

HUNTSVILLE HOUSING AUTHORITY
Huntsville, Alabama

FINANCIAL STATEMENTS
March 31, 2015

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Independent Auditors' Report

Board of Commissioners
Huntsville Housing Authority
Huntsville, Alabama

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Huntsville Housing Authority (the Authority) as of and for the year ended March 31, 2015, and the related statements of revenue, expenses and changes in net position, and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the Authority as of March 31, 2015, 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.

Emphasis-of-Matter

The financial statements of the Authority as of March 31, 2014 have been restated to correct for the effect of classifying a component unit as discrete instead of blended. See Note 15 of the financial statements for further analysis of the prior period adjustment. Our opinion is not modified with respect to this 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 4 through 12 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The financial data schedules, statement and certificate of program costs – capital fund program, and schedule of closed grants listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The financial data schedules, statement and certificate of program costs – capital fund program, schedule of closed grants, and schedule of expenditures of federal awards are the responsibility of management and were 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 generally accepted in the United States of America. In our opinion, the 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 August 4, 2015, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
August 4, 2015

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

Huntsville Housing Authority's (the Authority) Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Authority's financial statements (beginning on page 14).

FINANCIAL HIGHLIGHTS

- The Authority's net position was \$39.2 million for 2015 and \$39.9 million for 2014, a \$0.7 million decrease from 2014.
- The Authority's revenues increased by \$0.9 million during 2015, and were \$20.6 million and \$19.7 million for 2015 and 2014, respectively.
- The total expenses of all Authority programs decreased from \$21.8 million to \$21.3 million, for a total decrease of \$0.5 million.

Entity-Wide Financial Statements

The entity-wide financial statements (see pages 14-16) 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.

Statement of Net Position

These 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 and deferred outflow of resources, minus liabilities and deferred inflow of resources, equals "Net Position," formerly known as equity. Assets and liabilities are presented in order of liquidity, and 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.

Statement of Revenues, Expenses, and Changes in Fund Net Position

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

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the "Change in Net Position," which is similar to net income or loss.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

Statement of Cash Flows

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

Notes to the Financial Statements

In addition to the entity-wide financial statements, the Authority is required to disclose certain information in the Notes to the Financial Statements. Notes to the Financial Statements provide additional information essential to a complete understanding of the data provided. These notes give a greater understanding of the overall activity of the Authority. They explain how values are assigned to certain assets and liabilities and the longevity of these values. In addition, notes reflect the impact (if any) of any uncertainties the Authority may face.

Fund Financial Statements

The Authority is accounted for as an Enterprise Fund. Enterprise Funds utilize the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by the private sector.

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development (HUD). Others are segregated to enhance accountability and control.

The Authority's Programs

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an ACC with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Neighborhood Stabilization Program (NSP) - The Authority was awarded a pass-through grant from the Alabama Department of Economic and Community Affairs (ADECA) totaling \$3.8 million. The entire amount of the grant was expended in prior fiscal years.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

Other Programs – In addition to the major programs above, the Authority also maintains the following non-major programs.

Resident Opportunities and Self-Sufficiency Grant – a grant program funded by the Department of Housing and Urban Development that promotes supportive services and encourages self-sufficiency among the Authority's resident population.

Continuum of Care – In 2005, the Authority assumed a Shelter Plus Grant from the City of Huntsville. This grant provides funding to house 42 homeless and mentally ill participants. The Authority also receives a small Shelter Plus Grant to house an additional 8 homeless families.

Other Federal Programs – The Disaster Housing Assistance Program (DHAP) remains on the Authority's books to assist future victims of a nationally declared federal disaster.

Family Self-Sufficiency Program - a grant program funded by the Department of Housing and Urban Development that encourages self-sufficiency among residents. This grant covers the salary and benefits for one Public Housing FSS Coordinator and two Housing Choice Voucher FSS Coordinators.

Central Office Cost Center (COCC) – As part of its conversion to Asset Management, the Authority established the COCC to manage and oversee the operations of the Public Housing Developments, Housing Choice Voucher Program, and other grant programs. Utilizing a "fee for service" approach, the COCC recognizes revenues through management and service fees charged to the other programs. Management fees cannot exceed the "safe harbor" amount established by HUD.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

AUTHORITY-WIDE STATEMENTS

The following table reflects the condensed Statement of Net Position compared to prior year. The Authority is engaged only in Business-Type Activities.

**Table 1
Statements of Net Position**

	2015 (in millions of dollars)	2014 (in millions of dollars)	Variance
Assets			
Current and restricted assets	\$ 12.6	\$ 13.2	\$ (0.6)
Non-current assets	<u>28.5</u>	<u>28.3</u>	<u>0.2</u>
Total assets	<u>41.1</u>	<u>41.5</u>	<u>(0.4)</u>
Liabilities			
Current liabilities	1.4	1.2	0.2
Non-current liabilities	<u>0.5</u>	<u>0.4</u>	<u>0.1</u>
Total liabilities	<u>1.9</u>	<u>1.6</u>	<u>0.3</u>
Net position			
Investment in capital assets	21.4	21.3	0.1
Restricted net position	5.3	5.9	(0.6)
Unrestricted net position	<u>12.5</u>	<u>12.7</u>	<u>(0.2)</u>
Total net position	<u>\$ 39.2</u>	<u>\$ 39.9</u>	<u>\$ (0.7)</u>

For more detailed information see page 14 for the Statement of Net Position.

Major Factors Affecting the Statement of Net Position

As illustrated in the condensed Statement of Net Position, the overall Net Position of the Authority decreased from \$39.9 million to \$39.2 million. "Investment in capital assets" increased by \$0.1 million. This change in Capital Assets is explained in the section Capital Assets and Debt Administration found on Pages 9–10 of this report. Unrestricted Net Position decreased by \$0.2 million. Restricted Net Position decreased by \$0.6 million.

Below is a brief explanation of significant changes in various accounts relative to the Statement of Net Position.

Current and restricted assets decreased by \$0.6 million. The major source of this change is due to HUD disbursing less cash for housing assistance payment, forcing housing authorities to use restricted net position to cover housing assistance payments.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

Non-current assets increased by \$0.2 million. Capital assets, net of depreciation, remained constant from the prior year and is explained in tables 3 and 4 on page 10. Non-current liabilities increased by \$0.1 million from the prior year.

A breakdown of assets, liabilities, and net position by program can be found in the supplemental information on Pages 29-36

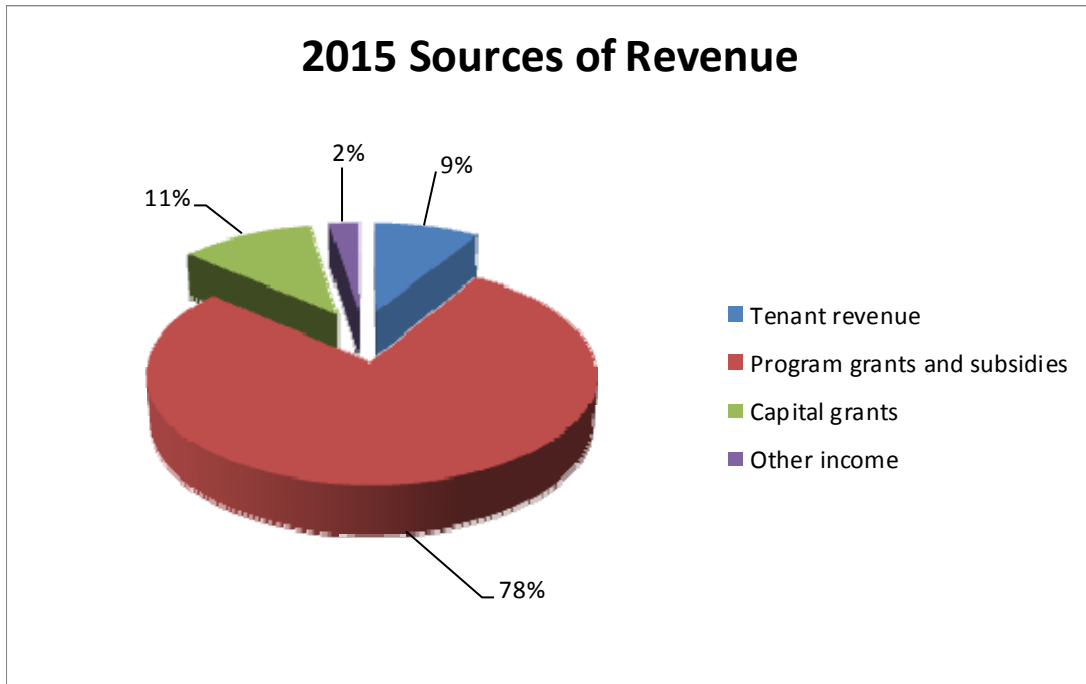
Table 2 compares the revenues and expenses for the current year and previous fiscal year. The Authority is engaged only in Business-Type Activities.

**Table 2
Statements of Revenues, Expenses and Changes in Net Position**

	2015 (in millions of dollars)	2014 (in millions of dollars)	Variance
Revenues			
Tenant revenue	\$ 1.8	\$ 1.7	\$ 0.1
Program grants and subsidies	16.0	16.5	(0.5)
Capital grants	2.3	1.2	1.1
Other income	0.5	0.3	0.2
Total revenues	<u>20.6</u>	<u>19.7</u>	<u>0.9</u>
Expenses			
Administrative	4.1	4.2	(0.1)
Tenant services	0.5	0.8	(0.3)
Utilities	1.4	1.4	-
Maintenance	3.3	3.1	0.2
Protective services	0.4	0.5	(0.1)
General expenses	0.6	0.6	-
Housing assistance payments	8.6	8.7	(0.1)
Other expenses	0.1	0.1	-
Depreciation and amortization	2.3	2.4	(0.1)
Total expenses	<u>21.3</u>	<u>21.8</u>	<u>(0.5)</u>
Net increase (decrease)	(0.7)	(2.1)	1.4
Beginning net position	<u>39.9</u>	<u>42.0</u>	<u>(1.4)</u>
Ending net position	<u>\$ 39.2</u>	<u>\$ 39.9</u>	<u>\$ 0.7</u>

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

The pie chart below illustrates revenues by funding source. Please note that approximately 89% of funding is derived from grants and subsidy payments from HUD.



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

Operating subsidy/grants decreased by \$0.5 million, from \$16.5 million to \$16.0 million. This decrease is due to a decrease of \$542,949 in Housing Choice Voucher subsidy.

Capital Grant Revenue increased from \$1.2 million to \$2.3 million. The increase of \$1.1 million is due to the renovation of the exterior of Todd Towers. The work was required due to a water intrusion problem. A new exterior skin was placed on the building to correct the problem.

Total expenses decreased by \$0.5 million, from \$21.8 million to \$21.3 million. A breakdown of revenues and expenses by program can be found on Pages 32 and 33 of the supplemental information. Protective services and maintenance decreased due to a reduction in staff. The other line item decreases are due to staff's diligent efforts to reduce expenses.

Capital Assets and Debt Administration

As of year-end, the Authority had \$21.4 million invested in a variety of capital assets as reflected in the following schedule, which represents no change from the end of last year. This lack of change is primarily due to depreciation offset by acquisitions.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

**Table 3
Capital Assets at Year-End (Net of Depreciation)**

	<u>2015</u>	<u>2014</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ 4,602,769	\$ 4,602,769	\$ -	0.00%
Buildings	70,671,529	68,368,985	2,302,544	3.37%
Equipment - administration	1,826,680	1,918,832	(92,152)	(4.80)%
Accumulated depreciation	<u>(55,672,679)</u>	<u>(53,516,776)</u>	<u>(2,155,903)</u>	4.03%
Total capital assets	<u>\$ 21,428,299</u>	<u>\$ 21,373,810</u>	<u>\$ 54,489</u>	0.25%

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on page 22 of the notes.

