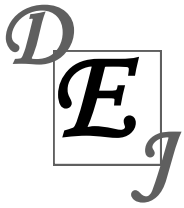


HOUSING AUTHORITY OF THE CITY OF SALINA
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Dennis J. Edwards, CPA, P.A.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of the
Housing Authority of the City of Salina
Salina, Kansas

I have audited the accompanying statements of financial statements of the business type activities of the Housing Authority of the City of Salina as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Housing 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 and the Kansas Municipal Audit Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

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

Other-Matter

Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-9 be presented to supplement the basic financial statements. Such information although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information shown on pages 28-43 is presented for purposes of additional analysis as required by the *Consolidated Audit Guide for Audits of HUD Programs* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 17, 2013, on my consideration of the Housing Authority of the City of Salina's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Salina's internal control over financial reporting and compliance.

Dennis J Edwards CPA PA

Holton, Kansas
October 17, 2013

**Housing Authority of the City of Salina, Kansas
Management's Discussion & Analysis (MD&A)
June 30, 2013**

Management's Discussion & Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their *Statement No. 34 Basic Financial Statements – and Management's Discussion & Analysis – for State and Local Governments* issued in June 1999.

This discussion and analysis of the financial performance for the Housing Authority for the City of Salina, Kansas, provides an overview of the financial activities for the fiscal year ended June 30, 2013. Please read the MD&A in conjunction with the Housing Authority's financial statements.

Financial Highlights

- *Assets:*

Total assets decreased by \$168,078 from \$7,900,623 as of June 30, 2012 to \$7,732,545 as of June 30, 2013. Current assets decreased by \$88,065 when compared to 2012 and net capital assets decreased by \$77,875.

- *Liabilities:*

Total liabilities decreased \$25,945 from \$237,756 as of June 30, 2012, to \$211,811 as of June 30, 2013.

- *Revenue:*

Total revenue decreased from \$2,076,075 for the year ended June 30, 2012, to \$2,055,569 for the year ended June 30, 2013, a decrease of \$20,506. Tenant revenue decreased \$24,040; other income decreased \$12,280 while program grants decreased \$43,703 and fraud recovery decreased \$862. Capital grants increased \$67,398 over 2012 making 2013 receipts \$155,157.

- *Expenses:*

Total expenses increased from 2012 to 2013. Total expenses were \$2,177,417 for the year ended June 30, 2012, and increased \$21,289 to \$2,198,706 for the year ended June 30, 2013. Administrative expenses increased by \$32,363. Tenant services decreased \$50,470 because the FSS Coordinator salary and benefits were recorded under tenant services in 2012 and under administrative expenses in 2013, for a total decrease of \$18,107 in administrative expenses. Maintenance increased \$7,408, utilities increased \$1,479 and HAP payments increased 2% or \$22,819.

Housing Authority of the City of Salina, Kansas Management Discussion & Analysis

For accounting purposes, the Housing Authority is categorized as an enterprise fund. Enterprise funds account for activities similar to those found in the private business sector where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

Overview of Financial Statements

This annual report includes this Management Discussion & Analysis report, the Basic Financial Statements and the Notes to the Financial Statements. The Housing Authority's financial statements are presented as fund level financial statements because the Housing Authority only has proprietary funds.

The financial statements of the Housing Authority report information of the Housing Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Housing Authority's activities. The Statement of Net Position includes all the Housing Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Housing Authority's creditors (liabilities). It also provides the basis for evaluating the capital structure of the Housing Authority and assessing the liquidity and financial flexibility of the Housing Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Housing Authority's operations over the past year and can be used to determine whether the Housing Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operating, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section Supplemental Information Required by HUD contains the Financial Data Schedule (FDS). HUD has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format.

**Housing Authority of the City of Salina, Kansas
Management Discussion & Analysis**

Financial Analysis

The Housing Authority’s basic financial statements are the Statement of Net Position and the Statement of Changes in Net Position. The Statement of Net Position provides a summary of the Housing Authority’s assets and liabilities as of the close of business on June 30, 2013. The Statement of Changes in Net Position summarizes the revenues and sources of those revenues generated during the year ended June 30, 2013 and the expenses incurred in operating the Housing Authority for the year ended June 30, 2013.

Net position may serve, over time, as a useful indicator of a government’s financial position. In the case of the Authority, assets exceeded liabilities by \$7,520,734 at the close of the year ended June 30, 2013. This represents a decrease of \$142,133 from the previous year.

The Housing Authority accounts for its housing activities in several programs. The main Housing Authority programs are a low rent program that provides housing for qualified tenants, a capital fund program that the Housing Authority uses for improvements to its low rent property, and a housing choice voucher program that provides rental assistance to tenants living in private housing. The following analysis focuses on the net position and the change in net position of the Housing Authority as a whole and not the individual programs.

Net Position June 30,			
	2013	2012	Dollar Change
Current Assets, Net of Inter-program	\$ 1,758,274	\$ 1,846,339	\$ (88,065)
Capital Assets, Net	5,974,271	6,052,146	(77,875)
Non-Current Assets	0	2,138	(2,138)
Total Assets	\$ 7,732,545	\$ 7,900,623	\$ (168,078)
Current Liabilities, Net of Inter-program	\$ 158,839	\$ 185,776	\$ (26,937)
Non-Current Liabilities	52,972	51,980	992
Total Liabilities	\$ 211,811	\$ 237,756	\$ (25,945)
Net Position:			
Net investment in Capital Assets	\$ 5,974,271	\$ 6,052,146	\$ (77,875)
Restricted	39,335	114,288	(74,953)
Unrestricted	1,507,128	1,496,433	10,695
Total Net Position	\$ 7,520,734	\$ 7,662,867	\$ (142,133)

Housing Authority of the City of Salina, Kansas Management Discussion & Analysis

Assets:

Total current assets were \$1,846,339 as of June 30, 2012 and decreased by \$88,065 to \$1,758,274 as of June 30, 2013. The balance of cash decreased by \$24,568 as of June 30, 2013. This was in part a result of decreased HUD funding due to sequestration.

Net capital assets decreased to \$5,974,271 as of June 30, 2013 from \$6,052,146 as of June 30, 2012. This decrease of \$77,875 in net capital assets is comprised of purchases of \$30,022 and depreciation of \$261,689.

Liabilities:

Total current liabilities decreased from \$185,776 as of June 30, 2012, to \$158,839 as of June 30, 2013, a decrease of \$26,937. The amounts owed to vendors decreased by \$1,170 from \$10,763 as of June 30, 2012 to \$9,593 as of June 30, 2013.

Net Position:

Net position decreased by \$143,137 as of June 30, 2013 as total expenses of \$2,198,706 exceeded total revenue of \$2,055,569. For June 30, 2013 there was \$39,335 set aside for Restricted for the Section 8 program. This represents funding that can only used for housing assistance payments provided other mandates are followed.

Expendable Fund Balance:

The expendable fund balance of an authority is a measure of liquidity of the entity. If all of the authority's current assets, less materials inventory, are converted to cash, and the authority pays all the current liabilities, the amount of cash left on hand is the expendable fund balance. The expendable fund balance was \$1,498,841 at the end of the 2013 fiscal year.

The number of months in expendable funds is a measure of how many months the authority could operate under current conditions without any additional income. The number of months in expendable funds is calculated by dividing the total expenses for the year, less depreciation and HAP expense, by twelve (12) to arrive at the average monthly expenses. The expendable fund balance is then divided by the average monthly expenses to arrive at the number of months expendable fund balance. The ratio as of June 30, 2013 was 19.63 months.

