HOUSING AUTHORITY OF THE CITY OF LONGVIEW

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Loveridge Hunt & Co., PLLC

CERTIFIED PUBLIC ACCOUNTANTS

CONTENTS

Housing Authority of the City of Longview

Schedule of Findings and Questioned Costs

Year Ended SEPTEMBER 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ______ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses ______ Yes __X__ No

Noncompliance material to financial statements ______ Yes __X__ No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness(es) identified? ______ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses ______ Yes __X__ No

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? __X__ Yes ______ No

Identification of major program:

CFDA Number(s)	Name of Federal Program or Cluster
14.239	HOME Investment Partnership Program
14.871	Section 8 Housing Choice Vouchers

Housing Authority of the City of Longview

Schedule of Findings and Questioned Costs - (Continued)

Year Ended September 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS - (Continued)

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000
Auditee qualified as low-risk auditee:	______ Yes __X__ No

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings were noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

One finding was noted for the year ended September 30, 2013.

Housing Authority of the City of Longview

Schedule of Federal Findings and Questioned Costs

For the Year Ended September 30, 2013

Finding 2013-1

Information on the federal program: The Section 8 Housing Choice Vouchers (CFDA 14.871) provides rental assistance to help very low-income families afford decent, safe, and sanitary rental housing. The Mainstream Vouchers program enables families having a person with disabilities to lease affordable private housing of their choice.

Criteria: The public housing authority ("PHA") must inspect the unit leased to a family at least annually to determine if the unit meets Housing Quality Standards (HQS) and the PHA must conduct quality control re-inspections. The PHA must prepare a unit inspection report (24 CFR sections 982.158(d) and 982.405(b)).

Condition: During our tests of compliance over the HCV program, we noted that the Authority did not perform the annual HQS inspections for 125 units.

Questioned Costs: There is no questioned cost.

Context: Management did not perform the annual HQS inspections for 125 of the Section 8 units.

Effect: LHA was not in compliance with the criteria set forth in the above mentioned program.

Cause: The Authority did not perform the required annual inspections due to lack of fundings and shortage of staff. As a cost saving measure, the Authority decided not to perform the annual HQS inspections for 125 of the units.

Recommendation: None considered necessary, see response below.

Views of responsible offices and planned corrective actions: Subsequent to year-end, all of the HQS inspections have either been performed or scheduled to be performed.

Housing Authority of the City of Longview

Schedule of Prior Federal Findings and Questioned Costs

For the Year Ended September 30, 2013

The following presents the status of the federal finding reported in the September 30, 2012 audit. The status listed below is the representation of the Housing Authority. Loveridge Hunt & Co., PLLC has reviewed the status.

Finding 2012-1: During our tests of compliance over the Economic Development Imitative program, we did not obtain evidence to ensure proper wages paid to employees of contractors.

CFDA Number/Federal Program/Granting Agency: 14.251

Criteria: Per USC 40 USC 3141-3144, 3146, and 3147; 29 CFR part 29, the subject entity shall include in their construction contracts subject to the Davis-Bacon Act a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act. All laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of $2,000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor.

Status: Fully corrected

Corrective Action Taken: Upon realization of the issue, the Housing Authority of the City of Longview retrained all staff on the procurement policies and procedures. All open construction contracts were being reviewed to insure full compliance with the Authority's policies and procedures.

Loveridge Hunt & Co., PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Commissioners
Housing Authority of the City of Longview
Longview, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Longview (the Authority) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 24, 2014.

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 Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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INDEPENDENT AUDITOR'S 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- (CONTINUED)

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 significant deficiencies or 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 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2013-1.

Purpose of this Report

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

Loveridge Hunt & Co, PLLC

Bellevue, Washington
February 24, 2014

Loveridge Hunt & Co., PLLC
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the City of Longview
Longview, Washington

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Longview'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 September 30, 2013. 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.

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Basis for Qualified Opinion on Section 8 Housing Choice Vouchers Program

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding CFDA 14.871 Section 8 Housing Choice Vouchers Program as described in finding number 2013-1 for Special Tests and Provisions. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Qualified Opinion on Section 8 Housing Choice Vouchers Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Example Entity complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Section 8 Housing Choice Vouchers Program for the year September 30, 2013.

Unmodified Opinion on Each of the Other 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 other major federal program identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2013.

The Authority's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's response was not subject to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of 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 our 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.

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 - (CONTINUED)

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 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.

Lovejoy Hamts Co, Pllc

Bellevue, Washington
February 24, 2014

Loveridge Hunt & Co., PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Board of Commissioners
Housing Authority of the City of Longview
Longview, Washington,

Report on Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Longview (the Authority), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.

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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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority as of September 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Subsequent Event

As discussed in Note 15 to the financial statements, on October 3, 2013, the Authority in partnership with US Bank began developing 38 units of affordable multi-family rental housing in Woodland, Washington. The Authority transferred assets and related liabilities to the partnership and made several equity contributions to the project at closing. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 14 to 19 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 the financial reporting for placing the basic financial statements in an appropriate operation, economic or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The Financial Data Schedule is presented for the purpose of additional analysis as required by HUD, and is also not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards accepted in United States of America. In our opinion, the supplementary information 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 February 24, 2014, 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 for the year ended September 30, 2013. 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.

Lovelidge Hunt & Co, Pllc

Bellevue, Washington
February 24, 2014

FINANCIAL SECTION

The Housing Authority of the City of Longview, doing business as the Longview Housing Authority ("Authority"), management's 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 individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Financial Highlights

- The Authority's overall cash position decreased by $796 thousand (42%) during the year. Unrestricted cash and cash equivalents decreased by $734 thousand (79%). Unrestricted cash and equivalents were $194 thousand at year end. Restricted cash and cash equivalents decreased by $62 thousand (6.6%). Restricted cash and equivalents were $880 thousand at year end.

- The Authority's net position decreased by $492 thousand (16%) during the year. Net assets were $2.5 million at year end.

- The Authority maintained average occupancy rate of 95% across all projects. Reduced funding in the Housing Choice Voucher program forced a 4% reduction in the number of families served. In addition construction activities at the Stratford Apartments kept occupancy low for most of the year.

- The Authority revenues decreased by $1.7 million (13%) during the year. Revenues were $11.1 million and $12.8 million for FY2013 and FY2012, respectively. The 2013 decrease is because 2012 had a onetime gain of $1.2 million from the sale of the Mint Place apartments. Sequestration of federal funds also reduced grant revenues by $382 thousand in 2013.

  In addition to traditional revenues Capital grants of $71 thousand were received and a $200 thousand forgivable loan was received in FY2013.

- The total expenses of all Authority programs decreased by $220 thousand (1.8%). Total expenses were $11.7 million and $11.9 million for FY2013 and FY2012, respectively.

Authority Wide Financial Statements

The focus of Authority-wide financial statements is on the overall financial position and activities of the Housing Authority of the City of Longview. The Authority-wide financial statements are designed to be corporate-like in that all business type activities are consolidated into columns which add to a total for the entire authority. There are three major sections to the Authority's financial statements included in this report.

The financial statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal “Net Position”, formerly known as "Net Assets". Assets and liabilities are classified as “Current” (convertible into cash within one year), and “Non-current”.

The focus of the Statement of Net Position (the “Unrestricted Net Position”) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly Net Assets) are reported in three broad categories:

> Net Position, Invested in Capital Assets, Net of Related Debt: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
>
> Restricted: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.
>
> Unrestricted: Consists of Net Position that does not meet the definition of “Net Assets Invested in Capital Assets, Net of Related Debt”, or “Restricted”.

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Position (similar to an Income Statement). This statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Position is the “Change in Net Assets”, which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

The financial statement consists exclusively of a single Enterprise Fund and uses the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by the private sector accounting. Again, the items presented on the statement of revenues, expenses and changes in fund net assets are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Authority. Thus, revenues are reported even when they may not be collected for several months after the end of the accounting periods and expenses are recorded even though they may not have used cash during the current period.

Condensed Comparative Financial Information

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

Statement of Net Position	9/30/2013	9/30/2012
Current and Other Assets	$ 1,560,540	$ 2,047,528
Non-current and Capital Assets	16,323,916	14,382,091
Total Assets	$ 17,884,456	$ 16,429,619
Current Liabilities	$ 2,815,926	$ 1,399,708
Long-Term Liabilities	12,572,659	12,042,841
Total Liabilities	15,388,585	13,442,549
Net Position:		
Invested in Capital Assets,		
Net of Related Debt	1,531,594	1,691,947
Restricted Cash and Investments	873,354	986,893
Unrestricted	90,923	308,230
Total Net Position	$ 2,495,871	$ 2,987,070
Total Net Position and Liabilities	$ 17,884,456	$ 16,429,619

The Authority is carrying $1,243,641 in Construction Work In Progress and Accounts Payable for the Tax Credit project Lilac Place, LLLP. Those and other assets and liabilities were transferred to Lilac Place, LLLP on October 3rd, 2013. After adjusting for Lilac Place, LLLP the Authority's current liabilities exceed current assets by $12 thousand, for a current ratio of 1. The current ratio is a measure of the ability to pay debts as they become due.

As of September 30, 2013, the Authority had $952 thousand in cash and investments that were restricted in use by various bond trust indentures, grant regulations and security deposits. These assets may only be used for bond debt service, capital replacements, property improvements or housing assistance payments. This amount decreased by $110 thousand (10%) from a balance of $1.1 million at the beginning of the fiscal year. The restricted cash and investments balance is made up of several accounts including: $72 thousand in tenant security deposits, $337 thousand for excess Housing Assistance Payment reserves, $54 thousand in escrow accounts, and $410 thousand for required replacement reserves.

