



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Peninsula Housing Authority

Clallam County

For the period July 1, 2013 through June 30, 2014

Published March 30, 2015

Republished June 21, 2017

Report No. 1013804





Office of the Washington State Auditor
Pat McCarthy

June 21, 2017

Board of Commissioners
Peninsula Housing Authority
Port Angeles, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the Peninsula Housing Authority's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Housing Authority's financial condition.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

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FEDERAL SUMMARY

Peninsula Housing Authority Clallam County July 1, 2013 through June 30, 2014

The results of our audit of the Peninsula Housing Authority are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

Financial Statements

An unmodified opinion was issued on the financial statements of the business-type activities and the aggregate discretely presented component units and remaining fund information.

Internal Control Over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Housing Authority.

Federal Awards

Internal Control Over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Housing Authority's compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

Identification of Major Programs:

The following were major programs during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
14.239	HOME Investment Partnerships Program
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The Housing Authority qualified as a low-risk auditee under OMB Circular A-133.

**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**

**Peninsula Housing Authority
Clallam County
July 1, 2013 through June 30, 2014**

Board of Commissioners
Peninsula Housing Authority
Port Angeles, Washington

We have audited, 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, the financial statements of the business-type activities and the aggregate discretely presented component units and remaining fund information of the Peninsula Housing Authority, Clallam County, Washington, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated March 18, 2015. This report, which replaces a previously issued report, has been reissued to report on the revised Schedule of Expenditures of Federal awards.

Our report includes a reference to other auditors who audited the financial statements of the Lee Hotel Tax Credit Partnership and the Port Hadlock Garden Court Apartments Tax Credit Partnership, as described in our report on the Housing Authority's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. The financial statements of Lee Hotel Tax Credit Partnership were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Lee Hotel Tax Credit Partnership.

As discussed in Note 1 to the financial statements, during the year ended June 30, 2014, the Housing Authority implemented Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Housing 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 Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing 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 Housing Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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.

This report, which replaces a previously issued report, has been reissued to report on the revised Schedule of Expenditures of Federal Awards. This report has also been changed to rescind a finding that, upon receipt of additional information, was determined to not be applicable.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we performed tests of the Housing Authority's 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 and the reports of the other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing 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 Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy

State Auditor

Olympia, WA

March 18, 2015, except our report on the Schedule of Expenditures of Federal Awards, for which the date is May 31, 2017.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

**Peninsula Housing Authority
Clallam County
July 1, 2013 through June 30, 2014**

Board of Commissioners
Peninsula Housing Authority
Port Angeles, Washington

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM**

We have audited the compliance of the Peninsula Housing Authority, Clallam County, Washington, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The Housing Authority's major federal programs are identified in the accompanying Federal Summary.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing 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 Housing 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. Our audit does not provide a legal determination on the Housing Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing 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 June 30, 2014.

Other Matters – Report Reissuance

This report, which replaces a previously issued report, has been reissued to report on CFDA 14.871 Section 8 Housing Choice Vouchers, as an additional major program. The accompanying Federal Summary has also been changed to remove reference to a rescinded finding in internal control over financial reporting.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the Housing 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 Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order 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 Housing 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 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.

PURPOSE OF THIS REPORT

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy

State Auditor

Olympia, WA

March 18, 2015, except for our report on the CFDA 14.871 Section 8 Housing Choice Vouchers program, for which the date is May 31, 2017.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Peninsula Housing Authority Clallam County July 1, 2013 through June 30, 2014

Board of Commissioners
Peninsula Housing Authority
Port Angeles, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units and remaining fund information of the Peninsula Housing Authority, Clallam County, Washington, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed on page 17.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Lee Hotel Tax Credit Partnership or the Port Hadlock Garden Court Apartments Tax Credit Partnership, which represent 100 percent of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lee Hotel Tax Credit Partnership and the Port Hadlock Garden Court Apartments Tax Credit Partnership, is based solely on the reports of the other auditors. 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. The financial statements of the Lee Hotel Tax Credit Partnership were not audited in accordance with *Government Auditing Standards*.

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 Housing 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 Housing 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.

Opinion

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units and remaining fund information of the Peninsula Housing Authority, as of June 30, 2014, 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.

Matters of Emphasis

As discussed in Note 1 to the financial statements, in 2014, the Housing Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Report Reissuance

This report, which replaces a previously issued report, has been reissued to report on the revised Schedule of Expenditures of Federal Awards.

USDA Section 502 Borrower Loan Accounts

In connection with our audit, nothing came to our attention that caused us to believe that Peninsula Housing Authority failed to comply with the terms, covenants, provisions, or conditions of USDA Rural Development (RD) Instruction 1944-I regarding the Section 502 borrower loan accounts, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Housing Authority's noncompliance with the above-referenced terms, covenants, provisions, or conditions, insofar as they relate to accounting matters.

Restricted Use Relating to the USDA Section 502 Borrower Loan Accounts Other Matter

The purpose of the communication related to compliance with the aforementioned USDA Rural Development Section 502 borrower loan accounts described in the Other Matters paragraph is solely to describe the scope of our testing of compliance and the results of that testing.. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's compliance. Accordingly, this communication is not suitable for any other purpose.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 through 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the

information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2015 and May 31, 2017, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting

or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy

State Auditor

Olympia, WA

March 18, 2015, except for our report on the Schedule of Expenditures of Federal Awards, for which the date is May 31, 2017.

FINANCIAL SECTION

**Peninsula Housing Authority
Clallam County
July 1, 2013 through June 30, 2014**

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2014

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2014

Statement of Revenues, Expenses and Changes in Fund Net Position – 2014

Statement of Cash Flows – 2014

Statement of Fiduciary Net Position – 2014

Notes to Financial Statements – 2014

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards and Notes – 2014

Financial Data Schedule – 2014

Management's Discussion and Analysis

Peninsula Housing Authority (the Authority) is dedicated to enhancing the quality of life in Clallam and Jefferson Counties by providing and effectively managing low cost housing which is diverse, well-maintained and aesthetically pleasing for people whose circumstances prevent them from competing in the general marketplace. The Housing Authority seeks to achieve the highest and best use of housing for people of low and moderate income through the promotion of economic development and self-sufficiency opportunities.