Housing Authority of the City of Salina, Kansas
Management Discussion & Analysis

Changes in Net Position for the Year Ended June 30			
	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Revenue:			
Tenant Revenue	\$ 337,751	\$ 361,791	\$ (24,040)
Federal Grants & Subsidy	1,684,202	1,660,507	23,695
Investment Income	9,954	15,275	(5,321)
Gain/Loss on Sale of Asset	0	1,698	(1,698)
Other Income	23,662	36,804	(13,142)
Total Revenue	\$ 2,055,569	\$ 2,076,075	\$ (20,506)
Expenses:			
Administrative	\$ 500,285	\$ 467,922	\$ 32,363
Tenant Services	3,339	53,809	(50,470)
Utilities	15,973	14,494	1,479
Routine Maintenance	252,275	244,867	7,408
Protective Services	281	1,648	(1,367)
Insurance Premiums	93,829	95,316	(1,487)
Other General Expenses	31,657	37,103	(5,446)
Casualty Losses	18,731	18,959	(228)
Housing Assistance Payments (HAP)	1,020,647	997,828	22,819
Depreciation	261,689	245,471	16,218
Total Expenses	\$ 2,198,706	\$ 2,177,417	\$ 21,289
Increase (Decrease) in Net Position	\$ (143,137)	\$ (101,342)	\$ (41,795)
Prior Period Adjustment	1,004	0	1,004
Total Change in Net Position	\$ (142,133)	\$ (101,342)	\$ (40,791)

Revenue:

The authority has two basic sources of revenue. Rent and other tenant charges and funds received from the Department of Housing and Urban Development (HUD) in the form of operating subsidies, tenant assistance, and capital improvement grants.

Tenant revenue decreased by approximately 7% for the current year from \$361,791 for the year ended June 30, 2012 to \$337,751 for the year ended June 30, 2013. Tenant revenue includes rent charged as well as any move-out charges or other maintenance charges incurred. The amount collected from tenants for charges other than rent increased by \$11,295. Tenant rents are also affected by the tenant's reported income and other tenant attributes. The amount of rent that a tenant pays decreases as the tenant's income decreases.

Housing Authority of the City of Salina, Kansas Management Discussion & Analysis

Federal grants and subsidy revenue increased from \$1,660,507 for the year ended June 30, 2012 to \$1,684,202 for the year ended June 30, 2013, for an increase of \$23,695. Capital grant revenue increased by \$67,398. Section 8 HAP assistance increased \$27,047. HAP assistance is also determined by tenants reported income and other tenant attributes. HAP assistance will increase as the tenant's income decreases.

Investment income decreased \$5,321 as the amount earned for the year ended June 30, 2012 was \$15,275 and \$9,954 for the year ended June 30, 2013. The decrease in cash, as well as the decline in rates of return on investments, attributed to the decrease.

Expenses:

Administrative expenses increased by \$32,363 from \$467,922 for the year ended June 30, 2012 to \$500,285 for year ended June 30, 2013. Tenant services expenses decreased by \$50,470 since the FSS Coordinator salary and benefits were recorded under tenant services in 2012 and under administrative expenses in 2013. Utilities expense increased by 10% from \$14,494 for the year ended June 30, 2012 to \$15,973 for the year ended June 30, 2013. Routine maintenance expenses increased by \$7,408, from \$244,867 for fiscal year 2012 to \$252,275 for fiscal year 2013.

Capital Assets:

At June 30, 2013 the Housing Authority had \$5,974,271 invested in net capital assets. This amount represents a net decrease of \$77,875 in net capital assets when compared to net capital assets as of June 30, 2012.

Capital expenditures for FY 2013 included the purchase of a Ford Econo van and Ford F-150 truck, as well as a PC for the office. Disposals consisted of two (2) trailers, two (2) Ford F-150 trucks and a Chevrolet truck.

During the current year, some work in progress projects were completed and certain assets of \$454,509 were transferred from construction in progress to other capital assets categories.

The Housing Authority still has approximately \$123,660 in Capital program funds to spend on future improvements.

**Housing Authority of the City of Salina, Kansas
Management Discussion & Analysis**

Capital Assets at Year End			
(Net of Accumulated Depreciation)			
June 30,			
	<u>2013</u>	<u>2012</u>	<u>Increase</u> <u>(Decrease)</u>
Land	\$ 1,456,891	\$ 1,456,891	\$ -
Buildings	6,989,981	6,557,567	432,414
Furniture, Equipment & Machinery, Dwellings	18,730	18,730	-
Furniture, Equipment & Machinery, Admin	200,873	217,060	(16,187)
Leasehold Improvements	683,926	659,006	24,920
Construction in Progress	178,180	482,494	(304,314)
Subtotal	9,528,581	9,391,748	\$ 136,833
Accumulated Depreciation	(3,554,310)	(3,339,602)	(214,708)
Net Capital Assets	\$ 5,974,271	\$ 6,052,146	\$ (77,875)

Debt

As of June 30, 2013, the Authority does not have any outstanding debt, bonds, mortgages, or notes payable. There are some non-current liabilities as of June 30, 2013, for employee compensated absences of approximately \$15,590 and escrow amounts of \$37,382 held for participating tenants of the FSS escrow program.

Economic Factors

The Housing Authority is dependant upon HUD for the funding of operations; therefore, the Housing Authority is affected both by federal budget and local economic conditions. The funding of programs could be significantly affected by HUD and the 2013 and 2014 federal budgets.

Contacting the Housing Authority's Financial Management

Our financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Kim Deal, Finance Manager, at the Salina Housing Authority, 469 S. 5th St., Salina, KS 67401, telephone number 785-827-0441.

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
STATEMENT OF NET POSITION
June 30, 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2013
Current Assets	
Cash and cash equivalents	\$ 699,899
HUD accounts receivable	11,933
Tenant accounts receivable, net	11,958
Other receivables	604
Prepaid expenses and other assets	32,898
Investments	900,388
Inventories	23,877
Restricted:	
Cash and cash equivalents	39,335
Investments	37,382
Total current assets	<u>1,758,274</u>
Fixed assets-net of accumulated depreciation	<u>5,974,271</u>
TOTAL ASSETS	<u>7,732,545</u>
Deferred Outflows of Resources	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 7,732,545</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
Current Liabilities	
Accounts payable - 90 days	\$ 9,593
Accrued wages/payroll taxes	32,547
Accrued compensated absences - current	1,732
Accounts payable - other government	25,836
Tenant security deposits	77,906
Unearned revenues	16,116
Other current liabilities	313
Total current liabilities	<u>164,043</u>
Noncurrent Liabilities	
Noncurrent Liabilities - other	37,382
Accrued compensated absences - noncurrent	15,590
Total noncurrent liabilities	<u>52,972</u>
Total Liabilities	<u>217,015</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Net investment in Capital Assets	5,974,271
Restricted	39,335
Unrestricted	1,501,924
Total Net Position	<u>7,515,530</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 7,732,545</u></u>

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

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2013

REVENUES	2013
Tenant revenue	\$ 337,751
Program grants-rent subsidies	1,523,841
Fraud recovery	12,704
Other income	10,958
Total revenues	<u>1,885,254</u>
OPERATING EXPENSES	
Current	
Administrative	500,285
Tenant services	3,339
Utilities	15,973
Maintenance	252,275
Protective services	281
Insurance premiums	93,829
Other general	31,657
Housing assistance payments	1,020,647
Depreciation	261,689
Total operating expenses	<u>2,179,975</u>
Operating income (loss)	<u>(294,721)</u>
Non-operating revenues (expenses)	
Interest income	9,954
Gain (loss) on sale of capital asset	-
Casualty losses- non-capitalized	(18,731)
Non-operating income (loss)	<u>(8,777)</u>
Income (loss) before contributions and transfers	(303,498)
Capital grants	155,157
Change in net position	<u>(148,341)</u>
Net position at beginning of the year	7,662,867
Prior period adjustment	1,004
Net position at the beginning of the year restated	<u>7,663,871</u>
Net position at the end of the year	<u>\$ 7,515,530</u>

