

We have audited the basic financial statements of the Housing Authority of the City of Guthrie, Oklahoma, as of and for the year ended March 31, 2012, and have issued our report thereon dated October 11, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Guthrie, Oklahoma's internal control over financial reporting as a basis for designing our auditing procedures 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 Housing Authority of the City of Guthrie, Oklahoma's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Guthrie, Oklahoma's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Guthrie, Oklahoma'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*.

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.
Fort Worth, Texas
October 11, 2012

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestepc.com
website: mikeestepc.com

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
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AUDIT QUALITY CENTER

Report on Compliance with Requirements That Could Have a Direct
and Material Effect on Each Major Program and on Internal Control
Over Compliance in Accordance With OMB Circular A-133

Independent Auditor's Report

Housing Authority of Guthrie
Guthrie, Oklahoma

Compliance

We have audited the Housing Authority of the City of Guthrie, Oklahoma compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Guthrie, Oklahoma's major federal programs for the year ended March 31, 2012. The Housing Authority of the City of Guthrie, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the City of Guthrie, Oklahoma's management. Our responsibility is to express an opinion on the Housing Authority of the City of Guthrie, Oklahoma's compliance based on our audit.

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. 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 Housing Authority of the City of Guthrie, Oklahoma'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. Our audit does not provide a legal determination of the Housing Authority of the City of Guthrie, Oklahoma's compliance with those requirements.

In our opinion, the Housing Authority of the City of Guthrie, Oklahoma complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2012.

Internal Control Over Compliance

Management of the Housing Authority of Guthrie, Oklahoma is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of Guthrie, Oklahoma'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 Housing Authority of Guthrie, Oklahoma'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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.
Fort Worth, Texas
October 11, 2012

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2012

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 357,895
Capital Fund Program	14.872	57,627
Section 8 HAP – New Construction	14.182	118,352
Total United States Department of Housing and Urban Development		\$ 533,874
Total Expenditures of Federal Awards		\$ 533,874

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED MARCH 31, 2012

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Guthrie, Oklahoma (the “Housing Authority”). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority’s basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	Federal Sources
Enterprise Funds	
Governmental operating grants	\$ 532,961
Capital contributions	913
	<hr/>
Total	\$ 533,874
	<hr/> <hr/>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2012

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Unqualified.
2. Internal Control Over Financial Reporting:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified? _____ yes ✓ none reported
3. Noncompliance material to financial statements noted? _____ yes ✓ no

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? _____ yes ✓ no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ✓ none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Unqualified.
3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ yes ✓ no
4. The programs tested as major programs include:

CFDA# 14.850 Public and Indian Housing – Low Rent Program
5. Dollar threshold used to distinguish between Type A and Type B Programs: \$ 300,000
6. Auditee qualified as low-risk auditee? ✓ yes _____ no

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2012

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

There are no audit findings.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED MARCH 31, 2012

**Section III –Findings and questioned costs for federal awards which are required to be reported
under OMB Circular No. A-133 Section .510 (a):**

There are no audit findings.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
CORRECTIVE ACTION PLAN

YEAR ENDED MARCH 31, 2012

There are no audit findings.

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED MARCH 31, 2012

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

There were no prior audit findings.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED MARCH 31, 2012

	2008 Capital Fund	2009 Capital Fund
Funds approved	\$ 193,575	\$ 193,166
Funds expended	193,575	193,166
Excess of funds approved	\$ 0	\$ 0
Funds advanced	\$ 193,575	\$ 193,166
Funds expended	193,575	193,166
Excess (Deficiency) of funds advanced	\$ 0	\$ 0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statements of Modernization Costs, both dated May 17, 2012 accompanying the Actual Modernization Costs Certificates submitted to HUD for approval are in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountant's report

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED MARCH 31, 2012

CASH BASIS

	2010 Capital Fund
	<u> </u>
Funds approved	\$ 191,573
Funds expended	<u>18,737</u>
Excess of funds approved	<u><u>\$ 172,836</u></u>
 Funds advanced	 \$ 16,745
Funds expended	<u>18,737</u>
Excess (Deficiency) of funds	<u><u>\$ (1,992)</u></u>

See accountant's report

FHA Development No. 42-042-730759656-014
Required Information

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MIKE ESTES, CPA

(817) 831-3553
(817) 831-3560
e-mail: office@mikeestepc.com
website: mikeestepc.com

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

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

And

United States Department of Agriculture
Rural Development
Servicing Office
Oklahoma City, OK

We have performed the procedures enumerated below, which were agreed to by Rural Development and the owner of Oak Park Addition, Guthrie, Oklahoma and the project's financial accounts, solely to assist those parties in evaluating the accompanying Form RD 3560-10, Borrower Housing Balance Sheet, Form RD 3560-7, Multiple Family Housing Project Budget ("Financial Reports") and Supporting Documentation are prepared by the Borrower in accordance with the criteria specified in RD Regulations contained in 7 CFR 3560 section 303(b) and section 306, in accordance with determinations noted in Attachment 4-D of RD Handbook HB-2-3560, for the year ended March 31, 2012. The owner is responsible for presentation of the financial reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of Rural Development and the owner. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We examined selected receipts, invoices, and cancelled checks that support administrative; and operating and maintenance expenses presented on Form RD 3560-7. Part II, line items 1 – 10 and 19 – 32 to determine they were incurred as part of the ongoing operations of the project. We selected representative sample of invoices and supporting documentation, based on sample size determined by RD in Attachment 4-D of RD Handbook HB-2-3560, for expenses included in Lines 1 – 10 and 19 – 32 of Form RD 3560-7 and determined that the services were eligible expenses, in accordance with Attachment 4-A of HB-2-3560, and the shipping address agreed to the project address. In addition, we examined a sample of expenditures with the vendors invoice to determine if the amounts paid agreed with the vendor's invoice/statement.