The Authority's net position decreased in FY2013 by $491 thousand (16%). With respect to the total assets of $18 million, 89% the Housing Authority's assets are real estate, buildings and improvements to those buildings. Those capital assets are used to provide apartments to low-income tenants and an administrative office for operations.

The following table presents the condensed **Statement of Revenues, Expenses and Changes in Net Position** compared to prior year.

Statement of Revenues, Expenses and Changes in Net Position	9/30/2013	9/30/2012
Revenues		
Operating		
Tenant Revenue	$ 1,342,016	$ 1,299,200
Other	605,923	745,387
Non-Operating		
Government Operating Subsidies and Grants	9,192,251	9,573,108
Gain on Sale of Fixed Assets	-	1,208,346
Investment Income	179	492
Other Revenues		
Total Revenue	11,140,369	12,826,533
Expenses		
Operating	11,128,745	11,365,459
Non-Operating		
Housing Assistance Payments	-	-
General		
Interest and Other	574,284	557,481
Depreciation/Amortization		
Total Expenses	11,703,029	11,922,940
Income (loss) before contributions, transfers, extraordinary Excess (Deficiency) of Revenues over Expenses	(562,660)	903,593
Capital contributions	71,461	283,691
Transfers	-	-
Change in net assets	(491,199)	1,187,284
Prior Period Adjustment	-	-
Net Position, Beginning of Year	2,987,070	1,799,786
Net Position, Beginning of Year Restated	2,987,070	1,799,786
Net Position, End of year	$ 2,495,871	$ 2,987,070

The Authority's total revenues decreased during the year by $1.7 million (13%). Without consideration of the capital gain in 2012, revenues decreased by $478 thousand (4.1%). The decrease is predominately due to the reduction of Housing Assistance Payment dollars by HUD. Capital contributions decreased by $212 thousand (75%). The decrease is a result of a forgivable loan of $200 thousand being received in place of a capital grant. Rental income increased 3.3% or $34 thousand. This increase comes from rent increases and better occupancy of available units. Grants revenues decreased by 4.0% or $381 thousand. The decrease results from funding cuts in the federal grant programs.

Operating expenses decreased 2.1% from the prior year. The decrease of $237 thousand is attributed to a reduction of federal funds for Housing Assistance Payments and is reflected in the following categories:

- Administration decreased $118 thousand or 7.6%,
- Tenant Services increased $108 thousand or 35%,
- Utilities increased $5.3 thousand or 1.8%,
- Ordinary Maintenance and Operations increased $56 thousand or 8.7%,
- Housing Assistance Payments (for all programs) decreased by $335 thousand or 4.2% , and
- Other general expenses increased by $10 thousand or 8.7%

Capital Asset and Long-Term Debt Administration

Capital Assets

As of the year end, the Authority had $16 million invested in a variety of capital assets and construction work in progress as reflected in the following schedule, which represents a net increase of $2 million from the end of last year. The following table also summarizes the changes in capital assets between fiscal years 2013 and 2012:

	FY2013	FY2012	Net Change
Land	$ 1,876,932	$ 1,751,389	$ 125,543
Construction in progress	2,033,093	1,232,422	800,671
Buildings, improvements & fixtures	13,788,759	12,279,927	1,508,832
Leasehold improvements	2,727,053	2,727,053	-
Machinery, vehicles, & equipment	226,589	246,189	(19,600)
Construction in progress	-	-	-
Less accumulated depreciation	(4,709,922)	(4,267,497)	(442,425)
Total capital assets (net)	$ 15,942,504	$ 13,969,483	$ 1,973,021

Long-Term Debt

The Housing Authority’s long-term debt consists of loans, notes and revenue bonds issued for the purpose of acquisition and improvement of real property to provide housing for low income tenants. At September 30, 2013, the total liabilities reported by the Authority are $15 million of which $12.6 million are classified as long-term and $2.8 million are classified as current liabilities. For the long term liabilities $72 thousand (Restricted Investments) have been set aside for debt service payments.

Payments of $1 million were made on outstanding bond, mortgage and note principal during the year. Please refer to Note 5 – Capital Assets and Note 11 – Long Term Debt and Liabilities in the Notes to the Financial Statements for more detailed information.

Other Potentially Significant Matters

The Authority is in the process of redeveloping the Stratford Apartments. The renovations include the addition of an elevator, a solar hot water system and fire, safety upgrades, energy efficient windows, air conditioning and an on-site laundry facility. The twenty units will be remodeled and dedicated to housing homeless veterans in the Authority’s jurisdiction. The Authority has applied for and received a $489,000 Economic Development Initiative – Special Projects grant and a $189,600 Home grant from the City of Longview. Additionally the Washington State Department of Commerce (“DOC”) has committed an additional $800 thousand for the renovations. As of September 30, 2013, an elevator, the solar hot water system and fire and safety upgrades have been completed. All funds except the $800,000 grant from the DOC have been used. The DOC grant will be funding the window replacement and air conditioning in the building. This final phase of construction is scheduled to begin in February 2014 and should be completed in April 2014.

In 2011, the Authority formed a limited partnership with Lilac Place GP LLC ("the Partnership"). The Partnership applied and received a tax credit allocation to develop a thirty eight unit apartment complex in Woodland. The Authority has applied for and been approved for funding from Clark County. The funding is in the form of a $425,000 loan ($200,000 is forgivable) from the Clark County's Home funds. On October 3, 2013, the U.S. Bankcorp Community Development Corporation was admitted to the partnership as the substitute limited partner. As a result, the Authority transferred $1,839,227 in assets and related liabilities to the Partnership and made additional equity contributions to the project. Construction began in September of 2013 and is expected to be completed by June of 2014. As of December 30, 2013, the construction was 40% completed.

Contacting the Housing Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information should be addressed to the Finance Director of the Longview Housing Authority. The Authority's offices are located at 820 11th Ave., Longview, WA 98632. The telephone number is (360) 423-0140 x 16.

Housing Authority of the City of Longview
Statement of Net Position - (Continued)
September 30, 2013

	Authority
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 194,474
Receivables (Net)	453,748
Inventory	3,018
Prepayments	28,872
Restricted Assets:	
Tenant Security Deposits	72,327
Other Cash	808,101
Total Current Assets	1,560,540
Noncurrent Assets	
Loans Receivable	309,352
Restricted Assets	
Cash and Cash Equivalents	
Investments	72,060
Capital Assets	
Land	1,876,932
Buildings	16,515,812
Equipment	226,589
Construction in Progress	2,033,093
Less Accumulated Depreciation	(4,709,922)
Total Capital Assets (Net)	15,942,504
Total Non-Current Assets	16,323,916
TOTAL ASSETS	$ 17,884,456
LIABILITIES	
Current Liabilities	
Accounts Payable	$ 1,503,414
Accrued Liabilities	191,576
Current Portion of Long-Term Debt	955,174
Tenant Security Deposits	72,327
Deferred Revenue	39,913
Other Current Liabilities	53,522
Total Current Liabilities	2,815,926
Noncurrent Liabilities	
Compensated Absences	40,470
Long-Term Debt	12,532,188
Total Noncurrent Liabilities	12,572,659
TOTAL LIABILITIES	$ 15,388,585

Continued on Page 21

Housing Authority of the City of Longview
Statement of Net Position - (Continued)
September 30, 2013

	Authority
NET POSITION	
Invested in Capital Assets, Net of Related Debt	$ 1,531,594
Restricted Net Assets	
Debt Service	72,060
Fixed Asset Replacement	417,187
Housing Assistance Payments	336,829
Other Purposes	54,085
Unrestricted Net Assets	84,116
TOTAL NET POSITION	2,495,871
TOTAL NET POSITION AND LIABILITIES	$ 17,884,456

Housing Authority of the City of Longview
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2013

	Authority
OPERATING REVENUES	
Net Tenant Rental Revenue	$ 1,260,405
Tenant Revenue - Other	81,611
Other Revenue	605,923
Total Operating Revenue	1,947,939
OPERATING EXPENSES	
Administration	1,434,811
Tenant Services	413,382
Utilities	305,056
Ordinary Maintenance and Operations	693,604
Housing Assistance Payments	7,675,067
Depreciation and Amortization Expense	476,084
Other General Expenses	$130,741
Total Operating Expenses	11,128,745
OPERATING INCOME (LOSS)	$ (9,180,806)
NONOPERATING REVENUES (EXPENSES)	
HUD Subsidies and Grant Revenue	$ 7,519,654
Other Government Grants	1,671,762
Investment Income	179
Casualty losses	835
Interest Expense	(574,284)
Total NonOperating Revenues (Expenses)	8,618,146
Income before Contributions, Transfers, Extraordinary and special items	(562,660)
CAPITAL CONTRIBUTIONS	
HUD Capital Grant	71,461
CHANGE IN NET ASSETS	(491,199)
BEGINNING TOTAL NET POSITION	$ 2,987,070
ENDING TOTAL NET ASSETS POSITION	$ 2,495,871

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

Housing Authority of the City of Longview
Statement of Cash Flows
For the Year Ended September 30, 2013

	Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Tenants	$ 1,363,494
Payments to Employees	(1,704,105)
Payments to Suppliers	(1,072,020)
Housing Assistance Payments	(7,686,767)
Other Receipts (Payments)	551,347
Net Cash Used in Operating Activities	(8,548,049)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Grant Receipts	8,872,272
Other Payments	(331,397)
Net cash provided by noncapital financing activities	8,540,875
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Capital Debt	2,180,023
Capital Contributions	71,461
Purchase of Capital Assets	(1,517,078)
Principal Payments on Capital Debt	(1,019,301)
Interest Payments on Capital Debt	(544,527)
Net cash used by capital and related financing activities	(829,421)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	40,796
Interest and Dividends	179
Net Cash Used in Investing Activities	40,975
Net Decrease in Cash and Cash Equilalents	(795,621)
Cash at the Beginning of the Year	1,870,523
Cash at the End of the Year	$ 1,074,902

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

During the year the Authority had significant noncash transactions that would have been reported if the transaction involved a cash exchange:

A. $15,384 of Bond Original Issue Discount offsets outstanding debt.

B. The Authority had a transaction that resulted in the acquisition of capital assets of $2,036,035 of which $1,243,641 was financed through accounts payable.