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

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
STATEMENT OF CASH FLOWS PROPRIETARY FUND TYPES
For the Year Ended June 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from tenants	\$ 330,902
Cash received from grants/subsidies	1,523,630
Cash received from other sources	24,617
Cash paid for operating expenditures	
Administration	(518,387)
Tenant services	(3,339)
Utilities	(15,973)
Maintenance	(249,726)
Protective services	(281)
Insurance premiums	(94,107)
Other general	(35,853)
Housing assistance payments	(1,020,647)
Net cash provided (used) by operating activities	<u>(59,164)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Tenant security deposits	(6,029)
(Increase) decrease in investments	(6,788)
(Increase) decrease in restricted cash	86,213
Gain (loss) on sale of capital assets	-
Casualty losses - non-capitalized	(18,731)
Purchase of fixed assets	(185,179)
Cash received from capital grants	155,157
Net cash provided (used) by financing activities	<u>24,643</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Cash received from interest	9,954
Net cash provided (used) by investing activities	<u>9,954</u>
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (24,567)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>724,467</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <u>\$ 699,899</u>

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

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
STATEMENT OF CASH FLOWS PROPRIETARY FUND TYPES
For the Year Ended June 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES	
Excess (deficiency) of revenues over (under) expenditures	\$ (294,721)
Adjustments to reconcile excess (deficiency) of revenues over (under) expenditures to net cash provided by operating activities	
Depreciation	261,689
Non cash loss on disposal	1,366
Prior period adjustment	1,004
Increase or decrease in:	
Tenants receivable	(8,987)
Grants receivable	(1,215)
Other receivable	3,093
Miscellaneous prepaid expenses	(278)
Inventories	(6,403)
Accounts payable - 90 days	(5,998)
Wages and Compensated absences payable	(4,776)
Other liabilities	(11,524)
Deferred revenues	7,586
Net cash provided (used) by operating activities	<u><u>\$ (59,164)</u></u>

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

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A – SUMMARY OF SIGNIFICANT POLICIES

Organization

The Authority was created under the laws of the State of Kansas. The purpose of the Authority is to administer the housing programs authorized by the United States Housing Act of 1937, as amended. These programs are subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD).

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for governmental accounting and financial reporting. As allowed in Section P80 of GASB’s Codification of Governmental Accounting and Financial Reporting Standards, the Authority has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989.

Financial 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 Section 2100 and 2600 of the Government Accounting Standards Board Codification. These criteria state that the financial reporting entity consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on these criteria, there are no additional agencies or entities which should be included in the financial statements of the Authority.

Basis of accounting, measurement focus, and financial statement presentation

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

See Independent Auditor’s Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Authority distinguishes between operating and nonoperating revenues and expenses in its Statement of Revenues, Expenses and Changes in Net Position. For this purpose, the Authority's operating revenues result from providing low-income housing services such as tenant rent, HUD Section 8 funds earned and other tenant charges. Operating expenses include the cost attributed to administration, tenant services, utilities, maintenance and operations, housing assistance payments and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows.

Budgetary Process

The Authority establishes a budget for the fiscal year and is adopted by the Board of Commissioners.

Cash and Investments

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposit, repurchase agreements, sweep accounts, separate trading of registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

Accounts Receivable

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

Prepaid Items

Prepaid balances are for payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.

Inventory

Inventories consist of supplies and are recorded at the lower of cost or market on a first-in, first-out basis.

Capital Assets and Depreciation

Property and equipment are stated at actual or estimated historical cost, net of accumulated depreciation. Contributions of assets are recorded at fair market value at the date donated.

See Independent Auditor's Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Authority generally capitalized assets with a cost of \$500 or more as purchases and construction outlays occur.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Furniture and fixtures	5-10 years
Equipment	3-10 years

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Authority's policy is to apply restricted first.

Due to and Due from Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or expenditures occur, transactions are recorded in the accounting system, and payments between funds.

Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers.

Grant Revenue

The Authority, a recipient of grant revenues, recognizes revenues (net of estimated uncollectible amounts, if any), when all applicable eligibility requirements, including time requirements are met in accordance with GASB Statement No. 33. Resources transmitted to the Authority before the eligibility requirements are met are reported as unearned revenue.

Investment Income

Investment income from pooled cash and investments is allocated monthly based on the percentage of a fund's average pooled cash and investments balance.

Compensated Absences

Employees receive all unused vacation time when they terminate as long as they have passed their probationary period.

Employees will only receive sick leave upon retirement from the Housing Authority.

See Independent Auditor's Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Income Taxes

The Authority is a governmental subdivision of the State of Kansas and is exempt from Federal and State income taxes.

Estimates

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

Leases

The majority of leases and subleases are short-term operating leases.

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Housing Authority of the City of Salina, Kansas and is presented in accordance with generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

NOTE B – CASH AND CASH EQUIVALENTS

At June 30, 2013, the reconciled amount of the agency's deposits were \$1,677,004 and the bank balance was \$1,700,663, which includes certificates of deposit. Cash and cash equivalents are stated at cost which is their fair market value and include all unrestricted investments with the original maturities of three months or less are considered cash equivalents. It is the policy of the agency to be secured by collateral valued at market or par, whichever is lower, less the amount of the insurance provided by the Federal Deposit Insurance Corporation. The agency's deposits were secured by \$500,000 FDIC insurance and the balance of \$1,200,613 was secured by securities pledged by the institution in which they were on deposit.

See Independent Auditor's Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment is recorded at the cost of acquisition. Depreciation is provided over the estimated useful lives of the assets as a charge against earnings. Most property and equipment is acquired with grants from Federal, state, and tribal governments, so no interest costs are usually associated with these acquisitions.

A summary of the property and equipment and the related accumulated depreciation follows:

SCHEDULE OF CHANGES IN FIXED ASSET ACCOUNTS

Year Ended June 30, 2013

	Beginning Balance	Reclass- ifications	Additions	Deductions	Ending Balance
Land	\$ 1,456,891	\$ -	\$ -	\$ -	\$ 1,456,891
Buildings	6,557,567	432,414	-	-	6,989,981
Furn, equip & mach- dwelling	18,730	-	-	-	18,730
Furn, equip & mach - admin	217,060	-	32,159	(48,346)	200,873
Leasehold improvements	659,006	-	24,920	-	683,926
Construction in progress	482,494	(432,414)	128,100	-	178,180
TOTAL	<u>9,391,748</u>	<u>-</u>	<u>185,179</u>	<u>(48,346)</u>	<u>9,528,581</u>
Accumulated depreciation	<u>(3,339,602)</u>	<u>-</u>	<u>261,689</u>	<u>(46,980)</u>	<u>(3,554,310)</u>
NET BOOK VALUE	<u>\$ 6,052,146</u>	<u>\$ -</u>	<u>\$(76,510)</u>	<u>\$ (1,366)</u>	<u>\$ 5,974,271</u>

Buildings are depreciated over an estimated useful life of 40 years, land improvements over an estimated useful life of 35 years, and equipment over an estimated useful life of 5 to 10 years. The straight-line method is used in computing depreciation. For the twelve months ended June 30, 2013 the sum of \$261,689 was charged against earnings.