As management of Peninsula Housing Authority, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Peninsula Housing Authority, 2603 South Francis St., Port Angeles, WA 98362.

Financial Highlights

Net position

- The assets of the Authority exceeded its liabilities as of June 30, 2014 by \$6,054,069.

Cash Balance

- The Authority's unrestricted cash balance as of June 30, 2014 was \$1,416,956 representing a decrease of \$45,789 from the prior year. This decrease is in part due to the spend-down of program reserves in two major programs – Housing Choice Voucher and Public Housing.

Operating Revenues and Expenses

- The Authority had Total Operating Revenues of \$2,901,952 and Total Operating Expenses of \$7,604,352 for the year ended June 30, 2014 resulting in an operating loss of \$(4,702,400). This operating loss is offset by non-operating revenue, capital grants, a small prior period adjustment, and interest expense resulting in an increase in Net position of \$176,885.

Federal Awards

The Authority's Federal Awards expended amounted to \$5,644,800, for the fiscal year ended June 30, 2014. This amount does not include the amount provided by USDA loans expended on behalf of individual USDA borrowers under their (borrowers) separate USDA mortgage loans.

Cost Allocation Plan

The Authority used the Direct Cost Allocation Method, as defined by OMB Circular A-87, for the fiscal years ending June 30, 2014 and 2013.

Overview of the Financial Statements

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

- Statement of Net position – reports the Authority’s assets and liabilities using the economic resources measurement focus and the accrual basis of accounting. As such, all current spendable resources are reported with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses, and Changes in Net position reports the Authority’s operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authority’s finances is “Is the Authority, as a whole, better or worse off as a result of the year’s activities?” We, as an agency, believe that our overall financial position, as a whole, is consistent with past years. In this year we did have a net increase in net position. This is in part due to an increase in Tenant and Other Revenue and an increase in the collection of Grant Revenue.

The attached analysis of entity wide net position, revenues, and expenses is provided to assist with understanding the net asset increase. This analysis includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues when earned and expenses when incurred regardless of when cash is received or paid.

Our analysis also presents the Authority’s net position and changes in them. You can think of the Authority’s net position as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The change in net position analysis will assist the reader with measuring the health or financial position of the Authority. Over time, significant changes in the Authority’s net position are an indicator of its financial health. The reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority’s capital assets.

Analysis of Entity Wide Net position (Statement of Net position)

Total Assets as of June 30, 2014 was \$15,497,934 and as of June 30, 2013 was \$14,407,947. This represents a net increase of \$1,089,987 from the prior year. As indicated above, the increase is in part due to an increase in Tenant and Other Revenue and an increase in the collection of Grant Revenue.

Total Liabilities as of June 30, 2014 were \$9,443,865 and as of June 30, 2013 were \$8,530,763. This is an increase of \$913,102 or an increase of about 10%. This increase is in part due to the

increase in deferred debt incurred through draw down grants and loans for the development of Eklund Heights and Homestead Rehab.

Net position as of June 30, 2014 were \$6,054,069 and as of June 30, 2013 were \$5,877,184. This is an increase of \$176,885 or a little more than 3%. As indicated above, the increase is in part due to an increase in Tenant and Other Revenue and an increase in the collection of Grant Revenue.

The following illustrates our analysis:

Peninsula Housing Authority			
Comparative Balance Sheet			
	2014	2013	Variance
ASSETS			
Cash	\$ 2,679,464	\$ 2,731,043	\$ (51,579)
Other Current Assets	692,744	388,297	\$ 304,447
Capital Assets	11,495,832	10,665,713	\$ 830,119
Other Assets & Investments	629,894	622,894	\$ 7,000
TOTAL ASSETS:	15,497,934	14,407,947	\$ 1,089,987
LIABILITIES			
Current Liabilities	\$ 469,691	\$ 1,121,145	\$ (651,454)
Noncurrent Liabilities	8,974,174	7,409,618	\$ 1,564,556
TOTAL LIABILITIES	9,443,865	8,530,763	\$ 913,102
NET POSITION			
Net Invested in Capital Assets	2,722,359	2,731,297	(8,938)
Restricted	1,098,409	1,195,059	(96,650)
Unrestricted	2,233,301	1,950,828	282,473
TOTAL NET POSITION	6,054,069	5,877,184	176,885
TOTAL LIABILITIES AND NET POSITION	\$ 15,497,934	14,407,947	\$ 1,089,987

Analysis of Entity Wide Changes in Net position

Total Operating Revenues: In the fiscal years ended, 2014 and 2013, total operating revenues were \$2,901,952 and 2,383,018, respectively. Comparatively, the fiscal year ended 2014 revenues were more than the fiscal year ended 2013 revenues by \$518,934 or more than 18%. In part, this increase was generated from the portion of management fees that is not part of elimination and an increase in Other Revenue generated from Capital and other grants.

Total Operating Expenses increased by \$167,276 or a little more than 2% in the fiscal year ended 2014 as compared to the fiscal year ended 2013. In the fiscal years ended 2014 and 2013 total operating expenses were \$7,604,352 and \$7,437,076 respectively. The major factor in this increase is the costs incurred in maintenance for extra help in the year and extraordinary maintenance to put in sidewalks with reimbursement from a Clallam County grant.

Housing Assistance Payments decreased by \$29,170 from 2013 to 2014. These payments decreased as a result of a decrease in leasing in the current year. We had been spending into our NRA in 2013 and had to rectify that in the current year.

Administrative Expenses increased by \$24,252 from 2013 to 2014. This increase is in part due to legal fees and travel expenses.