C. The Authority completed construction on $ 1,235,415 of Construction in Progress. This amount was placed in service during 2013 and moved to Buildings in Fixed Assets.

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating Loss	$ (9,180,806)
Adjustments to Reconcile Operating Income (Loss) to Net Cash:	
Depreciation Expense & Amortization	476,084
Changes in Assets and Liabilities:	
Decrease in Receivables	12,735
Increase in Prepaid Expenses	(11,700)
Decrease in Inventories	710
Increase in Accounts Payable	163,152
Decrease in Other Payables	(8,225)
Total Adjustments	632,756
NET CASH USED IN OPERATING ACTIVITIES	$ (8,548,049)

Note 1 - SUMMARY OF SIGNIFICANT POLICIES

The Authority was incorporated on July 24, 1975 by the City of Longview and operates under the laws of the state of Washington applicable to Housing Authorities. The purpose of this organization was to administer the Section 8 Rental Assistance Program in the City of Longview.

Since the founding of the Authority, the service area and programs of the organization has grown. The Authority currently serves the citizens of Longview and the unincorporated areas of Cowlitz, Lewis, Mason, Wahkiakum and Pacific Counties in Washington State, by providing affordable housing, housing subsidies, home ownership, veterans programs and self sufficiency opportunities.

The accounting policies of the Authority conform to generally accepted accounting principles (GAAP) as applicable to proprietary funds of governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the most significant policies:

a. Reporting Entity

The Authority is a municipal corporation governed by an appointed six member board. As required by generally accepted accounting principles, management has considered all potential component units in defining the reporting entity. The Authority has no component units.

b. Basis of Accounting And Presentation

The accounting records of the Authority are maintained and reported in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW and the Federal Department of Housing and Urban Development. The authority must report using GAAP; however, it has the option to use either the single enterprise proprietary fund or special purpose governmental fund model.

The Authority has elected to report as a single-enterprise proprietary fund and uses the accrual basis of accounting. The measurement focus is on the flow of economic resources. The proprietary fund is composed of a number of programs. These programs are designed to provide low income individuals and families with housing.

These programs include federal funds from the Housing and Urban Development; Department of Agriculture, Rural Housing and the Veterans Administration. The Authority also administers housing programs funded by the State and by the Longview-Kelso Consortium, some of which are indirectly funded by the federal government. Several apartment complexes have been purchased using Housing Revenue Bonds and loans and are also owned and managed by the Authority for the purpose of providing affordable housing stock in our community.

Proprietary funds are used to account for activities that are operated in a manner similar to private enterprise business. Under this method revenues are recognized when earned and expenses are recognized when incurred. Capital asset purchases are capitalized and long term liabilities are accounted for in the fund.

c. Cash and Cash Equivalents

For the purposes of the Statement of Net Position and the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, or available on demand, to be cash equivalents.

d. Receivables

Receivables consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Bad debt write offs are made monthly and subject to approval of the Board of Commissioners and are expensed at the end of each month. The Allowance for Doubtful Accounts is determined at the end of the year by evaluating the facts and circumstances of each account included in accounts receivable. On the financial statements, the receivables are presented in a net format after deducting the current allowance amount.

e. Inventories

The “Inventories” account includes any material dollar amount of rental property components on hand and not installed at a particular property as of the date of the Statement of Net Position. Generally, components are ordered as needed for specific repairs and not maintained as inventory. Inventory is valued at cost and is valued using the “first in first out” (FIFO) method which approximates the market value.

f. Assets Held for Resale

Assets Held for Resale consists of real properties held by the SHARE Home Ownership and Section 8 Home Ownership programs. These programs are assisting low-income families in obtaining homeownership counseling, down payment and closing cost assistance, and help in purchasing and rehabilitating existing housing stock. The Authority takes title and inventories these properties during the rehabilitation phase of the program. These assets are valued at cost and tracked by specific asset.

g. Notes Receivable

Notes receivable consist of second mortgage loans made under a down payment assistance program for first time home buyers. These loans are 0% interest loans secured by a deed of trust and payable upon sale or transfer of title, satisfactory completion of residency requirements or change of use.

These loans are expected to be forgiven or repaid by the loan recipients at the sooner of the end of the compliance period or upon the sale or disposition of the home. These are classified as non-current because they are not expected to be repaid within one year. Because the loans receivable are secured by liens against real property there is generally no need to estimate uncollectible loans receivable.

h. Restricted Assets

In accordance with bond resolutions and federal contracts (and certain related agreements) separate restricted accounts are required to be established. The assets held in these accounts are restricted for specific uses, including debt service, maintenance of assets and other special reserve requirements. As titled in the Statement of Net Position, restricted resources currently include the following:

- “Tenant security deposits” which includes security deposits held pursuant to residential rental agreements. They are included, while not all will be payable, in current period because they are payable from the “Tenant security deposits” account listed under restricted assets.

- “Investments” are funds held for debt service reserves. Bond covenants entered into by the Housing Authority require portions of the debt proceeds to be set aside.

- “Other Cash” includes excess Housing Assistance Payment reserves, escrow accounts, principal and interest payment deposits and required replacement reserves.

i. Capital Assets

The cost of normal maintenance and repairs, which do not add to the value of the asset or materially extend an asset’s life, is expensed. A purchase of equipment or a building improvement costing $3,000 or more, which is not deemed a repair, is recorded at historical cost and depreciated over its expected life.

Property, plant and equipment donated or sold at a bargain discounted price to the Authority is recorded at the fair market value determined at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest expense incurred during the construction phase is reflected in the capitalized value of the asset constructed.

Property, plant, residential buildings, and equipment are depreciated using the straight-line method, generally over the following estimated useful lives:

Asset Categories	Years
Buildings	40
Building improvements	15
Site improvements, sidewalks, paving, etc.	20
Vehicles-autos & light trucks	5
Office equipment-non computer	6
Computer & telecommunications equipment	5
Office furnishings	10
Other equipment, carpets, appliances	12

It is our policy that the original cost of un-segregated components of operating property that is retired or otherwise disposed of, plus the cost of installation, less salvage, is charged to accumulated depreciation and no gain or loss on the disposition is recognized. In the case of the sale of a significant operating unit or system, the original cost is removed from the capital asset accounts, accumulated depreciation is charged with the accumulated depreciation related to the property sold, and the net gain or loss on disposition is credited or charged to income.

Preliminary costs incurred for proposed capital projects are recorded in "Construction Work in Progress" pending construction of the facility. Costs relating to projects ultimately constructed are transferred to the project capital accounts; charges related to abandoned projects are expensed.

k. Investments

Investments are stated at cost, which approximates fair market value. For various risks related to the investments see Note 3 – Deposits and Investments.

l. Current Portion of Long Term Debt

Current portion of Long Term Debt includes all redemption amounts owed to bond holders within one year from the date of the statement. Bonds are also reported herein net of premium or discount; annual interest expense is adjusted by the amortization of the discount. Unamortized discounts are reported as an adjustment to the Long Term Debt reported on the Statement of Net Position (see note 11).

m. Operating Revenues and Expenses

The authority reports operating revenues as defined in GASB Statement No. 9. Operating revenues result from fees and charges from providing services in connection with the ongoing operations of providing low income housing. Operating subsidies and grants are reported as non-operating revenues and are presented as cash flows from non-capital financing activities in the statement of cash flows. Operating expenses are those expenses that are directly incurred in the operation of providing low income housing.

n. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation leave. The authority records unpaid leave for compensated absences as an expense and liability when incurred.

Vacation pay, which cannot be carried over past the employee's anniversary date, is payable upon resignation, retirement or death. Sick leave may be carried over the years, but can only be taken for medical-related absences. Upon resignation, retirement, or death; sick leave is lost.

Note 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

State law requires that the Authority maintain occupancy at specified percentages of low income families. State law also requires the Authority to deposit all of its funds with banking institutions in accordance with the terms of the State of Washington Public Deposit Protection Act.

The Authority is in compliance with state law with respect to the percentage of low income families served and the Authority makes all investments pursuant to the requirements of Washington State law in Chapter 39.58 RCW and the investment policies it has adopted.

Note 3 – DEPOSITS AND INVESTMENTS

a. Deposits

The Authority's deposits and certificates of deposit are entirely covered by the Federal Depository Insurance Commission (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). It is the policy of the Authority, when making deposits or investing in bank market rate savings or certificates of deposit, to use banks which are qualified public depositories as designated by the Washington Public Deposit Protection Commission (PDPC) pursuant to RCW 39.58. The PDPC is a risk sharing pool whereby member banks that are designated as "qualified public depositories", mutually insure public deposits against loss. As a result, the FDIC or PDPC insures all demand deposits and bank balances of the Authority against loss.

b. Investments

Available excess cash or demand deposits of the Authority are invested in accordance with RCW 35.82.070(6) and the Authority's policies. Investments consist of deposits with qualified pubic depositories, obligations of the U.S. Treasury and agencies, banker's acceptances, commercial paper, and repurchase agreements. All restricted cash and investments held in bond trust accounts are invested in accordance with the provisions of the various trust indentures. Certain investments may meet the criteria of cash and cash equivalents, but are treated as investments by the Authority because of their intended long term use.

