

**HOUSING AUTHORITY OF THE CITY OF SHAWNEE**

**FINANCIAL STATEMENTS  
&**

**SUPPLEMENTAL INFORMATION**

**YEAR ENDED DECEMBER 31, 2012**

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
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YEAR ENDED DECEMBER 31, 2012

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HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
MANAGEMENT'S DISCUSSION & ANALYSIS  
DECEMBER 31, 2012

**Management's Discussion and Analysis**

The Management's Discussion and Analysis (the "MD&A") is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Housing Authority of the City of Shawnee's, (the "Authority") financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent years' challenges), and (d) identify issues or concerns. This will now be presented at the front of each year's financial statements.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the financial statements, which follow this section.

**Financial Highlights**

- Net position at December 31, 2012, decreased to \$8,316,384. Since the Authority engages only in business-type activities, the decrease is all in the category of business-type net position. Net position was \$8,860,430 for 2011.
- The business-type activities operating revenue at December 31, 2012, decreased to \$5,114,497. Total operating revenue was \$5,473,301 for 2011.
- The total operating expenses of all programs for December 31, 2012, increased to \$6,161,879. Total operating expenses were \$5,905,271 for 2011.
- Total capital grant contributions at December 31, 2012, increased to \$499,973. Total capital grant contributions were \$409,981 for 2011.

**Overview of the Financial Statements**

The financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity.

This MD&A is intended to serve as an introduction to the Authority's basic financial statements.

The following statements are included:

- Statement of Net Position – reports current financial resources (short-term expendable resources) with capital assets and long-term obligations.
- Statement of Revenue, Expenses, and Changes in Fund Net Position - reports operating and nonoperating revenue, by major source along with operating and nonoperating expenses and capital contributions.
- Statement of Cash Flows – reports cash flows from operating, investing, capital, non-capital activities.

**Programs**

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidy and capital grant funding to enable the Authority to provide the housing at a rent that is based upon 30% of household income (as defined in the HUD regulations).

Capital Fund Grants – The Authority's capital funds are received from the federal government through a formula driven computation. These funds are used to upgrade our facilities at various developments to give our residents the decent and safe living environment they need. Each year's grant funds must be entirely obligated within two years of inception of the grant, and entirely expended within four years.

Housing Choice Voucher Program - Under the Housing Choice Voucher Program, the Authority contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment (HAP) made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions funding to enable the Authority to structure a lease that sets the participant's rent at 30% or up 40% of household income.

Resident Service Grants – Resident Service Grants are competitive grants provided by HUD, used by the Housing Authority to provide social services to its residents such as economic independence support. The costs of these programs are budgeted and are reimbursed on a dollar for dollar basis.

## FINANCIAL ANALYSIS

The following tables focus on the net position and the change in net position of the primary government as a whole.

**TABLE 1 – STATEMENT OF NET POSITION**

	<u>2012</u>	<u>2011</u>	<u>Variance</u>	<u>% Change</u>
Current Assets	\$ 2,570,607	\$ 3,289,578	\$ (718,971)	-21.86%
Capital Assets, Net	<u>6,157,332</u>	<u>6,331,524</u>	<u>(174,192)</u>	-2.75%
Total Assets	<u>\$ 8,727,939</u>	<u>\$ 9,621,102</u>	<u>\$ (893,163)</u>	-9.28%
Current Liabilities	\$ 255,096	\$ 760,672	\$ (505,576)	-66.46%
Noncurrent Liabilities	<u>156,459</u>	<u>-</u>	<u>156,459</u>	
Total Liabilities	<u>411,555</u>	<u>760,672</u>	<u>(349,117)</u>	-45.90%
Net Position:				
Net Invested in Capital Assets	6,157,332	6,331,524	(174,192)	-2.75%
Restricted	160,313	451,352	(291,039)	-64.48%
Unrestricted	<u>1,998,739</u>	<u>2,077,554</u>	<u>(78,815)</u>	-3.79%
Total Net Position	<u>8,316,384</u>	<u>8,860,430</u>	<u>(544,046)</u>	-6.14%

## MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Current assets decreased by \$718,971 primarily due to an decrease in cash and investments resulting from subsidy cuts in the current year and a decrease in accounts receivable – HUD that was collected in the current year.

Capital assets decreased by \$174,192 primarily due to normal depreciation of assets in excess of current additions to buildings and construction in process.

Current liabilities decreased by \$505,576 primarily due to the expiration of a large accrual from the prior year relating to Phase III of the Tower HVAC replacement project in the amount of \$341,092 and the classification of family self-sufficiency (FSS) escrow liabilities as noncurrent vs. current liabilities as in the prior year.

**TABLE 2 – STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION**

The following schedule compares the revenue and expenses for the current and previous fiscal years. The Authority is engaged only in business-type activities.

	<u>2012</u>	<u>2011</u>	<u>Variance</u>	<u>% Change</u>
<b>Operating Revenues</b>				
Rental Income	\$ 703,452	714,669	\$ (11,217)	-1.57%
Federal Grants	4,086,265	4,341,401	(255,136)	-5.88%
Other	324,780	417,231	(92,451)	-22.16%
Total Operating Revenues	<u>5,114,497</u>	<u>5,473,301</u>	<u>(358,804)</u>	<u>-6.56%</u>
<b>Operating Expenses</b>				
Administration	1,278,617	1,283,819	(5,202)	-0.41%
Tenant Services	199,422	174,855	24,567	14.05%
Utilities	235,937	224,861	11,076	4.93%
Maintenance	740,239	709,114	31,125	4.39%
Protective Services	49,999	49,000	999	2.04%
General	317,537	302,502	15,035	4.97%
Housing Assistance Payments	2,523,357	2,489,737	33,620	1.35%
Other Operating Expenses	142,625	17,601	125,024	710.32%
Depreciation	674,164	653,782	20,382	3.12%
Total Operating Expenses	<u>6,161,897</u>	<u>5,905,271</u>	<u>256,626</u>	<u>4.35%</u>
Operating Income (loss)	<u>(1,047,400)</u>	<u>(431,970)</u>	<u>(615,430)</u>	<u>142.47%</u>
<b>Nonoperating revenues (expenses):</b>				
Interest Revenue	3,381	22,858	(19,477)	-85.21%
Gain on Sale of Capital Assets	-	6,679	(6,679)	-100.00%
Capital Contributions	499,973	409,981	89,992	21.95%
Total Nonoperating Activity	<u>503,354</u>	<u>439,518</u>	<u>63,836</u>	<u>14.52%</u>
Change in Net Position	(544,046)	7,548	(551,594)	-7307.82%
Prior Period Adjustments	-	8,764	(8,764)	-100.00%
Beginning Net Position	<u>8,860,430</u>	<u>8,844,118</u>	<u>16,312</u>	<u>0.18%</u>
Ending Net Position	<u>\$ 8,316,384</u>	<u>\$ 8,860,430</u>	<u>\$ (544,046)</u>	<u>-6.14%</u>

**MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION**

The Authority had an operating loss of \$1,047,400 including non-cash depreciation expense of \$674,164 versus an operating loss of \$431,970 and depreciation expense of \$653,782 in the prior year.

Total operating revenue decreased by \$358,804 to \$5,114,497 primarily due to a decrease in federal operating grants and a decrease in other income due to subsidy reductions as part of the President’s reduction in authority operating grants.

Total operating expenses increased by \$256,626 to \$6,161,897 primarily due to an increase in tenant services expenses.

Capital contributions increased by \$89,992 to \$499,973 as the roof replacement, stairway, and flooring projects were completed in the current year.

## **CAPITAL ASSETS**

As of December 31, 2012, investment in capital assets for its business-type activities was \$6,157,332 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment and construction in progress.

Major capital asset purchases during the current fiscal year included the following:

- Capital Asset additions relate to CFP Projects that were completed during the year. These projects primarily included roofing, stairs and floor replacements.

Major capital asset disposals during the current fiscal year included the following:

- 1996 Pickup
- 2001 Pickup
- 2 Lawn Tractors
- Tractor
- Printer
- Copystar 6030
- Copystar Multi
- Software

## **ECONOMIC FACTORS**

Significant economic factors affecting the Authority are as follows:

- Local labor supply and demand, which can affect salary and wage rates.
- Local inflation, recession and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.

## **FINANCIAL CONTACT**

This financial report is designed to provide a general overview of the finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to Mr. Randy Thomason, Executive Director, Housing Authority of the City of Shawnee, 405.275.6330.



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### Independent Auditor's Report

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

#### **Report on the Financial Statements**

We have audited the basic financial statements of the Housing Authority of the City of Shawnee (the "Authority"), as of and for the years ended December 31, 2012 and 2011, respectively, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents. The prior year comparative information has been derived from the Authority's 2011 financial statements and, in our report dated July 19, 2012, we expressed an unqualified opinion on those statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based 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 from material misstatement.

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

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

#### ***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 Authority, as of December 31, 2012 and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Other Matters***

##### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 1-4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2013 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Birmingham, AL  
July 17, 2013





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### **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

#### **Independent Auditor's Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Housing Authority of the City of Shawnee (the "Authority"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated July 17, 2013.

#### **Internal Control over Financial Reporting**

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

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

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

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Birmingham, AL  
July 17, 2013



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### Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

#### Independent Auditor's Report

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

#### **Report on Compliance for Each Major Federal Program**

We have audited the Housing Authority of the City of Shawnee's (the "Authority") 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 Authority's major federal programs for the year ended December 31, 2012. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

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

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

#### ***Opinion on Each Major Federal Program***

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

#### **Report on Internal Control Over Compliance**

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

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

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

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

Birmingham, AL  
July 17, 2013

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
STATEMENT OF NET POSITION  
ENTERPRISE FUND  
DECEMBER 31, 2012  
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Unrestricted cash and cash equivalents	\$ 636,637	\$ 844,285
Restricted cash and cash equivalents	168,032	125,724
Unrestricted investments	1,437,904	1,272,004
Restricted investments	160,398	513,766
Due from HUD	-	354,635
Miscellaneous receivable, net	22,723	19,783
Tenants receivable, net	3,326	5,080
Accrued interest receivable	1,981	8,230
Fraud recovery receivable, net	16,018	21,774
Prepaid expenses	90,487	88,672
Inventories, net	33,101	35,625
Capital assets:		
Land and construction in process	345,053	719,224
Building and equipment, net of depreciation	<u>5,812,279</u>	<u>5,612,300</u>
Total capital assets	<u>6,157,332</u>	<u>6,331,524</u>
Total assets	<u>8,727,939</u>	<u>9,621,102</u>
<b>LIABILITIES</b>		
Accounts payable	47,976	29,717
Accrued liabilities	20,773	378,240
Intergovernmental payables	45,488	45,973
Tenant security deposits	92,199	90,311
Deferred revenue	13,067	11,669
Other current liabilities		
Due within one year:		
Compensated absences, current portion	20,441	106,935
Family self - sufficiency (FSS) escrow liability	15,152	97,827
Due in more than one year:		
Compensated absences, net of current portion	95,861	-
Family self - sufficiency (FSS) escrow liability	<u>60,598</u>	<u>-</u>
Total liabilities	<u>411,555</u>	<u>760,672</u>
<b>NET POSITION</b>		
Net invested in capital assets	6,157,332	6,331,524
Restricted	160,313	451,352
Unrestricted	<u>1,998,739</u>	<u>2,077,554</u>
Total net position	<u>\$ 8,316,384</u>	<u>\$ 8,860,430</u>