Peninsula Housing Authority			
Statement of Revenue, Expenses and changes in Fund Net Assets			
Comparative			
Business Type Activities	2014	2013	Net Change
OPERATING REVENUES			
Tenant Revenue	1,124,948	1,101,948	23,000
Other Revenue	1,777,189	1,281,070	496,119
Total Operating Revenue	\$ 2,902,137	\$ 2,383,018	519,119
NONOPERATING REVENUES			
Interest and Investments	2,093	2,729	(636)
Government Operating Grants	4,597,369	4,548,010	49,359
Total Operating Revenue	\$ 4,599,462	\$ 4,550,739	48,723
TOTAL REVENUES	\$ 7,501,599	\$ 6,933,757	567,842
OPERATING EXPENSES			
Administrative	1,573,490	1,549,238	24,252
Tenant Services	115,985	112,602	3,383
Utilities	355,270	336,825	18,445
Maintenance	776,771	682,233	94,538
Extraordinary Maintenance	93,224	0	93,224
General	79,004	30,167	48,837
Housing Assistance Payment	3,959,646	3,988,816	(29,170)
Depreciation	650,962	737,195	(86,233)
Total Operating Expenses	\$ 7,604,352	\$ 7,437,076	167,276
NONOPERATING EXPENSES			
Interest Expense	60,933	84,537	(23,604)
Total Non-Operating Expenses	60,933	84,537	
TOTAL EXPENSES	\$ 7,665,285	\$ 7,521,613	143,672
Income (Loss) before Contributions and Special items	(163,686)	(587,856)	
Capital Grants	340,571	169,377	171,194
Gain/Loss of Sale of Capital Assets		(58,634)	58,634
CHANGE IN NET POSITION	\$ 176,885	\$ (477,113)	653,998
Total Net Position-Beginning	5,877,184	6,414,866	(537,682)
Prior Period Adjustments		(60,569)	60,569
Total Net Position - Beginning as restated	5,877,184	6,354,297	(477,113)
Total Net Position-Ending	\$ 6,054,069	\$ 5,877,184	176,885

Capital Assets

As of June 30, 2014, the Authority had \$11,495,832 invested in a variety of capital assets as reflected in the following schedule, which is presented in detail in Note 2 to the financial statements. These totals do not include capital assets of the component units.

Business Type Activities	Beginning Balance 07/01/2013	Increases	Decreases	Ending Balance 06/30/2014
Capital assets, not being depreciated				
Land	4,070,335	688,972	(1,939,515)	2,819,792
Construction in Progress	1,064,945	1,568,758	(594,723)	2,038,980
Total Capital Assets, not being depreciated	5,135,280	2,257,730	(2,534,238)	4,858,772
Capital assets, being depreciated				
Buildings	16,966,260	-	-	16,966,260
Machinery and Equipment	665,497	25,093	-	690,590
Improvements other than buildings	394,097	1,732,494		2,126,592
Total Capital assets, being depreciated	18,025,855	1,757,587	-	19,783,442
Less Accumulated Depreciation	(12,495,421)	(721,141)	70,181	(13,146,382)
Total Capital Assets, being depreciated, net	5,530,433	1,036,446	70,181	6,637,060
Business-type activities Capital Assets, net	10,665,713	3,294,176	(2,464,057)	11,495,832

The change in capital assets reflects an increase in leasehold improvements (Improvements other than buildings) made in the current year.

Debt Activity

As of June 30, 2014 the Authority has \$9,033,217 of bonds, compensated absences, notes and loans payable and non-current liabilities. Detail of Bonds, Notes and Loans payable is set forth in Note 4 of the financial statements.

Future Events (New Business)

The Authority will continue to improve financial management tools to help department heads streamline overhead and monitor cost allocations to reflect program usage. The Authority must

also continue to generate revenues. This can be done by pursuing alternative funding options such as grants, and identifying additional fee for service opportunities.

In the fiscal year ended 2014 the Authority plans and will pursue:

- Acquisition of additional building lots and/or rehab homes for the 2014-2015 development of Mutual Self-Help Housing in both Port Angeles and Port Townsend.
- Final development of the property known as “Eklund Heights I” with the Housing Trust Fund award received and the receipt of an occupancy permit for lease-up about November 1, 2014.
- The continuation for the potential redevelopment of existing Housing Authority properties if a detailed assessment of these properties warrants such redevelopment.
- The Housing Authority has adopted a master plan to redevelop Mt. Angeles View. The demolition/reconstruction of 6 units (Phase Ia) and the infrastructure construction for Phase I a and b is expected to start with City CDBG funds and Public Housing Capital Funds in the Winter of 2014. The Housing Authority will seek funding for the future redevelopment phases of the project to create a mixed-income neighborhood.
- The Housing Authority is in process of selling ownership of Sunbelt Apartments to Serenity House of Clallam County. The sale is currently under review by the State of Washington, Department of Commerce, as well as assignment of the low-income housing covenant agreement.
- Opportunities for the acquisition/rehabilitation and/or construction of new multi-family units in Jefferson County will also be explored in the coming year.