**Table 4
Change in Capital Assets**

Beginning balance, April 1, 2014	<u>\$ 21,373,810</u>
Additions	<u>2,316,523</u>
Retirements	(106,131)
Less accumulated depreciation on retirements	<u>(105,545)</u>
Net retirements	<u>(586)</u>
Depreciation	<u>(2,261,448)</u>
Ending balance, March 31, 2015	<u>\$ 21,428,299</u>
This year's major additions are:	
Capital improvement programs	\$ 2,302,544
Equipment purchases	<u>13,979</u>
Total additions	<u>\$ 2,316,523</u>

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

FINANCIAL ANALYSIS OF THE AUTHORITY

The Real Estate Assessment Center (REAC) performs a financial evaluation on the Public Housing Authority as it compares to its peers. This evaluation is known as the Financial Assessment SubSystem (FASS). Through regulation, the Authority is provided with the information needed to project its score. During this fiscal year, REAC will score the Authority's financial operations based on current interim regulations. The Authority estimates the following score for 2015:

**Public Housing Assessment System
Financial Condition Indicators
March 31, 2015**

	Maximum Score	HHA Score
Financial indicator:		
Current ratio	12	12
Number of months expendable fund balance	11	11
Debt ratio	2	2
Total	25	25

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development:

Public Housing – currently funded on a calendar year. Calendar year 2014 was funded at 88.69%; calendar year (CY) 2015 is estimated to be funded at 85.63%.

Capital Fund – The 2011 Capital Fund was 14 % lower than 2010, the 2012 Capital Fund was 10% below 2011, the 2013 Capital Fund was 3% lower than the 2012 Capital Fund. The 2014 Capital Fund was increased by 8.91%; however, the consistent decreases over the past years make this amount insufficient to meet the needs of housing authorities.

Section 8 – CY 2014 continued the same method of funding for administrative fees as CY 2013 (based on lease-up and subject to proration). This same process continues for CY 2015. HUD actually funded administrative fees for CY 2014 at 79%. This proration was an increase of 1% from the prior year. The proration for 2014 resulted in a loss of approximately \$226,500 in administrative fee funding. Administrative fees for CY 2015 are estimated to remain at a proration level of 79%. This funding is not sufficient to meet the needs of the Authority. In order to continue operations, the Central Office Cost Center aided the Authority's HCV program through an operating transfer during the FY 2015. An operating transfer will also be needed in FY 2016.

**HUNTSVILLE HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2015**

Section 8 – Total Housing Assistance Payment (HAP) revenue for CY 2014 was \$7,525,383, which was a \$654,913 decrease from the prior year. HAP funding is based on prior year data and does not consider an increase in HAP due to unemployment or changes in the economy.

- Beginning 4/1/08, the Authority began its first compliance year with the Asset Management guidelines mandated by HUD. The Central Office Cost Center (COCC) was established in accordance with HUD guidance. The COCC began a “fee for service” approach and bills the asset management projects (AMPS) and other funds for its management service. These fees are in accordance with HUD regulation and meet the safe-harbor requirement of being reasonable; therefore, the funds are de-federalized.
- Local labor supply and demand may affect salary and wage rates.
- Local inflationary, recessionary and employment trends can affect resident incomes and therefore the amount of rental income. Annual unemployment rates in the Huntsville, Alabama metropolitan area decreased from 6.3% in March, 2013 to 6.1% in March, 2014. As of March, 2015, the unemployment rate decreased an additional .8% to 5.3%.
- Passage of Senate Bill 205 in the Alabama State Legislature – In early May, 2012, the Senate and the House of Representatives passed Senate Bill 205. The original measure was presented in response to HHA’s 2009 purchase of Stone Manor Apartments in South Huntsville. The law requires the housing authority to disclose all future property purchases in a newspaper legal advertisement for three consecutive weeks prior to execution of any binding agreement to purchase the property. It would also need the Huntsville City Council’s consent before seizing property through eminent domain. It is management’s opinion that this law could result in “public pressure” during the 3-week advertising period that could make property owners reluctant to sell to the Authority. People could also try to scuttle the deal by offering more money. Either situation would hinder the Authority’s federally-mandated mission to further affordable housing opportunities in the City.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Sandra Eddlemon, Director of Finance/CFO, of the Huntsville Housing Authority at (256) 532-5647. Specific requests may be submitted to Sandra Eddlemon, Director of Finance/CFO, Huntsville Housing Authority, P.O. Box 486, Huntsville, Alabama 35804-0486.

FINANCIAL STATEMENTS

HUNTSVILLE HOUSING AUTHORITY
STATEMENT OF NET POSITION
March 31, 2015

ASSETS

	Business-Type Activities	Discrete Component Unit (FASB)
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,637,664	\$ 37,601
Cash and cash equivalents - restricted	6,041,744	1,920,075
Accounts receivable	726,599	1,393
Tenant accounts receivable, net of allowance of \$496	18,720	624
Prepaid expenses and other assets	184,636	21,477
Total current assets	12,609,363	1,981,170
CAPITAL ASSETS		
Land	4,602,769	1
Buildings and improvements	70,671,529	15,324,145
Furniture and equipment	1,826,680	98,904
Less accumulated depreciation	(55,672,679)	(1,880,588)
Net capital assets	21,428,299	13,542,462
OTHER NONCURRENT ASSETS		
Notes receivable - from component unit	6,928,583	-
Other assets	100,465	180,979
Total other assets	7,029,048	180,979
TOTAL ASSETS	\$ 41,066,710	\$ 15,704,611
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	\$ 515,506	\$ 105,988
Accrued wages and payroll taxes	164,807	3,425
Accrued compensated absences - current portion	243,263	-
Accounts payable - other governments	37,855	27,614
Tenant security deposits	172,230	7,300
Unearned revenues	32,834	5,172
Other current liabilities	261,345	-
Total current liabilities	1,427,840	149,499
LONG-TERM LIABILITIES		
Loan liability - non-current	-	16,723,833
Accrued compensated absences - noncurrent	74,656	-
Non-current liabilities - other	358,695	861,252
Total long-term liabilities	433,351	17,585,085
Total liabilities	1,861,191	17,734,584
NET POSITION		
Investment in capital assets	21,428,299	-
Restricted net position	5,316,669	-
Unrestricted net position	12,460,551	-
Partner's deficit	-	(2,029,973)
Total net position	39,205,519	(2,029,973)
TOTAL LIABILITIES AND NET POSITION	\$ 41,066,710	\$ 15,704,611

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

HUNTSVILLE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended March 31, 2015

	Business-Type Activities	Discrete Component Unit (FASB)
OPERATING REVENUES		
Dwelling rent	\$ 1,834,912	\$ 448,889
Operating grants	16,024,918	97,183
Other revenue	473,626	5,541
Total operating revenues	18,333,456	551,613
OPERATING EXPENSES		
Administrative	4,098,585	154,453
Tenant services	550,568	1,548
Utilities	1,444,203	170,377
Maintenance and operations	3,321,873	117,512
Protective services	384,411	3,371
General expense	631,529	85,915
Housing assistance payments	8,614,044	-
Other operating expenses	123,627	-
Total operating expenses	19,168,840	533,176
Operating income (loss) before depreciation	(835,384)	18,437
Depreciation and amortization	2,261,448	553,522
Total operating loss	(3,096,832)	(535,085)
NON-OPERATING REVENUES (EXPENSES)		
Investment income	53,836	39
Gain on disposal of capital assets	4,914	-
Total non-operating revenues (expenses)	58,750	39
Decrease in net position before capital contributions	(3,038,082)	(535,046)
Capital grants	2,309,266	-
DECREASE IN NET POSITION	(728,816)	(535,046)
NET POSITION, BEGINNING OF YEAR, AS RESTATED	39,934,335	(1,494,927)
NET POSITION, ENDING	\$ 39,205,519	\$ (2,029,973)

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

HUNTSVILLE HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
Year Ended March 31, 2015

	Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from dwelling rent	\$ 1,826,789
Cash received from grants	15,364,753
Cash received from other sources	473,626
Cash payments for salaries and benefits	(5,838,467)
Cash payments to vendors and landlords	(13,005,045)
Net cash flows used in operating activities	(1,178,344)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(2,316,523)
Proceeds from sale of assets	5,500
Capital grants	2,309,266
Net cash flows used in capital and related financing activities	(1,757)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment interest	53,836
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,126,265)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,805,673
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 11,679,408
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (3,096,832)
Adjustment to reconcile operating loss to net cash used in operating activities:	
Depreciation	2,261,448
Provision for bad debts	56,801
Effects of changes in operating assets and liabilities:	
Accounts receivable	(623,934)
Tenant accounts receivable	(10,316)
Tenant security deposit	2,193
Prepaid expenses and other assets	(52,456)
Unearned revenue	(28,256)
Accounts payable	184,819
Accrued liabilities	24,390
Compensated absences	23,715
Other liabilities	19,305
Non-current other liabilities	60,779
NET CASH USED IN OPERATING ACTIVITIES	\$ (1,178,344)

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

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Authority

The Huntsville Housing Authority (the Authority) was organized in 1941 under the laws of the State of Alabama for the purpose of providing decent, safe, and sanitary dwelling accommodations for persons of low income. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing.

The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of the City of Huntsville, Alabama. Each member serves a five-year term. A substantial portion of the Authority's revenue is derived from subsidy contracts with the U.S. Department of Housing and Urban Development (HUD). The Annual Contributions Contracts entered into by the Authority and HUD provides operating subsidies for Authority-owned public housing facilities and Housing Choice Voucher housing assistance payments for eligible families.

Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. These include manifestation of oversight responsibility including financial accountability, imposition of will, financial burden or benefit on the primary organization, and financial accountability as a result of fiscal dependency.

The Authority determined based on the criteria above that one entity should be presented as a discrete component unit in the Authority's financial statements. The Authority is the owner of Neighborhood Acquisition and Redevelopment, Inc. (NARI), a non-profit organization. The organization is a 90% owner of the Huntsville Senior Housing, Inc. which is a .01% general partner of Huntsville Senior Apartments, LP. Huntsville Senior Apartments, LP owns and operates Gateway Place Apartments, an 86-unit elderly apartment complex that was placed in service during 2012. The financial statements of Huntsville Senior Apartments, L.P. are included in the Authority's statements as a discrete component unit. The partnership has a calendar year end and accordingly, the amounts included are as of and for the respective year end that falls within the Authority's March 31, 2015 year end. The statements are prepared in accordance with Financial Accounting Standards Board (FASB) guidance. Separate financial statements are issued for Huntsville Senior Apartments, LP and can be obtained by contacting the Director of Finance at the Huntsville Housing Authority, P.O. Box 486, Huntsville, Alabama 35804-0486.

Huntsville Housing Inspection Services, Inc., created in 2013 was dissolved during the fiscal year. There was no activity for this entity. A new entity, Huntsville Housing Inspection Services, LLC was established on April 17, 2015. The purpose of this entity is to provide housing inspection services or other services to governmentally subsidized housing agencies or entities which provide housing assistance for low-income and moderate-income families as well as service to the low-income and moderate-income residents of the Authority. HHIS did not have any activity in FY 2015. The Authority is 100% owner of the entity. A determination of how to account for this entity based on the criteria of GASB 61 will be conducted when the organization has activity.

The Authority is not a component unit of the City of Huntsville.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows and inflows, revenues and expenses in the financial statements and in the disclosures of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

Basis of Presentation

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for an enterprise fund, in accordance with GASB Statement 34 paragraph 138.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented in the basic financial statements as follows:

In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This requires the Authority to account for operations in a manner similar to private business.