*The accompanying notes are an integral part of these financial statements.*

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
ENTERPRISE FUND  
FOR YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUES</b>		
Rental income	\$ 703,452	\$ 714,669
Federal grants	4,086,265	4,341,401
Other	<u>324,780</u>	<u>417,231</u>
 Total operating revenues	 <u>5,114,497</u>	 <u>5,473,301</u>
<b>OPERATING EXPENSES</b>		
Administration	1,278,617	1,283,819
Tenant services	199,422	174,855
Utilities	235,937	224,861
Maintenance	740,239	709,114
Protective services	49,999	49,000
General	460,162	302,502
Housing assistance payments	2,523,357	2,489,737
Other operating expenses	-	17,601
Depreciation	<u>674,164</u>	<u>653,782</u>
 Total operating expenses	 <u>6,161,897</u>	 <u>5,905,271</u>
 Operating income (loss)	 (1,047,400)	 (431,970)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest revenue	3,381	22,858
Gain on sale of capital assets	<u>-</u>	<u>6,679</u>
 Income (loss) before contributions	 (1,044,019)	 (402,433)
 Capital contributions	 <u>499,973</u>	 <u>409,981</u>
 Change in net position	 <u>(544,046)</u>	 <u>7,548</u>
 Total net position - beginning of the year	 8,860,430	 8,844,118
 Prior period adjustments	 <u>-</u>	 <u>8,764</u>
 Total net position - beginning of the year, as restated	 <u>8,860,430</u>	 <u>8,852,882</u>
 Total net position - end of the year	 <u>\$ 8,316,384</u>	 <u>\$ 8,860,430</u>

*The accompanying notes are an integral part of these financial statements.*

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUND  
FOR YEAR ENDED DECEMBER 31, 2012  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from tenants	\$ 680,555	\$ 700,354
Federal grants	4,094,204	4,341,307
Other receipts	385,463	405,391
Payments to suppliers & section 8 landlords	(4,097,269)	(3,126,672)
Payments to or on behalf of employees	<u>(1,772,088)</u>	<u>(1,745,754)</u>
Net cash provided (used) by operating activities	<u>(709,135)</u>	<u>574,626</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	(499,973)	(409,981)
Capital contributions	846,669	80,706
Proceeds from sale of capital assets	<u>-</u>	<u>6,679</u>
Net cash provided (used) by capital financing activities	<u>346,696</u>	<u>(322,596)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest revenue	9,630	22,538
(Purchases) proceeds from investments	<u>187,469</u>	<u>(23,017)</u>
Net cash provided (used) by investing activities	<u>197,099</u>	<u>(479)</u>
Net increase (decrease) in cash and cash equivalents	(165,340)	251,551
Balances - beginning of the year	<u>970,009</u>	<u>718,458</u>
Balances - end of the year	<u>\$ 804,669</u>	<u>\$ 970,009</u>
<b>RECONCILIATION OF INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (1,047,400)	\$ (431,970)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	674,164	653,782
Change in assets and liabilities:		
Receivables, net	359,205	(4,909)
Inventories, net	2,524	(5,151)
Prepays and other assets	(1,815)	1,386
Accounts payable	18,259	2,659
Intergovernmental payables	(570)	(1,000)
Deferred revenue	1,398	3,730
Other liabilities	(4,918)	5,003
Family self-sufficiency (FSS) escrow liability	(22,077)	3,961
Accrued liabilities	(699,160)	336,630
Compensated absences	9,367	9,070
Tenant security deposits	<u>1,888</u>	<u>1,435</u>
Net cash provided (used) by operating activities	<u>\$ (709,135)</u>	<u>\$ 574,626</u>

*The accompanying notes are an integral part of these financial statements.*

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

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

The financial statements of the Housing Authority of the City of Shawnee (the “Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority has previously implemented GASB Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Certain significant changes in the statements are as follows: The financial statements will include a Management’s Discussion and Analysis (MD&A) section providing an analysis of the Authority’s overall financial position and results of operations.

The Authority is a special-purpose government engaged only in business-type activities and therefore, presents only the financial statements required for enterprise funds, in accordance with GASB Statement 34, paragraph 138. For these governments, basic financial statements and required supplemental information consist of:

- Management Discussion and Analysis (MD&A)
- Enterprise fund financial statements consisting of –
  - Statement of Net Position
  - Statement of Revenues, Expenses and Changes in Fund Net Position
  - Statement of Cash Flows
- Notes to financial statements
- Required supplemental information other than MD& A

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the “enterprise fund” in the basic financial statements. Significant Authority policies are described below.

**A. The Reporting Entity**

The Authority was established as a tax-exempt quasi-governmental entity under the United States Housing Act of 1937 for the purpose of providing affordable housing to low and moderate income families in Pottawatomie County, Oklahoma. The governing body of the Authority is composed of a 5 member appointed Board of Commissioners (the “Board”). The Mayor appoints the Board, who in turn hires the Executive Director. The Authority is governed by its charter and by-laws, state and local laws and federal regulations. The Board is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Authority’s management. The Authority has no component units.

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The Authority’s financial statements are accounted for on the flow of economic resources management focus using the accrual basis of accounting. The accounting objectives are a determination of net income, financial position, and changes in cash flow.

All assets and liabilities associated with a proprietary fund’s activities are included on the Statement of Net Position. Proprietary fund net position is segregated into Net invested in Capital Assets, Restricted Net Position and Unrestricted Net Position. Revenues are recognized when they are earned and expenses are recognized when incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the proprietary funds are rental charges to tenants and operating subsidy grants from HUD. Operating expenses for proprietary funds include the cost of administrative expenses, maintenance expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The Authority applies restricted resources to fund restricted costs and unrestricted resources to fund unrestricted costs. All material inter-program accounts and transactions are eliminated in the preparation of the basic financial statements.

The Authority has previously adopted GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. In accordance with this statement, the Authority accounted for all grants that qualify as non-exchange transactions, recognizing receivables and revenues when all applicable eligibility requirements are met. In addition, capital contributions are recorded on the Statement of Revenues, Expenses and Changes in Fund Net Position after income before contributions and before changes in net position.

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

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

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net position categories:

- *Net invested in capital assets* – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component on net position.