Peninsula Housing Authority
Statement of Net Position
June 30, 2014

	Primary Government	Component Unit 1 - LEE PLAZA	Component Unit 2 - GARDEN COURT
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,416,956	\$ 97,883	\$ 49,820
Restricted Cash and Cash Equivalents	1,262,507	127,272	372,405
Investments	136,675		
Receivables, Net	429,531	4,029	99,363
Prepaid Assets	15,414	12,338	3,106
Inventories	32,914	5,271	
Interprogram Due From	78,211	-	-
Total Current Assets	3,372,208	246,793	524,694
Non-current Assets			
Capital Assets:			
Land	2,819,792	254,849	295,638
Building And Equipment	19,783,442	2,066,474	4,394,580
Construction in Progress	2,038,980		
Less Accumulated Depreciation	(13,146,382)	(2,030,067)	(466,823)
Capital Assets, Net	11,495,832	291,256	4,223,395
Other Noncurrent Assets	629,894	13,914	66,901
Total Non-current Assets	12,125,726	305,170	4,290,296
TOTAL ASSETS	\$ 15,497,934	\$ 551,963	\$ 4,814,990
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 199,441	\$ 7,268	\$ 3,494
Accrued Liabilities	30,305	1,821	-
Tenant Security Deposits	108,620	20,383	18,610
Prepaid Rents	283	-	
Bonds, Notes, and Loans Payable	59,043		
Other current liabilities	71,999		6,671
Due to Primary Government		5,768	5,088
Total Current Liabilities	469,691	35,240	33,863
Non-current Liabilities			
Bonds, Notes, and Loans Payable	8,714,429	1,355	4,245,131
Accrued Compensated Absences Non-Current	82,115	404	-
Non-Current Liabilities-Other	177,630	437,952	41,583
Total Non-current Liabilities	8,974,174	439,711	4,286,714
TOTAL LIABILITIES	9,443,865	474,951	4,320,577
NET POSITION			
Net Invested in Capital Assets	2,722,359	72,781	(21,735)
Restricted for Housing Choice Voucher	596,436		-
Restricted for Replacement Reserves	501,973		
Restricted - Other	-	127,272	372,405
Unrestricted	2,233,301	(123,041)	143,743
TOTAL NET POSITION	6,054,069	77,012	494,413
TOTAL LIABILITIES AND NET POSITION	\$ 15,497,934	\$ 551,963	\$ 4,814,990

The accompanying notes are an integral part of these financial statements

Peninsula Housing Authority
Statement of Revenues, Expenses, and Changes in Fund Net Position
for the year ended June 30, 2014

	Primary Government	Component Unit 1 - LEE PLAZA	Component Unit 2 - GARDEN COURT
OPERATING REVENUES			
Tenant Revenue	1,124,948	\$ 225,801	\$ 109,136
Other Revenue	1,777,189	-	177,866
Total Operating Revenue	2,902,137	225,801	287,002
OPERATING EXPENSES			
Administrative	1,573,490	87,519	137,966
Tenant Services	115,985	0	0
Utilities	355,270	36,615	37,215
Maintenance	776,771	87,404	42,293
Extraordinary Maintenance	93,224	0	0
General	79,004	15,772	12,328
Housing Assistance Payment	3,959,646	0	0
Depreciation	650,962	3,487	185,717
Total Operating Expenses	7,604,352	230,797	415,519
OPERATING INCOME (LOSS)	(4,702,215)	(4,996)	(128,517)
NONOPERATING REVENUES (EXPENSES)			
Interest and Investment Revenue	2,093	250	149
HUD Grants	4,597,369	56,543	190,335
Interest Expense	(60,933)	(10,989)	(50,284)
Total Nonoperating Revenues (Expenses)	4,538,529	45,804	140,200
Income (Loss) Before Contributions	(163,686)	40,808	11,683
CAPITAL CONTRIBUTIONS			
HUD Capital Grant	340,571		
Change in Net Position	176,885	40,808	11,683
Total Net Position-Beginning	5,877,184	36,204	(69,127)
Prior Period Adjustments		-	551,857
Total Net Position Beginning as Re Stated	5,877,184	36,204	(620,984)
Total Net Position-Ending	\$ 6,054,069	\$ 77,012	\$ 494,413

The accompanying notes are an integral part of these financial statements

Peninsula Housing Authority
Statement of Cash Flows
for the year ended June 30, 2014

	<u>Business Type</u> <u>Activities</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from tenants	1,113,061
* Other operating revenues	1,662,385
Cash Received from Component Unit	5,088
Cash used for housing assistance payments	(3,959,646)
Cash payments to employees for labor and fringe benefits	(1,960,166)
Cash payments to suppliers for goods and services	(1,079,684)
	<u>(4,218,962)</u>
Net cash used by operating activities	<u>(4,218,962)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating Grants received	410,741
Housing Assistance Payments Received	3,959,646
Net cash from non-capital financing	<u>4,370,387</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	(1,481,264)
Proceeds from capital debt	1,717,706
Proceeds from sale of capital assets	-
Capital Grants Received	340,571
Principal Payments	(721,178)
Interest Paid	(60,933)
	<u>(205,098)</u>
Net cash from capital financing	<u>(205,098)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	2,093
Payment of development fee payable	0
	<u>2,093</u>
Net cash from investing activities	<u>2,093</u>
Net change in cash and cash equivalents	(51,580)
Beginning cash and cash equivalents	2,731,043
Ending cash and cash equivalents	<u>2,679,463</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	(4,702,215)
Adjustments to reconcile operating loss to net cash used by operating activities:	31
Depreciation	650,962
Changes in:	
(Increase) Decrease in Accounts receivable	(110,169)
(Increase) Decrease in Other current assets	1,830
(Increase) Decrease in Inventory	(160)
Increase(Decrease) Accrued Compensated Absences	(11,743)
Increase (Decrease) in Accounts payable	29,332
Increase (Decrease) in Tenant security deposits	(86)
Increase (Decrease) in Intergovernmental Payables	<u>5,088</u>
Increase (Decrease) in Prepaid Rents	(16,467)
Increase (Decrease) in Accrued Liabilities	(65,365)
Net cash used by operating activities	<u>(4,218,962)</u>

The accompanying notes are an integral part of these financial statements

Peninsula Housing Authority
Statement of Fiduciary Net Position
June 30, 2014

Agency Funds

Assets

Cash and Cash Equivalents	
Restricted Cash and Cash Equivalents	10,514
Receivables:	
Interest and Dividends	
Other Receivables	
Total Receivables	
Investments, at Fair Market	
Investments, at Fair Value	
Total Assets	10,514

LIABILITIES

Current Liabilities

Accounts Payable	\$ 10,514
Refunds Payable and Others	-
Total Liabilities	10,514

NET POSITION -

Held in Trust for other purposes \$ 0

The accompanying notes are an integral part of these financial statements

PENINSULA HOUSING AUTHORITY
MCAG NO. 3021
Notes to Financial Statements
As of and for the year ended June 30, 2014