Findings: No discrepancies were noted during the examination of the sample of expenditures.

2. We confirmed the balance of the replacement reserve presented on Form RD 3560-7, Part III, and confirmed that no amounts were encumbered by the financial institution that holds the accounts. We determined that all balances are within the FDIC insurance limits. We determined number of reserve account withdrawals from the original bank statements and compared the withdrawals to the amounts approved by Rural Development on Form RD 3560-12. We compared the invoices and cancelled checks to the approved withdrawals from Rural Development.

Findings: The balance reported by the financial institution agreed to the project's bank reconciliation and no encumbrances were noted. All withdrawals were paid to the vendors approved by Rural Development on Form RD 3560-12.

3. We did not identify any Identify of Interest.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the financial reports and supporting documentation of Oak Park Addition of Guthrie, Oklahoma. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Commissioners, management, and Rural Development and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.
Fort Worth, Texas
October 11, 2012

October 11, 2012

USDA Rural Development Office
Oklahoma City, Oklahoma

In accordance with the criteria specified in Section 5; Paragraph 4.32 C. of the USDA Rural Development Handbook (HB-2-3560) for the year ended March 31, 2012, the borrower must self-certify that the Housing Authority of Guthrie, Oklahoma, Rural Development is in compliance with the nine performance standards. The following is a summary of our compliance with the performance standards.

1. The required accounts are properly maintained and tracked separately. The accounts we maintain are marked below:

<input checked="" type="checkbox"/> Operating Accounts(s)	<input checked="" type="checkbox"/> Security Deposit Account
<input checked="" type="checkbox"/> Tax & Insurance Account	<input checked="" type="checkbox"/> Reserve Account
<input checked="" type="checkbox"/> Other Accounts: <u>Certificate of Deposit</u>	

2. The payments from operating accounts are disclosed and accurately represented.
3. The reserve account:
 - a. Is on schedule with the Agency required minimum funding requirements;
 - b. Is maintained in a supervised bank account that requires the Agency's countersignature on all withdrawals;
 - c. Is on schedule with contributions to the reserve account for the current year with the Agency required minimum funding; and
 - d. Has no encumbrances on the reserve funds
4. The tenant security deposits account is fully funded and is maintained in a separate account.
5. The payment of owner return was:

___ Paid in the amount of \$_____ for 20___ fiscal year and was (was not) in accordance with the Agency's requirements OR

___ Not paid during the reporting year OR

☒ not allowable due to our nonprofit status OR

___ not allowable due to our nonprofit status. However, an asset management fee in the amount of \$_____ was paid for 20___ fiscal year.

6. The borrower has maintained proper insurance in accordance with the requirement in 7 CFR 3560.105. Coverage maintained for the Housing Authority of Guthrie, Oklahoma, Rural Development is as follows:

<input checked="" type="checkbox"/> Liability Insurance	<input type="checkbox"/> Flood Insurance
<input checked="" type="checkbox"/> Property Insurance	<input type="checkbox"/> Earthquake Insurance
<input checked="" type="checkbox"/> Fidelity Bond	<input type="checkbox"/> Other: _____

7. All financial records are adequate and suitable for examination.
8. There have been no changes in the ownership of the Housing Authority of Guthrie, Oklahoma, Rural Development, other than those approved by the Agency and identified in the certification. For non-profit borrowers: The Board of Commissioners is active and maintains oversight responsibilities for the project.
9. The real estate taxes (property taxes) are paid in accordance with state and/or local requirements. As of March 31, 2012 there are no delinquent real estate taxes (property taxes).

I certify that the above is true, accurate and is properly supported by documentation kept in our files.

Jennifer Ricker, Executive Director

**MULTIPLE FAMILY HOUSING PROJECT BUDGET/
UTILITY ALLOWANCE**

PROJECT NAME Oak Park Addition	BORROWER NAME Guthrie Housing Authority	BORROWER ID & PROJECT NO. 43-42-133-1979
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	BEGINNING DATES> ENDING DATES>	CURRENT YEAR (4/1/2011) (3/31/2012)	PRIOR YEAR (4/1/2010) (3/31/2011)	COMMENTS
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ASSETS**CURRENT ASSETS**

1. GENERAL OPERATING ACCOUNT	\$53,170.52	\$24,271.15	
2. R.E. TAX & INSURANCE ACCOUNT			
3. RESERVE ACCOUNT	\$188,287.35	\$162,403.09	
4. SECURITY DEPOSIT ACCOUNT	\$6,667.00	\$6,319.00	
5. OTHER CASH (<i>identify</i>)			
6. OTHER (<i>identify</i>)	\$611.31	\$593.17	
7. TOTAL ACCOUNTS RECEIVABLE (<i>Attach list</i>)	\$15.00	\$17,433.00	
... ACCTS RCVBL 0-30 DAYS \$ 15.00			
ACCTS RCVBL 30-60 DAYS \$			
ACCTS RCVBL 60-90 DAYS \$			
ACCTS RCVBL OVER 90 DAYS \$			
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS	(\$0.75)	(\$2,144.45)	
9. INVENTORIES (<i>supplies</i>)	\$1,943.33	\$1,858.55	
10. PREPAYMENTS prepaid insurance	\$1,355.11	\$971.95	
11. Accrued Interest Receivable	\$76.58	\$86.40	
12. TOTAL CURRENT ASSETS (<i>Add 1 thru 11</i>)	\$252,125.45	\$211,791.86	

