

**HOUSING AUTHORITY
OF HENDERSON**

**Henderson, Kentucky
March 31, 2008**

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HOUSING AUTHORITY OF HENDERSON

111 SOUTH ADAMS STREET
HENDERSON, KENTUCKY 42420
270-827-1294
270-827-1482 (FAX)

BOBBIE W. JARRETT
Executive Director

Honorable Mayor and
Housing Authority Board of Commissioners

The Annual Financial Statement of the Housing Authority of Henderson for the fiscal year ended March 31, 2008 has been prepared by the Finance Department and is submitted herewith. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Housing Authority of Henderson. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the Housing Authority. All disclosure necessary to enable the reader to gain an understanding of the Housing Authority's financial activities has been included. This Report is presented in three sections: *Introductory, Significant Events and Initiatives and Management's Discussion and Analysis.*

- 1) **The Introductory Section** includes this transmittal letter and the Housing Authority's organizational chart and a list of principal officials.

- 2) **The Significant Events and Initiatives Section** includes special projects completion using Housing Authority and outside funding sources.

- 3) **The Management and Discussion Analysis** provides an overview of the Housing Authority's financial activities for the fiscal year ended March 31, 2008.

TDD 270-827-1482 (Hearing/Speech Impaired Only)



HOUSING AUTHORITY OF HENDERSON

BOARD OF COMMISSIONERS

MAYOR	Tom Davis
COMMISSIONER	Hallie Folz
COMMISSIONER	Luther Duncan, Jr.
COMMISSIONER	Thomas Platt
COMMISSIONER	Holly Vincent
COMMISSIONER	Willie Ballard

EXECUTIVE DIRECTOR

Bobbie W. Jarrett

DEPARTMENT DIRECTORS

FINANCE	Sharon Phillips
MANAGEMENT	Ken Schmidt
SECTION EIGHT	Kent Sayle
MAINTENANCE AND MODERNIZATION	Steve Knight
HUMAN RESOURCE	Tina Belcher

SIGNIFICANT EVENTS AND INITIATIVES

The Housing Authority of Henderson, through the use of General Funds, purchased a 50 X 200 lot located at 208 South Holloway Street for future development.

With the use of the HUD Neighborhood Networks grant and the ROSS-RSDM Family Grant, the Housing Authority successfully implemented programs that includes basic computer application classes, resume completion, on-line education programs (GED), after school/summer and computer aided tutorial programs to promote academic success for adults and youth.

Through the use of HUD ROSS-RSDM and United Way of Henderson County Grant Funds, the Housing Authority of Henderson sponsored three workshops for residents. The workshops held at the Housing Authority of Henderson Community and Technology Center (CAT), covered topics such as health maintenance, parenting enrichment and emergency preparedness and safety awareness with emphasis on earthquakes and floods.

In FYE 2008 the Housing Authority of Henderson sponsored a “Yes You Can Own a Home” seminar. Local banks, realtors, home inspectors and insurance agents made presentations to over 25 residents. As a result, 14 families attended credit counseling sessions with the Housing Authority certified counselor.

The Cabell-Platt Medical Center continues to house the Community Access to Child Healthcare (CATCH) program. The medical center is now open 5 days a week and remains the (CATCH) program’s most utilized site. The program is sponsored by the Methodist Hospital. The hospital provides license, physicians, and physician’s insurance. Health care is provided to individuals with or without insurance. The Cabell-Platt medical building was purchased with Community Development Block Grant (CDBG) funds and renovated with the use of Housing Authority General and Capital Funds.

The Housing Authority of Henderson Section Eight Department performed 7 Housing Quality Standards (HQS) for Sage Development LLC.

Some major Capital Fund projects this year included:

- Tile Floors for KY 12-1 and KY 12-2
- Remodel kitchen and bathroom one bedroom units (Madison-Fagan) – KY 12-3
- Air Conditioner/Furnaces – KY 12-3
- Repair drainage ditch – KY 12-3
- Telephone Cable hookup
- Electric Meters
- Door Locks
- Hot Water Heaters

ACKNOWLEDGEMENTS

Preparation of this report was accomplished through the dedicated services of the Finance Department. We express our appreciation to all who contributed to its preparation. We also thank the Board of Commissioners for their interest and support in planning and conducting the financial operations of the Housing Authority of Henderson in a responsible and progressive manner.

Respectfully submitted,

Bobbie W. Jarrett
Executive Director

Sharon R. Phillips
Finance Director

**HOUSING AUTHORITY OF HENDERSON
HENDERSON, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING MARCH 31, 2008**

Management's Discussion and Analysis

The management of the Housing Authority of Henderson offers the readers of the Authority's financial statements this narrative overview and analysis of the Authority's financial activities for the year ended March 31, 2008. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify fund issues and concerns. Readers should consider the information presented here in conjunction with the Authority's financial statements to obtain a full understanding of its financial position.

This management's discussion and analysis is presented in accordance with the requirements of the Governmental Accounting Standard Board Statement No.34 (GASB 34).

Financial Highlights

The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$7,440,659 (net assets), an increase of \$287,524 from the prior year.

The Authority's cash balance at March 31, 2008 was \$1,626,236 representing an increase of \$543,713 (50%) from March 31, 2007.

The Authority had revenues of \$5,361,052, plus \$450,503 of HUD Capital Grants for the year ended March 31, 2008, compared to \$4,787,805 and \$438,062 last fiscal year.

The Authority's capital outlays for the year were \$450,503 for land, new equipment and construction in progress.

Overview of the Housing Authority of Henderson

The Housing Authority of Henderson was created in 1949 to provide and promote safe and sanitary housing for low-income persons residing in the Henderson County area of Kentucky. The Housing Authority currently offers the programs listed below:

Conventional Public Housing

The Conventional Public Housing Program consists of 430 dwelling units. The program operates under the Annual Contribution Contract (ACC) A-2584 with HUD. Under this program

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FISCAL YEAR ENDING MARCH 31, 2008**

HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide housing at a rent that is based on 30% of household income.

Capital Fund Program

The Capital Fund Program is 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 dwelling units and assist in their operations.

Housing Choice Voucher Program

The Housing Choice Voucher Program provides rental assistance to aid low-income families afford decent safe and sanitary rental housing. The Housing Authority provides rental assistance in the form of a Housing Assistance Payment to a private landlord on behalf of the tenant. The Housing Authority has a baseline of 649 units. HUD provides funds for rental assistance payments. The Housing Authority receives a preset administrative fee for the purpose of covering the administrative costs of the program. HUD determines the administrative fee on an annual basis.