Note 1- Summary of Significant Accounting Policies

Peninsula Housing Authority, formerly the Housing Authority of the County of Clallam, was established in 1941 and operates under the laws of the State of Washington applicable to Housing Authorities. The accounting policies of the Peninsula Housing Authority conform to generally accepted accounting principles (GAAP) as applicable to proprietary funds of governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the most significant policies (including identification of those policies which result in departures from generally accepted accounting principles):

Reporting Entity

The Housing Authority reports as a single-enterprise proprietary fund and serves the geographical area within Clallam and Jefferson Counties, including the cities of Port Angeles, Sequim, Port Townsend and Forks. The Housing Authority's responsibility under state law is to eliminate unsanitary, unsafe, overcrowded and congested housing conditions and to provide affordable, safe and sanitary housing for low-income persons.

An eight-member Board of Commissioners appointed by the Clallam and Jefferson County Commissioners governs the Housing Authority. At the end of this fiscal year, there is one vacancy that is expected to be filled.

As required by generally accepted accounting principles, management has considered all potential component units in defining the reporting entity. The component units are Hadlock Garden Court Apartments, LLC and HACC-Lee Plaza Hotel Limited Partnership and are combined and discretely presented and reported as "component unit" in the Housing Authority's financial statements. Each entity is legally separate from PHA. PHA is financially accountable for each component unit based on the following:

PHA is considered financially accountable if it appoints a voting majority of the entity's government board; is able to impose its will, influences its activities or if there is a potential for the entity to provide specific financial benefits to or impose specific financial burdens on PHA.

As described in Note 6 and 7, PHA is the General Partner in the HACC-Lee Plaza Hotel Limited Partnership and the Managing Member of Port Hadlock Garden Court Apartments, LLC, and therefore, meets the criteria of financial accountability. The Component Units will sometimes be described in a singular sense "component unit"

within the Financial Statements and supporting documents. “Component unit” has a separate fiscal year end from that of PHA.

Basis of Accounting

The accounting records of the Housing Authority are maintained and reported in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW and the Federal Department of Housing and Urban Development. The authority must report using GAAP as applicable to proprietary funds of government. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting.

Separate funds are used to account for activities that are operated in a manner similar to business-type activities. This means that revenues are recorded when earned and expenses recognized when incurred, regardless of the timing of the related cash flows. Capital asset purchases are capitalized and long-term liabilities are accounted for in the fund.

The Authority presents a Statement of Net Position, which distinguishes between short-term and long-term assets and liabilities. The criterion used to determine whether an asset or liability is long or short-term is one year. So, an asset that is expected to be converted to cash or benefit the ensuing year’s operations is treated as a current asset. Likewise, liabilities that will likely be settled within the ensuing year are treated as current liabilities. Cash and cash equivalents that are being held for tenant security deposits and funds that have restrictions imposed by contracts are classified as Restricted Cash and Cash Equivalents in current assets. Compensated Absences are classified into current and long-term portions of liabilities based upon estimates of the amounts that will be settled during the ensuing year.

The Authority provides financial supervision in a custodial nature to individual families that have Section 502 Rural Housing Loans (USDA). This activity is reported as part of the Financial Statements as an Agency Fund with an accompanying Fiduciary Statement.

During the fiscal year the Housing Authority implemented GASB 65, financial reporting of items previously reported as Assets and Liabilities.

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Housing Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Capital Assets

See Note 2.

Restricted Assets

The assets held in these accounts are restricted for specific uses, including construction, tenant security deposits, and other special reserve requirements. Restricted resources currently include the following:

Replacement Reserves (per HUD and USDA)	501,973.00
Tenant Security Deposits	109,420.00
Family Self Sufficiency Escrows	89,704.00
Self-Help Housing Opportunity Program	298,305.00
Housing Choice Voucher Housing Assistance Payments	112,937.00
Payment of Current Liabilities	150,168.00
Total Restricted Cash and Cash Equivalent:	1,262,507.00

Tenant Receivables

Receivables for rentals and services are reported in the financial statements net of an allowance for doubtful accounts. The Housing Authority Board takes action as required to write off specific uncollectible accounts receivable balances.

Due from Component Unit

The component units both have a fiscal year end December 31st. As a result of a different year end from PHA, the amounts reported as due from component unit (reported as of June 30, 2014) and due to primary government (reported as of December 31, 2013) are different.

Inventories

Inventories are valued at \$32,914 which approximates the market value. Inventories are recorded at cost using the FIFO method of management.

Investments

The Housing Authority is currently maintaining only one investment in the amount of \$136,675 in the form of a Certificate of Deposit that matures annually. Interest is booked once annually at fiscal year-end.

Operating Revenues/Expenses

The Housing Authority reports operating revenues as defined in GASB Statement 9. Operating revenues result from fees and charges from providing services in connection with the ongoing operations of providing low income housing. HUD contributions for continuing contracts are recognized as costs incurred. For non-recurring or new HUD contribution contracts, revenue is not recognized until the Authority receives a signed contract. Operating subsidies and grants received from HUD are reported as non-

operating revenues and are presented as cash flows from non-capital financing activities in the statement of cash flows. Tenant rent revenue is recognized on the first day of the month for which the rent is due. Rental payments received in advance of the month for which the payment is made is deferred as accrued liabilities-other and is included in current liabilities. Operating expenses are those expenses that are directly incurred in the operation of providing low income housing.

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. The Housing Authority records compensated absences as an expense when incurred and as both current and noncurrent liabilities in the financial statements.

Non-union employees earn Paid Time Off (PTO). PTO may be accumulated to a maximum of 500 hours. PTO for non union employees replaces what was previously (prior to September 12, 2012) referred to as Vacation and Sick leave. Any sick leave balance prior to the change to PTO will remain Sick leave until used and follow the same guidelines for use and cash out as those for union employees.