**C. Cash, Cash Equivalents and Investments**

Cash and cash equivalents include cash on hand, demand deposits and money market accounts. For purposes of the statement of cash flows, the Authority considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported on the balance sheet approximate fair values because of the short maturities of those investments.

**D. Receivables**

All receivables are current and due within one year. Receivables are reported net of an allowance for uncollectible accounts. Allowances are reported when accounts are proven to be uncollectible.

**E. Restricted Assets and Liabilities**

Debt covenants, HUD regulations, and inter-local agreements restrict the use of certain assets. Restricted assets are offset by related liabilities in accordance with their liquidity.

**F. Inventories**

Inventories are accounted for under the consumption method and recorded at the lower of cost or market, net of an allowance for obsolete inventory. Materials and supplies are recorded as inventories when purchased and as expenditures when used. Allowances are reported when materials and supplies are deemed obsolete.

**G. Prepaid Items**

Prepaid items consist of payments made to vendors for services that will benefit future periods.

**H. Capital Assets**

Capital assets include property, furniture, equipment and machinery. Capital assets with initial, individual costs that equal or exceed \$2,500 and estimated useful lives of over one year are recorded as capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Construction in progress consists of capital improvements funded by modernization grant programs. Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	15-40
Furniture, equipment, and machinery	3-10

**I. Compensated Absences**

The Authority's policy allows each employee to accumulate up to 480 vacation hours and be paid for them upon separation. Time accrued beyond that is forfeited unless exception is granted by the Board. The majority of employees utilize their annual accrual of vacation and sick leave during the year accrued. The Authority records compensated absences in the period they are earned and use a systematic allocation process to allocate between short-term and long-term liability classification



HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

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

**J. Deferred Revenue**

Amounts received in advance applicable to a future reporting period rather than the current reporting period is reported as a liability under deferred revenue.

**K. Use of Estimates**

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

**L. Recent Accounting Pronouncements**

The Authority's management has assessed the potential impact of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and determined this is not applicable as the Authority provides no other postemployment benefits.

The Authority adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement establishes accounting and financial reporting standards for the financial statements of state and local governments. The Authority incorporates FASB, APB, and ARB pronouncements not conflicting with GASB pronouncements, and issued on or before November 30, 1989, into the GASB authoritative literature. The adoption of GASB 62 had no material effect on the Authority's basic financial statements.

The Authority adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The adoption of GASB 63 had no material effect on the Authority's basic financial statements.

**NOTE 2 – CASH DEPOSITS AND INVESTMENTS**

Cash and investments may be invested in the following HUD-approved vehicles:

- Direct obligations of the federal government backed by the full faith and credit of the United States;
- Obligations of government agencies;
- Securities of government sponsored agencies;
- Demand and savings deposits; and,
- Time deposits and repurchase agreements.

At December 31, 2012, cash was in bank deposits or money market funds that were insured or collateralized with securities held by the Authority or by its agent in the Authority's name. The investments were in certificates of deposit. Cash balances for years ending December 31, 2012 and 2011 totaled \$804,669 and \$970,009, respectively. Investment balances for the years ending December 31, 2012 and 2011 totaled \$1,598,302 and \$1,785,770, respectively.

*Interest Rate Risk* – The Authority's formal investment policy does not specifically address the exposure to this risk.

*Credit Risk* – The Authority's formal investment policy does not specifically address credit risk. Credit risk is generally evaluated based on the credit ratings issued by nationally recognized statistical rating organizations.

*Custodial Credit Risk* – The Authority's policy is to limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

*Concentration of Credit Risk* – The Authority's investment policy does not restrict the amount that the Authority may invest in any one issuer.

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

**NOTE 3 – CAPITAL ASSETS**

**A. Changes in Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Capital assets not being depreciated					
Land	\$ 345,053	\$ -	\$ -	\$ -	\$ 345,053
Construction in process	374,171	499,973	-	(874,144)	-
Total capital assets not being depreciated	<u>719,224</u>	<u>499,973</u>	<u>-</u>	<u>(874,144)</u>	<u>345,053</u>
Capital assets being depreciated					
Buildings and improvements	19,302,777	-	-	833,268	20,136,045
Equipment	680,067	-	(211,546)	40,876	509,397
Total capital assets being depreciated	<u>19,982,844</u>	<u>-</u>	<u>(211,546)</u>	<u>874,144</u>	<u>20,645,442</u>
Less accumulated depreciation for:					
Buildings and improvements	(13,819,049)	(616,695)	-	-	(14,435,744)
Equipment	(551,496)	(57,469)	211,546	-	(397,419)
Total accumulated depreciation	<u>(14,370,545)</u>	<u>(674,164)</u>	<u>211,546</u>	<u>-</u>	<u>(14,833,163)</u>
Capital assets, net	<u>\$ 6,331,523</u>	<u>\$ (174,191)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,157,332</u>

Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Prior Period Adjustments	Beginning Balance, as Restated	Additions	Decreases	Reclassifications	Ending Balance
Capital assets not being depreciated							
Land	\$ 345,053	\$ -	\$ 345,053	\$ -	\$ -	\$ -	\$ 345,053
Construction in process	24,869	-	24,869	409,981	-	(60,679)	374,171
Total capital assets not being depreciated	<u>369,922</u>	<u>-</u>	<u>369,922</u>	<u>409,981</u>	<u>-</u>	<u>(60,679)</u>	<u>719,224</u>
Capital assets being depreciated							
Buildings and improvements	19,242,098	-	19,242,098	-	-	60,679	19,302,777
Equipment	747,516	-	747,516	-	(67,448)	-	680,068
Total capital assets being depreciated	<u>19,989,614</u>	<u>-</u>	<u>19,989,614</u>	<u>-</u>	<u>(67,448)</u>	<u>60,679</u>	<u>19,982,845</u>
Less accumulated depreciation for:							
Buildings and improvements	(13,223,165)	8,764	(13,214,401)	(604,648)	-	-	(13,819,049)
Equipment	(569,810)	-	(569,810)	(49,134)	67,448	-	(551,496)
Total accumulated depreciation	<u>(13,792,975)</u>	<u>8,764</u>	<u>(13,784,211)</u>	<u>(653,782)</u>	<u>67,448</u>	<u>-</u>	<u>(14,370,545)</u>
Capital assets, net	<u>\$ 6,566,561</u>	<u>\$ 8,764</u>	<u>\$ 6,575,325</u>	<u>\$ (243,801)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,331,524</u>

**B. Capital Contributions**

The Authority receives capital grants from HUD. The Authority recognized \$499,973 and \$409,981 in capital contributions for the fiscal year ended December 31, 2012 and 2011, respectively.