As of year ended September 30, 2013 investments consisted of the following:

Investment	Value
Washington Local Govt Investment Pool	$ -
Cash	-
U.S. Treasuries	72,060
Total	$ 72,060

Interest Rate Risk – The Authority's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – As noted above, state law limits the types of investments that can be made by the Authority to those identified in RCW 35.82.070(6).

Concentration of Credit Risk – The Authority places no limit on the amount that can be invested in any one investment.

Custodial Credit Risk – is the risk that in event of a failure of the counterparty to an investment transaction the Authority would not be able to recover the value of the investment of collateral securities. None of the Authority's cash accounts or investments are exposed to custodial credit risk since all funds are either entirely covered by FDIC insurance, the Washington Public Deposit Protection Act or consists of investment in U.S. Treasury obligations or repurchase agreements secured by U.S. Treasury obligations.

Note 4 – NOTES RECEIVABLE

The Authority has notes receivable that consist of second mortgage loans made under a down payment assistance program for first time home buyers. These loans are 0% interest loans secured by a deed of trust and payable upon sale or transfer of title, satisfactory completion of residency requirements or change of use.

Purpose	Orginal Amount	Issue Date	Maturity	Interest Rate	9/30/2013 Amount Outstanding
Forgiveable Notes-Roulette	$ 37,500	Dec/2008	Dec/2018	0%	$ 19,687
Forgiveable Notes-Roberts, K	10,000	Jan/2009	Jan/2014	0%	667
Forgiveable Notes-Partain	36,750	Jun/2009	Jun/2019	0%	21,131
Forgiveable Notes-Roberts, C.	10,000	Sep/2009	Sep/2014	0%	2,000
Forgiveable Notes-Roberts, C.	36,750	Sep/2009	Sep/2019	0%	22,050
Forgiveable Notes-Chappelle	15,000	Mar/2010	Mar/2020	0%	9,750
Forgiveable Notes-Dotson	38,000	Mar/2010	Jan/2020	0%	24,067
	184,000				99,352
Notes - Miller	25,000	Feb/2009	Feb/2039	0%	25,000
Notes - Rafferty	25,000	Jul/2009	Jul/2039	0%	25,000
Notes - Gallager	25,000	Oct/2009	Oct/2039	0%	25,000
Notes - Brister	10,000	Jan/2010	Jan/2040	0%	10,000
Notes - Juve	25,000	Feb/2010	Feb/2040	0%	25,000
Notes - Sloan	10,000	Apr/2010	Apr/2040	0%	10,000
Notes - Bastin	10,000	Aug/2011	Aug/2041	0%	10,000
Note - Johnson	10,000	Mar/2012	Mar/1942	0%	10,000
Note - Rogers	10,000	Apr/2012	Apr/1942	0%	10,000
Note - McLean	30,000	Sep/2012	Sep/1942	0%	30,000
Note - Schlais	20,000	Mar/2013	Mar/2043	0%	20,000
Note - Thompson	10,000	Nov/2012	Nov/1942	0%	10,000
	210,000				210,000
	$ 394,000				$ 309,352

Notes receivable activity for the period ending 9/30/2013 were:

	Beginning Balance	Increases	Decreases	Ending Balance
Forgivable Notes	$ 119,752		$ 20,400	$ 99,352
Notes	180,000	30,000		210,000
	$ 299,752	$ 30,000	$ 20,400	$ 309,352

Inter-program loans: See note 8. b. Short Term Debt.

Note 5 – CAPITAL ASSETS

Major expenses ($3,000 or more and a useful life of one year or more) for capital assets, including capital leases, and major repairs that increase useful lives are capitalized. Maintenance, repairs, and minor renewals are accounted for as expenses when incurred.

All capital assets are valued at historical cost or estimated historical cost, where historical cost is not known. Donations are recorded at the fair market value as determined by appraisal. Construction in progress is decreased when the construction is completed and the asset is placed in service. The decrease is equal to the increase in the class of assets that have been constructed.

The Housing Authority has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the Housing Authority has sufficient legal interest to accomplish the purposes for which the assets were acquired.

Capital asset activity for the year ended September 30, 2013 was as follows:

	Beginning Balance 10/01/12	Increase	Decrease	Ending Balance 9/30/13
Capital assets not being depreciated:				
Land	$ 1,751,389	$ 140,618	$ 15,075	$ 1,876,932
Construction in progress	1,232,422	2,036,086	1,235,415	2,033,093
Total capital assets not being depreciated	2,983,811	2,176,704	1,250,490	3,910,025
Capital assets being depreciated:				
Buildings/improvements	12,279,928	1,517,223	8,391	13,788,760
Furniture, Equipment & Machinery - Dwellings	14,301	-	-	14,301
Furniture, Equipment & Machinery - Administration	231,888	-	19,600	212,288
Leasehold Improvements	2,727,052	-	-	2,727,052
Total capital assets being depreciated	15,253,169	1,517,223	27,991	16,742,401
Less total accumulated depreciation	(4,267,497)	(483,006)	(40,581)	(4,709,922)
Total capital assets being depreciated, net	10,985,672	1,034,217	(12,590)	12,032,479
Total capital assets, net	$ 13,969,483	$ 3,210,921	$ 1,237,900	$ 15,942,504

Note 6 – AREAS OF OPERATIONS

When the City of Longview created the Authority, the Authority was authorized to operate within the limits of the City of Longview. Subsequently the Authority contracted with HUD to manage the Housing Choice Vouchers in Lewis County, Pacific County and Cowlitz County (excluding the cities of Kelso and Kalama). The Authority also has inter-local agreements with Castle Rock, Cathlamet, Kalama, Kelso, Wahkiakum County, Winlock and Woodland to provide housing services in those cities and counties.

The Authority also provides some management services though contract to the Joint Pacific County Housing Authority and the Mason County Housing Authority.

Note 7 - CONSTRUCTION IN PROGRESS

Construction in progress represents expenses through September 30, 2013 on projects whose authorizations total $10,802,389. The committed balance of $10,802,389 is fully funded.

Construction in progress is composed of the following:

	Project Authorization	Expended to 9/30/2013	Committed	Required Future Financing
Lilac Place	$ 8,715,816	$ 1,430,157	$ 8,715,816	$ -
Stratford Phase 1	1,150,273	1,150,182	1,150,273	-
Stratford Phase 2	805,000	42,533	805,000	-
17th Ave	131,300	114,958	131,300	-
	10,802,389	2,737,830	10,802,389	-

Expended amount includes construction in progress amount that was capitalized in the current and prior periods.

Note 8 – SHORT TERM DEBT

a. Short term loan activity for the year ended September 30, 2013 were as follows:

Debt	Beginning Balance 10/1/2012	Issued	Redeemed	Ending Balance 9/30/2013	Purpose
Line of Credit	$ 250,000	$ -	$ 250,000	$ -	Course of Construction Adminstration
Line of Credit	84,507	-	84,507	-	Pre development of Lilac Gardens
	$ 334,507	$ -	$ 334,507	$ -	

b. Inter-program loans

The Authority has several inter-program loans outstanding. The inter-program loans are offset by inter-program receivables of the same amount. Inter-program loan activities for the year ended September 30, 2013 were as follows:

From/To	Beginning Balance 10/1/2012	Issued	Redeemed	Ending Balance 9/30/2013	Interest Rate
Tulip Valley/Lilac Place	$ -	$ 228,758	$ -	$ 228,758	3.39%
Hawthorne House/Lilac Place	-	102,185	-	102,185	3.39%
Columbia View/Lilac Place	-	96,884	-	96,884	3.39%
Riverview/Lilac Place	-	52,173	-	52,173	3.39%
Housing Choice Vouchers/Lilac Place	-	70,015	-	70,015	3.39%
	$ -	$ 550,015	$ -	$ 550,015	

c. Accounts Payable

The Authority has incurred payables in support of its Capital Development programs. Of the $ 1,503,414 in accounts payable $ 1,243,641 are for capital assets and are offset by the Construction in Progress account. The remaining $ 259,773 is composed of trade payables and are offset by related expenses.

Note 9 – LEASE COMMITMENTS

a. Operating Lease(s)

The Authority is committed under various leases for use of the Sylvester apartments, copiers and postage equipment. These leases are considered operating leases for accounting purposes. Lease expenses for the year ended September 30, 2013 amounted to $15,985.

Future minimum rental commitments for these leases are as follows:

Fiscal Year Ended	Minimum Lease Commitment
2014	22,154
2015	14,268
2016	13,708
2017	12,920
2018	11,885
2019-2048	15,000
	$ 89,935

b. Capital Lease(s) loans and notes
c.

The Authority has not entered into any lease agreements which qualify as capital leases for accounting purposes.

Note 10 - PAYABLES FROM RESTRICTED ASSETS

"Client deposits payable" includes security deposits held pursuant to residential rental agreements. They are included, while not all will be payable in current period, because they are payable from the "Cash-client deposits" account listed under restricted assets.

"Bond interest payable" and "Revenue bonds payable-current" include accrued bond debt service amounts, held by trustee, until the next bond payment date. These amounts are payable from cash or investments held in bond covenant accounts.