NOTE D – ACCOUNTS RECEIVABLE

At June 30, 2013, the agency has amounts due from tenants in the amount of \$4,899. An allowance for uncollectible accounts in the amount of \$451 has been established which management feels is adequate. In addition, the agency has completed all the requirements necessary to receive \$11,958 in grants from the U. S. Department of Housing and Urban Development. There are other miscellaneous accounts receivable in the amount of \$604.

NOTE E – DEFERRED CHARGES

The agency has purchased insurance policies from various insurance companies, of which \$32,898 was unexpired, pro rata, at June 30, 2013. This is more than the amount that could be realized upon cancellation of the policies. The agency has purchased commercial insurance coverage to cover claims arising from the use of private automobiles by employees on agency business, automobile property damage and liability, losses from fire and other natural disasters, employee bond, and director's liability, and workers' compensation. In addition, the agency has maintenance materials on hand with a cost of \$23,877.

See Independent Auditor's Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE F – INTERGOVERNMENTAL REVENUES

During the twelve months ended June 30, 2013, the agency received \$1,678,998 from the U. S. Department of Housing and Urban Development as operating subsidies, rental assistance and capital grant funds. These amounts are reflected in the financial statements as intergovernmental revenues.

NOTE G – ACCOUNTS PAYABLE

Accounts payable represent amounts due vendors in the normal course of business in the amount of \$43,872 including amounts withheld from employees, and the employer's share of employee benefits.

NOTE H – ACCRUED EXPENSES

Amounts due employees for compensated absences and the related employee benefit expenses were \$17,322. Of this amount, \$1,732 represents amounts due to be paid in the next twelve months, and \$15,590 expected to be paid in future periods. The agency also maintains escrow accounts for tenants who are participating in the Family Self Sufficiency Program. As of June 30, 2013, the agency had \$37,382 held in these escrow accounts.

NOTE I – TENANT SECURITY DEPOSITS

The agency is holding the sum of \$77,906 to secure payment of rents and to assure that vacated units are left clean and habitable. After a tenant moves out, if there are unpaid rents or the housing unit must be cleaned or repaired, these amounts are deducted from the deposit and the balance is returned to the tenant.

NOTE J – UNEARNED REVENUES

As of June 30, 2013, the housing authority had received \$6,420 of tenant rents for July 2013, the agency also had received \$4,492 in the grants that had not been expended at June 30, 2013.

NOTE K – FEDERAL AND STATE GRANTS

In the normal course of operations, the agency receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

NOTE L – ADVERTISING COSTS

The Agency has elected to expense all advertising costs as incurred.

See Independent Auditor's Report

HOUSING AUTHORITY OF THE CITY OF SALINA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE M - RISK MANAGEMENT

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

During the year ended June 30, 2013, the Authority did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

NOTE N – ACCOUNTS PAYABLE OTHER GOVERNMENT

As of June 30, 2013, the organization owed \$25,836 to the City of Salina for PILOT (Payment in Lieu of Taxes) expense.

NOTE O – DEFINED BENEFIT PENSION PLAN

Plan description. The Housing Authority of the City of Salina participates in the Kansas Public Employees Retirement System (KPERS). KPERS is part of a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

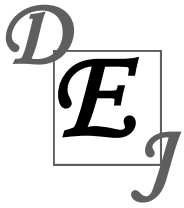
Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established by statute for fiscal year July 1, 2012 through June 30, 2013 is 7.34% for calendar year 2012, and 8.79% for calendar year 2013. The Housing Authority of the City of Salina's employer contributions to KPERS for the years ending June 30, 2013, 2012 and 2011 were \$34,503 , \$33,737, and, \$34,357, respectively, equal to the statutory required contributions for each year.

NOTE P – SUBSEQUENT EVENTS

The Housing Authority evaluated events and transactions occurring subsequent year end through October 17, 2013, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no non-recognized subsequent events requiring disclosure.

See Independent Auditor's Report

SPECIAL REPORTS



Dennis J. Edwards, CPA, P.A.

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

To the Board of Commissioners of the
Housing Authority of the City of Salina
Salina, Kansas

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Salina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which comprise the Housing Authority of the City of Salina's basic financial statements, and have issued my report thereon dated October 17, 2013.

Internal Control Over Financial Reporting

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

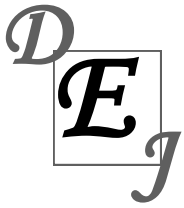
As part of obtaining reasonable assurance about whether the Housing Authority of the City of Salina's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dennis J. Edwards CPA PA

Holton, Kansas
October 17, 2013



Dennis J. Edwards, CPA, P.A.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Commissioners of the
Housing Authority of the City of Salina
Salina, Kansas

Report on Compliance for Each Major Federal Program

I have audited the Housing Authority of the City of Salina's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of The Housing Authority of the City of Salina's major federal programs for the year ended June 30, 2013. The Housing Authority of the City of Salina's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of The Housing Authority of the City of Salina's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Housing Authority of the City of Salina's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of The Housing Authority of the City of Salina's compliance.

Opinion on Each Major Federal Program

In my opinion, The Housing Authority of the City of Salina 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 June 30, 2013.

Report on Internal Control Over Compliance

Management of The Housing Authority of the City of Salina is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered The Housing Authority of the City of Salina'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, I do not express an opinion on the effectiveness of The Housing Authority of the City of Salina'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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Dennis J. Edwards CPA PA

Holton, Kansas
October 17, 2013

HOUSING AUTHORITY OF THE CITY OF SALINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Housing Authority of the City of Salina.
2. No material weaknesses or significant deficiencies were disclosed during the audit of the financial statements are reported.
3. No instances on noncompliance material to the financial statements of the Housing Authority of the City of Salina, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs disclosed during the audit is reported in the Housing Authority of the City of Salina. No material weaknesses as are reported.
5. The auditor's report on compliance for the major federal award programs for the Housing Authority of the City of Salina expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The programs tested as major programs were:
 - U.S. Department of Housing and Urban Development
Low Rent Public Housing – CFDA# 14-850a

 - U.S. Department of Housing and Urban Development
Housing Choice Vouchers – CFDA# 14-871

 - U.S. Department of Housing and Urban Development
Capital Fund Cluster
Public Housing Capital Fund Program – CFDA# 14-872
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Housing Authority of the City of Salina was determined to be a low-risk auditee.

FINDINGS-FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings or questioned costs for the year ended June 30, 2013.

HOUSING AUTHORITY OF THE CITY OF SALINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2013

There are no prior year audit findings.