Basis of Accounting and Measurement Focus

The basis of accounting for the fund used by the Authority is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the Authority's funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of this fund are included on the Statement of Net Position.

The Authority is required to follow all statements of GASB. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued to incorporate FASB and AICPA guidance into GASB authoritative literature.

Cash and Cash Equivalents

The Authority considers cash on hand, cash in checking, and money market funds to be cash equivalents. Cash on hand is not included in calculation of collateral required.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Tenant accounts receivables are carried at the amount considered by management to be collectible. Other accounts receivable consist of amounts due from HUD and state and local governments for grant income.

Allowance for Doubtful Accounts

Receivables from tenants and others are reported net of an allowance for doubtful accounts. Management estimates this allowance based on historical collection experience. Management believes amounts due from federal, state and local governments are fully collectable.

Prepaid Items

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

Capital Assets

Capital assets are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the Statement of Income. Estimated useful lives are as follows:

Buildings and improvements	15 - 30 years
Furniture, fixtures and equipment	5 - 7 years

Amortization – Discrete Component Unit

Intangible assets of the discrete component unit are amortized over the related compliance period using the straight-line method. Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize intangible assets; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method. Amortization expense for the ended December 31, 2014 totaled \$15,737.

Impairment of Long-Lived Assets – Discrete Component Unit

The Authority reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable

The Authority advances money to affordable housing projects to help fund the development of public housing units and other affordable units. Such notes are payable out of the properties' cash flows, residual values and possible mortgage proceeds. A provision for possible losses of the notes receivable is made, when in the opinion of management, the note balance exceeds the net realizable value of the underlying collateral.

Compensated absences

Compensated absences represent amounts to which employees are entitled based on accumulated leave earned in accordance with the Authority's Personnel Policy. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at the current salary. All vacation hours in excess of 240 will be forfeited the last pay period of the fiscal year unless approved for carryover by the Executive Director/CEO. Employees may also be compensated for accumulated sick leave in the event of retirement or termination from service at the rate of \$25 per day of accrued sick leave. An employee may accrue a maximum of 1,440 hours of sick leave.

Revenue Recognition

Dwelling rent income, HUD grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue is shown as non-operating revenue.

These financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements.

Unearned Revenue

The Authority recognizes revenues as earned. An amount received in advance of the period in which it is earned is recorded as a liability under Unearned Revenue.

Cost Allocation Plan

In accordance with OMB Circular A-87, the Authority utilizes a Cost Allocation Plan. The Authority allocates indirect costs to programs on the basis of a number of methods including but not limited to direct salaries and wages, employees per department, percentage of office square footage, number of vouchers and/or units, estimated/actual time spent, number of checks processed or the allotment stipulated in contractual agreements.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Classifications

Net position is displayed in three components:

Investment in Capital Assets: 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 Net Position: 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 Net Position: This component consists of Net Position that does not meet the definition of "Net Position Invested in Capital Assets, Net of Related Debt," or "Restricted Net Position."

New Accounting Pronouncements

The Authority implemented GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* for the period ended March 31, 2015. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement did not have an impact on the Authority.

The Authority implemented GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* for the period ended March 31, 2015. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement did not have an impact on the Authority.

NOTE 2 – CASH AND CASH EQUIVALENTS

Business-Type Activities

The Authority's cash and cash equivalents consist of cash held in interest and non-interest bearing checking accounts and certificates of deposit. For the fiscal year ended March 31, 2015, the carrying amount of the Authority's cash (including restricted cash) was \$11,679,408 and the bank balance was \$11,847,162.

Discrete Component Unit

Huntsville Senior Apartment's cash and cash equivalents consist of cash held in interest and non-interest bearing checking accounts and certificates of deposit. For the fiscal year ended March 31, 2015, the carrying amount of the entity's cash (including restricted cash) was \$1,957,676 and the bank balance was \$1,965,597.

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the entity's deposits will not be returned to it. FDIC limits for the year ended March 31, 2015 equaled \$250,000 per financial institution. Of the bank balances noted above, \$1,465,111 was uncollateralized as of March 31, 2015. All uncollateralized deposits are related to Huntsville Senior Apartments, which is not required to maintain collateral.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 3 – RESTRICTED CASH AND CASH EQUIVALENTS

Restricted assets consist of the following:

	Business-Type Activities	Discrete Component Unit
Restricted for HAP (net restricted assets)	\$ 165,033	\$ -
Restricted Section 8 Rental	27,000	-
Restricted proceeds from sale of Council Courts	5,045,262	-
Restricted - Financial Literacy Grant	14,500	-
Restricted for Gateway Place reserves	-	1,912,775
Restrictions for tenant security deposits	172,230	7,300
FSS escrow	617,719	-
Total restricted assets	\$ 6,041,744	\$ 1,920,075

NOTE 4 – CAPITAL ASSETS

Capital assets for business-type activities consist of the following as of March 31, 2015:

	Balance, April 1, 2014	Additions	Transfers & Deletions	Balance, March 31, 2015
Land	\$ 4,602,769	\$ -	\$ -	\$ 4,602,769
Total assets not being depreciated	<u>4,602,769</u>	<u>-</u>	<u>-</u>	<u>4,602,769</u>
Buildings and improvements	68,368,985	2,302,544	-	70,671,529
Furniture and equipment	<u>1,918,832</u>	<u>13,979</u>	<u>(106,131)</u>	<u>1,826,680</u>
Total property and equipment	<u>70,287,817</u>	<u>2,316,523</u>	<u>(106,131)</u>	<u>72,498,209</u>
Less accumulated depreciation	<u>(53,516,776)</u>	<u>(2,261,448)</u>	<u>105,545</u>	<u>(55,672,679)</u>
Net book value	<u>\$ 21,373,810</u>	<u>\$ 55,075</u>	<u>\$ (586)</u>	<u>\$ 21,428,299</u>

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Capital assets the discrete component unit consist of the following as of December 31, 2014:

	Balance, January 1, 2014	Additions	Transfers & Deletions	Balance, December 31, 2014
Land	\$ 1	\$ -	\$ -	\$ 1
Total assets not being depreciated	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Buildings and improvements	15,312,567	11,578	-	15,324,145
Furniture and equipment	<u>98,904</u>	<u>-</u>	<u>-</u>	<u>98,904</u>
Total property and equipment	<u>15,411,471</u>	<u>11,578</u>	<u>-</u>	<u>15,423,049</u>
Less accumulated depreciation	<u>(1,342,804)</u>	<u>(537,784)</u>	<u>-</u>	<u>(1,880,588)</u>
Net book value	<u>\$ 14,068,668</u>	<u>\$ (526,206)</u>	<u>\$ -</u>	<u>\$ 13,542,462</u>

NOTE 5 – INTERPROGRAM ACTIVITY

The Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by and subsequently reimbursed to the COCC or the Housing Choice Voucher Program. Balances due for such charges are reflected in the Inter-program Due to/Due from account balances on the Financial Data Schedule. Inter-programs at March 31, 2015 consisted of the following:

COCC	\$ 21,285
Shelter Plus Care	(5,502)
ROSS	905
FSS	(22,190)
Housing Choice Vouchers	<u>5,502</u>
Total	<u>\$ -</u>

NOTE 6 – COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid. The Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Accrued amounts are based on a prescribed formula based on length of service. Full-time, permanent employees, depending on tenure with the Authority, are granted vacation and sick leave benefits in varying amounts to specified maximums. Vacation pay is recorded as an expense and related liability in the period earned by employees. Leave accrued but not yet paid as of March 31, 2015, is shown as a liability allocated between current and non-current. As of March 31, 2015, \$317,919 was accrued for compensated absences.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 7 – NOTES PAYABLE

Long-term debt of the discrete component unit consists of the following as of December 31, 2014.

Huntsville Senior Apartments, L.P., in conjunction with the Authority, entered into a loan on July 30, 2010 with Alabama Housing Finance Authority for \$9,795,250 in order to finance the construction of the project. The funds were provided by allocations to the State of Alabama by the United States Department of the Treasury under its Grants to States for Low-Income Housing Projects in Lieu of Low-Income Housing Credits for 2009 (the Exchange Program), established under Section 1602 of the American Recovery and Reinvestment Act of 2009. The note is secured by the underlying property. If the Project remains compliant with all requirements of the Exchange Program throughout the 15-year compliance period the loan will be forgiven in full on the last day of the compliance period. The loan does not require any principal or interest payments during the term of the loan.

On July 30, 2010 Huntsville Senior Apartments, L.P. entered into a loan with Huntsville Housing Authority for \$6,428,583 in order to finance the development and construction of the project. The funds were provided through Capital Fund recovery grants allocated to Huntsville Housing Authority under the American Recovery and Reinvestment Act of 2009. Advances on the note bear interest at the rate of 0% per annum. The note is secured by the underlying property. This loan was converted to a Permanent Loan on December 31, 2012. Payments on the note shall be based on a 40 year amortization schedule and are dependent on net cash flows from operations according to the terms described in the Amended and Restated Limited Partnership Agreement dated July 1, 2010. The loan matures July 1, 2050.

On July 30, 2010 Huntsville Senior Apartments, L.P. entered into a loan with Huntsville Housing Authority in the amount of \$500,000 for the development and construction of the Project. The funds were provided by HOME Investment Partnership Program grants to Huntsville Housing Authority. The loan is secured by a 3rd mortgage lien on the Project and an assignment of rents. The note bears interest at the rate of 0% per annum. The note matures on the earlier of (a) the expiration of the 20-year affordability period or, (b) the date on which the principal amount of the Note has been declared or automatically becomes due and payable. The affordability period began when the project was placed in service on December 31, 2012.

Changes in the total long-term debt of the discrete component unit during fiscal year ended December 31, 2014 are summarized below.

Description	Long term debt			Long term debt	Amount due
	outstanding	Issued	Retired	outstanding	within one
	12/31/13			12/31/14	year
AHFA Tax Credit loan	\$ 9,795,250	\$ -	\$ -	\$ 9,795,250	\$ -
Capital Fund recovery loan	6,428,583	-	-	6,428,583	-
HOME loan	500,000	-	-	500,000	-
Total long term debt outstanding	<u>\$ 16,723,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,723,833</u>	<u>\$ -</u>

**HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015**

NOTE 7 – NOTES PAYABLE (CONTINUED)

Principal and interest payments due on all notes payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 9,795,250	\$ -	\$ 9,795,250
2033	500,000	-	500,000
2050	<u>6,428,583</u>	<u>-</u>	<u>6,428,583</u>
Total	<u>\$ 16,723,833</u>	<u>\$ -</u>	<u>\$ 16,723,833</u>

NOTE 8 – OTHER LONG-TERM LIABILITIES

Other long-term liabilities for business-type activities consist of the following:

	Balance, March 31, 2014	Increases	Decreases	Balance, March 31, 2015
Accrued compensated absences	\$ 294,204	\$ 23,715	\$ -	\$ 317,919
FSS escrows	<u>539,299</u>	<u>78,420</u>	<u>-</u>	<u>617,719</u>
Total	833,503	102,135	-	935,638
Less: current portion compensated absences	223,404	19,859	-	243,263
Less: current portion FSS escrows	<u>241,383</u>	<u>17,641</u>	<u>-</u>	<u>259,024</u>
Total other long-term liabilities	<u>\$ 368,716</u>	<u>\$ 64,635</u>	<u>\$ -</u>	<u>\$ 433,351</u>

Other long-term liabilities for the discrete component unit consist of the following:

	Balance, December 31, 2013	Increases	Decreases	Balance, December 31, 2014
Huntsville Senior Apartments				
Developer Holdback	<u>\$ 933,249</u>	<u>\$ -</u>	<u>\$ 71,997</u>	<u>\$ 861,252</u>

NOTE 9 – EMPLOYEE BENEFIT PLANS

The Authority has a defined contribution plan for all employees having at least three months of service. Participants do not contribute to the plan and become fully vested in employer contributions and investments earnings after five years of participation in the plan or reaching age 59½. Total employer contributions to the plan for the years ended March 31, 2015 and 2014 were \$620,024 and \$647,570, respectively.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015

NOTE 9 – EMPLOYEE BENEFIT PLANS (CONTINUED)

The Authority sponsors a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits all employees to defer a portion of their salary until future years. Such amounts are not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets in the plan are recorded at fair value but are administered by a private corporation under contract with the Authority. It is the opinion of the Authority's legal counsel that the Authority has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

NOTE 10 – RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. The Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

NOTE 11 – CONCENTRATION OF RISK

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

NOTE 12 – COMMITMENTS AND CONTINGENCIES

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

NOTE 13 – NOTES RECEIVABLE – DUE FROM COMPONENT UNIT

The Authority is the 100% owner of Neighborhood Acquisition and Redevelopment, Inc. (NARI). NARI owns 90% of Huntsville Senior Housing, Inc., a for profit organization. Huntsville Senior Housing, Inc. is 1% General Partner of Huntsville Senior Apartments, L.P., which is the owner of the Gateway Place Project which is located on the site where the Eastside of Council Court was previously located.