Note 11 - LONG TERM DEBT AND LIABILITIES

a. Revenue Bonds:

The Authority issues revenue bonds to finance the acquisition or construction of low-income housing units. Bonded indebtedness has also been entered into to advance refund several revenue bond issues. The revenue bonds are being repaid by the Authority's revenues.

Governmental GAAP for Proprietary Funds requires that Original Issue Discounts (OID) and Debt Issuance Costs be carried as an adjustment to the bond debt owing and amortized over the life of the bonds, which is 30 years. The amount amortized each year is added to interest expense. The unamortized amounts are reported net of the outstanding debt. As of September 30, 2013, the unamortized balance is $78,510.

The revenue bonds currently outstanding are as follows:

Purpose	Original Amount	Issue Date	Fiscal Year Maturity	Interest Rate	Amount Outstanding
Acquire Hawthorne House apartments.	$ 940,000	October 12, 1995	2026	7.50%	$ 615,000
Stratford Apartments advance refunding of 1990 bond issue and to fund improvements and debt service reserve.	530,000	May 1, 1996	2026	6.00% to 6.60%	-
Total	$ 1,470,000				$ 615,000

The outstanding balance of $370,000 from Stratford was paid during 2013.

Revenue bond debt service requirements to maturity are as follows:

Year Ending 9/30/xxxx	Principal	Interest	Required Debt Service
2014	30,000	40,748	70,748
2015	35,000	38,798	73,798
2016	35,000	36,523	71,523
2017	40,000	34,248	74,248
2018	40,000	31,588	71,588
2019-2023	245,000	113,715	358,715
2024-2028	190,000	25,603	215,603
	$ 615,000	$ 321,223	$ 936,223

There is $72,060 shown in restricted investments of the Authority. This investment represents debt service reserve requirements as contained in the various indentures.

b. Real Estate Mortgages

The Authority has long term loans which may be secured by capital assets. These loans were used to acquire capital assets that provide low income housing.

Purpose	Original Amount	Issue Date	Fiscal Year Maturity	Interest Rate	Amount Outstanding
Purchase - Hemlock	85,500	4/6/2001	2031	8.25%	71,266
Refinance - Harmony House	55,637	9/4/2009	2028	6.50%	48,565
Acquire single family residence - 18th	27,461	8/14/2008	2023	4.50%	20,663
Acquire land and construct 17 units of elderly housing* - Eagle Pointge Village	850,500	8/11/1998	2048	1.00%	987,404
Acquire land and construct 17 units of elderly housing - Eagle Pointge Village	250,000	4/30/1998	2014	2.00%	9,735
Acquire land and construct 17 units of elderly housing - Eagle Pointge Village	188,691	3/4/1998	2028	3.25%	137,595
Purchase 61 units of senior housing - Hawthorne	1,438,736	10/12/1995	2035	1.00%	1,224,659
Purchase 39 units of elderly/disabled hsg - Tulip Valley	1,238,636	8/1/1995	2031	1.00%	876,932
Leasehold improvements - Sylvester Arms	1,565,717	1/9/1994	2029	1.00%	1,390,397
	772,166	6/19/2012	2022	6.50%	756,285
Purchase 16 units of family housing - Columbia View	493,016	10/25/2005	2045	0.00%	493,015
	99,743	1/19/2006	2036	1.00%	93,074
	242,569	1/19/2006	2036	1.00%	226,351
Purchase 35 units of family housing - Riverview	555,032	10/25/2005	2045	0.00%	555,034
	360,748	1/19/2006	2036	1.00%	336,628
	571,735	1/19/2006	2036	1.00%	533,507
Acquire single family residence	40,100	3/18/2011	2016	6.75%	36,443
Construction of 20 units of assisted housing - Phoenix	1,775,000	6/30/2008	2059	0.00%	1,775,000
Refinance - Blackstone Apts	609,167	10/7/2011	2021	6.50%	586,629
Refinance - Woodside West Apts	622,681	10/7/2011	2021	6.50%	599,644
Development Loan - Lilac Place	409,849	9/26/2013	2015	7.00%	409,849
Development Loan - Lilac Place	410,000	9/17/2013	2018	4.75%	410,000
Acquisition and Develop Home - 17th	21,783	3/22/2013	2014	6.75%	21,783
Acquire 8 units of family housing - Beechwood	490,000	1/30/2013	2023	4.75%	485,633
Refinance of Stratford		10/30/2012	2014	4.75%	490,873
Rehabiliation of Stratford	800,000	3/31/2013	2053	0.00%	38,432
	$ 13,974,466				$ 12,615,396

* The table reflects $136,904 of accrued interest at the end of September 30, 2013.

Mortgage debt service requirements to maturity are as follows:

Year Ending 9/30/xxxx	Principal*	Interest	Required Debt Service
2014	925,173	467,051	1,392,224
2015	423,274	435,275	858,549
2016	256,595	408,598	665,193
2017	235,160	394,640	629,800
2018	608,521	381,797	990,318
2019-2023	2,767,817	1,482,820	4,250,637
2024-2028	1,176,078	832,012	2,008,090
2029-2033	1,244,032	525,666	1,769,698
2034-2038	995,168	236,903	1,232,071
2039-2043	740,693	114,275	854,968
2044-2048	1,468,640	17,725	1,486,365
2049-2053	38,461	-	38,461
2054-2058	-	-	-
2059-2063	1,775,000	-	1,775,000
	$ 12,654,612	$ 5,296,762	$ 17,951,374

* Principal includes $ 176,093 of accrued interest.

c. Loans and Notes Payable

The Authority has recorded certain forgivable notes secured with a deed of trust that were use for down payment assistance in our home ownership program. Additionally the Authority has taken out consumer loans in support of construction activities and the purchase of vehicles.

Purpose	Orginal Amount	Issue Date	Maturity	Interest Rate	9/30/2013 Amount Outstanding
Community Frameworks*	$ 15,000	Mar/2009	Feb/2019	-	$ 15,000
Clark County*	200,000	Apr/2012	Jan/2058	-	$ 200,000
Clark County**	113,677	Apr/2012	Jan/2058	0.50%	$ 113,677
Auto Loan	12,830	Sep/2012	Sep/2016	6.00%	9,908
	$341,507				$ 338,585

*The Authority has issued deeds of trust on these loans. The loans are for ten and forty four years respectively. Both notes are issued at 0% interest and are forgivable upon compliance with the loan agreement.

**Loan payments and interest are deferred until January 31, 2015. Beginning then annual payments of $5,790.47 will begin and extend through January 31, 2058. The final payment will be $5,709.35.

Loan debt service requirements to maturity are as follows:

Year Ending 9/30/xxxx	Principal	Interest	Required Debt Service
2014	$ 3,109	$ 510	$ 3,618
2015	11,941	666	12,607
2016	5,167	543	5,709
2017	5,193	517	5,709
2018	5,219	491	5,709
2019-2023	26,487	2,060	28,547
2024-2028	27,156	1,392	28,547
2029-2033	27,841	706	28,547
2034-2038	11,474	87	11,561
	$ 123,585	$ 6,972	$ 130,557

d. Changes in Long-Term Liabilities

During the year ended September 30, 2013, the following changes occurred in long-term liabilities:

	Beginning Balance 10/1/2012	Additions	Reductions	Ending Balance 9/30/2013	Due Within One Year
Revenue Bonds Payable	$ 1,015,000	$ -	$ 400,000	$ 615,000	$ 30,000
Mortgages Payable	11,132,867	1,856,570	510,945	12,478,492	925,173
Notes Payable	102,830	313,677	77,922	338,585	3,109
Accrued Interest	127,128	9,776	-	136,904	-
Compensated Absences	74,616	-	30,434	44,182	-
Total Long Term Liabilities	$ 12,452,441	$ 2,180,023	$ 1,019,301	$ 13,613,163	$ 958,282

e. Arbitrage

The Authority periodically monitors for the existence of any rebatable arbitrage interest associated with its tax-exempt debt. The rebate is based on the difference between the interest earnings from the investment of bond proceeds and the interest expense associated with the debt. As of September 30, 2013 the Authority estimates that no arbitrage rebate exists and that no liability exists.

Note 12 - PENSION PLANS

Substantially all full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov. The following disclosures are made pursuant to GASB Statements No. 27, *Accounting for Pensions by State and Local Government Employers* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

Public Employees' Retirement System (PERS) Plans 1, 2, and 3

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts; employees of legislative committees; employees of district and municipal courts; and employees of local governments. Membership also includes higher education employees not participating in higher education retirement programs. Approximately 49 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in chapters 41.34 and 41.40 RCW.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to PERS Plan 3.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During Fiscal Year 2013, the rate was five and one-half percent, compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least 5 years of service. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits.

The monthly benefit is two percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60% of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is $350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 2 members are vested after completing five years of eligible service.

Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65. PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions if hired prior to May 1, 2013:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. As established by chapter 41.34 RCW, employee contribution rates to the defined contribution component range from five percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a five percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member’s self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For Fiscal Year 2013, PERS Plan 3 employee contributions were $99.0 million, and plan refunds paid out were $69.4 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is one percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65;
- If they have 30 service credit years, are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by three percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of five percent for each year before age 65.

PERS Plan 3 benefits are actuarially reduced to reflect the choice, if made, of a survivor option. PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is one percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related death benefit is provided to the beneficiary or the estate of a PERS member who dies as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 1,361 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2013:

Retirees and Beneficiaries Receiving Benefits	82,242
Terminated Plan Members Entitled to but not yet Receiving Benefits	30,515
Active Plan Members Vested	106,317
Active Plan Members Non-vested	44,273
Total	**263,347**

Funding Policy

All employers are required to contribute at the level established by the Legislature. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent for state agencies and local government unit employees, and at seven and one-half percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from five to 15 percent.