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

**NOTE 4 – LONG-TERM LIABILITIES**

Long-term liabilities at December 31, 2012 consisted of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accrued compensated absences	\$ 106,935	\$ 115,915	\$ 106,548	\$ 116,302	\$ 20,441
Family self-sufficiency (FSS) escrow liability	97,827	-	22,077	75,750	15,152
Total Long-term liabilities	<u>\$ 204,762</u>	<u>\$ 115,915</u>	<u>\$ 128,625</u>	<u>\$ 192,052</u>	<u>\$ 35,593</u>

Long-term liabilities at December 31, 2011 consisted of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accr. Compensated Absences	\$ 97,865	\$ 111,883	\$ 102,813	\$ 106,935	\$ 106,935
Family self-sufficiency (FSS) escrow liability	93,866	3,961	-	97,827	97,827
Total Long-term liabilities	<u>\$ 191,731</u>	<u>\$ 115,844</u>	<u>\$ 102,813</u>	<u>\$ 204,762</u>	<u>\$ 204,762</u>

**NOTE 5 – PENSION PLAN (DEFINED CONTRIBUTION)**

The Authority provides pension benefits for its employees through a Money Purchase Pension Plan, which is administered by American United Life. The plan was adopted by the Board in 1972. Only the Board has the authority to approve any amendments to the plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible for the plan after six months of service. The Authority contributes 8.5% of each employee's base salary to the plan while the employees are required to contribute 5.5% of their base salary to the plan. During 2012, the Authority's contributions were \$102,250 and Employee's contributions to the plan were \$79,264. In 2011 the Authority's contributions were \$105,642 and Employee's contributions to the plan were \$68,381.

**NOTE 6 – RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has mitigated this risk by obtaining insurance coverage from commercial insurance companies. Premiums paid for insurance coverage are recorded as expenses of the funds affected. The various insurance policies are subject to deductible amounts and maximum coverages. If the deductibles and maximums are exceeded, this could cause the Authority to suffer losses if a loss is incurred from any such incidents. The ultimate outcome of uninsured losses cannot presently be determined, and no provision for any liability that may result, if any, has been made in the financial statements. During the current year and the prior three years, settled claims have not exceeded coverage levels, and insurance coverage, by major categories of risk, is consistent with prior year.

**NOTE 7 – CONCENTRATION OF RISK**

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on availability of funding.

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
NOTES TO FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2012

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**NOTE 8 – AFFILIATED ORGANIZATIONS**

The Authority, through cooperative management service agreements, provides management services to the Housing Authority of the City of Stroud, the Housing Authority of the City of Tecumseh and the Housing Authority of the Town of Prague. Through these activities the Authority earned income of approximately \$142,935 in 2012 and \$136,000 in 2011, which is included in other operating revenue in the accompanying statement of revenues, expenses, and changes in net position. Additionally, the Authority provides the Development Enterprises of Central Oklahoma (DECO) management services as documented in the services agreement between the two organizations. The services provided by this agreement are paid based on actual costs incurred. As of December 31, 2012 the amount owed to the Authority related to the DECO reimbursement for services was \$11,181, and \$9,000 for 2011, respectively, which is included in accounts receivable – miscellaneous in the accompanying statement of net position. The Authority has also recognized \$36,837 of fees and \$12,000 rental income in connection with this agreement for 2012 and \$32,000 of fees and \$12,000 rental income for 2011, respectively, which is also included in other operating revenue in the accompanying statement of revenues, expenses, and changes in net position. These affiliations do not meet the criteria under GASB 14, as amended by GASB 39, for the inclusion in the reporting entity of the Authority, nor do they represent related parties.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

**Grants**

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

**NOTE 10 – RESTRICTED NET POSITION**

Restricted net position totaled \$160,313 and \$451,352 for 2012 and 2011, respectively, which consists of excess Housing Assistance Payment (HAP) funds available to the Authority under the Section 8 Housing Choice Voucher (HCV) program.

**NOTE 11 – SUBSEQUENT EVENTS**

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about the conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through July 17, 2013 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**NOTE 12 – FINANCIAL DATA SCHEDULE**

The Authority prepares its financial data schedule in accordance with HUD requirements in a prescribed format. The schedule's format excludes depreciation expense from operating activities and includes investment revenue in operating activities, which differs from the presentation of the basic financial statements. As the Authority has adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* in the current year, presentation and verbiage differences exist between the basic financial statements and the financial data schedule.

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

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<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development		
Housing Choice Vouchers	14.871	\$ 2,616,972
Resident Opportunity and Supportive Services	14.870	96,328
Low Rent Public Housing Program	14.850	1,069,464
Public Housing Capital Fund Program	14.872	<u>803,474</u>
Total U.S. Department of Housing and Urban Development		<u>\$ 4,586,238</u>

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Note A – Basis of Presentation

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

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR YEAR ENDED DECEMBER 31, 2012

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:  
Are any material weaknesses identified?        Yes   x   No

Are any significant deficiencies identified not considered to be material weaknesses?        Yes   x   None Reported

Is any noncompliance material to financial statements noted?        Yes   x   No

**Federal Awards**

Type of auditor's report issued on compliance for major programs: Unqualified

Internal control over major programs:  
Are any material weaknesses identified?        Yes   x   No

Are any significant deficiencies identified not considered to be material weaknesses?        Yes   x   None Reported

Are any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?        Yes   x   No

Identification of major programs:  
U.S. Department of Housing and Urban Development  
CFDA #14.871 - Housing Choice Vouchers

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

Is the auditee qualified as low-risk auditee?   x   Yes        No

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS  
FOR YEAR ENDED DECEMBER 31, 2012

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	<u>OK56P09550109</u>
Funds Approved	\$ 695,652
Funds Expended	\$ <u>695,652</u>
Excess of Funds Approved	\$ <u>-</u>
Funds Advanced (HUD Grants)	\$ 695,652
Funds Expended	\$ <u>695,652</u>
Excess of Funds Advanced	\$ <u>-</u>

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1. The distribution of costs by project as shown on the Final Statement of Modernization Cost dated May 28, 2013, accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Authority's records.