13. LAND	\$24,991.00	\$24,991.00	
14. BUILDINGS	\$876,635.40	\$875,577.40	
15. LESS: ACCUMULATED DEPRECIATION	(\$687,698.75)	(\$661,281.89)	
16. FURNITURE & EQUIPMENT	\$1,417.50	\$1,417.50	
17. LESS: ACCUMULATED DEPRECIATION	(\$543.38)	(\$259.88)	
18. Construction in Progress			
19. TOTAL FIXED ASSETS (<i>Add 13 thru 18</i>)	\$214,801.77	\$240,444.13	

OTHER ASSETS

20.			
21. TOTAL ASSETS (<i>Add 12, 19, and 20</i>)	\$466,927.22	\$452,235.99	

LIABILITIES AND OWNERS EQUITY**CURRENT LIABILITIES**

22. TOTAL ACCOUNTS PAYABLE (<i>Attach list</i>)	\$5,720.00	\$8,629.52	
... ACCTS RCVBL 0-30 DAYS \$ 5,720.00			
ACCTS RCVBL 30-60 DAYS \$			
ACCTS RCVBL 60-90 DAYS \$			
ACCTS RCVBL OVER 90 DAYS \$			
23. NOTES PAYABLE (<i>Attach list</i>)	\$17,456.00	\$15,134.00	
24. SECURITY DEPOSITS	\$6,667.00	\$6,319.00	
25. TOTAL CURRENT LIABILITIES (<i>Add 22 thru 24</i>)	\$29,843.00	\$30,082.52	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

LONG-TERM LIABILITIES

26.	NOTES PAYABLE RURAL DEVELOPMENT	\$427,264.00	\$444,976.67	
27.	OTHER <i>Identify</i>) Employee leave	\$546.22	\$1,658.00	
28.	TOTAL LONG-TERM LIABILITIES <i>(Add 26 and 27)</i>	\$427,810.22	\$446,634.67	
29.	TOTAL LIABILITIES <i>(Add 25 and 28)</i>	\$457,653.22	\$476,717.19	
30.	OWNER'S EQUITY (Net Worth) <i>(21 minus 29)</i>	\$9,274.00	(\$24,481.20)	
31.	TOTAL LIABILITIES AND OWNER'S EQUITY <i>(Add 29 and 30)</i>	\$466,927.22	\$452,235.99	

Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

(Date)

(Signature of Borrower or Borrowers' Representative)

(Title)

PART II - VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 1930-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

(Date)

(Signature)

(Name and Title)

(Address)

☐ In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

HOUSING AUTHORITY OF GUTHRIE
ACCOUNTS PAYABLE
YEAR ENDED MARCH 31, 2012

Guthrie HA
3/31/2012
Accounts Payable

Vendors & Contractors	1,411.99
Wages Payable	168.76
Other Accrued Liabilities	85.43
PILOT	3,124.82
Employee Leave	670.00
Prepaid Rent	<u>259.00</u>
	<u><u>5,720.00</u></u>

MULTIPLE FAMILY HOUSING PROJECT BUDGET/

(Rev. 05-06)

UTILITY ALLOWANCE

OMB NO. 0575-0189

PROJECT NAME Oak Park Addition		BORROWER NAME Guthrie Housing Authority		BORROWER ID & PROJECT NO. 43-42-133-1879	
Loan/Transfer Amount		Note Rate Payment		IC Payment	
Reporting Period <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly	Budget Type <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Regular Report <input type="checkbox"/> Rent Change <input type="checkbox"/> SNR <input type="checkbox"/> Other Servicing	Project Rental Type <input type="checkbox"/> Family <input type="checkbox"/> Elderly <input type="checkbox"/> Congregate <input type="checkbox"/> Group Home <input checked="" type="checkbox"/> Mixed <input type="checkbox"/> LH	Project Type <input type="checkbox"/> Full Profit <input type="checkbox"/> Ltd Profit <input checked="" type="checkbox"/> Non-Profit	The following utilities are master metered <input type="checkbox"/> Electricity <input type="checkbox"/> Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input type="checkbox"/> Other _____	
				<input type="checkbox"/> I hereby request 0 _____ units of RA. Current # _____ Borrower Accounting Method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	