The methods used to determine PERS contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payrolls, as of June 30, 2013, are as follows:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	7.21%	7.21%	7.21%**
Employee	6.00%	4.64%	***

* The employer rates include the employer administrative expense fee currently set at 0.16%.
** Plan 3 defined benefit portion only.
*** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Both the authority and the employees made the required contributions. The authority's required contributions for the year ended September 30, 2013 were as follows:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2013	$ 1,608	$ 82,093	$ 19,669
2012	$ 1,888	$ 79,932	$ 15,970
2011	$ 1,817	$ 55,607	$ 13,889

Note 13 - CONTINGENCIES AND LITIGATION

The Authority has recorded in its Financial Statements all material liabilities. This includes an estimate for situations, if any, which are not yet resolved but where, based on available information, management believes it is probable that the Housing Authority will have to make payment. In the opinion of management, the Authority's insurance policies are adequate to pay all known or pending claims.

The Authority participates in a number of federal and state assisted programs. These grants are also subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement from our Authority for expenditures disallowed under the terms of the grants. Housing Authority management believes that losses attributable to such disallowance, if any, will be immaterial.

Note 14 – RISK MANAGEMENT

The Authority is not facing any type of risk and has no settlements that exceeded the insurance coverage traditionally insured with property and casualty insurance. We are unaware of any loss exposures that may need specialized coverage traditionally excluded in property and casualty insurance.

The Authority is a member of Housing Authorities Risk Retention Pool (HARRP). Utilizing Chapter 48.62 RCW (self-insurance regulation) and chapter 39.34 (Interlocal Cooperation Act), fifty-five public housing authorities in the states of Washington, Oregon, California originally formed HARRP in March 1987. HARRP was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self insuring, and or jointly contracting for risk management services. HARRP is a U.S. Department of Housing and Urban Development (HUD) approved self-insurance entity for utilization by public housing authorities. HARRP has a total of ninety member/owner housing authorities in the states of Washington, Oregon, California and Nevada. Thirty-six of the ninety members are Washington public housing entities.

New Members are underwritten at their original membership and thereafter automatically renew on an annual basis. Members may quit upon giving notice to HARRP prior to their renewal date. Members terminating membership are not eligible to rejoin HARRP for three years. HARRP can terminate the members after giving a sixty (60) notice prior to the renewal date. Termination does not relieve a former member from its unresolved losses incurred during membership.

General and Automobile Liability Coverages are written on an occurrence basis, without member deductibles. Errors and Omissions coverage (which includes Employment Practices Liability) is written on a claims made basis, and the members are responsible for 10% of the incurred costs of the claims. The Property coverage offered by HARRP is on a replacement cost basis, with deductibles ranging from $1,000 to $25,000. (Due to special underwriting circumstances, some members may be subject to greater deductibles and E&O co-payments).

Fidelity coverage is also offered, with limits of $200,000 (with options up to $500,000) for employee dishonesty, forgery or alteration and $20,000 for theft with deductibles similar to the retention on Property.

Coverage limits for General Liability, as well as Errors and Omissions are $2,000,000 per occurrence and $2,000,000 annual aggregate. Property limits are offered on an agreed amount, based on each structure’s value. Limits for Automobile Liability are covered at $1,000,000/$1,000,000.

HARRP self insures the full layer of coverage for liability lines. There is no purchased reinsurance above those limits. For Property, HARRP retains $2,000,000 and purchases $63,000,000 of excess insurance from St Paul/Travelers Insurance Company for a combined total of $65,000,000. The HARRP Board of Directors determines the limits and coverage terms, at its sole discretion.

HARRP provides loss control and claim services with in-house staff and retained third party contractors.

HARRP is fully funded by member assessments that are adjusted by the HARRP Board on the basis of independent actuarial studies. These assessments cover loss, loss adjustment expenses, excess insurance and other administrative expenses. HARRP does not have the right to assess the membership for any shortfall in its funding. Such shortfalls are made up through future rate adjustments.

Note 15 – SUBSEQUENT EVENTS

- On October 3, 2013 the Authority in partnership with US Bank began developing 38 units of affordable multi-family rental housing in Woodland, Washington. The project is being developed as Lilac Place, LLLP.

  Development resources for Lilac Place come, primarily, from the sale of Low Income Housing Tax Credits. This funding requires that each unit must be occupied by households at or less than 60% of Area Median Income. Project funding will require that at least 50% of the apartments will be affordable to households earning 30% or less of Area Median Income. Units are intended for households/families without age restriction and there is no service component required of residents. The Authority has attached Project Based Rental Assistance to each of the units.

  This project will also include a community center which will be a focus point for the delivery of resident services. This space would be available for tenant use and also serve as a place for youth and families to gather. Service providers will be provided with office space, in which they can deliver services on site. No services are mandated of the residents and there will be no rental income derived from the lease/use of common and/or office space on the property.

  Five of the apartments will have one bedroom, twenty four apartments will have two bedrooms and nine apartments being three bedroom units. The apartments include all appliances. Select units on the first floor will be fully accessible to persons with disabilities.

  On October 3, 2013 the Authority transferred $1,839,227 in assets and related liabilities to the Lilac Place, LLLP and made several equity contributions to the project at closing.

- On November 1, 2013 the Authority entered into an agreement with the Mason County Housing Authority (MCHA) to manage its properties. MCHA has 21 tax credit units, 60 USDA funded units and 28 HUD insured units.

- On November 25, 2013 the Board of Commissioners declared the Blackstone property surplus and authorized the Chief Executive Officer to dispose of the real estate.

Housing Authority of the City of Longview

Schedule of Expenditures of Federal Awards
For the year ended September 30, 2013

Grantor/ Pass-Through Grantor Program Title	CFDA#	Other Identification Number	Direct Federal Expenditures	In-Direct Federal Expenditures	Total Federal Expenditures
Department of Agriculture:					
Rural Rental Housing Loans	10.415	56-008-977666317-016	$ 63,399	$ -	$ 63,399
Rural Rental Housing Loans	10.415	56-008-977666317-028	69,923	-	69,923
Rural Rental Housing Loans	10.415	56-008-977666317-030	10,446	-	10,446
Rural Rental Housing Loans	10.415	56-008-977666317-041	28,457	-	28,457
			172,225	-	172,225
Rural Rental Assistance Payments	10.427	56-008-977666317-016	132,020	-	132,020
Rural Rental Assistance Payments	10.427	56-008-977666317-028	229,836	-	229,836
Rural Rental Assistance Payments	10.427	56-008-977666317-030	33,040	-	33,040
Rural Rental Assistance Payments	10.427	56-008-977666317-041	83,909	-	83,909
			478,805	-	478,805
Total Department of Agriculture			651,030	-	651,030
Department of Housing & Urban Development					
Community Development Block Grant	14.228				
City of Longview		Aging in Place, Activity #144	-	4,466	4,466
City of Longview		TBRA, Activity #157	-	1,034	1,034
Clark County		Beechwood, 2013-CDBG-1312	-	19,197	19,197
			-	24,697	24,697
Home Investment Partnerships Program	14.239				
Washington Dept of Commerce		13-47101-116	-	151,869	151,869
Washington Dept of Commerce		13-47101-117	-	125,747	125,747
Washington Dept of Commerce		SHARE	-	15,000	15,000
Longview/Kelso Consortium		Stratford	-	41,950	41,950
Longview/Kelso Consortium		17th	-	60,000	60,000
Total Home			-	394,566	394,566
EDI Special Projects	14.251	Stratford, B-10SP-WA-0241	32,900	-	32,900
Lower Income Housing Assistance Program	14.856	WA007MR0001	79,949	-	79,949
Housing Choice Vouchers	14.871	WA007VO	7,439,705	-	7,439,705
Total Department of Housing & Urban Development			7,552,554	419,263	7,971,817
Department of Veterans Affairs					
Veterans Per-Diem	64.024	08-90-WA	272,400	-	272,400
Veterans VIH	64.024	VA260-P-109	100,552	-	100,552
Veterans TIP	64.024	12-16-WA	84,000	-	84,000
Total Department of Veterans Affairs			456,952	-	456,952
Total Federal Assistance			$ 8,660,536	$ 419,263	$ 9,079,799

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

HOUSING AUTHORITY OF THE CITY OF LONGVIEW
Notes to the Schedule of Expenditures of Federal Awards
For the year ended September 30, 2013

Note 1 – BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as the Authority's financial statements. The Authority uses the accrual basis of accounting.

Note 2 – PROGRAM COSTS

Except as noted in the next paragraph the amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the Authority's portion, are more than shown.

The amounts shown on the schedule for the Housing Choice Voucher program (CFDA 14.871) represent amounts received by the Authority. Actual expenditures of the grant funds during the period were $7,710,368.

Note 3 – FEDERAL LOANS

The Authority was approved by the U. S. Department of Agriculture and the U. S. Department of Housing and Urban Development to receive loans totaling $7,683,711 to develop, acquire or renovate low income housing. The amount listed includes loans proceeds received and the outstanding loan balance.