Neighborhood Network Grant

The Neighborhood Network Grant funding was obtained through HUD to establish a computer lab. The twenty-workstation Internet accessible computer lab provides access to computer and computer technology for Housing Authority residents.

ROSS Family Grant

The ROSS Family Grant funding, obtained through HUD, to fund an after school program for school age youth to help facilitate academic and social success in school, as well as provide youth and their families with information and exposure to career options, higher education, life skills, appropriate interpersonal skills and enrichment. ROSS-RSDM Family funding also provides services to adults through education and various benefit programs that assist individuals and families make a successful transition to economic self-sufficiency, and health care information and services.

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Overview of the Financial Statement

The following outline describes the integral parts of this financial presentation and is a guideline for understanding its components:

- I. MD&A
Serves as an introduction to the Authority's basic financial statements
- II. Financial Statements
Authority-wide Financial Statement
Notes to the Financial Statement
- III. Other required Supplementary Statements

The financial statements in this report are those of a special purpose government entity engaged in a business type activity. The following statements are included:

- **Statement of Net Assets (Balance Sheet)** - presents information of the Authority's assets and liabilities and is similar to a balance sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal "Net Assets," formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year), and "noncurrent". Increases or decreases in net assets will serve as a useful indicator of the financial position of the Authority.
- **Statement of Revenues, Expenses and Changes in Net Assets** – reports the authority's revenues by source and type and its expenses by category to substantiate the change in net assets for the fiscal year.
- **Statement of Cash Flows** – discloses net cash provided by, or used for operating activities, non-capital financing activities, and capital and related financing activities.

Financial Analysis of the Authority

One of the most important questions asked about the Authority's finances is "Is the Authority as a whole better off or worse off as a result of this year's activities?" The Combined Statement of Net Assets and the Combined Statement of Revenue and Changes in Net Assets report information about the Authority's activities in a way that will help answer the question. These two statements report the net assets of the Authority and the changes in it. One can think of the Authority's net assets, the difference between assets and liabilities, as one way to measure

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FISCAL YEAR ENDING MARCH 31, 2008**

financial health or financial position. Over time, increases or decreases in the Authority's net assets are one indicator of its financial health. However, one will need to consider other factors such as changes in economic conditions (decrease in federal funding), population growth, and new or changed government legislation.

Housing Authority of Henderson Activities and 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, 2008 and March 31, 2007.

Category	FYE 2008	FYE 2007	Change \$	Change %
Current Assets	\$1,692,823	\$1,155,276	537,547	32%
Capital Assets (Net of Depreciation)	<u>6,119,901</u>	<u>6,340,725</u>	<u>(220,824)</u>	-3%
Total Assets	7,812,724	7,496,001	316,723	4%
Current Liabilities	293,523	278,028	15,495	6%
Long Term Liabilities	<u>78,542</u>	<u>64,838</u>	<u>13,704</u>	21%
Total Liabilities	372,065	342,866	29,199	9%
Unrestricted Net Assets	965,362	812,410	152,952	19%
Restricted Assets	355,396	0	355,396	
Investment in Net Capital Assets	<u>6,119,901</u>	<u>6,340,725</u>	<u>(220,824)</u>	-3%
Total Net Assets	<u>\$7,440,659</u>	<u>\$7,153,135</u>	287,524	4%

Net Assets

The Authority's total net asset balance increased by \$287,524 for the year ended March 31, 2008. This increase is due to an increase operating subsidy received during the fiscal year. Compensated absences are recorded as current and long term based on historical data, resulting in the long term liabilities displaying an increase. The Authority's unrestricted net assets increased to \$965,362 from \$812,410, an increase of \$152,952. The unrestricted net asset account balance is the amount available for future appropriations. These balances are subject to program specific guidelines. The individual program balances that comprise the total

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FISCAL YEAR ENDING MARCH 31, 2008**

unrestricted net asset balance are as follows:

• Low Rent Public Housing	\$ 864,085
• Housing Choice Voucher Program	101,276
• State/Local Grants	<u>1</u>
Total	<u>\$ 965,362</u>

Summary Statement of Revenues and Expenses and Changes in Net Assets
Years Ended March 31, 2008 and 2007

Category	FYE 2008	FYE 2007	Change \$	Change %
Tenant Revenue	\$1,272,517	\$1,222,562	49,955	4%
Operating Grants	3,919,064	3,367,528	551,536	16%
Capital Grants	450,503	438,062	12,441	3%
Other Government Grants	10,680	31,895	(21,215)	-67%
Interest Income	37,469	33,732	3,737	11%
Other Revenue	121,322	132,088	(10,766)	-8%
Total Revenue	<u>\$5,811,555</u>	<u>5,225,867</u>	<u>585,688</u>	<u>11%</u>
Administration	902,151	774,822	127,329	16%
Tenant Services	174,932	231,823	(56,891)	-24%
Utilities	442,841	390,382	52,459	13%
Ordinary Maintenance	778,120	864,998	(86,878)	-10%
General Expense	160,525	141,961	18,564	13%
Payments in Lieu of Taxes	82,968	82,374	594	1%
Housing Assistance				
Payments	2,295,842	2,269,499	26,343	1%
Extraordinary Maintenance	0	0		
Depreciation	686,652	659,908	26,744	4%
Total Expenses	<u>5,524,031</u>	<u>5,415,767</u>	<u>108,264</u>	<u>2%</u>
Excess of Revenue over Expenses	287,524	(189,900)	477,424	251%
Net Assets, Beginning of Year	7,153,135	7,362,050	(208,915)	-3%
Prior Period Adjustment		(19,015)	19,015	
Net Assets, End of Year	<u><u>7,440,659</u></u>	<u><u>\$7,153,135</u></u>	<u><u>287,524</u></u>	<u><u>4%</u></u>

**HOUSING AUTHORITY OF HENDERSON
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MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING MARCH 31, 2008**

Results of Operations

Revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). The Authority's operating grants revenue increased by \$551,536 from the previous year as a result of funding increases. The Other Governmental Grants revenue decreased by \$10,680 (67%), primarily because of the completion of a Juvenile Justice Grant. In contrast, Interest Income increased by \$3,737. The slight decrease of \$10,766 in Other Revenue is not attributable to any specific activity as this is a general category. The increase of \$127,329, in the Administration Expense resulted from the transfer of personnel to the Capital fund administration classification. Tenant Services expenses were down by \$56,891 due primarily to reductions in staffing. The decrease of \$86,878 (10%) in Ordinary Maintenance is a result of a reduction in staffing and maintenance work performed on a City right of way, wherein the expense was reimbursed by the City. In the General Expense category there is an increase of \$18,564 from the prior year, this is made up of and increase of \$7,435 in insurance premiums, payment of \$12,663 in unemployment benefits (resulting from staffing reduction), and decrease of \$1,534 in tenant rents bad debt.