SUPPLEMENTAL INFORMATION

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
FINANCIAL DATA SCHEDULES
June 30, 2013

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
	Balance Sheet						
	ASSETS						
111	Cash-unrestricted	\$ 190,099	\$ 78,591	\$ 353,303	\$ 621,993		\$ 621,993
113	Cash-other restricted	-	39,335	-	39,335		39,335
114	Cash-tenant security deposits	77,906	-	-	77,906		77,906
100	Total Cash	268,005	117,926	353,303	739,234	-	739,234
121	Accounts receivable - PHA projects	-	-	-	-		-
122	Accounts receivable - HUD other projects	6,728	5,205	-	11,933		11,933
124	Accounts receivable - other government	-	-	-	-		-
126	Accounts receivable - tenants	4,899	-	-	4,899		4,899
126.1	Allowance for doubtful accounts - tenants	(451)	-	-	(451)		(451)
127	Notes, Loans, & Mortgages Receivable - current	6,538	972	-	7,510		7,510
128	Fraud recovery	-	-	-	-		-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-		-
129	Accrued interest receivable	404	200	-	604		604
120	Total receivables, net of allowance for doubtful accounts	18,118	6,377	-	24,495	-	24,495
131	Investments - unrestricted	637,784	262,604	-	900,388		900,388
132	Investments - restricted	30,291	7,091	-	37,382		37,382
142	Prepaid expenses and other assets	32,699	-	199	32,898		32,898
143	Inventories	25,134	-	-	25,134		25,134
143.1	Allowance for obsolete inventories	(1,257)	-	-	(1,257)		(1,257)
144	Inter program - due from	210	-	5,105	5,315	(5,315)	-
150	Total Current Assets	1,010,984	393,998	358,607	1,763,589	(5,315)	1,758,274
161	Land	503,003	-	953,888	1,456,891		1,456,891
162	Buildings	6,966,177	-	23,804	6,989,981		6,989,981
163	Furniture, equipment and machinery - dwellings	18,730	-	-	18,730		18,730
164	Furniture, equipment and machinery - administration	126,151	18,599	56,123	200,873		200,873
165	Leasehold improvements	661,625	-	22,301	683,926		683,926
166	Accumulated depreciation	(3,459,270)	(18,128)	(76,912)	(3,554,310)		(3,554,310)
167	Construction in progress	178,180	-	-	178,180		178,180
160	Total capital assets, net of accumulated depreciation	4,994,596	471	979,204	5,974,271	-	5,974,271
171-050	Notes, Loans, & mortgages receivable - Non-Current - other	-	-	-	-		-
171	Notes, Loans, & mortgages receivable - Non-Current	-	-	-	-	-	-
180	Total Non-current Assets	4,994,596	471	979,204	5,974,271	-	5,974,271
190	Total Assets	6,005,580	394,469	1,337,811	7,737,860	(5,315)	7,732,545

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
FINANCIAL DATA SCHEDULES
June 30, 2013

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
	LIABILITIES AND NET ASSETS						
312	Accounts payable <= 90 days	6,751	1,727	1,115	9,593		9,593
321	Accrued wage/payroll taxes payable	18,456	4,602	9,489	32,547		32,547
322	Accrued compensated absences - current portion	1,112	71	549	1,732		1,732
332	Accounts payable - PHA projects	-	-	-	-		-
333	Accounts payable - other government	25,836	-	-	25,836		25,836
341	Tenant security deposits	77,906	-	-	77,906		77,906
342-030	Deferred revenue - Other	-	-	-	-		-
342	Deferred revenue	6,420	9,696	-	16,116		16,116
345	Other current liabilities	249	32	32	313		313
347	Inter program - due to	-	5,126	189	5,315	(5,315)	-
310	Total Current Liabilities	136,730	21,254	11,374	169,358	(5,315)	164,043
353	Non-current liabilities - other	30,291	7,091	-	37,382		37,382
354	Accrued compensated absences - non-current	10,007	639	4,944	15,590		15,590
350	Total Non-current liabilities	40,298	7,730	4,944	52,972	-	52,972
300	Total Liabilities	177,028	28,984	16,318	222,330	(5,315)	217,015
508.1	Invested in capital assets, net of related debt	4,994,596	471	979,204	5,974,271		5,974,271
511.1	Restricted Net Assets	-	39,335	-	39,335		39,335
512.1	Unrestricted Net Assets	833,956	325,679	342,289	1,501,924		1,501,924
513	Total Equity/Net Assets	5,828,552	365,485	1,321,493	7,515,530	-	7,515,530
600	Total Liabilities and Equity/Net assets	\$ 6,005,580	\$ 394,469	\$ 1,337,811	\$ 7,737,860	\$ (5,315)	\$ 7,732,545

HOUSING AUTHORITY OF THE CITY OF SALINA
HUD PROJECT NO. KS038
FINANCIAL DATA SCHEDULES
June 30, 2013

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
	Income Statement			Operations			
70300	Net tenant rental revenue	\$ 284,482	\$ -	\$ -	\$ 284,482		\$ 284,482
70400	Tenant revenue - other	53,269	-	-	53,269		53,269
70500	Total Tenant Revenue	337,751	-	-	337,751	-	337,751
70600-010	Housing assistance payments	389,518	1,134,323	-	1,523,841		1,523,841
70600-020	Ongoing administrative fees earned	-	-	-	-		-
70600-031	FSS Coordinator	-	-	-	-		-
70600	HUD PHA operating grants	389,518	1,134,323	-	1,523,841	-	1,523,841
70610	Capital grants	155,157	-	-	155,157	-	155,157
70710	Management fee	-	-	150,906	150,906	(150,906)	-
70720	Asset Management fee	-	-	19,440	19,440	(19,440)	-
70730	Bookkeeping fee	-	-	43,673	43,673	(43,673)	-
70700	Total Fee Revenue	-	-	214,019	214,019	(214,019)	-
71100	Investment income - unrestricted	4,960	2,633	2,361	9,954		9,954
71400-010	Housing Assistance Payment	-	12,704	-	12,704		12,704
71400-020	Administrative Fee	-	-	-	-		-
71400	Fraud recovery	-	12,704	-	12,704		12,704
71500	Other revenue	322	4,860	40,104	45,286	(34,328)	10,958
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-
72000-010	Housing Assistance Payment	-	-	-	-		-
72000	Investment income - restricted	-	-	-	-		-
70000	Total Revenue	887,708	1,154,520	256,484	2,298,712	(248,347)	2,050,365
91100	Administrative salaries	101,160	93,081	106,434	300,675		300,675
91200	Auditing fees	5,040	1,680	1,680	8,400		8,400
91300	Management fees	104,870	46,036	-	150,906	(150,906)	-
91310	Bookkeeping fees	14,235	29,438	-	43,673	(43,673)	-
91500	Employee benefit contributions - administrative	35,358	37,246	31,866	104,470		104,470
91600	Office Expenses	41,654	18,224	10,767	70,645	(34,328)	36,317
91700	Legal Expense	6,118	4,478	372	10,968		10,968
91800	Travel	2,497	443	4,453	7,393		7,393
91900	Other	10,164	6,108	15,790	32,062	-	32,062
91000	Total Operating-Administrative	321,096	236,734	171,362	729,192	(228,907)	500,285
92000	Asset management fee	19,440	-	-	19,440	(19,440)	-
92100	Tenant services - salaries	-	-	-	-		-
92300	Employee benefit contributions - tenant services	-	-	-	-		-
92400	Tenant services - other	3,339	-	-	3,339		3,339
92500	Total Tenant Services	3,339	-	-	3,339	-	3,339