Purpose	Orginal Amount	9/30/2013 Amount
Purchase 61 units of senior housing (Hawthorne House)	$ 1,438,736	$ 1,224,659
Purchase 39 units of elderly/disabled housing (Tulip Valley)	1,238,636	876,932
Purchase and renovate 35 units of elderly housing (Sylvester)	62,150	62,150
Purchase 16 units of family housing (Columbia View Harbor)	99,743	93,074
	242,569	226,351
Purchase 35 units of family housing (Riverview)	360,748	336,628
	571,735	533,507
Construction of 20 unist of assisted housing (Phoenix House)	1,775,000	1,775,000
Community Frameworks	15,000	15,000
Renovation of 35 senior housing (Sylvester)	1,565,717	1,390,397
New Construction 38 Units (Lilac Place)	313,677	313,677
	$ 7,683,711	$ 6,847,375

Housing Authority City of Longview (WA007)

Longview, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 09/30/2013

	10.415 Rural Rental Housing Loans	14.228 Community Development Block Grants/State's Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	14.241 Housing Opportunities for Persons with AIDS	64.024 VA Homeless Providers Grant and Per Diem Program	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	1 Business Activities	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM	Total
111 Cash - Unrestricted			$51,954	$62,671		$50,006	$9,775			$20,068	$194,474		$194,474
112 Cash - Restricted - Modernization and Development										$0			
113 Cash - Other Restricted			$410,379	$385,742					$11,980	$0	$808,101		$808,101
114 Cash - Tenant Security Deposits			$36,253						$36,074	$0	$72,327		$72,327
115 Cash - Restricted for Payment of Current Liabilities										$0			
100 Total Cash	$0	$0	$498,586	$448,413	$0	$50,006	$9,775	$0	$48,054	$20,068	$1,074,902	$0	$1,074,902
121 Accounts Receivable - PHA Projects				$3,506						$0	$3,506		$3,506
122 Accounts Receivable - HUD Other Projects										$0			
124 Accounts Receivable - Other Government		$20,559		$2,583		$38,776	$317,528		$22,022	$0	$401,468		$401,468
125 Accounts Receivable - Miscellaneous				$1,050		$1,100			$44,884	$0	$47,034		$47,034
126 Accounts Receivable - Tenants			$645						$1,817	$0	$2,462		$2,462
126.1 Allowance for Doubtful Accounts -Tenants			-$152						-$570	$0	-$722		-$722
126.2 Allowance for Doubtful Accounts - Other		$0		$0		$0	$0		$0	$0	$0		$0
127 Notes, Loans, & Mortgages Receivable - Current										$0			
128 Fraud Recovery										$0			
128.1 Allowance for Doubtful Accounts - Fraud										$0			
129 Accrued Interest Receivable										$0			
120 Total Receivables, Net of Allowances for Doubtful Accounts	$0	$20,559	$493	$7,139	$0	$39,876	$317,528	$0	$68,153	$0	$453,748	$0	$453,748
131 Investments - Unrestricted										$0			
132 Investments - Restricted			$72,060							$0	$72,060		$72,060
135 Investments - Restricted for Payment of Current Liability										$0			
142 Prepaid Expenses and Other Assets			$10,795			$1,441			$16,635	$0	$28,871		$28,871
143 Inventories			$347						$2,671	$0	$3,018		$3,018
143.1 Allowance for Obsolete Inventories			$0						$0	$0	$0		$0
144 Inter Program Due From			$480,000	$76,822					$497,601	$0	$1,054,423	-$1,054,423	$0
145 Assets Held for Sale										$0			
150 Total Current Assets	$0	$20,559	$1,062,281	$532,374	$0	$91,323	$327,303	$0	$633,114	$20,068	$2,687,022	-$1,054,423	$1,632,599
161 Land			$572,737				$15,000		$1,289,195	$0	$1,876,932		$1,876,932
162 Buildings			$5,597,700				$6,675		$8,184,385	$0	$13,788,760		$13,788,760
163 Furniture, Equipment & Machinery - Dwellings									$14,301	$0	$14,301		$14,301
164 Furniture, Equipment & Machinery - Administration			$13,805	$53,534		$16,038			$128,911	$0	$212,288		$212,288
165 Leasehold Improvements				$10,397					$2,716,656	$0	$2,727,053		$2,727,053
166 Accumulated Depreciation			-$1,902,639	-$49,940		-$3,212	$0		-$2,754,132	$0	-$4,709,923		-$4,709,923
167 Construction in Progress		$23,471					$129,541	$32,900	$1,847,181	$0	$2,033,093		$2,033,093
168 Infrastructure										$0			
160 Total Capital Assets, Net of Accumulated Depreciation	$0	$23,471	$4,281,603	$13,991	$0	$12,826	$151,216	$32,900	$11,426,497	$0	$15,942,504	$0	$15,942,504

171 Notes, Loans and Mortgages Receivable - Non-Current							$190,000		$119,352	$0	$309,352		$309,352
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due										$0			
173 Grants Receivable - Non Current										$0			
174 Other Assets										$0			
176 Investments in Joint Ventures										$0			
180 Total Non-Current Assets	$0	$23,471	$4,281,603	$13,991	$0	$12,826	$341,216	$32,900	$11,545,849	$0	$16,251,856	$0	$16,251,856
190 Total Assets	$0	$44,030	$5,343,884	$546,365	$0	$104,149	$668,519	$32,900	$12,178,963	$20,068	$18,938,878	-$1,054,423	$17,884,455
311 Bank Overdraft										$0			
312 Accounts Payable <= 90 Days			$23,868	$38					$1,479,508	$0	$1,503,414		$1,503,414
313 Accounts Payable >90 Days Past Due										$0			
321 Accrued Wage/Payroll Taxes Payable		$3,226	$13,775	$32,332		$17,963	$14,432		$84,856	$241	$166,825		$166,825
322 Accrued Compensated Absences - Current Portion			$246	$496		$489	$43		$2,434	$3	$3,711		$3,711
324 Accrued Contingency Liability										$0			
325 Accrued Interest Payable			$20,374							$0	$20,374		$20,374
331 Accounts Payable - HUD PHA Programs										$0			
332 Account Payable - PHA Projects										$0			
333 Accounts Payable - Other Government										$0			
341 Tenant Security Deposits			$36,253						$36,074	$0	$72,327		$72,327
342 Deferred Revenues			$9,394						$20,810	$9,709	$39,913		$39,913
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			$108,163				$21,783		$825,228	$0	$955,174		$955,174
344 Current Portion of Long-term Debt - Operating Borrowings										$0			
345 Other Current Liabilities				$48,913					$1,500	$0	$50,413		$50,413
346 Accrued Liabilities - Other									$665	$0	$665		$665
347 Inter Program - Due To		$22,345				$262	$123,366		$908,450	$0	$1,054,423	-$1,054,423	$0
348 Loan Liability - Current						$3,109				$0	$3,109		$3,109
310 Total Current Liabilities	$0	$25,571	$212,073	$81,779	$0	$21,823	$159,624	$0	$3,359,525	$9,953	$3,870,348	-$1,054,423	$2,815,925
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			$4,830,654						$7,366,058	$0	$12,196,712		$12,196,712
352 Long-term Debt, Net of Current - Operating Borrowings										$0			
353 Non-current Liabilities - Other										$0			
354 Accrued Compensated Absences - Non Current			$2,710	$5,456		$5,374	$115		$26,777	$39	$40,471		$40,471
355 Loan Liability - Non Current						$6,799	$328,677			$0	$335,476		$335,476
356 FASB 5 Liabilities										$0			
357 Accrued Pension and OPEB Liabilities										$0			
350 Total Non-Current Liabilities	$0	$0	$4,833,364	$5,456	$0	$12,173	$328,792	$0	$7,392,835	$39	$12,572,659	$0	$12,572,659
300 Total Liabilities	$0	$25,571	$5,045,437	$87,235	$0	$33,996	$488,416	$0	$10,752,360	$9,992	$16,443,007	-$1,054,423	$15,388,584
508.1 Invested In Capital Assets, Net of Related Debt		$23,471	-$672,598	$13,991		$12,826	$129,433	$32,900	$1,991,570	$0	$1,531,593		$1,531,593
511.1 Restricted Net Assets			$482,440	$385,742			$0		$11,979	$0	$880,161		$880,161
512.1 Unrestricted Net Assets	$0	-$5,012	$488,605	$59,397	$0	$57,327	$50,670	$0	-$576,946	$10,076	$84,117		$84,117
513 Total Equity/Net Assets	$0	$18,459	$298,447	$459,130	$0	$70,153	$180,103	$32,900	$1,426,603	$10,076	$2,495,871	$0	$2,495,871
600 Total Liabilities and Equity/Net Assets	$0	$44,030	$5,343,884	$546,365	$0	$104,149	$668,519	$32,900	$12,178,963	$20,068	$18,938,878	-$1,054,423	$17,884,455

Housing Authority City of Longview (WA007)

Longview, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133 Fiscal Year End: 09/30/2013