Capital Assets

As of March 31, 2008, the Housing Authority of Henderson's investment in capital assets was \$6,119,901.

Category	FYE 2008	FYE 2007	Change \$	Change %
Land	686,198	666,980	19,218	3%
Buildings	4,828,622	4,833,591	(4,969)	0%
Equipment	952,646	993,250	(40,604)	-4%
Construction in Progress	698,039	767,484	(69,445)	-9%
Leasehold Improvements	10,634,095	10,125,884	508,211	5%
Subtotal	17,799,600	17,387,189	412,411	
Accumulated Depreciation	(11,679,699)	(11,046,464)	633,235	6%
Total Net Capital Assets	6,119,901	6,340,725	(220,824)	-3%

Additions in the land category resulted from the purchase of a lot for future development. The demolition of a structure on property to be used for future development resulted in the reduction in the buildings category. Construction in Progress consisted of ongoing projects using 2006 and 2007 Capital Funds Program funds, likewise the leasehold improvements.

**HOUSING AUTHORITY OF HENDERSON
HENDERSON, KENTUCKY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING MARCH 31, 2008**

The current year major changes in capital assets were:

Purchases	
Land	\$19,218
Demolition of structure	(4,969)
Vehicles (2)	20,799
Vacuum and Washer	1,670
Purging of aged asset records	(31,119)
Disposal of Vehicles (2)	(32,254)
Transferred to	
Leasehold Improvements	508,211
Construction in Progress	
Transfers	(508,211)
Additions	<u>439,066</u>
Change in Capital Assets	<u><u>412,411</u></u>

Subsequent Events

The Authority adopted an operating budget for FYE March 31, 2009. This budget reflects total revenues of \$2,569,535 , including HUD subsidy of \$793,455 and total expenses of \$2,674,010.

Debt Administration

The Authority has no long term debt except for compensated absences.

Request for Information

Questions concerning any of the information provided in the report or requests for additional information should be addressed as follows:

Housing Authority of Henderson
Bobbie W. Jarrett, Executive Director
111 South Adams Street
Henderson, KY 42420

FINANCIAL STATEMENTS

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

STATEMENT OF NET ASSETS
MARCH 31, 2008

ASSETS

Current Assets

Cash and cash equivalents	\$ 1,178,711
Restricted cash and cash equivalents	447,525
Accounts receivable, net	11,705
Prepaid expenses	31,452
Inventory	23,430
Total Current Assets	1,692,823

Capital Assets, net

6,119,901

Total Assets

7,812,724

LIABILITIES

Current liabilities

Accounts payable	53,264
Accrued liabilities	153,303
Payable from restricted cash and cash equivalents:	
Tenant security deposits	86,956
Current liabilities	293,523

Noncurrent liabilities

Accrued liabilities	73,369
Escrow deposits	5,173
Total Noncurrent Liabilities	78,542

Total Liabilities

372,065

NET ASSETS

Invested in capital assets	6,119,901
Unrestricted	965,362
Restricted	355,396
TOTAL NET ASSETS	\$ 7,440,659

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

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MARCH 31, 2008

OPERATING REVENUES	
Rental income	\$ 1,272,517
Other income	<u>119,222</u>
Total Operating Revenues	<u>1,391,739</u>
OPERATING EXPENSES	
Administrative	902,151
Tenant services	174,932
Utilities	442,841
Ordinary maintenance and operation	778,120
General expense	243,493
Housing assistance payments	2,295,842
Depreciation expense	<u>686,652</u>
Total Operating Expense	<u>5,524,031</u>
Operating Income (Loss)	<u>(4,132,292)</u>
NONOPERATING REVENUES	
Federal operating grants	3,929,744
Federal capital grants	450,503
Gain on sale of capital assets	2,100
Interest income	<u>37,469</u>
Total Nonoperating Revenues	<u>4,419,816</u>
Change in Net Assets	287,524
Total Net Assets - Beginning of year	<u>7,153,135</u>
Total Net Assets - End of year	<u><u>\$ 7,440,659</u></u>

The accompanying notes are an integral part of these financial statement.

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

**STATEMENT OF CASH FLOWS
MARCH 31, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from tenants and other deposits	\$ 1,390,354
Payments to vendors	(1,066,236)
Payments to landlords	(2,295,842)
Payments to employees	(1,438,551)
Net Cash Used by Operating Activities	(3,410,275)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from sale of capital assets	2,100
Capital grants received	450,503
Acquisition and construction of capital assets	(465,828)
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	(13,225)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	37,469
Net Cash Flows Provided (Used) by Investing Activities	37,469

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Federal operating grants received	3,929,744
Net Cash Flows Provided (Used) by Noncapital Financing Activities	3,929,744

Net Increase (Decrease) Cash and Cash Equivalents 543,713

Cash - Beginning of year 1,082,523

Cash - End of year \$ 1,626,236

Reconciliation of Cash	
Unrestricted	\$ 1,178,711
Restricted	447,525
	\$ 1,626,236

Continued

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

STATEMENT OF CASH FLOWS
MARCH 31, 2008
(CONTINUED)

RECONCILIATION OF OPERATING (LOSS) TO
NET CASH USED BY OPERATING ACTIVITIES

Net operating income (loss)	\$ (4,132,292)
Adjustments to reconcile net income to net cash	
Provided by operating activities:	
Depreciation	686,652
Changes in operating assets and liabilities:	
(Increase) Decrease in:	
Accounts receivable, net	(1,385)
Prepaid expenses	4,092
Inventory	3,459
Increase (Decrease) in:	
Accounts payable	15,495
Accrued liabilities	13,704
Net Cash Flows Provided (Used) by Operating Activities	<u>\$ (3,410,275)</u>

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

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008

NOTE A - Summary of Significant Accounting Policies:

The financial statements of the HOUSING AUTHORITY OF HENDERSON ("the Authority") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The HOUSING AUTHORITY OF HENDERSON ("the Authority") is a political subdivision both corporate and politic which was established under the provision of Kentucky Statutes, to provide adequate housing at rents which persons of low-income can afford in areas where there exists a shortage. To accomplish this purpose, the Authority has entered into annual contributions contracts with the U.S. Department of Housing and Urban Development (HUD) to be the Administrator of a public housing program (Contract No.A-2584) and section 8 programs (Contract No. A-2875).