2. All Modernization costs have been paid and all related liabilities have been discharged through payment.



# HENDERSON & DEJOHN, LLC

## CERTIFIED PUBLIC ACCOUNTANTS

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

### Independent Accountant’s Report on Applying Agreed-Upon Procedure

We have performed the procedure described in the second paragraph, which was agreed to by the Housing Authority of the City of Shawnee (the “Authority”) and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with related hard copy documents. The Authority is responsible for the accuracy and completeness of the electronic submission. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

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

We were engaged to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, for the Authority as of and for the year ended December 31, 2012, and have issued our reports thereon dated July 17, 2013. The information in the “Hard Copy Documents” column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Authority’s Financial Data Schedule (FDS) dated July 17, 2013, was expressed in relation to the basic financial statements of the Authority taken as a whole.

A copy of the reporting package required by OMB Circular A-133, which includes the auditor’s reports, is available in its entirety from the Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

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

Procedure	UFRS Rule Information	Hard Copy Documents	Agrees	Does Not Agree
1	Balance Sheet, Revenue and Expense	Financial Data Schedule, all CFDA's	X	
2	Footnotes	Footnotes to audited basic financial statements	X	
3	Type of opinion on FDS	Auditor's supplemental Report on FDS	X	
4	Audit findings narrative	Schedule of Findings and Questioned Costs	X	
5	General Information	OMB Data Collection Form	X	
6	Financial Statement	Schedule of Findings and Questioned Costs, Part I and OMB Data Collection Form	X	
7	Federal program report information	Schedule of Findings and Questioned Costs, Part I and OMB Data Collection Form	X	
8	Federal agencies required to receive reporting package	OMB Data Collection Form	X	
9	Basic financial Statements and auditor's reports require to be submitted electronically	Basic financial statements (inclusive of auditor reports)	X	

Henderson & DeJohn, LLC  
 July 17, 2013



**HOUSING AUTHORITY OF THE CITY OF SHAWNEE**  
**FINANCIAL DATA SCHEDULE – BALANCE SHEET**  
**DECEMBER 31, 2012**

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$269,789	\$168,706		\$198,142	\$636,637	\$0	\$636,637
112 Cash - Restricted - Modernization and Development	\$0	\$0		\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$21,639	\$38,957		\$0	\$60,596	\$0	\$60,596
114 Cash - Tenant Security Deposits	\$92,199	\$0		\$0	\$92,199	\$0	\$92,199
115 Cash - Restricted for Payment of Current Liabilities	\$5,407	\$9,830		\$0	\$15,237	\$0	\$15,237
100 Total Cash	\$389,034	\$217,493	\$0	\$198,142	\$804,669	\$0	\$804,669
121 Accounts Receivable - PHA Projects	\$0	\$0		\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0		\$0	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0		\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0		\$22,723	\$22,723	\$0	\$22,723
126 Accounts Receivable - Tenants	\$6,117	\$0		\$0	\$6,117	\$0	\$6,117
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,791	\$0		\$0	-\$2,791	\$0	-\$2,791
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0		\$0	\$0	\$0	\$0
128 Fraud Recovery	\$9,931	\$17,901		\$0	\$27,832	\$0	\$27,832
128.1 Allowance for Doubtful Accounts - Fraud	-\$4,631	-\$7,183		\$0	-\$11,814	\$0	-\$11,814
129 Accrued Interest Receivable	\$898	\$941		\$142	\$1,981	\$0	\$1,981
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$9,524	\$11,659	\$0	\$22,865	\$44,048	\$0	\$44,048
131 Investments - Unrestricted	\$1,174,742	\$48,714		\$214,448	\$1,437,904	\$0	\$1,437,904
132 Investments - Restricted	\$0	\$160,398		\$0	\$160,398	\$0	\$160,398
135 Investments - Restricted for Payment of Current Liability	\$0	\$0		\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$80,376	\$4,981		\$5,130	\$90,487	\$0	\$90,487
143 Inventories	\$34,844	\$0		\$0	\$34,844	\$0	\$34,844
143.1 Allowance for Obsolete Inventories	-\$1,743	\$0		\$0	-\$1,743	\$0	-\$1,743
144 Inter Program Due From	\$0	\$0		\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0		\$0	\$0	\$0	\$0
150 Total Current Assets	\$1,686,777	\$443,245	\$0	\$440,585	\$2,570,607	\$0	\$2,570,607
161 Land	\$322,140	\$0		\$22,913	\$345,053	\$0	\$345,053
162 Buildings	\$19,249,317	\$0		\$886,728	\$20,136,045	\$0	\$20,136,045
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0		\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$367,974	\$20,691		\$120,732	\$509,397	\$0	\$509,397
165 Leasehold Improvements	\$0	\$0		\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$14,438,963	-\$10,104		-\$384,096	-\$14,833,163	\$0	-\$14,833,163
167 Construction in Progress	\$0	\$0		\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0		\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$5,500,468	\$10,587	\$0	\$646,277	\$6,157,332	\$0	\$6,157,332
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0		\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0		\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0		\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0		\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0		\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$5,500,468	\$10,587	\$0	\$646,277	\$6,157,332	\$0	\$6,157,332