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Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
93100	Water	1,563	-	169	1,732		1,732
93200	Electricity	5,897	-	688	6,585		6,585
93300	Gas	5,925	-	149	6,074		6,074
93600	Sewer	1,523	-	59	1,582		1,582
93000	Total Utilities	14,908	-	1,065	15,973	-	15,973
94100	Ordinary maintenance and operations - labor	65,963	-	-	65,963		65,963
94200	Ordinary maintenance and operations - materials and other	43,580	44	95	43,719		43,719
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	2,633	-	-	2,633		2,633
94300-020	Ordinary Maintenance and Operations Contracts - Heating and Cooling Contracts	620	-	-	620		620
94300-050	Ordinary Maintenance and Operations Contracts - Landscape and Grounds Contracts	15,374	-	-	15,374		15,374
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	41,439	-	-	41,439		41,439
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	919	-	-	919		919
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	11,273	-	-	11,273		11,273
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	2,795	-	-	2,795		2,795
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	4,113	-	9	4,122		4,122
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	27,030	-	649	27,679		27,679
94300	Ordinary Maintenance and Operations Contracts	106,196	-	658	106,854	-	106,854
94500	Employee benefit contribution - ordinary maintenance	34,776	-	-	34,776		34,776
94000	Total Maintenance	250,515	44	753	251,312	-	251,312
95200	Protective Services - Other Contract Cost	114	42	42	198		198
95300	Protective Services - other	83	-	-	83		83
95000	Total Protective Services	197	42	42	281		281
96110	Property Insurance	75,439	-	-	75,439		75,439
96120	Liability Insurance	1,082	541	541	2,164		2,164
96130	Workmen's Compensation	6,778	2,131	2,131	11,040		11,040
96140	All other Insurance	4,956	-	230	5,186		5,186
96100	Total Insurance Premiums	88,255	2,672	2,902	93,829	-	93,829
96200	Other general expenses	-	1,997	-	1,997		1,997
96210	Compensated absences	-	-	-	-		-
96300	Payments in lieu of taxes	25,836	-	-	25,836		25,836
96400	Bad debt - tenant rents	3,824	-	-	3,824		3,824
96000	Total Other General Expenses	29,660	1,997	-	31,657	-	31,657
96900	Total Operating Expenses	727,410	241,489	176,124	1,145,023	(248,347)	896,676
97000	Excess Revenue Over Operating Expenses	160,298	913,031	80,360	1,153,689	-	1,153,689
97100	Extraordinary maintenance	963	-	-	963		963
97200	Casualty losses - Non-capitalized	18,731	-	-	18,731		18,731
97300-050	All Other	-	1,020,647	-	1,020,647		1,020,647
97300	Housing assistance payments	-	1,020,647	-	1,020,647		1,020,647
97350	HAP Portability - In	-	-	-	-		-
97400	Depreciation expense	256,333	619	4,737	261,689		261,689
90000	Total Expenses	1,003,437	1,262,755	180,861	2,447,053	(248,347)	2,198,706

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Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
10010	Operating transfer in	87,704	1,336	-	89,040	(89,040)	-
10020	Operating transfer out	(87,704)	(1,336)	-	(89,040)	89,040	-
10100	Total other financing sources (uses)	-	-	-	-	-	-
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	(115,729)	(108,235)	75,623	(148,341)	-	(148,341)
11030	Beginning equity	5,944,281	472,716	1,245,870	7,662,867	-	7,662,867
11040-010	Prior period adjustment		1,004		1,004		1,004
11040-090	Equity transfers	-	-	-	-	-	-
	EQUITY AT END OF YEAR	\$ 5,828,552	\$ 365,485	\$ 1,321,493	\$ 7,515,530	\$ -	\$ 7,515,530
11170-001	Administrative Fee Equity- Beginning Balance		39,685		39,685		39,685
11170-010	Administrative Fee Revenue		142,161		142,161		142,161
11170-021	FSS Coordinator Grant		-		-		-
11170-040	Investment Income		163		163		163
11170-045	Fraud Recovery Revenue		6,352		6,352		6,352
11170-060	Total Admin Fee Revenues		150,418		150,418		150,418
11170-080	Total Operating Expenses		184,231		184,231		184,231
11170-090	Depreciation		619		619		619
11170-110	Total Expenses		184,850		184,850		184,850
11170-002	Net Administrative Fee		(34,432)		(34,432)		(34,432)
11170-003	Administrative Fee Equity- Ending Balance		5,253		5,253		5,253
11170	Administrative Fee Equity	\$ -	\$ 5,253		\$ 5,253	\$ -	\$ 5,253
11180-001	Housing Assistance Payments Equity - Begining Balance		114,288		114,288		114,288
11180-010	Housing Assistance Payment Revenues		899,180		899,180		899,180
11180-015	Fraud Recovery Revenue		6,352		6,352		6,352
11180-025	Investment Income		-		-		-
11180-030	Total HAP Revenues		909,986		909,986		909,986
11180-080	Housing Assistance Payments		984,939		984,939		984,939
11180-100	Total Housing Assistance Payments Expenses		984,939		984,939		984,939
11180-002	Net Housing Assistance Payments		(74,953)		(74,953)		(74,953)
11180-003	Housing Assistance Payments Equity-Ending Balance		39,335		39,335		39,335
11180	Housing Assistance Payments Equity	\$ -	\$ 39,335		\$ 39,335	\$ -	\$ 39,335
11190-210	Total ACC HCV Units	-	-		-		-
11190	Unit Months Available	1956	3,890		5846		5846
11210	Unit Months Leased	1837	3,947		5784		5784
11270	Excess Cash	\$ 728,673	\$ -		\$ 728,673	\$ -	\$ 728,673
11610	Land Purchases	-	-	-	-		-
11620	Building Purchases	136,737	-	-	136,737		136,737
11630	Furniture & Equipment-Dwelling Purchases	-	-	-	-		-
11640	Furniture & Equipment-Administrative Purchases	2,137	-	-	2,137		2,137
11650	Leasehold Improvements Purchases	16,283	-	-	16,283		16,283
11660	Infrastructure Purchases	-	-	-	-		-

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Line Item No	Description	Total Projects	KS038000001
	ASSETS		
111	Cash-unrestricted	\$ 190,099	\$ 190,099
114	Cash-tenant security deposits	77,906	77,906
100	Total Cash	268,005	268,005
122	Accounts receivable - HUD other projects	6,728	6,728
126	Accounts receivable - tenants	4,899	4,899
126.1	Allowance for doubtful accounts - tenants	(451)	(451)
127	Notes, Loans & Mortgages Receivable - Current	6,538	6,538
128	Fraud recovery	-	-
128.1	Allowance for doubtful accounts - fraud	-	-
129	Accrued interest receivable	404	404
120	Total receivables, net of allowance for doubtful accounts	18,118	18,118
131	Investments - unrestricted	637,784	637,784
132	Investments - restricted	30,291	30,291
142	Prepaid expenses and other assets	32,699	32,699
143	Inventories	25,134	25,134
143.1	Allowance for obsolete inventories	(1,257)	(1,257)
144	Inter program - due from	210	210
150	Total Current Assets	1,010,984	1,010,984
161	Land	503,003	503,003
162	Buildings	6,966,177	6,966,177
163	Furniture, equipment and machinery - dwellings	18,730	18,730
164	Furniture, equipment and machinery - administration	126,151	126,151
165	Leasehold improvements	661,625	661,625
166	Accumulated depreciation	(3,459,270)	(3,459,270)
167	Construction in progress	178,180	178,180
168	Infrastructure	-	-
160	Total capital assets, net of accumulated depreciation	4,994,596	4,994,596
180	Total Non-current Assets	4,994,596	4,994,596
190	Total Assets	\$ 6,005,580	\$ 6,005,580

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LIABILITIES AND NET ASSETS			
311	Bank Overdraft	-	-
312	Accounts payable <= 90 days	6,751	6,751
321	Accrued wage/payroll taxes payable	18,456	18,456
322	Accrued compensated absences - current portion	1,112	1,112
332	Accounts payable - PHA projects	-	-
333	Accounts payable - other government	25,836	25,836
341	Tenant security deposits	77,906	77,906
342	Deferred revenue - other	6,420	6,420
345	Other current liabilities	249	249
347	Inter program - due to	-	-
310	Total Current Liabilities	136,730	136,730
353	Non-current liabilities - other	30,291	30,291
354	Accrued compensated absences - non-current	10,007	10,007
350	Total Non-Current Liabilities	40,298	40,298
300	Total Liabilities	177,028	177,028
508.1	Invested in capital assets, net of related debt	4,994,596	4,994,596
511.1	Restricted Net Assets	-	-
512.1	Unrestricted Net Assets	833,956	833,956
513	Total Equity/Net Assets	5,828,552	5,828,552
600	Total Liabilities and Equity/Net assets	\$ 6,005,580	\$ 6,005,580