Reporting Entity

The entity is a public corporation, legally separate, fiscally independent, and governed by the Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of the Housing Authority of Henderson, a primary government. There are no component units to be included herewith, but this report does include all programs which are controlled by the entity's governing body.

The financial statements of the HOUSING AUTHORITY OF HENDERSON include the following:

The Authority had 1,079 units in management at March 31, 2008:

<u>Management:</u>	<u>Units</u>
Low-Income Public Housing	430
 <u>Section 8:</u>	
Vouchers	<u>649</u>
	<u>1,079</u>
 <u>Capital Fund:</u>	
501-06	
501-07	

The financial statements also include: Resident Opportunities and Supportive Services (ROSS) Grants, other miscellaneous grants, and a State and Local Fund.

Basis of Presentation

In accordance with uniform financial reporting standards for HUD housing programs, the financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP) as applicable to special purpose governments engaged only in business type activities. The accounting policies of the Authority conform to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) as applicable to governments. Pursuant to the election option made available by GASB Statement No. 20,

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE A - Summary of Significant Accounting Policies: (Continued)

pronouncements of the Financial Accounting Standards Board (FASB) issued before November 30, 1989 are applied in the accounting and reporting for its proprietary operations but has elected not to apply FASB pronouncements issued after November 30, 1989.

This special purpose government engaged in activities similar to business activities, uses an enterprise fund to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

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

Invested in Capital Assets, Net of Related Debt - Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The Authority has no debt.

Unrestricted - Net assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

Accounting Policies - The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Use of Enterprise Accounting - The Authority presents its financial statements using enterprise accounting, as allowed by governments. Although the Authority accounts for its programs using accounts for its internal reporting, the Authority is considered to be a unified enterprise fund for reporting purposes. Accordingly, the Authority uses the economic resources measurement focus and the related accrual basis of accounting. Under the economic resources measurement focus, the Authority accounts for all assets and liabilities. Under the accrual basis of accounting, expenses are recorded when the goods and services are received, irrespective of when paid for, and revenues are recorded as earned, irrespective of when cash is received.

Budgets -Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund and other grant budgets are adopted on a "project length" basis.

Budget compared to actual presentation has been omitted because the Authority does not annually adopt a legally authorized budget. The Authority's budget is adopted by the Authority's board and approved by HUD. This budget does not represent an appropriated budget that has been signed into law or a non-appropriated budget authorized by constitution. The Authority's budget represents budgetary execution and management by its board and HUD; therefore, budgetary data and presentation is not required.

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008

(Continued)

NOTE A - Summary of Significant Accounting Policies: (Continued)

Deposits in Bank - Deposits consist of Checking accounts and Certificates of Deposit and are stated at fair value. Deposits are fully collateralized or vested in securities of the United States Government and are identified specifically in the name of the Authority. All deposits are classified as category 1 deposits. Certificates of deposit that are redeemable immediately with little or no penalty are considered cash equivalents.

For the purposes of the Statement of Cash Flows, the Authority considers all highly liquid deposits (including restricted assets) with a maturity of three months or less when purchased and non negotiable Certificates of Deposit to be cash equivalents. There were no non-cash investing, capital or financing activities during the year.

Tenant Receivables - Receivables for rentals and service charges are reported at net of an allowance for doubtful accounts. The Housing Authority Board takes quarterly action as necessary to write off specific un-collectible accounts receivable balances.

Prepaid - Pre-pays represent payments made to vendors for services that will benefit beyond March 31, 2008.

Inventories - Inventories are valued at cost, which approximates market value, using the first-in/first/out (FIFO) method. The consumption method is applied and expense is charged when inventory items are used for the units.

Capital Assets - Capital assets purchased are capitalized at the time of purchase. Such assets are recorded at cost. Donated assets are recorded at fair market value at the date of donation. Because developments and major capital repairs or improvements are financed through cash advances from HUD, there are no capitalized interest costs in current programs. It is the policy of the Authority to capitalize assets costing \$500 or more. Depreciation of property and equipment is computed by the straight-line method based upon the estimated useful lives of the assets as follows:

<u>Class</u>	<u>Life</u>
Building & Improvements	15-40 years
Furniture, Equipment & Fixtures	3-7 years

Compensated Absences - Compensated absences are those absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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 liabilities at the date of.

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE A - Summary of Significant Accounting Policies: (Continued)

the financial statements and reported amounts of revenues and expenditures during the reporting period.

Actual results could differ from those estimates

Operating Revenues and Expenses - Operating revenues and expenses generally result from providing and producing goods and/or services in connection with providing low income housing programs. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Restricted Assets - When both restricted and unrestricted resources are available for use, it is the Authority's policy to use unrestricted resources first, then restricted resources as they are allowed.

Leasing Activities (as Leasor) - The Authority is the lessor of dwelling units primarily to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause. Income associated with these leases are recorded in the financial statements and schedules as "Rental income". Rental income per resident generally remains consistent from year to year, but is affected by general economic conditions which impact personal income, such as local job availability.

NOTE B - Deposits, Cash and Cash Equivalents:

HUD requires Authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

At March 31, 2008, the carrying amount of the Authority's deposits was \$1,626,236 deposits are covered either by federal depository insurance, by collateral held by the Authority's agent in the Authority's name or by the Federal Reserve Banks acting as third party agents or by a collateralization agreement. Restricted cash consists of tenant security deposits.

Deposits consist of the following:

Checking and Money Market accounts	\$ 1,036,236
Certificates of Deposit	<u>590,000</u>
 Total	 \$ <u>1,626,236</u>

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE C - Accounts Receivable:

Accounts receivable at March 31, 2008, consist of the following:

Tenants accounts receivable - net of allowance for doubtful accounts of \$2,713	\$ 4,856
Receivable HUD	6,332
Accrued interest receivable	<u>517</u>
 Total	 <u>\$ 11,705</u>

NOTE D - Prepaid expenses:

Prepaid expenses at March 31, 2008, consist of the following:

Prepaid insurance	<u>\$ 31,452</u>
-------------------	------------------

NOTE E - Inventory:

Inventory at March 31, 2008, consist of the following:

Materials and supplies	<u>\$ 23,430</u>
------------------------	------------------

Materials inventories are recorded at cost. The first-in first-out (FIFO) inventory flow assumption is used to determine expenditures. Expenditures are recorded when inventory is consumed.