PART I - CASH FLOW STATEMENT

	BEGINNING DATES> ENDING DATES>	CURRENT BUDGET 4/1/2011 3/31/2012	ANNUALIZED ACTUAL 4/1/2011 3/31/2012	PROPOSED BUDGET 4/1/2012 3/31/2013	COMMENTS or (YTD) 12:00:00 AM 12:00:00 AM
OPERATIONAL CASH SOURCES					
1. RENTAL INCOME		\$159,936.00	\$34,302.00	\$159,936.00	
2. RHS RENTAL ASSISTANCE RECEIVED			\$118,352.00		
3. APPLICATION FEES RECEIVED					
4. LAUNDRY AND VENDING		\$0.00			
5. INTEREST INCOME		\$1,000.00	\$1,826.12	\$680.00	
6. TENANT CHARGES		\$3,000.00	\$862.00	\$930.00	
7. OTHER - PROJECT SOURCES		\$0.00	\$81.00		
8. LESS (Vacancy/Contingency Allowance)		\$8,000.00		\$8,000.00	
9. LESS (Agency Approved Incentive Allowance)					
10. SUB-TOTAL [(1 thru 7) - (8&9)]		\$155,936.00	\$155,423.12	\$153,546.00	
NON-OPERATIONAL CASH SOURCES					
11. CASH -NON PROJECT					
12. AUTHORIZED LOAN (Non-RHS)					
13. TRANSFER FROM RESERVE					
14. SUB-TOTAL (11 thru 13)		\$0.00	\$0.00	\$0.00	
15. TOTAL CASH SOURCES (10+14)		\$155,936.00	\$155,423.12	\$153,546.00	
OPERATIONAL CASH USES					
16. TOTAL O&M EXPENSES (From Part II)		\$70,880.00	\$60,320.16	\$66,830.00	
17. RHS DEBT PAYMENT (P-\$23,340, I-\$69,494)		\$54,588.00	\$50,039.00	\$54,588.00	
18. RHS PAYMENT (Overage)					
19. RHS PAYMENT (Late Fee)					
20. REDUCTION IN PRIOR YEAR PAYABLES					
21. TENANT UTILITY PAYMENTS					
22. TRANSFER TO RESERVE			\$25,884.26	\$470.00	
23. RETURN TO OWNER /NP ASSET MANAGEMENT FEE					
24. SUB-TOTAL (16 thru 23)		\$125,468.00	\$136,243.42	\$121,888.00	
NON-OPERATIONAL CASH USES					
25. AUTH DEBT PAYMENT (Non-RHS)					
26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6)			\$1,058.00		
27. MISCELLANEOUS					
28. SUB-TOTAL (25 thru 27)		\$0.00	\$1,058.00	\$0.00	
29. TOTAL CASH USES (24+28)		\$125,468.00	\$137,301.42	\$121,888.00	
30. NET CASH (DEFICIT) (15-29)		\$30,468.00	\$18,121.70	\$31,658.00	
CASH BALANCE					
31. BEGINNING CASH BALANCE		\$73,502.00	\$29,687.67	\$103,970.00	
32. ACCRUAL TO CASH ADJUSTMENT			\$5,361.15		
33. ENDING CASH BALANCE (30+31+32)		\$103,970.00	\$53,170.52	\$135,628.00	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PART II - OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ANNUALIZED ACTUAL	PROPOSED BUDGET	COMMENTS	YTD ACTUAL
1. MAINTENANCE & REPAIRS PAYROLL.....	\$9,000.00	\$4,556.73	\$12,900.00		
2. MAINTENANCE & REPAIRS SUPPLY.....	\$4,000.00	\$7,573.94	\$6,490.00		
3. MAINTENANCE & REPAIRS CONTRACT.....	\$300.00	\$261.41	\$300.00		
4. PAINTING.....	\$3,200.00	\$2,193.00	\$1,060.00		
5. SNOW REMOVAL.....					
6. ELEVATOR MAINT/CONTRACT.....					
7. GROUNDS.....		\$630.00			
8. SERVICES.....	\$400.00	\$953.27	\$1,300.00		
9. ANNUAL CAPITAL BUDGET (From Part V - Operating) ...					
10. OTHER OPERATING EXPENSES (Itemize)					
11. SUB-TOTAL MAINT & OPRG (1 thru 10)	\$16,900.00	\$16,168.35	\$22,050.00		
12. ELECTRICITY.....	\$2,000.00	\$1,930.42	\$2,650.00		
13. WATER.....	\$200.00	\$217.48	\$200.00		
14. SEWER.....	\$100.00	\$59.49	\$100.00		
15. FUEL..... (OIL/COAL/GAS).....	\$550.00	\$846.44	\$620.00		
16. GARBAGE & TRASH REMOVAL.....	\$100.00	\$451.94	\$300.00		
17. OTHER UTILITIES.....					
18. SUB-TOTAL UTILITIES (12 thru 17)	\$2,950.00	\$3,505.77	\$3,870.00		
19. SITE MANAGEMENT PAYROLL.....	\$20,000.00	\$7,709.59	\$14,820.00		
20. MANAGEMENT FEE.....		\$5,483.59			
21. PROJECT AUDITING EXPENSE.....	\$1,180.00	\$1,380.00	\$1,380.00		
22. PROJECT BOOKKEEPING/ACCOUNTING.....	\$720.00	\$669.50	\$720.00		
23. TENANT SERVICES.....					
24. ADVERTISING.....	\$300.00	\$726.39	\$450.00		
25. TELEPHONE & ANSWERING SERVICE.....	\$500.00	\$688.27	\$750.00		
26. OFFICE SUPPLIES.....	\$850.00	\$610.29	\$370.00		
27. OFFICE FURNITURE & EQUIPMENT.....					
28. TRAINING EXPENSE.....	\$100.00	\$356.47	\$600.00		
29. HEALTH INS & OTHER EMP BENEFITS.....	\$7,500.00	\$4,275.74	\$5,550.00		
30. PAYROLL TAXES.....	\$2,220.00	\$1,190.16	\$2,120.00		
31. WORKMAN'S COMPENSATION.....	\$1,100.00	\$1,349.26	\$1,210.00		
32. OTHER ADMINISTRATIVE EXPENSES. (Itemize)	\$3,000.00	\$7,531.87	\$2,060.00		
33. SUB-TOTAL ADMIN (19 thru 32)	\$37,470.00	\$31,971.13	\$30,030.00		
34. REAL ESTATE TAXES.....	\$5,460.00	\$3,124.82	\$4,150.00		
35. SPECIAL ASSESSMENTS.....					
36. OTHER TAXES, LICENSES & PERMITS.....					
37. PROPERTY & LIABILITY INSURANCE.....	\$6,000.00	\$4,694.24	\$5,480.00		
38. FIDELITY COVERAGE INSURANCE.....	\$400.00	\$98.80	\$300.00		
39. OTHER INSURANCE.....	\$1,700.00	\$757.05	\$950.00		
40. SUB-TOTAL TAXES & INS (34 thru 39)	\$13,560.00	\$8,674.91	\$10,880.00		
41. TOTAL O&M EXPENSES.(11+18+33+40).....	\$70,880.00	\$60,320.16	\$66,830.00		