The Authority currently has several construction loan agreements with Huntsville Senior Apartments, L.P. for the development and construction of Gateway Place, an 86-unit elderly apartment complex. In addition, the Authority entered into a ground lease agreement with Huntsville Senior Apartments, L.P. on August 10, 2009 and amended on July 1, 2010. The Authority leased the land for a period of 50 years and the agreement calls for a base rent of \$1 per year prepaid in full by Huntsville Senior Apartments, L.P.

**HUNTSVILLE HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
March 31, 2015**

NOTE 13 – NOTES RECEIVABLE – DUE FROM COMPONENT UNIT (CONTINUED)

As of March 31, 2015, the following amounts are due from Huntsville Senior Apartments, L.P.

Capital Fund Recovery Competition	\$ 5,503,484
HOME Investment Partnerships Program	500,000
Capital Fund Recovery Grant	725,099
COCC	<u>200,000</u>
Total	<u>\$ 6,928,583</u>

NOTE 14 – GROUND LEASE

In 2013, a ground lease was established for 99 years as part of the agreement with Twickenham Square Venture, LLC, in the total amount of \$6,578,100. The lease provided an option to defer the first payment for 5 years from the date of the lease. This option was exercised by the lessee making the first payment due October 2017. After that date rent will be due and payable on or before the first day of each calendar month during the term of the lease. Payments are increased in 5 year increments beginning in October 2017 in the amount of \$11,250, and are based on the following schedule:

	<u>Monthly</u>	<u>Annual</u>	<u>Total</u>
Years 1 - 25	\$ 2,250	\$ 27,000	\$ 675,000
Years 26 - 50	3,691	44,292	1,107,300
Years 51 - 75	6,054	72,648	1,816,200
Years 76 - 99	9,932	119,184	<u>2,979,600</u>
Total			<u>\$ 6,578,100</u>

NOTE 15 – PRIOR PERIOD ADJUSTMENT

The Authority previously reported Huntsville Senior Apartments, L.P. as a blended component unit. During the current year, the Authority determined that Huntsville Senior Apartments, L.P. met the definitions of a discretely presented component unit under GASB 61 guidance. Beginning net position has been restated to remove the equity of Huntsville Senior Apartments, L.P.

	<u>Business-Type Activities</u>		
	<u>As Previously Stated</u>	<u>Prior Period Adjustment</u>	<u>As Restated</u>
Net position, April 1, 2014	<u>\$ 38,439,408</u>	<u>\$ 1,494,927</u>	<u>\$ 39,934,335</u>

NOTE 16 – SUBSEQUENT EVENTS

The Authority has a tax credit application pending with Alabama Housing Finance Authority and expects to close on two 40-unit complexes at the end of July, 2015. The owner entity is 360 Properties Huntsville, LP, a related party of the Authority. This deal is comprised of two separate complexes, Chestnut Glenn located at 6835 Research Park Boulevard and Legacy Hill located at 210 Winchester Road. The 80 units will be tax credit properties with all 80 units operated as Public Housing.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTAL INFORMATION

HUNTSVILLE HOUSING AUTHORITY
ENTITY-WIDE BALANCE SHEET SUMMARY
March 31, 2015

Line Item #	Accounts Description	Continuum of		CDBG/		Housing Choice		Other Federal		Elimination	Total Enterprise	Discrete	Total Reporting
		Project Totals	Care	FSS	NSP	ROSS	Vouchers	Program	COCC		Fund	Component Unit	Entity
CURRENT ASSETS													
Cash:													
111	Unrestricted	\$ 3,881,437	\$ -	\$ -	\$ 620,918	\$ -	\$ 162,729	\$ -	\$ 972,580	\$ -	\$ 5,637,664	\$ 37,601	\$ 5,675,265
112	Cash - restricted - modernization and development	5,045,262	-	-	-	-	-	-	-	-	5,045,262	-	5,045,262
113	Other restricted	201,820	-	-	-	-	233,064	88,718	41,500	-	565,102	1,912,775	2,477,877
114	Tenant security deposits	169,834	-	-	2,396	-	-	-	-	-	172,230	7,300	179,530
115	Restricted for payment of current liability	71,296	-	-	-	-	187,854	-	-	-	259,150	-	259,150
100	Total cash	9,369,649	-	-	623,314	-	583,647	88,718	1,014,080	-	11,679,408	1,957,676	13,637,084
Accounts and notes receivable:													
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-	-	-	-	-
122	HUD other projects	90,760	30,569	2,877	-	4,483	48,545	-	-	-	177,234	-	177,234
124	Other government	-	-	-	-	-	-	-	-	-	-	-	-
125	Miscellaneous	289,665	-	22,190	-	-	11,057	-	224,385	-	547,297	1,393	548,690
126	Tenants	14,496	-	-	-	-	-	-	14,496	-	14,496	624	15,120
126.1	Allowance for doubtful accounts - tenants	(496)	-	-	-	-	-	-	-	-	(496)	-	(496)
127	Notes, loans, & mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	-	-
128	Fraud recovery	4,720	-	-	-	-	-	-	-	-	4,720	-	4,720
129	Accrued interest receivable	1,772	-	-	-	-	-	-	296	-	2,068	-	2,068
120	Total receivables, net of allowances for uncollectibles	400,917	30,569	25,067	-	4,483	59,602	-	224,681	-	745,319	2,017	747,336
131	Investments - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-
	Total current investments	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	134,865	-	-	-	-	14,001	-	35,770	-	184,636	21,477	206,113
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-	-	-	-	-
144	Interprogram - due from	-	-	-	-	905	5,502	-	21,285	(27,692)	-	-	-
145	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
150	Total current assets	9,905,431	30,569	25,067	623,314	5,388	662,752	88,718	1,295,816	(27,692)	12,609,363	1,981,170	14,590,533
NONCURRENT ASSETS													
Fixed assets:													
161	Land	3,980,627	-	-	37,400	-	-	-	584,742	-	4,602,769	1	4,602,770
162	Buildings	69,161,924	-	-	147,066	-	-	-	1,362,539	-	70,671,529	15,324,145	85,995,674
163	Furniture, equipment & mach - dwellings	-	-	-	-	-	-	-	-	-	-	-	-
164	Furniture, equipment & mach - admin.	1,132,728	-	-	-	-	63,547	-	630,405	-	1,826,680	98,904	1,925,584
165	Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
166	Accumulated depreciation	(53,704,222)	-	-	(21,378)	-	(57,849)	-	(1,889,230)	-	(55,672,679)	(1,880,588)	(57,553,267)
167	Construction in progress	-	-	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	20,571,057	-	-	163,088	-	5,698	-	688,456	-	21,428,299	13,542,462	34,970,761
171	Notes, loans and mortgages receivable - noncurrent	6,728,583	-	-	-	-	-	-	200,000	-	6,928,583	-	6,928,583
174	Other assets	67,500	-	-	-	-	-	-	32,965	-	100,465	180,979	281,444
176	Investment in joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
180	Total noncurrent assets	27,367,140	-	-	163,088	-	5,698	-	921,421	-	28,457,347	13,723,441	42,180,788
190	TOTAL ASSETS	\$ 37,272,571	\$ 30,569	\$ 25,067	\$ 786,402	\$ 5,388	\$ 668,450	\$ 88,718	\$ 2,217,237	\$ (27,692)	\$ 41,066,710	\$ 15,704,611	\$ 56,771,321

HUNTSVILLE HOUSING AUTHORITY
ENTITY-WIDE BALANCE SHEET SUMMARY
March 31, 2015

Line Item #	Accounts Description	Continuum of			CDBG/		Housing Choice		Other Federal		Total Enterprise		Discrete	Total Reporting
		Project Totals	Care	FSS	NSP	ROSS	Vouchers	Program	COCC	Elimination	Fund	Component Unit	Entity	
CURRENT LIABILITIES														
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable < 90 days	353,843	25,067	-	-	-	64,221	-	-	72,375	-	515,506	105,988	621,494
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	92,548	-	2,877	-	5,388	14,825	-	49,169	-	164,807	3,425	168,232	
322	Accrued compensated absences - current portion	119,561	-	-	-	-	26,203	-	97,499	-	243,263	-	243,263	
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-	
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	
331	Accounts payable - HUD PHA programs	-	-	-	-	-	126	-	-	-	126	-	126	
333	Accounts payable - other gov.	36,386	-	-	-	-	-	-	1,343	-	37,729	27,614	65,343	
341	Tenant security deposits	169,834	-	-	2,396	-	-	-	-	-	172,230	7,300	179,530	
342	Deferred revenues	15,944	-	-	-	-	-	-	16,890	-	32,834	5,172	38,006	
343	Current portion of LT debt - capital projects / mortg	-	-	-	-	-	-	-	-	-	-	-	-	
344	Current portion of LT debt - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	
345	Other current liabilities	73,617	-	-	-	-	187,728	-	-	-	261,345	-	261,345	
346	Accrued liabilities - other	-	-	-	-	-	-	-	-	-	-	-	-	
347	Interprogram (due to)	-	5,502	22,190	-	-	-	-	-	(27,692)	-	-	-	
348	Loan liability - current	-	-	-	-	-	-	-	-	-	-	-	-	
310	Total current liabilities	<u>861,733</u>	<u>30,569</u>	<u>25,067</u>	<u>2,396</u>	<u>5,388</u>	<u>293,103</u>	<u>-</u>	<u>237,276</u>	<u>(27,692)</u>	<u>1,427,840</u>	<u>149,499</u>	<u>1,577,339</u>	
NON-CURRENT LIABILITIES														
351	Capital projects / mortgage revenue bonds	-	-	-	-	-	-	-	-	-	-	-	-	
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	
353	Non-current liabilities - other	201,820	-	-	-	-	156,875	-	-	-	358,695	861,252	1,219,947	
354	Accrued compensated absences - non-current	35,758	-	-	-	-	9,912	-	28,986	-	74,656	-	74,656	
355	Loan liability - non current	-	-	-	-	-	-	-	-	-	-	16,723,833	16,723,833	
357	Accrued pension and OPEB liability	-	-	-	-	-	-	-	-	-	-	-	-	
350	Total non-current liabilities	<u>237,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,787</u>	<u>-</u>	<u>28,986</u>	<u>-</u>	<u>433,351</u>	<u>17,585,085</u>	<u>18,018,436</u>	
300	Total liabilities	<u>1,099,311</u>	<u>30,569</u>	<u>25,067</u>	<u>2,396</u>	<u>5,388</u>	<u>459,890</u>	<u>-</u>	<u>266,262</u>	<u>(27,692)</u>	<u>1,861,191</u>	<u>17,734,584</u>	<u>19,595,775</u>	
EQUITY														
508.4	Net investment in capital assets	20,571,057	-	-	163,088	-	5,698	-	688,456	-	21,428,299	-	21,428,299	
511.4	Restricted net position	5,112,762	-	-	-	-	76,189	88,718	39,000	-	5,316,669	-	5,316,669	
512.4	Unrestricted net position	<u>10,489,441</u>	<u>-</u>	<u>-</u>	<u>620,918</u>	<u>-</u>	<u>126,673</u>	<u>-</u>	<u>1,223,519</u>	<u>-</u>	<u>12,460,551</u>	<u>(2,029,973)</u>	<u>10,430,578</u>	
513	Total equity/net position	<u>36,173,260</u>	<u>-</u>	<u>-</u>	<u>784,006</u>	<u>-</u>	<u>208,560</u>	<u>88,718</u>	<u>1,950,975</u>	<u>-</u>	<u>39,205,519</u>	<u>(2,029,973)</u>	<u>37,175,546</u>	
600	TOTAL LIABILITIES AND EQUITY/NET POSITION	<u>\$ 37,272,571</u>	<u>\$ 30,569</u>	<u>\$ 25,067</u>	<u>\$ 786,402</u>	<u>\$ 5,388</u>	<u>\$ 668,450</u>	<u>\$ 88,718</u>	<u>\$ 2,217,237</u>	<u>\$ (27,692)</u>	<u>\$ 41,066,710</u>	<u>\$ 15,704,611</u>	<u>\$ 56,771,321</u>	