NOTE F - Capital Assets:

A summary in changes in capital assets is as follows:

	Beginning Balance <u>3/31/07</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance <u>3/31/08</u>
Capital assets not being depreciated:				
Land	\$ 666,980	\$ 19,218	\$ 0	\$ 686,198
Construction in Progress	<u>767,484</u>	<u>450,504</u>	<u>(519,949)</u>	<u>698,039</u>
 Total Capital Assets, not being depreciated	 <u>1,434,464</u>	 <u>469,722</u>	 <u>(519,949)</u>	 <u>1,384,237</u>
Capital Assets, being depreciated:				
Buildings & Improvements	14,959,475	508,211	(4,969)	15,462,717
Furniture, Equipment & Machinery	<u>993,250</u>	<u>22,769</u>	<u>(63,373)</u>	<u>952,646</u>
 Total Capital Assets, being depreciated	 <u>15,952,725</u>	 <u>530,980</u>	 <u>(68,342)</u>	 <u>16,415,363</u>

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE F - Capital Assets: (Continued)

Less Accumulated Depreciation for:

Buildings & Improvements	(10,779,016)	(636,377)	0	(11,415,393)
Furniture, Equipment and Machinery	<u>(267,448)</u>	<u>(50,276)</u>	<u>53,418</u>	<u>(264,306)</u>
Total Accumulated Depreciation	<u>(11,046,464)</u>	<u>(686,653)</u>	<u>53,418</u>	<u>(11,679,699)</u>
Total Capital Assets, being depreciated, net	4,906,261	<u>(155,673)</u>	<u>(14,924)</u>	<u>4,735,664</u>
Capital Assets, Net	<u>\$ 6,340,725</u>	<u>\$ 314,049</u>	<u>\$ (505,025)</u>	<u>\$ 6,119,901</u>

Major construction renovation through the Capital Fund Grant Program costs of \$261,152 to be expended under the current programs. HUD has approved funding for the above amount.

Depreciation expense for the year ended March 31, 2008, is \$686,652

NOTE G - Accounts payable:

Accounts payable at March 31, 2008, consist of the following:

Vendors' Accounts Payable	\$ 53,264
Other Government	<u>3,927</u>
Total	<u>\$ 57,191</u>

NOTE H - Accrued liabilities:

Accrued liabilities at March 31, 2008, consist of the following:

Payment in lieu of taxes	\$ 82,968
Accrued wages and payroll taxes	26,629
Accrued annual leave	<u>39,779</u>
Total	<u>\$ 149,376</u>

NOTE I - Non-current Liabilities:

Non-current liabilities at March 31, 2008, consist of the following:

	<u>3/31/07</u>	<u>Additions</u>	<u>Deletions</u>	<u>3/31/08</u>
Accrued compensated absences	\$ 56,007	\$ 17,362	\$ 0	\$ 73,369
Family Self Sufficiency Escrow accounts	<u>8,831</u>	<u>5,645</u>	<u>(9,303)</u>	<u>5,173</u>
Total	<u>\$ 64,838</u>	<u>\$ 23,007</u>	<u>\$ (9,303)</u>	<u>\$ 78,542</u>

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE J - Federal Operating Grants:

HUD contributed the following operating subsidies approved in the operating budgets under the Annual Contributions Contracts:

Low Rent Public Housing	\$ 687,928
Housing Choice Vouchers	2,829,604
Resident Opportunity and Supportive Services	114,953
Capital Fund Program	286,579
Other Government Grants	<u>10,680</u>
Total	<u>\$ 3,929,744</u>

NOTE K - Federal Capital Grants:

The Authority receives capital grants from HUD for capital fund program improvements. Capital contributions for the fiscal year ended March 31, 2008 were \$450,503.

NOTE L - Pension Plan:

The Authority participates in the Kentucky State Retirement Plan (KERS).

The Authority's contributions were calculated using the base salary amount of \$1,058,228. The Authority made the required contributions, amounting to \$162,823 from the Authority and \$52,911 from the employees for fiscal year 2008. The Authority and employees contributed \$192,753 in 2007 and \$178,607 in 2006.

Plan Description - KERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in non-hazardous duty positions of any state department, board, or agency directed by Executive Order to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living (COLA) adjustments are provided annually equal to the percentage increase in the annual average of the consumer price index for all urban consumers for the most recent calendar year, not to exceed five percent in any plan year. The General Assembly reserves the right to suspend or reduce cost of living adjustments if in its judgment the welfare of the Commonwealth so demands.

Financial Statements for CERS are presented as stand alone financial statements. A complete copy of the annual report may be obtained by writing or calling:

Kentucky Retirement Systems
Perimeter Part West
1260 Louisville Road
Frankfort, KY 40601-6124
502-564-4646

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2008

(Continued)

NOTE L - Pension Plan: (Continued)

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

NOTE M - Commitments and Contingencies:

Litigation: At March 31, 2008, the Authority was not involved in any threatened litigation.

Examinations: The Authority is subject to possible examinations made by federal and state authorities who determine compliance with terms, conditions, laws, and regulations governing other grants given to the Authority in the current and prior years. There was one examination during the year ended March 31, 2008.

Grant Disallowances: Amounts received or receivable from HUD are subject to audit and adjustment by HUD. Any disallowed claims, including amounts already collected, may constitute a liability of the Authority. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

Construction Projects: There are certain major construction projects in progress at March 31, 2008. These include modernizing rental units at the project sites. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008
(Continued)

NOTE N - Risk Management:

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance coverage for these risks to the extent deemed prudent by Authority management. Settled claims have not exceeded this commercial coverage in any of the past 3 years.

The Authority participates in public entity risk pools (Kentucky League of Cities and the Kentucky Housing Authorities Self-Insured Fund) for general liability, worker's compensation, and Directors' and Officers' liability. Settled claims resulting from these risks have not exceeded risk pool coverage in any of the past three fiscal years. Rights and responsibilities of the Authority and the pool are contained within the pool agreement and the scope of coverage documents.