PART III - ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ANNUALIZED ACTUAL	PROPOSED BUDGET	COMMENTS or YTD
RESERVE ACCOUNT:				
1. BEGINNING BALANCE.....	\$95,000.00	\$162,403.09	\$95,500.00	
2. TRANSFER TO RESERVE.....		\$25,884.26	\$470.00	
TRANSFER FROM RESERVE				
3. INTEREST INCOME.....				
4. ANNUAL CAPITAL BUDGET <i>(Part V - Reserve</i>				
5. BUILDING & EQUIPMENT REPAIR.....				
6. OTHER NON-OPERATING EXPENSES.....				
7. TOTAL <i>(3 thru 6)</i>	\$0.00	\$0.00	\$0.00	
8. ENDING BALANCE <i>[(1+2)-7]</i>	\$95,000.00	\$188,287.35	\$95,970.00	

GENERAL OPERATING ACCOUNT:*

BEGINNING BALANCE.....	\$29,687.67	
ENDING BALANCE.....	\$53,170.52	

**REAL ESTATE TAX & INSURANCE ESCROW
ACCOUNT:***

BEGINNING BALANCE.....		
ENDING BALANCE.....		

TENANT SECURITY DEPOSIT ACCOUNT:*

BEGINNING BALANCE.....	\$6,319.00	
ENDING BALANCE.....	\$6,667.00	

*(*Complete upon submission of actual expenses)*

NUMBER OF APPLICANTS ON WAITING LIST.....	0	RESERVE ACCT REQ BALANCE.....	
NUMBER OF APPLICANTS NEEDING RA.....	0	AMOUNT AHEAD/BEHIND.....	

PART IV - RENT SCHEDULE & UTILITY ALLOWANCE

A. CURRENT APPROVED RENTS: 0

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
TYPE	SIZE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
Duplex	1 BR	28	-	\$476.00	\$476.00	-	\$159,936.00	\$159,936.00	\$105.00
CURRENT RENT TOTALS:						\$0.00	\$159,936.00	\$159,936.00	
			BASIC			NOTE		HUD	

B. PROPOSED CHANGE TO RENTS - Effective Date:

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			
TYPE	SIZE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
PROPOSED RENT TOTALS:								\$0.00	
			BASIC			NOTE		HUD	

C. PROPOSED UTILITY ALLOWANCE - Effective Date:

MONTHLY DOLLAR ALLOWANCES									
BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL

							PART V -- ANNUAL CAPITAL BUDGET								
		Current Number of Units/items	Current from Reserve	Current from Operating	Actual Number of Units/items	Actual from Reserve	Actual from Operating	Actual Comments	Proposed Number of Units/items	Proposed from Reserve	Proposed from Operating	Proposed Comments	YTD Number of Units/items	YTD from Reserve	YTD from Operating
Appliances:	Range	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Refrigerator	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Range Hood	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Washers & Dryers	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Carpet and Vinyl:	1 BK.	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	2 BK	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	3 BK	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	4 BK	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$1,058.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Cabinets:	Kitchens	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Bathrooms	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Doors:	Exterior	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Interior	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Window Coverings:	List	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Heating and Air Conditioning:	Heating	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Air Conditioning	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Plumbing:	Water Heater	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Bath Sinks	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Kitchen Sinks	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Faucets	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Toilets	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Other	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
Major Electrical:	List		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Structures:	Windows	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Screens	0.00	\$0.00	\$0.00	0	\$0.00	\$0.00		0	\$0.00	\$0.00		0	\$0.00	\$0.00
	Walls		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Roofing		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Siding		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Exterior Painting		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Paving:	Asphalt		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Concrete		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Seal and Stripe		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Landscape and Grounds:	Landscaping		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Lawn Equipment		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Fencing		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Recreation Area		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Signs		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Accessibility Features:	List		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Automation Equipment:	Site Management		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Common Area		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	Other		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
Other:	List		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	List		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
	List		\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00
TOTAL CAPITAL EXPENSES:			\$0.00	\$0.00		\$0.00	\$0.00			\$0.00	\$0.00			\$0.00	\$0.00

Part VI - SIGNATURES, DATES AND COMMENTS

Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

(DATE)

(Signature of Borrower or Borrower's Representative)

(Title)

AGENCY APPROVAL (*Rural Development Approval Official*):

DATE:

COMMENTS:

HOUSING AUTHORITY OF GUTHRIE
OTHER ADMINISTRATIVE EXPENSES

YEAR ENDED MARCH 31, 2012

Other Administrative Expenses

Tenant Services	\$	928.00
Publications/Memberships	\$	122.75
Computer Expenses	\$	2,161.18
Postage	\$	248.48
Internet	\$	208.50
Bad Debts	\$	1,556.30
Other	\$	<u>2,306.66</u>
Total	\$	<u>7,531.87</u>