	10.415 Rural Rental Housing Loans	14.228 Community Development Block Grants/State's Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	14.241 Housing Opportunities for Persons with AIDS	64.024 VA Homeless Providers Grant and Per Diem Program	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	1 Business Activities	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			$419,155						$841,250	$0	$1,260,405		$1,260,405
70400 Tenant Revenue - Other			$48,356						$28,587	$0	$76,943		$76,943
70500 Total Tenant Revenue	$0	$0	$467,511	$0	$0	$0	$0	$0	$869,837	$0	$1,337,348	$0	$1,337,348
70600 HUD PHA Operating Grants				$7,439,705						$79,949	$7,519,654		$7,519,654
70610 Capital Grants							$38,561	$32,900		$0	$71,461		$71,461
70710 Management Fee										$0			
70720 Asset Management Fee										$0			
70730 Book Keeping Fee										$0			
70740 Front Line Service Fee										$0			
70750 Other Fees										$0			
70700 Total Fee Revenue										$0	$0	$0	$0
70800 Other Government Grants	$172,225	$24,697	$478,805			$456,952	$292,615		$246,468	$0	$1,671,762		$1,671,762
71100 Investment Income - Unrestricted									$116	$0	$116		$116
71200 Mortgage Interest Income										$0			
71300 Proceeds from Disposition of Assets Held for Sale									$90,000	$0	$90,000		$90,000
71310 Cost of Sale of Assets							-$76		-$143,139	$0	-$143,215		-$143,215
71400 Fraud Recovery				$4,668						$0	$4,668		$4,668
71500 Other Revenue				$447,564		$2,221			$626,037	$826	$1,076,648	-$417,510	$659,138
71600 Gain or Loss on Sale of Capital Assets										$0			
72000 Investment Income - Restricted			$56						$7	$0	$63		$63
70000 Total Revenue	$172,225	$24,697	$946,372	$7,891,937	$0	$459,173	$331,100	$32,900	$1,689,326	$80,775	$11,628,505	-$417,510	$11,210,995
91100 Administrative Salaries		$1,810	$15,874	$235,147		$74,771	$4,237		$479,248	$2,042	$813,129		$813,129
91200 Auditing Fees		$222	$7,961	$13,934		$566	$613		$8,600	$127	$32,023		$32,023
91300 Management Fee			$92,930	$255,394		$7,898	$9,658		$51,502	$2,808	$420,190	-$417,510	$2,680
91310 Book-keeping Fee										$0			
91400 Advertising and Marketing										$0			
91500 Employee Benefit contributions - Administrative		$780	$8,691	$93,281		$30,305	$1,734		$160,714	$805	$296,310		$296,310
91600 Office Expenses			$27,076	$43,823		$52,162	$2,103		$118,188	$152	$243,504		$243,504
91700 Legal Expense			$1,149						$12,140	$0	$13,289		$13,289
91800 Travel			$2,315	$6,749		$5,703	$226		$18,848	$36	$33,877		$33,877
91810 Allocated Overhead										$0			
91900 Other										$0			
91000 Total Operating - Administrative	$0	$2,812	$155,996	$648,328	$0	$171,405	$18,571	$0	$849,240	$5,970	$1,852,322	-$417,510	$1,434,812
92000 Asset Management Fee										$0			
92100 Tenant Services - Salaries				$51,892		$93,161	$500		$48,550	$0	$194,103		$194,103
92200 Relocation Costs										$0			
92300 Employee Benefit Contributions - Tenant Services				$16,114		$26,752	$48		$11,624	$0	$54,538		$54,538
92400 Tenant Services - Other		$2,460		$3,172		$122,644			$36,465	$0	$164,741		$164,741
92500 Total Tenant Services	$0	$2,460	$0	$71,178	$0	$242,557	$548	$0	$96,639	$0	$413,382	$0	$413,382
93100 Water			$34,584						$23,024	$0	$57,608		$57,608
93200 Electricity			$29,400						$47,244	$0	$76,644		$76,644
93300 Gas									$4,539	$0	$4,539		$4,539

93400 Fuel										$0			
93500 Labor										$0			
93600 Sewer			$59,212						$47,210	$0	$106,422		$106,422
93700 Employee Benefit Contributions - Utilities										$0			
93800 Other Utilities Expense			$41,413						$18,431	$0	$59,844		$59,844
93000 Total Utilities	$0	$0	$164,609	$0	$0	$0	$0	$0	$140,448	$0	$305,057	$0	$305,057
94100 Ordinary Maintenance and Operations - Labor			$104,563						$125,308	$0	$229,871		$229,871
94200 Ordinary Maintenance and Operations - Materials and Other			$40,681						$50,822	$0	$91,503		$91,503
94300 Ordinary Maintenance and Operations Contracts			$142,591						$128,914	$0	$271,505		$271,505
94500 Employee Benefit Contributions - Ordinary Maintenance			$39,865						$52,343	$0	$92,208		$92,208
94000 Total Maintenance	$0	$0	$327,700	$0	$0	$0	$0	$0	$357,387	$0	$685,087	$0	$685,087
95100 Protective Services - Labor										$0			
95200 Protective Services - Other Contract Costs			$1,604						$6,911	$0	$8,515		$8,515
95300 Protective Services - Other										$0			
95500 Employee Benefit Contributions - Protective Services										$0			
95000 Total Protective Services	$0	$0	$1,604	$0	$0	$0	$0	$0	$6,911	$0	$8,515	$0	$8,515
96110 Property Insurance			$20,581				$811		$23,864	$0	$45,256		$45,256
96120 Liability Insurance				$4,223		$1,735				$38	$5,996		$5,996
96130 Workmen's Compensation										$0			
96140 All Other Insurance										$0			
96100 Total insurance Premiums	$0	$0	$20,581	$4,223	$0	$1,735	$811	$0	$23,864	$38	$51,252	$0	$51,252
96200 Other General Expenses		$95	$5,048	$39,754					$2,428	$0	$47,325		$47,325
96210 Compensated Absences						$331				$0	$331		$331
96300 Payments in Lieu of Taxes			$12,908						$6,317	$0	$19,225		$19,225
96400 Bad debt - Tenant Rents			$1,546						$9,289	$0	$10,835		$10,835
96500 Bad debt - Mortgages										$0			
96600 Bad debt - Other				$1,565	$208					$0	$1,773		$1,773
96800 Severance Expense										$0			
96000 Total Other General Expenses	$0	$95	$19,502	$41,319	$208	$331	$0	$0	$18,034	$0	$79,489	$0	$79,489
96710 Interest of Mortgage (or Bonds) Payable	$172,225		$97,201			$697	$713		$258,251	$0	$529,087		$529,087
96720 Interest on Notes Payable (Short and Long Term)										$0			
96730 Amortization of Bond Issue Costs			$1,282						$43,915	$0	$45,197		$45,197
96700 Total Interest Expense and Amortization Cost	$172,225	$0	$98,483	$0	$0	$697	$713	$0	$302,166	$0	$574,284	$0	$574,284
96900 Total Operating Expenses	$172,225	$5,367	$788,475	$765,048	$208	$416,725	$20,643	$0	$1,794,689	$6,008	$3,969,388	-$417,510	$3,551,878
97000 Excess of Operating Revenue over Operating Expenses	$0	$19,330	$157,897	$7,126,889	-$208	$42,448	$310,457	$32,900	-$105,363	$74,767	$7,659,117	$0	$7,659,117
97100 Extraordinary Maintenance										$0			
97200 Casualty Losses - Non-capitalized		$2	$99	$235			$13		-$1,183	$0	-$834		-$834
97300 Housing Assistance Payments			$256	$6,941,813			$257,935		$6,230	$71,215	$7,277,449		$7,277,449
97350 HAP Portability-In				$397,617						$0	$397,617		$397,617
97400 Depreciation Expense			$189,053	$3,272		$1,608			$282,151	$0	$476,084		$476,084
97500 Fraud Losses										$0			
97600 Capital Outlays - Governmental Funds										$0			
97700 Debt Principal Payment - Governmental Funds										$0			
97800 Dwelling Units Rent Expense										$0			
90000 Total Expenses	$172,225	$5,369	$977,883	$8,107,985	$208	$418,333	$278,591	$0	$2,081,887	$77,223	$12,119,704	-$417,510	$11,702,194

10010 Operating Transfer In										$0			
10020 Operating transfer Out										$0			
10030 Operating Transfers from/to Primary Government										$0			
10040 Operating Transfers from/to Component Unit										$0			
10050 Proceeds from Notes, Loans and Bonds										$0			
10060 Proceeds from Property Sales										$0			
10070 Extraordinary Items, Net Gain/Loss										$0			
10080 Special Items (Net Gain/Loss)										$0			
10091 Inter Project Excess Cash Transfer In										$0			
10092 Inter Project Excess Cash Transfer Out										$0			
10093 Transfers between Program and Project - In										$0			
10094 Transfers between Project and Program - Out										$0			
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$0	$19,328	-$31,511	-$216,048	-$208	$40,840	$52,509	$32,900	-$392,561	$3,552	-$491,199	$0	-$491,199
11020 Required Annual Debt Principal Payments	$0	$0	$7,890	$0	$0	$2,922	$0	$0	$887,747	$0	$898,559		$898,559
11030 Beginning Equity	$0	$2,917	$329,958	$675,178	-$2,664	$29,313	$224,304	$0	$1,721,540	$6,524	$2,987,070		$2,987,070
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		-$3,786			$2,872		-$96,710		$97,624	$0	$0		$0
11050 Changes in Compensated Absence Balance										$0			
11060 Changes in Contingent Liability Balance										$0			
11070 Changes in Unrecognized Pension Transition Liability										$0			
11080 Changes in Special Term/Severance Benefits Liability										$0			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents										$0			
11100 Changes in Allowance for Doubtful Accounts - Other										$0			
11170 Administrative Fee Equity				$121,531						$0	$121,531		$121,531
11180 Housing Assistance Payments Equity				$337,599						$0	$337,599		$337,599
11190 Unit Months Available			1812	15864			684		3604	144	22108		22108
11210 Number of Unit Months Leased			1723	15218			493		3310	144	20888		20888
11270 Excess Cash										$0			
11610 Land Purchases										$0			
11620 Building Purchases										$0			
11630 Furniture & Equipment - Dwelling Purchases										$0			
11640 Furniture & Equipment - Administrative Purchases										$0			
11650 Leasehold Improvements Purchases										$0			
11660 Infrastructure Purchases										$0			
13510 CFFP Debt Service Payments										$0			
13901 Replacement Housing Factor Funds										$0			