NOTE O - Economic Dependency:

The Authority receives approximately 75% of its revenues from HUD and the State of Kentucky. If the amount of revenues received from HUD and the State of Kentucky falls below critical levels, the Authority's operations could be adversely affected.

NOTE P - Conduit Type Debt:

Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by HUD. There is no debt or pledge of faith and credit on the part of the Authority. Accordingly, this debt has not been recorded in the financial statements of the Housing Authority of Henderson.

HUD no longer provides the Authority with debt service information since the Authority has no obligation for the debt.

SUPPLEMENTAL FINANCIAL INFORMATION

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

COMBINING SCHEDULE OF PROGRAM NET ASSETS
MARCH 31, 2008

	Annual Contributions Contracts			
	A-2584	A-2584	A-2875E	A-2584
	Low Income Public Housing	Ross Grant	Section 8 Housing Choice Voucher Program	Capital Fund Program
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,036,693	\$ 1	\$ 123,033	\$ 18,983
Restricted cash and cash equivalents	86,956		360,569	
Accounts receivable, net	5,373			6,332
Prepaid expenses	31,452			
Inventory	23,430			
Interprogram due from				
Total Current Assets	<u>1,183,904</u>	<u>1</u>	<u>483,602</u>	<u>25,315</u>
Capital Assets, net	<u>5,415,749</u>		<u>6,113</u>	<u>698,039</u>
Total Assets	<u>6,599,653</u>	<u>1</u>	<u>489,715</u>	<u>723,354</u>
LIABILITIES				
Current liabilities				
Accounts payable	52,295	1		969
Accrued liabilities	107,199		21,757	24,346
Payable from restricted cash and cash equivalents:				
Tenant security deposits				
Interprogram due to				
Current liabilities	<u>159,494</u>	<u>1</u>	<u>21,757</u>	<u>25,315</u>
Noncurrent liabilities				
Accrued liabilities	73,369		5,173	
Escrow deposits	86,956			
Total Noncurrent Liabilities	<u>160,325</u>	<u>0</u>	<u>5,173</u>	<u>0</u>
Total Liabilities	<u>319,819</u>	<u>1</u>	<u>26,930</u>	<u>25,315</u>
NET ASSETS				
Invested in capital assets	5,415,749		6,113	698,039
Unrestricted	864,085		101,276	
Restricted			355,396	
TOTAL NET ASSETS	<u>\$ 6,279,834</u>	<u>\$ 0</u>	<u>\$ 462,785</u>	<u>\$ 698,039</u>

State & Local Programs	Interfund Elimination	Total
\$ 1	\$ 0	\$ 1,178,711
		447,525
		11,705
		31,452
		23,430
<u>1</u>	<u>0</u>	<u>1,692,823</u>
		6,119,901
<u>1</u>	<u>0</u>	<u>7,812,724</u>
		53,265
		153,302
		0
		0
<u>0</u>	<u>0</u>	<u>206,567</u>
		78,542
		86,956
<u>0</u>	<u>0</u>	<u>165,498</u>
<u>0</u>	<u>0</u>	<u>372,065</u>
		6,119,901
1		965,362
		355,396
<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 7,440,659</u>

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky
COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENSES AND CHANGES IN NET
ASSETS
FOR THE YEAR ENDED MARCH 31, 2008

	Annual Contributions Contracts			
	A-2584	A-2584	A-2875E	A-2584
	Low Income Public Housing	Ross Grant	Section 8 Housing Choice Voucher Program	Capital Fund Program
OPERATING REVENUES				
Rental income	\$ 1,272,517	\$ 0	\$ 0	\$ 0
Other income	107,482		11,740	
Total Operating Revenues	<u>1,379,999</u>	<u>0</u>	<u>11,740</u>	<u>0</u>
OPERATING EXPENSES				
Administrative	453,276		312,135	136,740
Tenant services	49,299	114,953		
Utilities	442,841			
Ordinary maintenance and operation	770,655		7,465	
General expense	227,470		16,023	
Housing assistance payments			2,295,842	
Depreciation expense	677,514		9,138	
Total Operating Expense	<u>2,621,055</u>	<u>114,953</u>	<u>2,640,603</u>	<u>136,740</u>
Operating Income (Loss)	<u>(1,241,056)</u>	<u>(114,953)</u>	<u>(2,628,863)</u>	<u>(136,740)</u>
NONOPERATING REVENUES				
Federal operating grants	687,928	114,953	2,829,604	286,579
Federal capital grants				450,503
Gain on sale of capital assets	1,000		1,100	
Interest income	28,891		8,578	
Total Nonoperating Revenues	<u>717,819</u>	<u>114,953</u>	<u>2,839,282</u>	<u>737,082</u>
Change in Net Assets	(523,237)	0	210,419	600,342
Total Net Assets - Beginning of year, as originally stated	6,133,284	0	252,366	767,484
Operating transfers	149,838			(149,838)
Prior period adjustments	519,949			(519,949)
Total Net Assets - Beginning of year, as restated	<u>6,803,071</u>	<u>0</u>	<u>252,366</u>	<u>97,697</u>
Total Net Assets - End of Year	<u>\$ 6,279,834</u>	<u>\$ 0</u>	<u>\$ 462,785</u>	<u>\$ 698,039</u>

State & Local Programs	Total
\$ 0	\$ 1,272,517 119,222
<hr/>	<hr/>
0	1,391,739
<hr/>	<hr/>
10,680	902,151 174,932 442,841
<hr/>	<hr/>
10,680	778,120 243,493 2,295,842 686,652
<hr/>	<hr/>
10,680	5,524,031
<hr/>	<hr/>
(10,680)	(4,132,292)
<hr/>	<hr/>
10,680	3,929,744 450,503 2,100 37,469
<hr/>	<hr/>
10,680	4,419,816
<hr/>	<hr/>
0	287,524
1	7,153,135
<hr/>	<hr/>
1	7,153,135
<hr/>	<hr/>
\$ 1	\$ 7,440,659
<hr/> <hr/>	<hr/> <hr/>

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

**STATEMENT AND CERTIFICATION OF ACTUAL CAPITAL FUND GRANT COSTS-
COMPLETED
FOR THE YEAR ENDED MARCH 31, 2008**

The capital fund grant costs are as follows:

	<u>501-6</u>
Funds approved	\$ 710,679
Funds expended	<u>710,679</u>
Excess / (Deficiency) of Funds advanced	\$ <u>0</u>
Funds advanced	\$ 710,679
Funds expended	<u>710,679</u>
Excess / (Deficiency) of Funds advanced	\$ <u>0</u>
Cost additions during the current audit period were as follows:	\$ <u>304,486</u>

The distribution of costs by project as shown on the Final Statement of Capital Fund Grant Costs on the above Phase, accompanying the Actual Capital Fund Grant Costs Certificate submitted to HUD are in agreement with the Authority records.