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA

FINANCIAL DATA SCHEDULE

YEAR ENDED MARCH 31, 2012

Entity Wide Balance Sheet Summary

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	Total
111 Cash - Unrestricted	\$253,908	\$0	\$9,358	\$53,170	\$316,436
112 Cash - Restricted - Modernization and Development	\$0	\$0			\$0
113 Cash - Other Restricted	\$0	\$0		\$66,075	\$66,075
114 Cash - Tenant Security Deposits	\$18,517	\$0		\$6,667	\$25,184
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0			\$0
100 Total Cash	\$272,425	\$0	\$9,358	\$125,912	\$407,695
121 Accounts Receivable - PHA Projects	\$0	\$0			\$0
122 Accounts Receivable - HUD Other Projects	\$1,992	\$0			\$1,992
124 Accounts Receivable - Other Government	\$0	\$0			\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$4,630		\$4,630
126 Accounts Receivable - Tenants	\$1,492	\$0		\$15	\$1,507
126.1 Allowance for Doubtful Accounts - Tenants	-\$251	\$0		-\$1	-\$252
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0			\$0
128 Fraud Recovery	\$2,386	\$0			\$2,386
128.1 Allowance for Doubtful Accounts - Fraud	-\$1,432	\$0			-\$1,432
129 Accrued Interest Receivable	\$229	\$0		\$77	\$306
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$4,416	\$0	\$4,630	\$91	\$9,137
131 Investments - Unrestricted	\$506,174	\$0			\$506,174
132 Investments - Restricted	\$0	\$0		\$122,212	\$122,212
135 Investments - Restricted for Payment of Current Liability	\$0	\$0			\$0
142 Prepaid Expenses and Other Assets	\$8,597	\$0	\$91	\$1,967	\$10,655
143 Inventories	\$12,236	\$0		\$2,159	\$14,395
143.1 Allowance for Obsolete Inventories	-\$1,224	\$0		-\$216	-\$1,440
144 Inter Program Due From	\$0	\$0			\$0
145 Assets Held for Sale	\$0	\$0			\$0
150 Total Current Assets	\$802,624	\$0	\$14,079	\$252,125	\$1,068,828
161 Land	\$108,933	\$0		\$24,991	\$133,924
162 Buildings	\$7,193,084	\$0		\$876,636	\$8,069,720
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0			\$0
164 Furniture, Equipment & Machinery - Administration	\$252,884	\$0		\$1,417	\$254,301
165 Leasehold Improvements	\$0	\$0			\$0
166 Accumulated Depreciation	-\$5,732,735	\$0		-\$688,242	-\$6,420,977
167 Construction in Progress	\$0	\$0			\$0
168 Infrastructure	\$0	\$0			\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,822,166	\$0	\$0	\$214,802	\$2,036,968
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0			\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0			\$0
173 Grants Receivable - Non Current	\$0	\$0			\$0
174 Other Assets	\$0	\$0			\$0
176 Investments in Joint Ventures	\$0	\$0			\$0
180 Total Non-Current Assets	\$1,822,166	\$0	\$0	\$214,802	\$2,036,968
190 Total Assets	\$2,624,790	\$0	\$14,079	\$466,927	\$3,105,796

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE

YEAR ENDED MARCH 31, 2012

Entity Wide Balance Sheet Summary

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	Total
311 Bank Overdraft	\$0	\$0			\$0
312 Accounts Payable <= 90 Days	\$37,077	\$0		\$1,412	\$38,489
313 Accounts Payable >90 Days Past Due	\$0	\$0			\$0
321 Accrued Wage/Payroll Taxes Payable	\$1,799	\$0	\$7	\$169	\$1,975
322 Accrued Compensated Absences - Current Portion	\$8,911	\$0		\$670	\$9,581
324 Accrued Contingency Liability	\$0	\$0			\$0
325 Accrued Interest Payable	\$0	\$0			\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0			\$0
332 Account Payable - PHA Projects	\$0	\$0			\$0
333 Accounts Payable - Other Government	\$10,496	\$0		\$3,125	\$13,621
341 Tenant Security Deposits	\$18,517	\$0		\$6,667	\$25,184
342 Deferred Revenues	\$2,570	\$0		\$259	\$2,829
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0		\$17,456	\$17,456
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0			\$0
345 Other Current Liabilities	\$0	\$0			\$0
346 Accrued Liabilities - Other	\$10,536	\$0		\$85	\$10,621
347 Inter Program - Due To	\$0	\$0			\$0
348 Loan Liability - Current	\$0	\$0			\$0
310 Total Current Liabilities	\$89,906	\$0	\$7	\$29,843	\$119,756
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0		\$427,264	\$427,264
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0			\$0
353 Non-current Liabilities - Other	\$0	\$0			\$0
354 Accrued Compensated Absences - Non Current	\$7,292	\$0		\$546	\$7,838
355 Loan Liability - Non Current	\$0	\$0			\$0
356 FASB 5 Liabilities	\$0	\$0			\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0			\$0
350 Total Non-Current Liabilities	\$7,292	\$0	\$0	\$427,810	\$435,102
300 Total Liabilities	\$97,198	\$0	\$7	\$457,653	\$554,858
508.1 Invested In Capital Assets, Net of Related Debt	\$1,822,166	\$0		-\$229,918	\$1,592,248
509.2 Fund Balance Reserved					
511.2 Unreserved, Designated Fund Balance					
511.1 Restricted Net Assets	\$0	\$0		\$188,287	\$188,287
512.1 Unrestricted Net Assets	\$705,426	\$0	\$14,072	\$50,905	\$770,403
512.2 Unreserved, Undesignated Fund Balance					
513 Total Equity/Net Assets	\$2,527,592	\$0	\$14,072	\$9,274	\$2,550,938
600 Total Liabilities and Equity/Net Assets	\$2,624,790	\$0	\$14,079	\$466,927	\$3,105,796

**HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE**

YEAR ENDED MARCH 31, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$196,773	\$0	\$196,773
70400 Tenant Revenue - Other	\$13,120	\$0	\$13,120
70500 Total Tenant Revenue	\$209,893	\$0	\$209,893
70600 HUD PHA Operating Grants	\$357,895	\$56,714	\$414,609
70610 Capital Grants	\$0	\$913	\$913
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$10,021	\$0	\$10,021
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0
71500 Other Revenue	\$1,668	\$0	\$1,668
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$579,477	\$57,627	\$637,104
91100 Administrative Salaries	\$146,527	\$11,346	\$157,873
91200 Auditing Fees	\$3,988	\$3,832	\$7,820
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$788	\$0	\$788
91500 Employee Benefit contributions - Administrative	\$37,516	\$868	\$38,384
91600 Office Expenses	\$24,985	\$0	\$24,985
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$522	\$0	\$522
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$11,112	\$0	\$11,112
91000 Total Operating - Administrative	\$225,438	\$16,046	\$241,484
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$5,369	\$0	\$5,369
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$405	\$0	\$405
92400 Tenant Services - Other	\$122	\$0	\$122
92500 Total Tenant Services	\$5,896	\$0	\$5,896
93100 Water	\$32,985	\$0	\$32,985
93200 Electricity	\$15,155	\$0	\$15,155
93300 Gas	\$6,490	\$0	\$6,490

**HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE**

YEAR ENDED MARCH 31, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$37,188	\$0	\$37,188
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$91,818	\$0	\$91,818
94100 Ordinary Maintenance and Operations - Labor	\$102,062	\$0	\$102,062
94200 Ordinary Maintenance and Operations - Materials and Other	\$64,797	\$0	\$64,797
94300 Ordinary Maintenance and Operations Contracts	\$64,595	\$0	\$64,595
94500 Employee Benefit Contributions - Ordinary Maintenance	\$22,602	\$0	\$22,602
94000 Total Maintenance	\$254,056	\$0	\$254,056
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$23,565	\$0	\$23,565
96120 Liability Insurance	\$7,692	\$0	\$7,692
96130 Workmen's Compensation	\$8,156	\$0	\$8,156
96140 All Other Insurance	\$5,508	\$0	\$5,508
96100 Total insurance Premiums	\$44,921	\$0	\$44,921
96200 Other General Expenses	\$497	\$0	\$497
96210 Compensated Absences	\$24,519	\$0	\$24,519
96300 Payments in Lieu of Taxes	\$10,496	\$0	\$10,496
96400 Bad debt - Tenant Rents	\$7,494	\$0	\$7,494
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$43,006	\$0	\$43,006
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$665,135	\$16,046	\$681,181
97000 Excess of Operating Revenue over Operating Expenses	-\$85,658	\$41,581	-\$44,077
97100 Extraordinary Maintenance	\$2,365	\$0	\$2,365
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0

**HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE**

YEAR ENDED MARCH 31, 2012

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
97400 Depreciation Expense	\$204,415	\$23,127	\$227,542
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$871,915	\$39,173	\$911,088
10010 Operating Transfer In	\$40,668	\$0	\$40,668
10020 Operating transfer Out	\$0	-\$40,668	-\$40,668
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$40,668	-\$40,668	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$251,770	-\$22,214	-\$273,984
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$2,130,285	\$671,291	\$2,801,576
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$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			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1891		1891
11210 Number of Unit Months Leased	1755		1755
11270 Excess Cash	\$637,682		\$637,682
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$913	\$913
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$988	\$0	\$988
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

**HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE**

YEAR ENDED MARCH 31, 2012

Entity Wide Revenue and Expense Summary

	Project Total	14,182 N/C S/R Section 8 Programs	1 Business Activities	10,415 Rural Rental Housing Loans	ELIM	Total
70300 Net Tenant Rental Revenue	\$196,773	\$0		\$34,302	\$0	\$231,075
70400 Tenant Revenue - Other	\$13,120	\$0		\$862	\$0	\$13,982
70500 Total Tenant Revenue	\$209,893	\$0	\$0	\$35,164	\$0	\$245,057
70600 HUD PHA Operating Grants	\$414,609	\$118,352			\$0	\$532,961
70610 Capital Grants	\$913	\$0			\$0	\$913
70710 Management Fee					\$0	\$0
70720 Asset Management Fee					\$0	\$0
70730 Book Keeping Fee					\$0	\$0
70740 Front Line Service Fee					\$0	\$0
70750 Other Fees					\$0	\$0
70700 Total Fee Revenue					\$0	\$0
70800 Other Government Grants	\$0	\$0			\$0	\$0
71100 Investment Income - Unrestricted	\$10,021	\$0	\$24	\$942	\$0	\$10,987
71200 Mortgage Interest Income	\$0	\$0			\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0			\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0			\$0	\$0
71400 Fraud Recovery	\$0	\$0			\$0	\$0
71500 Other Revenue	\$1,668	\$0	\$24,549	\$81	\$0	\$26,298
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0			\$0	\$0
72000 Investment Income - Restricted	\$0	\$0		\$884	\$0	\$884
70000 Total Revenue	\$637,104	\$118,352	\$24,573	\$37,071	\$0	\$817,100
91100 Administrative Salaries	\$157,873	\$0	\$11,166	\$9,957	\$0	\$178,996
91200 Auditing Fees	\$7,820	\$0		\$1,380	\$0	\$9,200
91300 Management Fee	\$0	\$0			\$0	\$0
91310 Book-keeping Fee	\$0	\$0			\$0	\$0
91400 Advertising and Marketing	\$788	\$0		\$726	\$0	\$1,514
91500 Employee Benefit contributions - Administrative	\$38,384	\$0	\$2,375	\$3,408	\$0	\$44,167
91600 Office Expenses	\$24,985	\$0	\$479	\$4,378	\$0	\$29,842
91700 Legal Expense	\$0	\$0			\$0	\$0
91800 Travel	\$522	\$0	\$2,814	\$356	\$0	\$3,692
91810 Allocated Overhead	\$0				\$0	\$0
91900 Other	\$11,112	\$0	\$574	\$2,570	\$0	\$14,256
91000 Total Operating - Administrative	\$241,484	\$0	\$17,408	\$22,775	\$0	\$281,667
92000 Asset Management Fee	\$0	\$0			\$0	\$0
92100 Tenant Services - Salaries	\$5,369	\$0			\$0	\$5,369
92200 Relocation Costs	\$0	\$0		\$928	\$0	\$928
92300 Employee Benefit Contributions - Tenant Services	\$405	\$0			\$0	\$405
92400 Tenant Services - Other	\$122	\$0			\$0	\$122
92500 Total Tenant Services	\$5,896	\$0	\$0	\$928	\$0	\$6,824
93100 Water	\$32,985	\$0		\$218	\$0	\$33,203
93200 Electricity	\$15,155	\$0	\$6	\$1,930	\$0	\$17,091
93300 Gas	\$6,490	\$0	\$4	\$846	\$0	\$7,340
93400 Fuel	\$0	\$0			\$0	\$0
93500 Labor	\$0	\$0			\$0	\$0