HUNTSVILLE HOUSING AUTHORITY
ENTITY-WIDE REVENUE AND EXPENSE SUMMARY
Year Ended March 31, 2015

Line Item #	Accounts Description	Project Totals	Continuum of Care	FSS	CDBG/NSP	ROSS	Housing Choice Vouchers	Other Federal Program	COCC	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
REVENUE													
70300	Net tenant rental revenue	\$ 1,776,947	\$ -	\$ -	\$ 6,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,782,999	\$ 447,235	\$ 2,230,234
70400	Tenant revenue - other	51,813	-	-	100	-	-	-	-	-	51,913	1,654	53,567
70500	Total tenant revenue	1,828,760	-	-	6,152	-	-	-	-	-	1,834,912	448,889	2,283,801
70600	HUD PHA operating grants	7,008,973	301,355	35,701	-	199,896	8,478,993	-	-	-	16,024,918	-	16,024,918
706.10	Capital grants	2,309,266	-	-	-	-	-	-	-	-	2,309,266	-	2,309,266
70700	Total fee revenue	-	-	-	-	-	-	-	2,365,641	(2,365,641)	-	-	-
70800	Other governmental grants	-	-	-	-	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	46,102	-	-	-	-	2,492	-	5,242	-	53,836	39	53,875
71200	Mortgage interest income	-	-	-	-	-	-	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
713.10	Cost of sales of assets	-	-	-	-	-	-	-	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-	209,332	-	-	-	209,332	-	209,332
71500	Other revenue	181,470	-	-	65	-	39,741	-	43,018	-	264,294	5,541	269,835
71600	Gain or loss on the sale of fixed assets	5,500	-	-	-	-	-	-	(586)	-	4,914	-	4,914
72000	Investment income - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total revenue	11,380,071	301,355	35,701	6,217	199,896	8,730,558	-	2,413,315	(2,365,641)	20,701,472	454,469	21,155,941
EXPENSES													
Administrative:													
91100	Administrative salaries	722,381	5,142	-	-	-	326,281	-	1,207,415	-	2,261,219	46,640	2,307,859
91200	Auditing fees	17,239	-	-	-	-	17,240	-	8,620	-	43,099	13,425	56,524
91300	Management fee	1,318,586	-	-	-	20,000	220,127	-	-	(1,558,713)	-	44,866	44,866
91310	Bookkeeping fee	149,843	-	-	-	-	137,580	-	-	(287,423)	-	-	-
91400	Advertising and marketing	10,185	-	-	-	-	257	-	5,929	-	16,371	2,173	18,544
91500	Employee benefit contributions - administrative	299,091	344	-	-	-	132,465	-	405,455	-	837,355	9,794	847,149
91600	Office expenses	187,317	-	-	-	-	114,355	-	183,107	-	484,779	30,294	515,073
91700	Legal expense	39,197	-	-	-	-	858	-	137,653	-	177,708	62	177,770
91800	Travel	52,262	-	-	-	2,354	2,892	-	46,213	-	103,721	5,734	109,455
918.10	Allocated overhead	-	-	-	-	-	-	-	-	-	-	-	-
91900	Other	126,872	-	-	-	-	3,408	-	44,053	-	174,333	1,465	175,798
	Total administrative	2,922,973	5,486	-	-	22,354	955,463	-	2,038,445	(1,846,136)	4,098,585	154,453	4,253,038
92000	Asset management fee	201,040	-	-	-	-	-	-	-	(201,040)	-	-	-
Tenant services:													
92100	Salaries	125,932	-	22,608	-	121,113	71,658	-	-	-	341,311	-	341,311
92200	Relocation costs	-	-	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions	44,607	-	13,093	-	50,182	37,948	-	-	-	145,830	-	145,830
92400	Other	54,922	-	-	-	6,247	951	-	1,307	-	63,427	1,548	64,975
	Total tenant services	225,461	-	35,701	-	177,542	110,557	-	1,307	-	550,568	1,548	552,116
Utilities:													
93100	Water	329,434	-	-	-	-	-	-	1,359	-	330,793	11,472	342,265
93200	Electricity	388,860	-	-	-	-	-	-	21,454	-	410,314	127,227	537,541
93300	Gas	28,787	-	-	-	-	-	-	4,960	-	33,747	23,426	57,173
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-
93600	Sewer	578,771	-	-	-	-	-	-	591	-	579,362	8,252	587,614
93800	Other utilities expense	68,746	-	-	-	-	-	-	21,241	-	89,987	-	89,987
	Total utilities	1,394,598	-	-	-	-	-	-	49,605	-	1,444,203	170,377	1,614,580
Ordinary maintenance & operations:													
94100	Labor	1,260,028	-	-	-	-	-	-	99,450	-	1,359,478	50,151	1,409,629
94200	Materials and other	813,617	-	-	-	-	2,918	-	68,944	-	885,479	23,045	908,524
94300	Contracts	607,185	-	-	-	-	-	-	9,136	(318,465)	297,856	34,143	331,999
94500	Employee benefits contribution	556,841	-	-	-	-	-	-	44,719	-	601,560	10,173	611,733
	Total ordinary maintenance & operations	3,237,671	-	-	-	-	2,918	-	222,249	(318,465)	3,144,373	117,512	3,261,885

HUNTSVILLE HOUSING AUTHORITY
ENTITY-WIDE REVENUE AND EXPENSE SUMMARY
Year Ended March 31, 2015

Line Item #	Accounts Description	Project Totals	Continuum of Care	FSS	CDBG/NSP	ROSS	Housing Choice Vouchers	Other Federal Program	COCC	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
EXPENSES (Continued)													
Protective services:													
95100	Labor	\$ 198,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198,507	\$ 910	\$ 199,417
95200	Other contract costs	111,013	-	-	-	-	-	-	-	-	111,013	2,461	113,474
95300	Other	-	-	-	-	-	-	-	-	-	-	-	-
95500	Employee benefit contributions	74,891	-	-	-	-	-	-	-	-	74,891	-	74,891
	Total protective services	<u>384,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>384,411</u>	<u>3,371</u>	<u>387,782</u>
96100	Total insurance premiums	<u>433,713</u>	<u>-</u>	<u>-</u>	<u>691</u>	<u>-</u>	<u>26,492</u>	<u>-</u>	<u>32,439</u>	<u>-</u>	<u>493,335</u>	<u>29,069</u>	<u>522,404</u>
General expenses:													
96200	Other general expenses	-	-	-	-	-	8,800	-	-	-	8,800	25,000	33,800
96210	Compensated absences	15,765	-	-	-	-	3,575	-	22,691	-	42,031	-	42,031
96300	Payments in lieu of taxes	30,562	-	-	-	-	-	-	-	-	30,562	27,614	58,176
96400	Bad debt - tenant rents	56,801	-	-	-	-	-	-	-	-	56,801	4,232	61,033
96000	Total general expenses	<u>103,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,375</u>	<u>-</u>	<u>22,691</u>	<u>-</u>	<u>138,194</u>	<u>56,846</u>	<u>195,040</u>
96700	Total interest expense and amortization cost	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total operating expenses	<u>8,902,995</u>	<u>5,486</u>	<u>35,701</u>	<u>691</u>	<u>199,896</u>	<u>1,107,805</u>	<u>-</u>	<u>2,366,736</u>	<u>(2,365,641)</u>	<u>10,253,669</u>	<u>533,176</u>	<u>10,786,845</u>
97000	Excess of operating revenue over operating expenses	<u>2,477,076</u>	<u>295,869</u>	<u>-</u>	<u>5,526</u>	<u>-</u>	<u>7,622,753</u>	<u>-</u>	<u>46,579</u>	<u>-</u>	<u>10,447,803</u>	<u>(78,707)</u>	<u>10,369,096</u>
97100	Extraordinary maintenance	177,500	-	-	-	-	-	-	-	-	177,500	-	177,500
97200	Casualty losses - non capitalized	30,595	-	-	-	-	-	-	-	-	30,595	-	30,595
97300	Housing assistance payments	-	295,869	-	-	-	8,318,175	-	-	-	8,614,044	-	8,614,044
97350	Housing assistance payments - portability in	-	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	2,209,845	-	-	9,525	-	5,457	-	36,621	-	2,261,448	537,784	2,799,232
97401	Amortization expense	-	-	-	-	-	-	-	-	-	-	15,738	15,738
90000	Total expenses	<u>11,320,935</u>	<u>301,355</u>	<u>35,701</u>	<u>10,216</u>	<u>199,896</u>	<u>9,431,437</u>	<u>-</u>	<u>2,403,357</u>	<u>(2,365,641)</u>	<u>21,337,256</u>	<u>1,086,698</u>	<u>22,423,954</u>
Other financing sources (uses):													
10010	Operating transfer in	819,657	-	-	-	-	50,000	-	-	(869,657)	-	-	-
10020	Operating transfer out	(620,536)	-	-	-	-	-	-	(249,121)	869,657	-	-	-
10040	Operating transfer to/from component unit	(93,032)	-	-	-	-	-	-	-	-	(93,032)	97,183	4,151
10070	Extraordinary items, net gain / loss	-	-	-	-	-	-	-	-	-	-	-	-
10091	Inter project excess cash transfer in	251,875	-	-	-	-	-	-	-	(251,875)	-	-	-
10092	Inter project excess cash transfer out	(251,875)	-	-	-	-	-	-	-	251,875	-	-	-
10100	Total other financing sources (uses)	<u>106,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(249,121)</u>	<u>-</u>	<u>(93,032)</u>	<u>97,183</u>	<u>4,151</u>
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	<u>\$ 165,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,999)</u>	<u>\$ -</u>	<u>\$ (650,879)</u>	<u>\$ -</u>	<u>\$ (239,163)</u>	<u>\$ -</u>	<u>\$ (728,816)</u>	<u>\$ (535,046)</u>	<u>\$ (1,263,862)</u>
Memo Account Information													
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	36,008,035	-	-	788,005	-	859,439	88,718	2,190,138	-	39,934,335	(1,494,927)	38,439,408
11040	Prior period adjustments, equity transfers & correction	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	132,371	-	-	-	132,371	-	132,371
11180	Housing assistance payments equity	-	-	-	-	-	76,189	-	-	-	76,189	-	76,189
11190	Unit months available	20,455	600	-	12	-	19,096	-	-	-	40,163	1,032	41,195
11210	Unit months leased	20,336	600	-	12	-	18,381	-	-	-	39,329	994	40,323
11270	Excess cash	2,944,268	-	-	-	-	-	-	-	-	2,944,268	-	2,944,268
11610	Land purchases	-	-	-	-	-	-	-	-	-	-	-	-
11620	Building purchases	2,302,545	-	-	-	-	-	-	-	-	2,302,545	-	2,302,545
11630	Furniture & equipment - dwelling purchases	-	-	-	-	-	-	-	-	-	-	-	-
11640	Furniture & equipment - administrative purchases	12,221	-	-	-	-	-	-	1,758	-	13,979	-	13,979
13510	CFFP debt service payments	-	-	-	-	-	-	-	-	-	-	-	-
13901	Replacement Housing Factor funds	-	-	-	-	-	-	-	-	-	-	-	-