All capital fund work in connection with the Project has been completed.

All liabilities have been paid and there are no undischarged mechanics', laborers', contractors', or material-mens' liens against the Project on file in any public office where the same should be filed in order to be valid and the time in which such liens could be filed has expired.

There were no budget overruns.

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

**STATEMENT OF ROSS GRANT COSTS
MARCH 31, 2008**

	KY012 REF030A005	KY012 RNN015A005
Funds Approved	\$245,295	\$146,375
Funds Expended	<u>131,512</u>	<u>121,064</u>
Excess/ (Deficiency) of Funds Approved	<u>\$113,783</u>	<u>\$25,311</u>
Funds Advanced	\$131,512	\$121,064
Funds Expended	<u>131,512</u>	<u>121,064</u>
Excess/ (Deficiency) of Funds Advanced	<u>\$0</u>	<u>\$0</u>

**HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky**

**STATEMENT OF OTHER GRANT COSTS
MARCH 31, 2008**

	CACFP	United Way	United Way
Funds Approved	\$3,606	\$11,000	\$11,000
Funds Expended	<u>3,606</u>	<u>11,000</u>	<u>4,324</u>
Excess/ (Deficiency) of Funds Approved	<u>\$0</u>	<u>\$0</u>	<u>\$6,676</u>
Funds Advanced	\$3,606	\$11,000	\$8,250
Funds Expended	<u>3,606</u>	<u>11,000</u>	<u>4,324</u>
Excess/ (Deficiency) of Funds Advanced	<u>\$0</u>	<u>\$0</u>	<u>\$3,926</u>

HOUSING AUTHORITY OF HENDERSON
Henderson, Kentucky

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2008

<u>ANNUAL CONTRIBUTION CONTRACT</u>	<u>PROGRAM AND ASSISTANCE</u>	<u>CFDA TYPE</u>	<u>AWARD NUMBER</u>	<u>EXPENDITURES</u>
<u>U. S. Department of HUD</u>				
A-2584	Low Income Public Housing	14.850	\$ 687,928	\$ 687,928
A-2584	Resident Opportunity and Supportive Services	14.870	391,670	114,953
A-2575	Section 8 Housing Choice Voucher Program	14.871	2,829,604	2,829,604
A-2584	Capital Fund Program	14.872	1,404,428	737,082
TOTAL HUD ASSISTANCE			<u>5,313,630</u>	<u>4,369,567</u>
<u>Other Grants</u>				
	United Way Grant		22,000	15,324
	CACFP Grant **		3,606	3,606
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 5,339,236</u>	<u>\$ 4,388,497</u>

Notes fo Schedule of Expenditure of Federal Awards:

Note 1 The Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting as described in Note A.

** State of Kentucky Grants - Pass thru

PHA: KY012 FYED: 03/31/2008

Line Item No.	Account Description	Low Rent Public Housing	Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
111	Cash - Unrestricted	\$1,036,693	\$1	\$123,033	\$18,983	\$1	\$1,178,711
113	Cash - Other Restricted	\$0	\$0	\$360,569	\$0	\$0	\$360,569
114	Cash - Tenant Security Deposits	\$86,956	\$0	\$0	\$0	\$0	\$86,956
100	Total Cash	\$1,123,649	\$1	\$483,602	\$18,983	\$1	\$1,626,236
121	Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$6,332	\$0	\$6,332
126	Accounts Receivable - Tenants - Dwelling Rents	\$7,569	\$0	\$0	\$0	\$0	\$7,569
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$-2,713	\$0	\$0	\$0	\$0	\$-2,713
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$517	\$0	\$0	\$0	\$0	\$517
120	Total Receivables, net of allowances for doubtful accounts	\$5,373	\$0	\$0	\$6,332	\$0	\$11,705
142	Prepaid Expenses and Other Assets	\$31,452	\$0	\$0	\$0	\$0	\$31,452
143	Inventories	\$23,430	\$0	\$0	\$0	\$0	\$23,430
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0
150	Total Current Assets	\$1,183,904	\$1	\$483,602	\$25,315	\$1	\$1,692,823
161	Land	\$681,198	\$0	\$5,000	\$0	\$0	\$686,198
168	Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
162	Buildings	\$4,828,622	\$0	\$0	\$0	\$0	\$4,828,622
163	Furniture, Equipment & Machinery - Dwellings	\$225,840	\$0	\$0	\$0	\$0	\$225,840
164	Furniture, Equipment & Machinery - Administration	\$681,235	\$0	\$45,571	\$0	\$0	\$726,806
165	Leasehold Improvements	\$10,634,095	\$0	\$0	\$0	\$0	\$10,634,095
166	Accumulated Depreciation	\$-11,635,241	\$0	\$-44,458	\$0	\$0	\$-11,679,699
167	Construction In Progress	\$0	\$0	\$0	\$698,039	\$0	\$698,039
160	Total Fixed Assets, Net of Accumulated Depreciation	\$5,415,749	\$0	\$6,113	\$698,039	\$0	\$6,119,901
180	Total Non-Current Assets	\$5,415,749	\$0	\$6,113	\$698,039	\$0	\$6,119,901
190	Total Assets	\$6,599,653	\$1	\$489,715	\$723,354	\$1	\$7,812,724

Line Item No.	Account Description	Low Rent Public Housing	Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
312	Accounts Payable <= 90 Days	\$52,295	\$0	\$0	\$969	\$0	\$53,264
321	Accrued Wage/Payroll Taxes Payable	\$18,972	\$0	\$4,832	\$2,825	\$0	\$26,629
322	Accrued Compensated Absences - Current Portion	\$1,333	\$0	\$16,925	\$21,521	\$0	\$39,779
332	Accounts Payable - PHA Projects	\$3,926	\$1	\$0	\$0	\$0	\$3,927
333	Accounts Payable - Other Government	\$82,968	\$0	\$0	\$0	\$0	\$82,968
341	Tenant Security Deposits	\$86,956	\$0	\$0	\$0	\$0	\$86,956
310	Total Current Liabilities	\$246,450	\$1	\$21,757	\$25,315	\$0	\$293,523