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Line Item No.	Description	Total Projects	KS038000001	Operating Fund Program	Capital Fund Program
70300	Net tenant rental revenue	\$ 284,482	\$ 284,482	\$ 284,482	\$ -
70400	Tenant revenue - other	53,269	53,269	53,269	-
70500	Total Tenant Revenue	337,751	337,751	337,751	-
70600	HUD PHA operating grants	389,518	389,518	278,981	110,537
70610	Capital grants	155,157	155,157	-	155,157
71100	Investment income - unrestricted	4,960	4,960	4,960	
71500	Other revenue	322	322	322	
71600	Gain or Loss on sale of capital assets	-	-	-	
70000	Total Revenue	887,708	887,708	622,014	265,694
91100	Administrative salaries	101,160	101,160	101,160	
91200	Auditing fees	5,040	5,040	5,040	
91300	Management fee	104,870	104,870	84,189	20,681
91310	Bookkeeping fee	14,235	14,235	14,235	
91500	Employee benefit contributions - administrative	35,358	35,358	35,358	
91600	Office Expenses	41,654	41,654	41,654	
91700	Legal Expense	6,118	6,118	6,118	
91800	Travel	2,497	2,497	2,497	
91900	Other	10,164	10,164	10,164	
91000	Total Operating-Administrative	321,096	321,096	300,415	20,681
92000	Asset management fee	19,440	19,440	19,440	
92400	Tenant services - other	3,339	3,339	3,339	
92500	Total Tenant Services	3,339	3,339	3,339	-
93100	Water	1,563	1,563	1,563	
93200	Electricity	5,897	5,897	5,897	
93300	Gas	5,925	5,925	5,925	
93600	Sewer	1,523	1,523	1,523	
93000	Total Utilities	14,908	14,908	14,908	-
94100	Ordinary maintenance and operations - labor	65,963	65,963	65,963	
94200	Ordinary maintenance and operations - materials and other	43,580	43,580	41,428	2,152
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	2,633	2,633	2,633	
94300-020	Ordinary Maintenance and Operations Contracts - Heating and Cooling Contracts	620	620	620	
94300-050	Ordinary Maintenance and Operations Contracts - Landscape and Grounds Contracts	15,374	15,374	15,374	
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turn Around Contracts	41,439	41,439	41,439	
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	919	919	919	
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	11,273	11,273	11,273	
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	2,795	2,795	2,795	
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	4,113	4,113	4,113	
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	27,030	27,030	27,030	
94300	Ordinary Maintenance and Operations Contracts	106,196	106,196	106,196	-
94500	Employee benefit contribution - ordinary maintenance	34,776	34,776	34,776	
94000	Total Maintenance	250,515	250,515	248,363	2,152

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Line Item No.	Description	Total Projects	KS002000001	Operating Fund Program	Capital Fund Program
95200	Protective Services - other contract costs	114	114	114	
95300	Protective Services - other	83	83	83	
95000	Total Protective Services	197	197	197	-
96110	Property Insurance	75,439	75,439	75,439	
96120	Liability Insurance	1,082	1,082	1,082	
96130	Workmen's Compensation	6,778	6,778	6,778	
96140	All other Insurance	4,956	4,956	4,956	
96100	Total Insurance Premiums	88,255	88,255	88,255	-
96210	Compensated absences	-	-	-	
96300	Payments in lieu of taxes	25,836	25,836	25,836	
96400	Bad debt tenant rents	3,824	3,824	3,824	
96000	Total Other General Expenses	29,660	29,660	29,660	-
96900	Total Operating Expenses	727,410	727,410	704,577	22,833
97000	Excess Revenue Over Operating Expenses	160,298	160,298	(82,563)	242,861
97100	Extraordinary maintenance	963	963	963	-
97200	Casualty losses - Non-capitalized	18,731	18,731	18,731	
97400	Depreciation expense	256,333	256,333	256,210	123
90000	Total Expenses	1,003,437	1,003,437	980,481	22,956
10010	Operating transfer in	87,704	87,704	87,704	
10020	Operating transfer out	(87,704)	(87,704)		(87,704)
10100	Total other financing sources (uses)	-	-	87,704	(87,704)
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	(115,729)	(115,729)	(270,763)	155,034
11030	Beginning equity	5,944,281	5,944,281	5,944,281	-
11040-080	Equity Transfers	-	-	-	-
11040-090	Equity Transfers	-	-	-	-
11040	Prior period adjustments, equity transfers, and correction of errors	-	-	-	-
	EQUITY AT END OF YEAR	\$ 5,828,552	\$ 5,828,552	\$ 5,673,518	\$ 155,034
11190	Unit Months Available	1956	1956	1956	-
11210	Unit Months Leased	1837	1837	1837	-
11270	Excess Cash	\$ 728,673	\$ 728,673	\$ 728,673	\$ -
11610	Land Purchases	-	-	-	-
11620	Building Purchases	136,737	136,737	-	136,737
11630	Furniture & Equipment-Dwelling Purchases	-	-	-	-
11640	Furniture & Equipment-Administrative Purchases	2,137	2,137	-	2,137
11650	Leasehold Improvements Purchases	16,283	16,283	-	16,283
11660	Infrastructure Purchases	-	-	-	-

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Line Item No.	Description	Total Programs	1 Business Activities	14,238 Shelter Plus Care	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services
Balance Sheet						
111	Cash-unrestricted	\$ 78,591	\$ 55,820	\$ 1,379	\$ 21,392	\$ -
113	Cash-other restricted	39,335			39,335	
100	Total Cash	117,926	55,820	1,379	60,727	-
121	Accounts receivable - PHA projects	-			-	
122	Accounts receivable - HUD other projects	5,205		5,188	-	17
124	Accounts receivable - other government	-				
127	Notes, Loans & Mortgages receivable - current	972	972			
129	Accrued interest receivable	200	200			
120	Total receivables, net of allowance for doubtful accounts	6,377	1,172	5,188	-	17
131	Investments - unrestricted	262,604	262,604			
132	Investments - restricted	7,091			7,091	
142	Prepaid Expenses and other expenses	-			-	
143	Inventories	-				
144	Inter program - due from	-				
150	Total Current Assets	393,998	319,596	6,567	67,818	17
161	Land	-				
162	Buildings	-				
163	Furniture, equipment and machinery - dwellings	-				
164	Furniture, equipment and machinery - administration	18,599			18,599	
165	Leasehold improvements	-				
166	Accumulated depreciation	(18,128)			(18,128)	
167	Construction in progress	-				
168	Infrastructure	-				
160	Total capital assets, net of accumulated depreciation	471	-	-	471	-
171-050	Notes, Loans, & mortgages receivable - Non-Current - other	-	-			
171	Notes, Loans, & mortgages receivable - Non-Current	-	-			
180	Total Non-current Assets	471	-	-	471	-
190	Total Assets	394,469	319,596	6,567	68,289	17
312	Accounts payable <= 90 days	1,727			1,727	
321	Accrued wage/payroll taxes payable	4,602			4,602	
322	Accrued compensated absences - current portion	71			71	
342	Deferred revenue	9,696		161	9,535	
345	Other Current Liabilities	32			32	
347	Inter program - due to	5,126		5,105	4	17
310	Total Current Liabilities	21,254	-	5,266	15,971	17
353	Non-current liabilities - other	7,091			7,091	
354	Accrued compensated absences- Non-current	639			639	
350	Total Non-current liabilities	7,730	-	-	7,730	-
300	Total Liabilities	28,984	-	5,266	23,701	17
508.1	Invested in capital assets, net of related debt	471	-	-	471	-
511.1	Restricted Net Assets	39,335	-	-	39,335	-
512.1	Unrestricted Net Assets	325,679	319,596	1,301	4,782	-
513	Total Equity/Net Assets	365,485	319,596	1,301	44,588	-
600	Total Liabilities and Equity/Net assets	394,469	319,596	6,567	68,289	17