**HUNTSVILLE HOUSING AUTHORITY
PROJECT BALANCE SHEET SUMMARY
March 31, 2015**

Line Item #	Accounts Description	AMP 001	AMP 002	AMP 003	AMP 004	AMP 006	AMP 007	AMP 008	AMP 010	AMP 011	AMP 014	AMP 016	AMP 018	AMP 019	AMP 020	AMP 021	AMP 022	AMP 023	AMP 024	AMP 051	AMP 052	AMP 060	OTHER PROJ	Project Totals	
CURRENT ASSETS																									
Cash:																									
111	Unrestricted	\$ 167,164	280,728	\$ 379,606	\$ 272,509	\$ 377,489	\$ 404,417	\$ 290,544	\$ 201,924	\$ 261,293	\$ 227,366	\$ 112,636	\$ 117,883	\$ 148,291	\$ 13,002	\$ 30,968	\$ 28,359	\$ 27,572	\$ 3,092	\$ 135,011	\$ 401,583	\$ -	\$ -	\$ 3,881,437	
112	Cash - restricted - modernization and development	5,045,262	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,045,262	
113	Other restricted	-	6,417	15,031	1,830	2,861	7,851	-	19,406	-	519	27,660	13,562	27,546	28,478	23,210	13,050	3,904	2,162	2,246	6,087	-	-	201,820	
114	Tenant security deposits	-	12,390	15,970	13,410	21,964	20,990	13,050	8,270	10,120	10,960	3,000	1,400	5,830	2,600	800	800	600	700	6,910	20,070	-	-	169,834	
115	Restricted for payment of current liability	-	1,786	4,278	3,308	950	7,405	-	900	-	6,974	10,464	-	34,389	-	842	-	-	-	-	-	-	-	-	71,296
100	Total cash	5,212,426	301,321	414,885	291,057	403,264	440,663	303,594	230,500	271,413	245,819	153,760	132,845	216,056	44,080	55,820	42,209	32,076	5,954	144,167	427,740	-	-	9,369,649	
Accounts and notes receivable:																									
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
122	HUD other projects	-	-	24,094	-	-	-	-	-	20,875	-	-	-	-	-	-	-	-	45,791	-	-	-	-	90,760	
124	Other government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
125	Miscellaneous	-	4,987	1,959	104	56,990	1,966	4,063	935	1,779	-	800	39,666	-	-	-	-	-	-	4,798	171,618	-	-	289,665	
126	Tenants	-	1,355	3,457	354	608	1,082	2,628	83	2,612	-	2	2	2	-	-	-	-	-	1,410	901	-	-	14,496	
126.1	Allowance for doubtful accounts - tenants	-	(78)	(231)	(19)	(21)	(27)	(37)	(2)	(36)	-	-	-	-	-	-	-	-	-	(18)	(27)	-	-	(496)	
127	Notes, loans, & mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
128	Fraud recovery	-	1,860	-	160	1,541	84	-	1,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,720	
129	Accrued interest receivable	93	145	141	126	200	201	135	83	109	120	49	62	86	-	-	-	-	-	59	163	-	-	1,772	
120	Total receivables, net of allowances for uncollectibles	93	8,269	29,420	725	59,318	3,306	6,789	1,099	25,339	1,195	51	64	888	39,666	-	-	-	45,791	6,249	172,655	-	-	400,917	
131	Investments - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
132	Investments - restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total current investments																									
142	Prepaid expenses and other assets	-	9,497	5,811	4,517	5,807	5,533	6,158	2,729	3,832	23,279	306	897	2,405	322	107	107	29	-	35,256	28,273	-	-	134,865	
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
144	Interprogram - due from	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
145	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
150	Total current assets	5,212,519	319,087	450,116	296,299	468,389	449,502	316,541	234,328	300,584	270,293	154,117	133,806	219,349	84,068	55,927	42,316	32,105	51,745	185,672	628,668	-	-	9,905,431	
NONCURRENT ASSETS																									
Fixed assets:																									
161	Land	1,757,457	150,737	181,456	155,799	145,200	76,612	25,918	71,092	5,400	158,992	260,000	111,000	500,000	78,800	29,100	58,200	-	-	58,159	156,705	-	-	3,980,627	
162	Buildings	-	5,274,181	4,387,243	2,703,300	9,891,511	13,230,160	3,364,391	3,132,510	4,560,848	5,608,035	1,032,079	608,694	2,617,335	1,630,936	405,141	470,510	446,755	206,991	2,855,975	6,735,329	-	-	69,161,924	
163	Furniture, equipment & mach - dwellings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
164	Furniture, equipment & mach - admin.	-	229,323	101,904	46,968	181,046	129,225	108,610	56,365	98,537	34,903	-	-	55,342	-	-	-	-	-	18,000	72,505	-	-	1,132,728	
165	Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
166	Accumulated depreciation	-	(4,531,001)	(3,648,731)	(2,014,079)	(8,371,217)	(12,491,475)	(3,438,006)	(2,631,127)	(2,569,330)	(4,260,758)	(308,591)	(188,849)	(678,531)	(321,588)	(60,537)	(39,831)	(22,337)	(4,931)	(2,541,519)	(5,581,784)	-	-	(53,704,222)	
167	Construction in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
168	Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total fixed assets, net of accumulated depreciation																									
160		1,757,457	1,123,240	1,021,872	891,988	1,846,540	944,522	60,913	628,840	2,095,455	1,541,172	983,488	530,845	2,494,146	1,388,148	373,704	488,879	424,418	202,060	390,615	1,382,755	-	-	20,571,057	
Notes, loans and mortgages receivable - noncurrent																									
171		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,728,583	6,728,583
174	Other assets	67,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67,500	
176	Investment in joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
180	Total noncurrent assets	1,824,957	1,123,240	1,021,872	891,988	1,846,540	944,522	60,913	628,840	2,095,455	1,541,172	983,488	530,845	2,494,146	1,388,148	373,704	488,879	424,418	202,060	390,615	1,382,755	-	6,728,583	27,367,140	
190	TOTAL ASSETS	\$ 7,037,476	\$ 1,442,327	\$ 1,471,988	\$ 1,188,287	\$ 2,314,929	\$ 1,394,024	\$ 377,454	\$ 863,168	\$ 2,396,039	\$ 1,811,465	\$ 1,137,605	\$ 664,651	\$ 2,713,495	\$ 1,472,216	\$ 429,631	\$ 531,195	\$ 456,523	\$ 253,805	\$ 576,287	\$ 2,011,423	\$ -	\$ 6,728,583	\$ 37,272,571	

HUNTSVILLE HOUSING AUTHORITY
PROJECT BALANCE SHEET SUMMARY
March 31, 2015
(Continued)

Line Item #	Accounts Description	AMP 001	AMP 002	AMP 003	AMP 004	AMP 006	AMP 007	AMP 008	AMP 010	AMP 011	AMP 014	AMP 016	AMP 018	AMP 019	AMP 020	AMP 021	AMP 022	AMP 023	AMP 024	AMP 051	AMP 052	AMP 060	OTHER PROJ	Project Totals	
CURRENT LIABILITIES																									
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable < 90 days	-	25,369	60,686	28,220	47,931	42,680	16,213	16,909	19,986	15,976	265	2,389	10,554	4,129	1,134	1,134	3	9	15,368	44,788	-	-	-	353,843
321	Accrued wage/payroll taxes payable	-	6,634	9,612	8,525	11,313	11,239	9,284	4,953	6,075	6,040	515	326	3,963	614	193	191	143	-	3,368	9,560	-	-	-	92,548
322	Accrued compensated absences - current portion	-	13,419	6,224	12,581	11,089	14,363	9,892	7,828	14,172	6,971	575	987	4,069	1,844	572	572	429	-	5,513	8,461	-	-	-	119,561
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
333	Accounts payable - other gov.	-	280	975	231	3,482	6,296	7,721	2,200	5,449	355	1,397	669	1,778	1,001	675	391	186	-	2,290	1,010	-	-	-	36,386
341	Tenant security deposits	-	12,390	15,970	13,410	21,964	20,990	13,050	8,270	10,120	10,960	3,000	1,400	5,830	2,600	800	800	600	700	6,910	20,070	-	-	-	169,834
342	Deferred revenues	-	204	-	1,535	-	888	-	447	-	3,318	1,159	360	524	626	70	87	36	-	-	6,690	-	-	-	15,944
343	Current portion of LT debt - capital projects / mortg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
344	Current portion of LT debt - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	1,901	4,590	3,361	1,287	7,534	285	1,038	155	6,993	10,468	35	34,567	342	842	3	-	-	121	95	-	-	-	73,617
346	Accrued liabilities - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
347	Interprogram (due to)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
348	Loan liability - current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
310	Total current liabilities	-	60,197	98,057	67,863	97,066	103,990	56,445	41,645	55,957	50,613	17,379	6,166	61,385	11,156	4,286	3,178	1,397	709	33,570	90,674	-	-	-	861,733
NON-CURRENT LIABILITIES																									
351	Capital projects / mortgage revenue bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Non-current liabilities - other	-	6,417	15,031	1,830	2,861	7,851	-	19,406	-	519	27,660	13,562	27,546	28,478	23,210	13,050	3,904	2,162	2,246	6,087	-	-	-	201,820
354	Accrued compensated absences - non-current	-	4,868	1,994	3,232	2,144	3,947	2,926	1,826	4,750	2,623	274	303	1,174	565	175	175	131	-	2,633	2,018	-	-	-	35,758
357	Accrued pension and OPEB liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
350	Total non-current liabilities	-	11,285	17,025	5,062	5,005	11,798	2,926	21,232	4,750	3,142	27,934	13,865	28,720	29,043	23,385	13,225	4,035	2,162	4,879	8,105	-	-	-	237,578
300	Total liabilities	-	71,482	115,082	72,925	102,071	115,788	59,371	62,877	60,707	53,755	45,313	20,031	90,105	40,199	27,671	16,403	5,432	2,871	38,449	98,779	-	-	-	1,099,311
EQUITY																									
508.4	Net investment in capital assets	1,757,457	1,123,240	1,021,872	891,988	1,846,540	944,522	60,913	628,840	2,095,455	1,541,172	983,488	530,845	2,494,146	1,388,148	373,704	488,879	424,418	202,060	390,615	1,382,755	-	-	-	20,571,057
511.4	Restricted net position	5,112,762	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,112,762
512.4	Unrestricted net position	167,257	247,605	335,034	223,374	366,318	333,714	257,170	171,451	239,877	216,538	108,804	113,775	129,244	43,860	28,256	25,913	26,673	48,874	147,223	529,889	-	6,728,583	10,489,441	
513	Total equity/net position	7,037,476	1,370,845	1,356,906	1,115,362	2,212,858	1,278,236	318,083	800,291	2,335,332	1,757,710	1,092,292	644,620	2,623,390	1,432,017	401,960	514,792	451,091	250,934	537,838	1,912,644	-	6,728,583	-	36,173,260
600	TOTAL LIABILITIES AND EQUITY/ NET POSITION	<u>\$ 7,037,476</u>	<u>\$ 1,442,327</u>	<u>\$ 1,471,988</u>	<u>\$ 1,188,287</u>	<u>\$ 2,314,929</u>	<u>\$ 1,394,024</u>	<u>\$ 377,454</u>	<u>\$ 863,168</u>	<u>\$ 2,396,039</u>	<u>\$ 1,811,465</u>	<u>\$ 1,137,605</u>	<u>\$ 664,651</u>	<u>\$ 2,713,495</u>	<u>\$ 1,472,216</u>	<u>\$ 429,631</u>	<u>\$ 531,195</u>	<u>\$ 456,523</u>	<u>\$ 253,805</u>	<u>\$ 576,287</u>	<u>\$ 2,011,423</u>	<u>\$ -</u>	<u>\$ 6,728,583</u>	<u>\$ 37,272,571</u>	