Vacation pay for union employees may be accrued, to a maximum of the vacation time that can be earned by the union employee in a 24 month period. Vacation pay is payable upon resignation, retirement or death.

Sick leave for union employees may accumulate up to 180 days (1440 hours). In the event of the death of an employee 25% of the employee's accumulated sick leave shall be paid to the employee's estate. If an exempt employee retires under the Public Employees' Retirement System of the State of Washington, the employee will be paid 25% of his/her accrued, unused sick leave. If a non-exempt employee retires under the Public Employees' Retirement System of the State of Washington, the employee will be paid 20% of his/her accrued, unused sick leave. An exempt employee who leaves the employ of PHA for any reason other than retirement, death or involuntary termination will be paid 25% of his/her accrued, unused sick leave. A non-exempt employee whom leaves the employ of PHA for any reason other than retirement, death or involuntary termination will be paid at 10% of his/her accrued, unused sick leave. Employees involuntarily terminated will not be paid any portion of their accrued, unused sick leave. Failure to give two weeks' notice will make an employee ineligible to receive payment for accrued but unused sick leave benefits.

Other Accrued Liabilities

These accounts consist of accrued wages and accrued employee benefits.

Deferred Outflows/Inflows of Resources

The Housing Authority has no deferred outflows or inflows of resources to report in the current year.

Note 2 -Capital Assets and Depreciation

Major costs for capital assets, including capital leases and major repairs that increase useful lives, are capitalized. Capital asset purchases are capitalized at a threshold of \$5,000, as determined by the Board of Commissioners. Maintenance, repairs, and minor renewals are accounted for as expenses when incurred.

All capital assets are valued at historical cost. The Housing Authority has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the Housing Authority has sufficient legal interest to accomplish the purpose for which the assets were acquired, and has included such assets in the financial statements.

Depreciation expense is charged to operations to allocate the cost of capital assets over their estimated useful lives, using the straight-line method with useful lives, categorized by the following:

Building	30 Yrs
Improvements	15 Yrs
Equipment	3-5 Yrs

Capital asset activity for the year ended June 30, 2014 was as follows:

Business Type Activities	Beginning Balance 07/01/2013	Increases	Decreases	Ending Balance 06/30/2014
Capital assets, not being depreciated				
Land	4,070,335	688,972	(1,939,515)	2,819,792
Construction in Progress	1,064,945	1,568,758	(594,723)	2,038,980
Total Capital Assets, not being depreciated	5,135,280	2,257,730	(2,534,238)	4,858,772
Capital assets, being depreciated				
Buildings	16,966,260	-	-	16,966,260
Machinery and Equipment	665,497	25,093	-	690,590
Improvements other than buildings	394,097	1,732,494		2,126,592
Total Capital assets, being depreciated	18,025,855	1,757,587	-	19,783,442
Less Accumulated Depreciation	(12,495,421)	(721,141)	70,181	(13,146,382)
Total Capital Assets, being depreciated, net	5,530,433	1,036,446	70,181	6,637,060
Business-type activities Capital Assets, net	10,665,713	3,294,176	(2,464,057)	11,495,832

COMPONENT UNIT				
Business Type Activities	Beginning Balance 01/01/2013	Increase	Decrease	Ending Balance 12/31/2013
Capital assets, not being depreciated				
Land	550,487	-	-	550,487
Total Capital Assets, not being depreciated	550,487	-	-	550,487
Capital assets, being depreciated				
Buildings & Equipment	6,428,208	42,898	(10,050)	6,461,056
Total Capital assets, being depreciated	6,428,208	42,898	(10,050)	6,461,056
Less Accumulated Depreciation	(2,307,687)	32,625	(221,829)	(2,496,890)
Total Capital Assets, being depreciated, net	4,120,522	75,523	(231,879)	3,964,166
Business-type Activities Capital Assets, net	4,671,009	75,523	(231,879)	4,514,653

Note 3 –Deposits and Investments

Deposits

The Peninsula Housing Authority’s deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

Investments

The Certificate of Deposit held by the Housing Authority has a maturity date of February 10, 2015 with an annual interest rate of 0.0998%. The interest rate is dependent upon market conditions and is adjusted each year at the time of maturity. Investments are reported at fair value.

Certificate of Deposit:	<u>\$136,675.00</u>
TOTAL:	<u>\$136,675.00</u>

PHA does not have a formal policy regarding its interest rate risk but manages such risk by limiting investments to certificates of deposit with a maturity no longer than one year.

Note 4 – Long-Term Liabilities:

Real Estate Mortgages

The Housing Authority has long term loans secured by capital assets. These loans were used to acquire capital assets that provide or support administration of low income housing. They are being repaid from revenues generated by the Housing Authority.

The Low-rent income housing conventional programs in the local management fund are financed through loans from the State Department of Community, Trade and Economic Development (DCTED) and the City of Forks.

The Housing Authority's debts due to United States Department of Agriculture (USDA) are from acquisition of the Peninsula and Wildwood apartments. There are 2 separate loans related to Peninsula Apartments. Payments are made monthly with one of these loans being an assumption from the previous owner in the amount of \$296,193 with deferral of both principal and interest until the year 2037 at which time a balloon payment of deferred principal and interest will be due. USDA will notify the Housing Authority at least 15 days prior to the end of the deferral period of the payment amount. There are 3 separate loans related to Wildwood Apartments that require monthly payments. The loans for both Peninsula and Wildwood apartments have a subsidy payment agreement with USDA to subsidize a portion of the monthly payment. The subsidy amount for Peninsula Apartments is \$2,138 per month and the subsidy for Wildwood Apartments is \$5,122 per month.

The Department of Community Trade and Economic Development (DCTED) long-term debt related to Peninsula and Wildwood Apartments are rehabilitation loans and each are deferred for 40 years, until 2047, at which time they will be due in full with a 0 % interest. These loans were drawn similar to lines of credit, in that, PHA drew funds against the original balances, therefore increasing the debt from the originally stated amount to the full amount of the loan. Both loans are drawn to full capacity.