**HOUSING AUTHORITY OF THE CITY OF SHAWNEE**  
**FINANCIAL DATA SCHEDULE – BALANCE SHEET**  
**DECEMBER 31, 2012**

190 Total Assets	\$7,187,245	\$453,832	\$0	\$1,086,862	\$8,727,939	\$0	\$8,727,939
311 Bank Overdraft	\$0	\$0		\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$39,434	\$5,772		\$2,770	\$47,976	\$0	\$47,976
313 Accounts Payable >90 Days Past Due	\$0	\$0		\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0		\$20,773	\$20,773	\$0	\$20,773
322 Accrued Compensated Absences - Current Portion	\$8,685	\$7,748		\$4,008	\$20,441	\$0	\$20,441
324 Accrued Contingency Liability	\$0	\$0		\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0		\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$85		\$0	\$85	\$0	\$85
332 Account Payable - PHA Projects	\$0	\$0		\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$45,403	\$0		\$0	\$45,403	\$0	\$45,403
341 Tenant Security Deposits	\$92,199	\$0		\$0	\$92,199	\$0	\$92,199
342 Deferred Revenues	\$13,067	\$0		\$0	\$13,067	\$0	\$13,067
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0		\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0		\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$5,407	\$9,745		\$0	\$15,152	\$0	\$15,152
346 Accrued Liabilities - Other	\$0	\$0		\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0		\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0		\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$204,195	\$23,350	\$0	\$27,551	\$255,096	\$0	\$255,096
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0		\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0		\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$21,629	\$38,969		\$0	\$60,598	\$0	\$60,598
354 Accrued Compensated Absences - Non Current	\$36,410	\$0		\$59,451	\$95,861	\$0	\$95,861
355 Loan Liability - Non Current	\$0	\$0		\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0		\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0		\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$58,039	\$38,969	\$0	\$59,451	\$156,459	\$0	\$156,459
300 Total Liabilities	\$262,234	\$62,319	\$0	\$87,002	\$411,555	\$0	\$411,555
508.1 Invested In Capital Assets, Net of Related Debt	\$5,500,468	\$10,587		\$646,277	\$6,157,332	\$0	\$6,157,332
511.1 Restricted Net Assets	\$0	\$160,313		\$0	\$160,313	\$0	\$160,313
512.1 Unrestricted Net Assets	\$1,424,543	\$220,613	\$0	\$353,583	\$1,998,739	\$0	\$1,998,739
513 Total Equity/Net Assets	\$6,925,011	\$391,513	\$0	\$999,860	\$8,316,384	\$0	\$8,316,384
600 Total Liabilities and Equity/Net Assets	\$7,187,245	\$453,832	\$0	\$1,086,862	\$8,727,939	\$0	\$8,727,939

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT  
 FOR YEAR ENDED DECEMBER 31, 2012

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$629,226	\$0		\$0	\$629,226	\$0	\$629,226
70400 Tenant Revenue - Other	\$74,226	\$0		\$0	\$74,226	\$0	\$74,226
70500 Total Tenant Revenue	\$703,452	\$0	\$0	\$0	\$703,452	\$0	\$703,452
70600 HUD PHA Operating Grants	\$1,372,965	\$2,616,972	\$96,328	\$0	\$4,086,265	\$0	\$4,086,265
70610 Capital Grants	\$499,973	\$0	\$0	\$0	\$499,973	\$0	\$499,973
70710 Management Fee				\$374,743	\$374,743	-\$374,743	\$0
70720 Asset Management Fee				\$53,040	\$53,040	-\$53,040	\$0
70730 Book Keeping Fee				\$83,684	\$83,684	-\$83,684	\$0
70740 Front Line Service Fee				\$29,765	\$29,765	-\$29,765	\$0
70750 Other Fees				\$0	\$0	\$0	\$0
70700 Total Fee Revenue				\$541,232	\$541,232	-\$541,232	\$0
70800 Other Government Grants	\$0	\$0		\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$2,090	\$123		\$1,168	\$3,381	\$0	\$3,381
71200 Mortgage Interest Income	\$0	\$0		\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0		\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0		\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0		\$0	\$0	\$0	\$0
71500 Other Revenue	\$94,200	\$22,421		\$234,224	\$350,845	-\$26,065	\$324,780
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0		\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0		\$0	\$0	\$0	\$0
70000 Total Revenue	\$2,672,680	\$2,639,516	\$96,328	\$776,624	\$6,185,148	-\$567,297	\$5,617,851
91100 Administrative Salaries	\$293,709	\$85,280		\$451,483	\$830,472	\$0	\$830,472
91200 Auditing Fees	\$5,710	\$2,750		\$1,540	\$10,000	\$0	\$10,000
91300 Management Fee	\$303,499	\$71,244			\$374,743	-\$374,743	\$0
91310 Book-keeping Fee	\$39,157	\$44,527			\$83,684	-\$83,684	\$0
91400 Advertising and Marketing	\$531	\$70		\$1,378	\$1,979	\$0	\$1,979
91500 Employee Benefit contributions - Administrative	\$101,577	\$20,338		\$131,297	\$253,212	\$0	\$253,212
91600 Office Expenses	\$69,518	\$19,899		\$31,394	\$120,811	-\$22,250	\$98,561
91700 Legal Expense	\$1,063	\$0		\$375	\$1,438	\$0	\$1,438
91800 Travel	\$1,826	\$3,584		\$12,113	\$17,523	\$0	\$17,523
91810 Allocated Overhead	\$0	\$0			\$0	\$0	\$0
91900 Other	\$54,369	\$20,606		\$20,222	\$95,197	-\$29,765	\$65,432
91000 Total Operating - Administrative	\$870,959	\$268,298	\$0	\$649,802	\$1,789,059	-\$510,442	\$1,278,617
92000 Asset Management Fee	\$53,040	\$0			\$53,040	-\$53,040	\$0
92100 Tenant Services - Salaries	\$5,322	\$28,568	\$57,936	\$0	\$91,826	\$0	\$91,826
92200 Relocation Costs	\$57,959	\$0		\$0	\$57,959	\$0	\$57,959
92300 Employee Benefit Contributions - Tenant Services	\$1,508	\$6,572	\$38,392	\$0	\$46,472	\$0	\$46,472
92400 Tenant Services - Other	\$3,055	\$0		\$110	\$3,165	\$0	\$3,165
92500 Total Tenant Services	\$67,844	\$35,140	\$96,328	\$110	\$199,422	\$0	\$199,422
93100 Water	\$53,234	\$0		\$540	\$53,774	\$0	\$53,774
93200 Electricity	\$98,891	\$0		\$7,537	\$106,428	\$0	\$106,428
93300 Gas	\$33,676	\$0		\$2,005	\$35,681	\$0	\$35,681