HUNTSVILLE HOUSING AUTHORITY
PROJECT REVENUE AND EXPENSE SUMMARY
Year Ended March 31, 2015

Line Item #	Accounts Description	AMP																				OTHER	Project		
		AMP 001	AMP 002	AMP 003	AMP 004	AMP 006	AMP 007	AMP 008	AMP 010	AMP 011	AMP 014	AMP 016	AMP 018	AMP 019	AMP 020	AMP 021	AMP 022	AMP 023	AMP 024	AMP 051	AMP 052	AMP 060	PROJ	Totals	
REVENUE																									
70300	Net tenant rental revenue	\$ -	\$ 65,248	\$ 30,751	\$ 44,861	\$ 219,535	\$ 258,951	\$ 336,665	\$ 104,791	\$ 266,360	\$ -	\$ 27,431	\$ 16,375	\$ 69,800	\$ 37,044	\$ 13,311	\$ 8,119	\$ 5,056	\$ 631	\$ 105,434	\$ 166,582	\$ -	\$ -	\$ 1,776,947	
70400	Tenant revenue - other	-	3,990	4,436	3,830	5,950	5,950	2,319	3,190	2,508	2,590	1,980	720	3,240	1,380	1,100	270	270	-	1,760	6,390	-	-	51,813	
70500	Total tenant revenue	-	69,238	35,187	48,693	225,485	264,911	338,984	107,981	268,868	2,590	29,411	17,095	73,040	38,424	14,411	8,389	5,326	631	107,194	172,972	-	-	1,828,760	
70600	HUD PHA operating grants	-	547,286	872,815	612,967	867,342	758,521	312,706	352,233	424,647	479,213	94,899	45,495	233,497	53,945	26,015	25,345	37,510	10,000	222,536	938,969	93,032	-	7,008,973	
706.10	Capital grants	-	-	-	-	-	-	15,451	-	1,953,749	-	-	-	-	-	-	-	-	-	162,566	-	-	-	177,500	
70700	Total fee revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,309,266	
70800	Other governmental grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
71100	Investment income - unrestricted	801	2,981	5,091	3,528	4,894	5,490	2,933	2,586	4,018	2,407	1,247	856	1,771	728	307	331	124	142	1,327	4,540	-	-	46,102	
71200	Mortgage interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
713.10	Cost of sales of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
71500	Other revenue	70,093	9,731	16,861	4,467	3,998	15,479	5,424	2,783	7,960	8,923	8,026	305	8,525	360	120	120	420	1	2,685	15,189	-	-	181,470	
71600	Gain or loss on the sale of fixed assets	-	5,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,500
72000	Investment income - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
70000	Total revenue	70,894	634,736	929,954	669,655	1,101,719	1,044,401	675,498	465,583	2,659,242	493,133	133,583	63,751	316,833	93,457	40,853	34,115	43,380	173,340	333,742	1,309,170	93,032	-	11,380,071	
EXPENSES																									
Administrative:																									
91100	Administrative salaries	-	48,799	78,011	54,443	86,656	77,897	56,727	45,694	42,882	44,064	10,752	7,481	29,579	13,996	4,352	4,304	3,220	-	31,090	82,434	-	-	722,381	
91200	Auditing fees	-	1,235	1,708	1,379	2,418	1,235	1,235	803	1,029	1,132	268	124	515	247	82	82	62	741	1,997	-	-	-	17,239	
91300	Management fee	-	94,667	130,732	105,195	185,104	166,797	94,064	61,602	78,899	86,316	20,515	9,484	38,901	18,989	6,329	6,330	4,747	219	56,855	152,831	-	-	1,318,586	
913.10	Bookkeeping fee	-	10,763	14,858	11,947	21,038	18,952	10,680	7,005	8,970	9,802	2,333	1,080	4,410	2,160	720	720	540	30	6,465	17,370	-	-	149,843	
91400	Advertising and marketing	-	677	1,087	741	1,066	1,020	559	336	362	422	195	157	260	315	22	22	266	-	385	2,293	-	-	10,185	
91500	Employee benefit contributions - administrative	-	21,251	35,629	23,666	33,669	30,297	23,880	16,407	19,361	19,257	4,672	2,673	10,638	5,015	1,564	1,261	1,168	-	13,948	34,935	-	-	299,091	
91600	Office expenses	-	12,254	21,485	10,786	21,042	16,376	18,617	9,643	15,593	9,657	1,419	1,091	26,812	1,372	361	330	227	-	3,980	16,272	-	-	187,317	
91700	Legal expense	-	314	5,830	953	4,955	7,189	556	7,024	800	628	817	314	2,178	-	-	633	-	-	668	6,338	-	-	30,197	
91800	Travel	-	6,029	3,769	3,619	5,702	6,554	3,157	3,714	2,162	2,357	738	236	2,533	470	158	158	118	-	1,453	9,335	-	-	52,262	
918.10	Allocated overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
91900	Other	120	10,121	38,567	4,813	7,038	6,971	7,166	4,175	20,792	6,375	3,202	936	1,892	1,192	600	622	3,042	1,502	1,560	6,186	-	-	126,872	
	Total administrative	120	206,110	331,676	217,542	368,688	334,235	216,141	156,403	190,850	180,010	44,911	23,586	117,718	43,756	14,188	14,129	14,023	1,751	117,145	329,991	-	-	2,927,973	
92000	Asset management fee	-	14,400	19,920	16,080	28,200	25,440	14,400	9,360	12,000	13,200	3,120	1,440	6,000	2,880	960	960	720	40	8,640	23,280	-	-	201,040	
Tenant services:																									
92100	Salaries	-	9,030	12,495	10,088	17,514	15,965	9,030	5,877	7,528	8,283	1,960	911	3,774	1,805	606	607	433	-	5,419	14,607	-	-	125,932	
92200	Relocation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
92300	Employee benefit contributions	-	3,195	4,422	3,569	6,247	5,649	3,195	2,080	2,664	2,931	692	322	1,334	638	214	214	159	-	1,918	5,164	-	-	44,607	
92400	Other	-	4,143	8,072	3,966	7,690	7,517	4,253	2,574	3,180	2,729	578	268	1,114	534	179	179	134	-	2,582	5,230	-	-	54,922	
	Total tenant services	-	16,368	24,989	17,623	31,451	29,131	16,478	10,531	13,372	13,943	3,230	1,501	6,222	2,977	999	1,000	726	-	9,919	25,001	-	-	225,461	
Utilities:																									
93100	Water	-	29,780	42,360	33,582	51,651	40,746	17,044	17,986	15,390	937	119	1,567	8,634	3,376	6	5	4	259	17,916	48,072	-	-	329,434	
93200	Electricity	-	19,235	40,848	19,993	13,164	11,684	121,532	12,904	118,766	7,122	1,184	421	6,505	218	21	19	11	806	5,027	9,400	-	-	388,860	
93300	Gas	-	461	6,452	3,597	2,882	1,873	11,490	-	138	748	22	-	104	-	-	-	-	-	123	897	-	-	28,787	
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
93600	Sewer	-	59,556	78,354	67,158	81,428	75,852	15,338	33,836	16,821	460	108	1,590	11,469	4,307	2	2	1	112	35,767	95,568	-	-	578,791	
93800	Other utilities expense	-	2,507	5,692	3,027	4,238	2,451	12,724	1,429	11,984	2,090	241	3,374	5,038	9,699	1	1	1	109	1,047	3,113	-	-	68,746	
	Total utilities	-	111,539	173,706	127,357	153,343	132,606	178,128	66,145	163,199	11,357	1,674	7,904	31,750	17,600	30	27	17	1,286	59,880	157,050	-	-	1,394,598	
Ordinary maintenance & operations:																									
94100	Labor	-	102,609	156,339	125,007	156,107	146,770	64,020	68,896	84,835	91,892	1,000	324	66,556	1,155	205	314	186	-	53,876	139,937	-	-	1,260,028	
94200	Materials and other	-	57,201	71,607	33,510	90,428	120,870	48,284	55,397	27,526	26,577	19,361	21,058	58,327	10,632	1,431	4,296	9,975	6,286	29,052	121,799	-	-	813,617	
94300	Contracts	840	42,128	67,529	46,996	94,404	90,576	22,984	33,983	17,201	35,057	2,758	3,614	9,589	12,823	4,274	4,274	10,796	284	29,038	78,037	-	-	607,185	
94500	Employee benefits contribution	-	43,017	58,172	53,296	69,512	55,293	38,600	38,414	43,087	51,286	70	35	26,471	87	19	22	13	-	17,131	62,316	-	-	556,841	
	Total ordinary maintenance & operations	840	244,955	353,647	258,809	410,451	413,509	173,888	196,690	172,649	204,812	23,189	25,031	160,943	24,697	5,929	8,906	20,970	6,570	129,097	402,089	-	-	3,237,671	

HUNTSVILLE HOUSING AUTHORITY
PROJECT REVENUE AND EXPENSE SUMMARY
Year Ended March 31, 2015
(Continued)