The Housing Authority has incurred debt due to Community Frameworks in the form of Self-Help Housing Opportunity Program (SHOP) funds in the amount of \$255,000. This liability has a 0% interest and is a forgivable loan after a 10-year period. This means that if certain compliance requirements are met, the loan converts to a grant and, therefore, no repayment is required. However, because compliance is not assured, this funding is recorded as a long-term debt payable until which time the program requirements have been fully satisfied and the loan converts to a grant status. These funds are restricted to the use of land acquisition and/or land development for the Self-Help project.

The Housing Authority has no capital lease commitments and has not issued conduit debt.

The following Schedule of Long-Term Debt provides a listing of the outstanding debt of the housing authority:

PURPOSE	ISSUE DATE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	ANNUAL INSTALLMENTS	BALANCE AS OF JUNE 30, 2014	CURRENT PORTION
Peninsula Apartments							
USDA Note	2/1/2007	601,433	2/1/2037	5.375%	23,269	528,534	12,297
USDA Note	2/1/2007	296,193	2/1/2037	5.375%	Deferred	343,862	-
DCTED	2/1/2007	1,243,438	2/1/2047	0.000%	Deferred	1,243,438	-
Total Due for Peninsula Apartments						2,115,833	
Wildwood Apartments							
USDA Note	6/1/2007	770,123	6/1/2037	5.750%	29,795	685,380	14,889
USDA Note	6/1/2007	700,105	6/1/2037	5.375%	27,086	619,833	14,061
USDA Note	6/1/2007	603,680	6/1/2037	5.375%	23,356	534,464	12,125
DCTED	6/1/2007	566,112	6/1/2047	0.000%	Deferred	566,112	-
Total Due for Wildwood Apartments						2,405,789	
Housing projects in Sequim and Forks							
City of Forks	1997	202,794	2017	0.000%	Deferred	115,882	-
DCTED	1996	657,361	2041	0.000%	Deferred	425,102	-
DCTED	2012	-	2048	0.000%	Deferred to 2017	143,489	-
DCTED	1995	549,231	2045	0.000%	Deferred	549,231	-
Total Due for Sequim & Forks Housing						1,233,704	
Lee Hotel renovation project:							
DCTED	1999	158,600	2049	1.000%	4,045	265,475	2,558
DCTED	2001	174,567	2051	1.000%	4,454		3,113
DCTED	1999	241,833	2034	0.000%	Deferred to 2015	241,833	-
City of Port An	1999	472,000	12/31/2019	5.000%	Deferred to 2019	472,000	-
Total Due for Lee Hotel						979,308	
Self Help or Other Housing project							
City of Port An	2006	95,000	1/10/2016	0.000%	Deferred	95,000	-
SHOP Funds	2009-2010	495,000	2019-2020	0.000%	Forgivable/10 yrs	255,000	-
Total Due for Self Help:						350,000	
Eklund Subdivision							
Impact Capital	10/22/2013	58,649	11/1/2017	5.000%	1/2 Int due annually	58,649	-
Home Program	10/22/2013	1,655,000	11/1/2054	0.000%	Recoverable Grant	1,008,914	-
HTF Grant	10/22/2013	271,000	11/1/2054	0.000%	Recoverable Grant	271,000	-
HTF Loan	10/22/2013	224,000	3/31/2055	1.000%	Deferred to 4/1/2015	133,125	-
WSHFC	10/22/2013	217,150	11/1/2021	1.000%	Deferred to Maturity	217,150	-
Total Due for Eklund:						1,688,838	
Total of Bonds, Notes & Loans Payable						8,773,472	59,043
Less Current Portion of Long-Term Debt						(59,043)	
Long-Term Portion of Bonds, Notes & Loans Payable						8,714,429	

The annual debt service requirements to maturity are as follows:

Years Ending June 30	Principal	Interest	*Subsidy Payment Amount	Total
2015	71,765	150,996	87,115	309,876
2016	170,404	147,541	87,095	405,039
2017	149,840	144,186	87,095	381,120
2018	95,067	140,325	87,095	322,486
2019	368,058	136,782	87,095	591,935
2020	116,449	132,112	87,095	335,656
2021-2025	878,893	584,811	435,574	1,899,278
2026-2030	1,007,407	409,210	442,629	1,859,247
2031-2035	879,137	217,698	393,244	1,490,079
2036-2040	501,277	35,755	149,551	686,583
2041-2045	717,262	11,764	0	729,026
2046-2050	2,382,386	11,948	0	2,394,334
2051-2055	1,435,526	12,057	0	1,447,583
	8,773,472	2,135,184	1,943,587	12,852,243
	*The Subsidy Payment Amount is the additional payment amount that USDA pays on behalf of the Authority.			

Note 5 – Changes in Long-Term Liabilities

During the year ended June 30, 2014, the following changes occurred in long-term liabilities:

	Beginning Balance 07/01/2013	Additions	Reductions	Ending Balance 06/30/2014	Due Within One Year
Compensated Absences	\$ 93,858	\$ -	\$ 11,743	\$ 82,115	
Bonds, Notes and Loans Payable	\$ 7,934,415	\$ 1,717,706	\$ 878,649	\$ 8,773,472	\$ 59,043.00
Non-current Liabilities - Other	\$ 77,878	\$ 99,752	\$ -	\$ 177,630	
TOTAL:	\$ 8,106,151	\$ 1,817,458	\$ 890,392	\$ 9,033,217	\$ 59,043.00

Note 6 – Pension Plans

Substantially all Housing Authority's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR)

that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, PO Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov.

All permanent full-time and part-time (70+ hrs per month) Housing Authority employees are covered under the Public Employees' Retirement System (PERS) Plan.