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT  
 FOR YEAR ENDED DECEMBER 31, 2012

93400 Fuel	\$0	\$0		\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0		\$0	\$0	\$0	\$0
93600 Sewer	\$39,682	\$0		\$372	\$40,054	\$0	\$40,054
93700 Employee Benefit Contributions - Utilities	\$0	\$0		\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0		\$0	\$0	\$0	\$0
93000 Total Utilities	\$225,483	\$0	\$0	\$10,454	\$235,937	\$0	\$235,937
94100 Ordinary Maintenance and Operations - Labor	\$322,304	\$0		\$0	\$322,304	\$0	\$322,304
94200 Ordinary Maintenance and Operations - Materials and Other	\$122,081	\$0		\$2,616	\$124,697	\$0	\$124,697
94300 Ordinary Maintenance and Operations Contracts	\$179,448	\$687		\$11,952	\$192,087	-\$3,815	\$188,272
94500 Employee Benefit Contributions - Ordinary Maintenance	\$104,966	\$0		\$0	\$104,966	\$0	\$104,966
94000 Total Maintenance	\$728,799	\$687	\$0	\$14,568	\$744,054	-\$3,815	\$740,239
95100 Protective Services - Labor	\$0	\$0		\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$49,999	\$0		\$0	\$49,999	\$0	\$49,999
95300 Protective Services - Other	\$0	\$0		\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0		\$0	\$0	\$0	\$0
95000 Total Protective Services	\$49,999	\$0	\$0	\$0	\$49,999	\$0	\$49,999
96110 Property Insurance	\$52,828	\$0		\$1,954	\$54,782	\$0	\$54,782
96120 Liability Insurance	\$9,890	\$3,304		\$206	\$13,400	\$0	\$13,400
96130 Workmen's Compensation	\$21,857	\$3,626		\$16,751	\$42,234	\$0	\$42,234
96140 All Other Insurance	\$10,879	\$1,487		\$2,414	\$14,780	\$0	\$14,780
96100 Total insurance Premiums	\$95,454	\$8,417	\$0	\$21,325	\$125,196	\$0	\$125,196
96200 Other General Expenses	\$270	\$0		\$0	\$270	\$0	\$270
96210 Compensated Absences	\$72,688	\$7,975		\$35,252	\$115,915	\$0	\$115,915
96300 Payments in Lieu of Taxes	\$45,403	\$0		\$0	\$45,403	\$0	\$45,403
96400 Bad debt - Tenant Rents	\$30,506	\$0		\$0	\$30,506	\$0	\$30,506
96500 Bad debt - Mortgages	\$0	\$0		\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$247		\$0	\$247	\$0	\$247
96800 Severance Expense	\$0	\$0		\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$148,867	\$8,222	\$0	\$35,252	\$192,341	\$0	\$192,341
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0		\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0		\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0		\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$2,240,445	\$320,764	\$96,328	\$731,511	\$3,389,048	-\$567,297	\$2,821,751
97000 Excess of Operating Revenue over Operating Expenses	\$432,235	\$2,318,752	\$0	\$45,113	\$2,796,100	\$0	\$2,796,100
97100 Extraordinary Maintenance	\$0	\$0		\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$142,625	\$0		\$0	\$142,625	\$0	\$142,625
97300 Housing Assistance Payments	\$0	\$2,509,356		\$0	\$2,509,356	\$0	\$2,509,356
97350 HAP Portability-In	\$0	\$14,001		\$0	\$14,001	\$0	\$14,001
97400 Depreciation Expense	\$639,294	\$1,815		\$33,055	\$674,164	\$0	\$674,164
97500 Fraud Losses	\$0	\$0		\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds							

HOUSING AUTHORITY OF THE CITY OF SHAWNEE  
 FINANCIAL DATA SCHEDULE – INCOME STATEMENT  
 FOR YEAR ENDED DECEMBER 31, 2012

97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense	\$0	\$0		\$0	\$0	\$0	\$0
90000 Total Expenses	\$3,022,364	\$2,845,936	\$96,328	\$764,566	\$6,729,194	-\$567,297	\$6,161,897
10010 Operating Transfer In	\$45,348	\$0		\$0	\$45,348	-\$45,348	\$0
10020 Operating transfer Out	-\$45,348	\$0		\$0	-\$45,348	\$45,348	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0		\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0		\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0		\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0		\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0				\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0				\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0		\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0		\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$349,684	-\$206,420	\$0	\$12,058	-\$544,046	\$0	-\$544,046
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$7,274,695	\$597,933	\$0	\$987,802	\$8,860,430	\$0	\$8,860,430
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0		\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity		\$231,200			\$231,200		\$231,200
11180 Housing Assistance Payments Equity		\$160,313			\$160,313		\$160,313
11190 Unit Months Available	5299	5964		0	11263	0	11263
11210 Number of Unit Months Leased	5219	5952		0	11171	0	11171
11270 Excess Cash	\$1,182,270				\$1,182,270		\$1,182,270
11610 Land Purchases	\$0			\$0	\$0		\$0
11620 Building Purchases	\$486,123			\$0	\$486,123		\$486,123
11630 Furniture & Equipment - Dwelling Purchases	\$0			\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$13,850			\$0	\$13,850		\$13,850
11650 Leasehold Improvements Purchases	\$0			\$0	\$0		\$0
11660 Infrastructure Purchases	\$0			\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0			\$0	\$0		\$0