Line Item #	Accounts Description	AMP 001	AMP 002	AMP 003	AMP 004	AMP 006	AMP 007	AMP 008	AMP 010	AMP 011	AMP 014	AMP 016	AMP 018	AMP 019	AMP 020	AMP 021	AMP 022	AMP 23	AMP 024	AMP 051	AMP 052	AMP 060	OTHER PROJ	Project Totals	
Protective services:																									
95100	Labor	\$ -	\$ -	\$ 23	\$ -	\$ -	\$ -	\$ 91,419	\$ -	\$ 107,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198,507	
95200	Other contract costs	-	9,192	12,722	10,269	18,006	16,241	-	5,961	-	8,426	1,976	921	3,830	1,843	622	622	-	-	5,517	14,865	-	-	111,013	
95300	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
95500	Employee benefit contributions	-	-	2	-	-	-	32,516	-	42,373	-	-	-	-	-	-	-	-	-	-	-	-	-	74,891	
	Total protective services	-	9,192	12,747	10,269	18,006	16,241	123,935	5,961	149,438	8,426	1,976	921	3,830	1,843	622	622	-	-	5,517	14,865	-	-	384,411	
96100	Total Insurance premiums	465	31,635	32,072	24,158	35,288	33,426	22,735	28,053	17,248	42,274	5,437	5,061	17,957	4,633	1,479	1,521	1,353	1,035	70,632	57,271	-	-	433,713	
General expenses:																									
96200	Other general expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
96210	Compensated absences	-	2,453	-	393	3,966	5,227	-	1,852	-	-	61	90	-	285	131	747	-	-	-	-	-	-	-	
96300	Payments in lieu of taxes	-	-	-	-	2,946	5,911	7,118	1,800	4,737	-	1,201	419	1,669	975	675	391	186	-	2,167	367	-	-	15,765	
96400	Bad debt - tenant rents	-	1,950	8,402	-	9,242	4,721	7,765	3,739	3,376	-	2,486	-	6,018	189	94	-	-	1,350	643	6,393	-	-	30,562	
96000	Total general expenses	-	4,403	8,402	393	16,154	15,859	14,883	7,391	8,313	233	3,748	509	7,687	1,449	900	1,138	2,096	-	2,810	6,760	-	-	56,801	
96700	Total interest expense and amortization cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
96900	Total operating expenses	1,425	638,602	957,159	672,231	1,061,561	1,000,447	760,588	480,534	727,069	474,255	87,285	65,953	352,107	99,835	25,107	28,303	39,905	10,682	403,640	1,016,307	-	-	8,902,995	
97000	Excess of operating revenue over operating expenses	69,469	(3,866)	(27,205)	(2,576)	40,158	43,954	(85,090)	(14,951)	1,932,173	18,878	46,298	(2,202)	(35,274)	(6,378)	15,746	5,812	3,475	162,658	(69,898)	292,863	93,032	-	-	2,477,076
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	177,500	-	-	177,500	
97200	Casualty losses - non capitalized	-	501	-	393	7,500	-	-	7,201	-	-	-	-	-	7,500	-	-	-	-	-	7,500	-	-	30,595	
97300	Housing assistance payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
97400	Depreciation expense	-	154,469	100,869	91,972	306,891	653,034	77,997	81,814	17,391	202,367	39,672	29,372	107,286	85,143	22,352	21,362	14,892	4,191	46,017	152,754	-	-	2,209,845	
90000	Total expenses	1,425	793,572	1,058,028	764,596	1,375,952	1,653,481	838,585	569,549	744,460	676,622	126,957	95,325	459,393	192,478	47,459	49,665	54,797	14,873	449,657	1,354,061	-	-	11,320,935	
Other financing sources (uses):																									
10010	Operating transfer in	-	20,540	4,304	20,136	6,502	7,398	35,657	29,597	166,056	2,774	842	278	102,534	5,552	10,185	186	20,133	10,000	1,740	375,243	-	-	819,657	
10020	Operating transfer out	-	(20,540)	(4,304)	(20,136)	(6,502)	(7,398)	(35,657)	(29,597)	(166,056)	(2,774)	(842)	(278)	(102,534)	(5,552)	(10,185)	(186)	(20,133)	(10,000)	(1,740)	(176,122)	-	-	(620,536)	
10040	Operating transfers to/from component unit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10070	Extraordinary items, net gain / loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(93,032)	-	(93,032)	
10091	Inter project excess cash transfer in	-	-	750	-	217	-	90,554	-	10,076	-	-	-	10,000	-	-	-	-	-	20,000	80,278	-	-	251,875	
10092	Inter project excess cash transfer out	-	(24)	-	(40,181)	(60,000)	(100,104)	-	(53)	-	(390)	(50,136)	(42)	(62)	(74)	(8)	(10)	(4)	-	-	(787)	-	-	(251,875)	
10100	Total other financing sources (uses)	-	(24)	750	(40,181)	(59,783)	(100,104)	90,554	(53)	10,076	(390)	(50,136)	(42)	9,938	(74)	(8)	(10)	19,996	40,000	80,278	198,334	(93,032)	-	106,089	
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ 69,469	\$ (158,860)	\$ (127,324)	\$ (135,122)	\$ (334,016)	\$ (709,184)	\$ (72,533)	\$ (104,019)	\$ 1,924,858	\$ (183,879)	\$ (43,510)	\$ (31,616)	\$ (132,622)	\$ (99,095)	\$ (6,614)	\$ (15,560)	\$ 8,579	\$ 198,467	\$ (35,637)	\$ 153,443	\$ -	\$ -	\$ 165,225	
Memo Account Information																									
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11030	Beginning equity	6,968,007	1,529,705	1,484,230	1,250,484	2,546,874	1,987,420	390,616	904,310	410,474	1,941,589	1,135,802	676,236	2,756,012	1,531,112	408,574	530,352	442,512	52,467	573,475	1,759,201	-	6,728,583	36,008,035	
11040	Prior period adjustments, equity transfers & correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11190	Unit months available	-	1,414	1,973	1,605	2,774	2,542	1,440	932	1,200	1,260	312	144	588	282	96	96	72	4	853	2,292	576	-	20,455	
11210	Unit months leased	-	1,409	1,962	1,590	2,761	2,525	1,424	930	1,196	1,247	311	144	588	282	96	96	72	4	851	2,280	568	-	20,336	
11270	Excess cash	167,139	191,808	255,894	167,706	277,061	251,346	192,321	131,456	182,105	157,704	101,816	107,832	99,282	36,086	26,330	23,721	23,523	47,984	81,843	421,311	-	-	2,944,268	
11610	Land purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11620	Building purchases	-	-	-	-	-	-	8,730	-	1,953,750	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11630	Furniture & equipment - dwelling purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,565	-	-	2,302,545	
11640	Furniture & equipment - administrative purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13510	CFFP debt service payments	-	-	-	-	-	-	6,721	-	-	-	-	-	-	-	-	-	-	-	-	5,500	-	-	12,221	
13901	Replacement Housing Factor funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

HUNTSVILLE HOUSING AUTHORITY
STATEMENT AND CERTIFICATE OF PROGRAM COSTS – CAPITAL FUND PROGRAM
March 31, 2015

2011 Capital Fund Program Grant	AL09P047501-11
Funds approved	\$ 2,563,172
Funds expended	<u>2,563,172</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 2,563,172
Funds expended	<u>2,563,172</u>
Excess of funds advanced	<u>\$ -</u>
 2012 Capital Fund Program Grant	 AL09P047501-12
Funds approved	\$ 2,303,573
Funds expended	<u>2,303,573</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 2,303,573
Funds expended	<u>2,303,573</u>
Excess of funds advanced	<u>\$ -</u>
 2014 Replacement Housing Factor Grant	 AL09R047501-14
Funds approved	\$ 76,775
Funds expended	<u>76,775</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 76,775
Funds expended	<u>76,775</u>
Excess of funds advanced	<u>\$ -</u>
 2014 Replacement Housing Factor Grant	 AL09R047502-14
Funds approved	\$ 22,596
Funds expended	<u>22,596</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 22,596
Funds expended	<u>22,596</u>
Excess of funds advanced	<u>\$ -</u>

**HUNTSVILLE HOUSING AUTHORITY
SCHEDULE OF CLOSED GRANTS
March 31, 2015**

2012 ROSS Grant	<u>AL047RFS426A012</u>
Funds approved	\$ 55,550
Funds expended	<u>55,550</u>
Excess of funds approved	<u>\$ -</u>
Funds advanced	\$ 55,550
Funds expended	<u>55,550</u>
Excess of funds advanced	<u>\$ -</u>
Continuum of Care Grant	<u>AL0046L4C031205</u>
Funds approved	\$ 315,021
Funds expended	<u>247,922</u>
Excess of funds approved	<u>\$ 67,099</u>
Funds advanced	\$ 247,922
Funds expended	<u>247,922</u>
Excess of funds advanced	<u>\$ -</u>
Continuum of Care Grant	<u>AL0086L4C031303</u>
Funds approved	\$ 56,682
Funds expended	<u>43,859</u>
Excess of funds approved	<u>\$ 12,823</u>
Funds advanced	\$ 43,859
Funds expended	<u>43,859</u>
Excess of funds advanced	<u>\$ -</u>

SINGLE AUDIT REPORTS

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

Board of Commissioners of the
Huntsville Housing Authority
Huntsville, Alabama

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 and the discretely presented component unit of the Huntsville Housing Authority (the Authority), which comprise the statement of net position as of March 31, 2015, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 4, 2015. The audit of the discretely presented component unit was not performed in accordance with *Government Auditing Standards*.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".**CliftonLarsonAllen LLP**

Baltimore, Maryland
August 4, 2015

**Independent Auditors' Report on Compliance with Requirements That Could
Have a Direct and Material Effect on a Major Program and on Internal Control Over
Compliance and Schedule of Expenditures of Federal Awards
in Accordance with OMB Circular A-133**

Board of Commissioners of the
Huntsville Housing Authority
Huntsville, Alabama

Report on Compliance for Each Major Federal Program

We have audited the Huntsville Housing Authority'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 March 31, 2015. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2015.

Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Baltimore, Maryland
August 4, 2015

HUNTSVILLE HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended March 31, 2015

	CFDA Number	Federal Expenditures
U.S. Department of Housing and Urban Development (HUD)		
Continuum of Care	14.267	\$ 301,355
Low Rent Public Housing	14.850	6,094,769
Resident Opportunity and Supportive Services	14.870	199,896
Housing Choice Vouchers	14.871	9,425,980
Public Housing Capital Fund Program	14.872	3,223,471
PIH Family Self-Sufficiency Program	14.896	35,701
TOTAL FEDERAL EXPENDITURES		\$ 19,281,172

See accompanying notes.

HUNTSVILLE HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
March 31, 2015

NOTE 1 – BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting and includes all expenditures of federal awards administered by Huntsville Housing Authority (the Authority). Several programs are funded jointly by the State in accordance with requirements of the various federal grants. Costs incurred for such programs are applied to Federal grant funds in accordance with the terms of the related Federal grants with the remainder applied to funds provided by the State.

All costs charged to Federal Awards are determined based on the applicable Federal grants and OMB Circular A-87, *Costs Principles Applicable to Grants and Contracts with State and Local Governments*.

NOTE 2 – FEDERAL COGNIZANT AGENCY

The Federal cognizant agency for the Authority is the U.S. Department of Housing and Urban Development (HUD).

NOTE 3 – FINDINGS AND QUESTIONED COSTS

Any findings and questioned costs identified in connection with the 2015 Single Audit would be disclosed in Schedule I and the status of prior year findings and questioned costs would be disclosed in Schedule II.

NOTE 4 – SUBRECIPIENTS

Of the federal expenditures presented in the accompanying schedule, the Authority provided federal awards to a subrecipient (Huntsville-Madison County Mental Health Board, Inc.) in the amount of \$251,852 under the Continuum of Care program (CFDA #14.267) for the year ended March 31, 2015.

See accompanying schedule.

**HUNTSVILLE HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended March 31, 2015**

I. Summary of Independent Auditors' Results

Financial Statements

Type of auditors' 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 None reported

- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Identification of Major Programs

Name of Federal Program	CFDA Number
Low Rent Public Housing	14.850
Capital Fund Program	14.872
PIH Family Self-Sufficiency Program	14.896
Continuum of Care	14.267

Dollar threshold used to distinguish between type A and type B programs: \$ 578,435

Auditee qualified as low-risk auditee? _____ Yes X No

**HUNTSVILLE HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended March 31, 2015**

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

None

**HUNTSVILLE HOUSING AUTHORITY
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended March 31, 2015**

None