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE

YEAR ENDED MARCH 31, 2012

Entity Wide Revenue and Expense Summary

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	ELIM	Total
93600 Sewer	\$37,188	\$0		\$60	\$0	\$37,248
93700 Employee Benefit Contributions - Utilities	\$0	\$0			\$0	\$0
93800 Other Utilities Expense	\$0	\$0			\$0	\$0
93000 Total Utilities	\$91,818	\$0	\$10	\$3,054	\$0	\$94,882
94100 Ordinary Maintenance and Operations - Labor	\$102,062	\$0		\$4,557	\$0	\$106,619
94200 Ordinary Maintenance and Operations - Materials and Other	\$64,797	\$0	\$45	\$7,574	\$0	\$72,416
94300 Ordinary Maintenance and Operations Contracts	\$64,595	\$0	\$23	\$4,490	\$0	\$69,108
94500 Employee Benefit Contributions - Ordinary Maintenance	\$22,602	\$0		\$2,058	\$0	\$24,660
94000 Total Maintenance	\$254,056	\$0	\$68	\$18,679	\$0	\$272,803
95100 Protective Services - Labor	\$0	\$0			\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0			\$0	\$0
95300 Protective Services - Other	\$0	\$0			\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0			\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$23,565	\$0		\$3,377	\$0	\$26,942
96120 Liability Insurance	\$7,692	\$0	\$18	\$1,317	\$0	\$9,027
96130 Workmen's Compensation	\$8,156	\$0	\$65	\$1,349	\$0	\$9,570
96140 All Other Insurance	\$5,508	\$0	\$47	\$856	\$0	\$6,411
96100 Total insurance Premiums	\$44,921	\$0	\$130	\$6,899	\$0	\$51,950
96200 Other General Expenses	\$497	\$0	\$7,000	\$68	\$0	\$7,565
96210 Compensated Absences	\$24,519	\$0	\$258	\$3,236	\$0	\$28,013
96300 Payments in Lieu of Taxes	\$10,496	\$0		\$3,125	\$0	\$13,621
96400 Bad debt - Tenant Rents	\$7,494	\$0		\$1,556	\$0	\$9,050
96500 Bad debt - Mortgages	\$0	\$0			\$0	\$0
96600 Bad debt - Other	\$0	\$0			\$0	\$0
96800 Severance Expense	\$0	\$0			\$0	\$0
96000 Total Other General Expenses	\$43,006	\$0	\$7,258	\$7,985	\$0	\$58,249
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0		\$34,648	\$0	\$34,648
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0			\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0			\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$34,648	\$0	\$34,648
96900 Total Operating Expenses	\$681,181	\$0	\$24,874	\$94,968	\$0	\$801,023
97000 Excess of Operating Revenue over Operating Expenses	-\$44,077	\$118,352	-\$301	-\$57,897	\$0	\$16,077
97100 Extraordinary Maintenance	\$2,365	\$0			\$0	\$2,365
97200 Casualty Losses - Non-capitalized	\$0	\$0			\$0	\$0
97300 Housing Assistance Payments	\$0	\$0			\$0	\$0
97350 HAP Portability-In	\$0	\$0			\$0	\$0

HOUSING AUTHORITY OF GUTHRIE, OKLAHOMA
FINANCIAL DATA SCHEDULE

YEAR ENDED MARCH 31, 2012

Entity Wide Revenue and Expense Summary

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	ELIM	Total
97400 Depreciation Expense	\$227,542	\$0		\$26,700	\$0	\$254,242
97500 Fraud Losses	\$0	\$0			\$0	\$0
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense	\$0	\$0			\$0	\$0
90000 Total Expenses	\$911,088	\$0	\$24,874	\$121,668	\$0	\$1,057,630
10010 Operating Transfer In	\$40,668	\$0		\$118,352	-\$159,020	\$0
10020 Operating transfer Out	-\$40,668	-\$118,352			\$159,020	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0			\$0	\$0
10040 Operating Transfers from/to Component Unit	\$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
10080 Special Items (Net Gain/Loss)	\$0	\$0			\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0				\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0				\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0			\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0			\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	-\$118,352	\$0	\$118,352	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$273,984	\$0	-\$301	\$33,755	\$0	-\$240,530
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$54,588		\$54,588
11030 Beginning Equity	\$2,801,576	\$0	\$14,373	-\$24,481	\$0	\$2,791,468
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$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						
11180 Housing Assistance Payments Equity						
11190 Unit Months Available	1891	0		336	0	2227
11210 Number of Unit Months Leased	1755	0		318	0	2073
11270 Excess Cash	\$637,682					\$637,682
11610 Land Purchases	\$0					\$0
11620 Building Purchases	\$913					\$913
11630 Furniture & Equipment - Dwelling Purchases	\$0					\$0
11640 Furniture & Equipment - Administrative Purchases	\$988					\$988
11650 Leasehold Improvements Purchases	\$0					\$0
11660 Infrastructure Purchases	\$0					\$0
13510 CFFP Debt Service Payments	\$0					\$0
13901 Replacement Housing Factor Funds	\$0					\$0