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Line Item No.	Description	Total Programs	1 Business Activities	14,238 Shelter Plus Care	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services
Income Statement						
70600-010	Housing assistance payments	1,134,323		38,578	1,041,341	54,404
70600-020	Ongoing administrative fees earned	-			-	
70600-031	FSS coordinator	-			-	
70600	HUD PHA operating grants	1,134,323	-	38,578	1,041,341	54,404
70610	Capital grants	-				
71100	Investment income - unrestricted	2,633	2,467	3	163	-
71400-010	Housing Assistance Payment	12,704			12,704	
71400-020	Administrative Fee	-			-	
71400	Fraud recovery	12,704	-	-	12,704	-
71500	Other revenue	4,860			4,860	
71600	Gain or Loss on sale of capital assets	-			-	
72000-010	Housing Assistance Payment	-			-	
72000	Investment income - restricted	-	-	-	-	-
70000	Total Revenue	1,154,520	2,467	38,581	1,059,068	54,404
91100	Administrative salaries	93,081		-	54,716	38,365
91200	Auditing fees	1,680			1,680	
91300	Management fee	46,036	360	268	45,408	
91310	Bookkeeping fee	29,438		1,058	28,380	
91500	Employee benefit contributions - administrative	37,246			21,207	16,039
91600	Office Expenses	18,224	-	-	18,224	
91700	Legal Expense	4,478			4,478	
91800	Travel	443			443	
91900	Other	6,108	-	2	6,106	
91000	Total Operating-Administrative	236,734	360	1,328	180,642	54,404
92100	Tenant services - salaries	-			-	-
92300	Employee benefit contributions - tenant services	-			-	-
92400	Tenant services - other	-			-	-
92500	Total Tenant Services	-	-	-	-	-
94200	Ordinary maintenance and operations - materials and other	44		-	44	
94300-050	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	-			-	
94300	Ordinary Maintenance and Operations Contracts	-	-	-	-	-
94000	Total Maintenance	44	-	-	44	-
95200	Protective services - other contract cost	42			42	
95000	Total Protective Services	42			42	
96120	Liability Insurance	541			541	
96130	Workmen's Compensation	2,131			2,131	
96100	Total Insurance Premiums	2,672			2,672	
96200	Other general expenses	1,997	1,166		831	
96000	Total Other General Expenses	1,997	1,166	-	831	-
96900	Total Operating Expenses	241,489	1,526	1,328	184,231	54,404
97000	Excess Revenue Over Operating Expenses	913,031	941	37,253	874,837	-
97300-050	All Other	1,020,647		35,708	984,939	
97300	Housing assistance payments	1,020,647	-	35,708	984,939	-
97350	HAP Portability - in	-			-	
97400	Depreciation expense	619	-	-	619	-
90000	Total Expenses	1,262,755	1,526	37,036	1,169,789	54,404

HOUSING AUTHORITY OF THE CITY OF SALINA
 HUD PROJECT NO. KS038
 FINANCIAL DATA SCHEDULES
 June 30, 2013

Line Item No.	Description	Total Programs	1 Business Activities	14,238 Shelter Plus Care	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services
10010	Operating transfer in	1,336			1,336	
10020	Operating transfer out	(1,336)		(1,336)		
10100	Total Other Financing Sources (uses)	-		(1,336)	1,336	
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	(108,235)	941	209	(109,385)	-
11030	Beginning equity	472,716	318,655	88	153,973	-
11040-010	Prior period adjustment	1,004		1,004	-	
11040-090	Equity Transfers	-				-
11040	Prior period adjustments, equity transfers, and correction of errors	1,004	-	1,004	-	-
	EQUITY AT END OF YEAR	365,485	\$ 319,596	\$ 1,301	\$ 44,588	\$ -

11170-001	Administrative Fee Equity- Beginning Balance	\$ 39,685			\$ 39,685	
11170-010	Administrative Fee Revenue	142,161			142,161	
11170-021	FSS Coordinator Grant	-			-	
11170-040	Investment Income	163			163	
11170-045	Fraud Recovery Revenue	6,352			6,352	
11170-050	Other Revenue	1,742			1,742	
11170-060	Total Admin Fee Revenues	150,418			150,418	
11170-080	Total Operating Expenses	184,231			184,231	
11170-090	Depreciation	619			619	
1170-100	Other Expenses	-			-	
11170-110	Total Expenses	184,850			184,850	
11170-002	Net Administrative Fee	(34,432)			(34,432)	
11170-003	Administrative Fee Equity- Ending Balance	5,253			5,253	
11170	Administrative Fee Equity	\$ 5,253			\$ 5,253	
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ 114,288			\$ 114,288	
11180-010	Housing Assistance Payment Revenues	899,180			899,180	
11180-015	Fraud Recovery Revenue	6,352			6,352	
11180-020	Other Revenue	4,454			4,454	
11180-025	Investment Income	-			-	
11180-030	Total HAP Revenues	909,986			909,986	
11180-080	Housing Assistance Payments	984,939			984,939	
11180-100	Total Housing Assistance Payments Expenses	984,939			984,939	
11180-002	Net Housing Assistance Payments	(74,953)			(74,953)	
11180-003	Housing Assistance Payments Equity-Ending Balance	39,335			39,335	
11180	Housing Assistance Payments Equity	\$ 39,335			\$ 39,335	
11190-210	Total ACC HCV Units	-			-	
11190-220	Unfunded Units	-			-	
11190-230	Other Adjustments	-			-	
11190	Unit Months Available	3,890	0	158	3732	0
11210	Unit Months Leased	3,947	0	158	3789	0
11270	Excess Cash	-	\$ -	\$ -	\$ -	\$ -
11610	Land Purchases	-				
11620	Building Purchases	-				
11630	Furniture & Equipment-Dwelling Purchases	-				
11640	Furniture & Equipment-Administrative Purchases	-				
11650	Leasehold Improvements Purchases	-				

HOUSING AUTHORITY OF THE CITY OF SALINA
 HUD PROJECT NO. KS038
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2013

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures (\$)
CFP Cluster-Cluster		
Department of Housing and Urban Development Direct Programs		
Public Housing Capital Fund	14.872	265,694
Total CFP Cluster-Cluster		<u>265,694</u>
Other Programs		
Department of Housing and Urban Development Direct Programs		
Public and Indian Housing	14.850	278,981
Resident Opportunity and Support Services- Service Coordinators	14.870	54,404
Section 8 Housing Choice Vouchers	14.871	1,041,341
Shelter Plus Care	14.238	38,578
Total Other Programs		<u>1,413,304</u>
Total Expenditures of Federal Awards		<u><u>1,678,998</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Salina, HUD Project No. KS038, and is presented on the accrual basis. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.