354	Accrued Compensated Absences - Non Current	\$73,369	\$0	\$0	\$0	\$0	\$73,369
353	Noncurrent Liabilities - Other	\$0	\$0	\$5,173	\$0	\$0	\$5,173
350	Total Noncurrent Liabilities	\$73,369	\$0	\$5,173	\$0	\$0	\$78,542
300	Total Liabilities	\$319,819	\$1	\$26,930	\$25,315	\$0	\$372,065
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$5,415,749	\$0	\$6,113	\$698,039	\$0	\$6,119,901
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$355,396	\$0	\$0	\$355,396
512.1	Unrestricted Net Assets	\$864,085	\$0	\$101,276	\$0	\$1	\$965,362
513	Total Equity/Net Assets	\$6,279,834	\$0	\$462,785	\$698,039	\$1	\$7,440,659
600	Total Liabilities and Equity/Net Assets	\$6,599,653	\$1	\$489,715	\$723,354	\$1	\$7,812,724

Line Item No.	Account Description	Low Rent Public Housing	Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
703	Net Tenant Rental Revenue	\$1,187,118	\$0	\$0	\$0	\$0	\$1,187,118
704	Tenant Revenue - Other	\$85,399	\$0	\$0	\$0	\$0	\$85,399
705	Total Tenant Revenue	\$1,272,517	\$0	\$0	\$0	\$0	\$1,272,517
706	HUD PHA Operating Grants	\$687,928	\$114,953	\$2,829,604	\$286,579	\$0	\$3,919,064
706.1	Capital Grants	\$0	\$0	\$0	\$450,503	\$0	\$450,503
708	Other Government Grants	\$0	\$0	\$0	\$0	\$10,680	\$10,680
711	Investment Income - Unrestricted	\$28,891	\$0	\$2,384	\$0	\$0	\$31,275
713.1	Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0
714	Fraud Recovery	\$0	\$0	\$8,584	\$0	\$0	\$8,584
715	Other Revenue	\$107,482	\$0	\$3,156	\$0	\$0	\$110,638
716	Gain/Loss on Sale of Fixed Assets	\$1,000	\$0	\$1,100	\$0	\$0	\$2,100
720	Investment Income - Restricted	\$0	\$0	\$6,194	\$0	\$0	\$6,194
700	Total Revenue	\$2,097,818	\$114,953	\$2,851,022	\$737,082	\$10,680	\$5,811,555

Line Item No.	Account Description	Low Rent Public Housing	Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
911	Administrative Salaries	\$275,170	\$0	\$187,747	\$64,489	\$0	\$527,406
912	Auditing Fees	\$2,463	\$0	\$3,663	\$1,200	\$0	\$7,326
914	Compensated Absences	\$7,227	\$0	\$1,526	\$9,284	\$0	\$18,037
915	Employee Benefit Contributions - Administrative	\$114,026	\$0	\$91,961	\$0	\$0	\$205,987
916	Other Operating - Administrative	\$54,390	\$0	\$27,238	\$61,767	\$0	\$143,395
921	Tenant Services - Salaries	\$26,552	\$48,525	\$0	\$0	\$1,895	\$76,972
923	Employee Benefit Contributions - Tenant Services	\$11,769	\$5,918	\$0	\$0	\$5,156	\$22,843
924	Tenant Services - Other	\$10,978	\$60,510	\$0	\$0	\$3,629	\$75,117
931	Water	\$74,456	\$0	\$0	\$0	\$0	\$74,456

932	Electricity	\$224,357	\$0	\$0	\$0	\$0	\$224,357
933	Gas	\$139,828	\$0	\$0	\$0	\$0	\$139,828
935	Labor	\$2,850	\$0	\$0	\$0	\$0	\$2,850
937	Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0
938	Other Utilities Expense	\$1,350	\$0	\$0	\$0	\$0	\$1,350
941	Ordinary Maintenance and Operations - Labor	\$427,990	\$0	\$0	\$0	\$0	\$427,990
942	Ordinary Maintenance and Operations - Materials and Other	\$55,364	\$0	\$0	\$0	\$0	\$55,364
943	Ordinary Maintenance and Operations - Contract Costs	\$109,948	\$0	\$7,465	\$0	\$0	\$117,413
945	Employee Benefit Contributions - Ordinary Maintenance	\$177,353	\$0	\$0	\$0	\$0	\$177,353
961	Insurance Premiums	\$121,100	\$0	\$16,023	\$0	\$0	\$137,123
962	Other General Expenses	\$12,663	\$0	\$0	\$0	\$0	\$12,663
963	Payments in Lieu of Taxes	\$82,968	\$0	\$0	\$0	\$0	\$82,968
964	Bad Debt - Tenant Rents	\$10,739	\$0	\$0	\$0	\$0	\$10,739
969	Total Operating Expenses	\$1,943,541	\$114,953	\$335,623	\$136,740	\$10,680	\$2,541,537
970	Excess Operating Revenue over Operating Expenses	\$154,277	\$0	\$2,515,399	\$600,342	\$0	\$3,270,018
973	Housing Assistance Payments	\$0	\$0	\$2,295,842	\$0	\$0	\$2,295,842
974	Depreciation Expense	\$677,514	\$0	\$9,138	\$0	\$0	\$686,652
900	Total Expenses	\$2,621,055	\$114,953	\$2,640,603	\$136,740	\$10,680	\$5,524,031
1001	Operating Transfers In	\$149,838	\$0	\$0	\$0	\$0	\$149,838
1002	Operating Transfers Out	\$0	\$0	\$0	\$-149,838	\$0	\$-149,838
1010	Total Other Financing Sources (Uses)	\$149,838	\$0	\$0	\$-149,838	\$0	\$0
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$-373,399	\$0	\$210,419	\$450,504	\$0	\$287,524

Line Item No.	Account Description	Low Rent Public Housing	Resident Opportunity and Supportive Services	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$6,133,284	\$0	\$252,366	\$767,484	\$1	\$7,153,135
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$519,949	\$0	\$0	\$-519,949	\$0	\$0
1120	Unit Months Available	5,090	0	7,788	0	1	12,879
1121	Number of Unit Months Leased	5,026	0	7,763	0	1	12,790
1117	Administrative Fee Equity	\$0	\$0	\$107,390	\$0	\$0	\$107,390
1118	Housing Assistance Payments Equity	\$0	\$0	\$355,395	\$0	\$0	\$355,395

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