The following disclosures are made pursuant to GASB Statement 27, *Accounting for Pensions by State and Local Government Employers* and Statement 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

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

Plan Description

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

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members, unless they exercise an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to Plan 3.

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

benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

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

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

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

The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

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

Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

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

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 members who have at least 20 years of service credit, and are 55 years of age or older, are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May 1, 2013:

- With a benefit that is reduced by 3 percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of 5 percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

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

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

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

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

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

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

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

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

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

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

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2012¹:

Retirees and Beneficiaries Receiving Benefits	82,242
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	30,515
Active Plan Members Vested	106,317
Active Plan Members Nonvested	44,273
Total	263,347

Funding Policy

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program

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

The required contribution rates expressed as a percentage of current-year covered payroll, as of June 30, 2014 were as follows:

	<i>PERS Plan 2</i>	<i>PERS Plan 3</i>
Employer*	9.21%	9.21%
Employee	4.92%	**

*The employer rates include the employer administrative expense fee currently set at 0.18%.

** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

¹ GASB Statement 27 does not require the number of participating employers and members to be presented in the notes to the financial statements. The information has been provided here so it can be included in the notes if desired.

Both Housing Authority and the employees made the required contributions. The Housing Authority’s required contributions (Employer and Employee) for the three years ended June 30, 2014 were:

	PERS Plan 2	PERS Plan 3
6/30/14	\$134,634	\$67,054
6/30/13	\$111,879	\$57,622
6/30/12	\$112,928	\$57,576

The Housing Authority offers its employees a Deferred Compensation Program (DCP) that is administered through Washington State Department of Retirement Systems (DRS) pursuant to RCW 41.50.770, in accordance with Internal Revenue Code Section 457. DRS administers the DCP and contracts with a third party (currently ING) for record keeping and other administrative services. Under the plan, eligible employees elect to defer a portion of their salary until future time periods. The deferred compensation is not available to employees until termination, retirement, disability, death or unforeseeable financial emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust by the Washington State Investment Board (WSIB), as set forth under RCW 43.33A.030, for the exclusive benefit of the state deferred compensation plan’s participants and their beneficiaries. Neither the participant, nor the participant’s beneficiary or beneficiaries, nor any other designee, has any right to commute, sell, assign, transfer, or otherwise convey the right to receive any payments under the plan. These payments and rights thereto are non-assignable and nontransferable.

Employees participating in the state Deferred Compensation Plan self-direct the investment of the deferred portion of their income through the selection of investment options. These options are provided by the WSIB after consultation with the Employee Retirement Benefits Board. This is an elective program in which the employees who wish to participate do so through a payroll deduction. The Housing Authority does not contribute to this program. No amounts related to this plan are reflected in the financial statements.

Note 7 – Major Component Unit Information – HACC-Lee Hotel Limited Partnership

General

HACC – Lee Hotel Limited Partnership (the Partnership), a Washington partnership, was formed in April 1998 to acquire, rehabilitate and operate a 48-unit apartment project, known as Lee Hotel (the “Project”) in Port Angeles, Washington. Pursuant to the amended and restated agreement of limited partnership dated April 1, 1999 (the “Partnership Agreement”), its general partner is the Peninsula Housing Authority (the

“General Partner”). The limited partners are Trilogy Group, Inc. (the “Class B Limited Partner”), Columbia Housing/PNC Institutional Fund 1 Limited Partnership (the “Investment Limited Partner”) and Columbia Housing SLP Corporation (the “Special Limited Partner”), collectively the “Limited Partners”.

Pursuant to the Partnership Agreement, the Investment Limited Partner and General Partner are required to make capital contributions totaling \$3,915,000 and \$802,502, respectively. As of December 31, 2009, the Investment Limited Partner and General Partner have contributed \$3,915,000 and \$1,272,100 to the Partnership, respectively.

Allocation of profit, losses, and tax credits

Pursuant to the Partnership Agreement, profits, losses and tax credits are generally allocated 0.01% and 99.99% to the General Partner and the Investment Limited Partner, respectively.

Restricted cash

Pursuant to the Partnership Agreement, commencing in 1999 the General Partner shall cause the Partnership to deposit \$9,600 annually, increasing by 3.25% each year, to a replacement reserve account. In the event the Partnership fails to satisfy the replacement reserve requirement the General Partner shall be obligated to fund the replacement reserve account. Such amounts, if any, advanced by the General Partner shall be treated as subordinated loans and repayable according to terms of the Partnership Agreement. As of December 31, 2013, the replacement reserve account balance is \$106,889

Capital Assets

The Partnership’s capital assets as of December 31, 2013, consist of the following:

Land	254,849
Buildings	116,136
Personal Property	523,747
Rehabilitation Costs	<u>1,440,505</u>
Total Capital Assets	2,335,237
Less: accumulated depreciation	(2,030,067)
NET capital assets:	\$ <u>305,170</u>

Development fee

The General Partner has earned a development fee of \$360,000 for development services rendered in connection with the acquisition and rehabilitation of the Lee Plaza. Pursuant to the Partnership Agreement, payments of principal and interest due on the development fee are to be made from Net Cash Flow and from additional Capital Contributions as defined by the Partnership Agreement. On December 31, 2014, the General Partner is required to make a capital contribution to repay any unpaid deferred development fee. The development fee bears simple interest at 1.0 percent per annum. As of December 31,

2013, the outstanding balance was \$52,478 and accrued interest was \$525. For the year ended December 31, 2013, interest expense was \$525.

Operating Lease

The Partnership entered into a lease agreement with the General Partner for the land, building and improvements, and personal property. The Lease is for the period of May 1, 1999 through December 31, 2097. The partnership has the right to extend the term of the lease for a period of time equal to the remaining useful life of the capital improvements to the property as of December 31, 2097.

For each year commencing January 1, 2000 through expiration of the Lease, the Partnership has agreed to pay the General Partner as rent the sum of up to \$7,000 per year increased by 3 percent per year commencing in 2001, provided that all such rent be paid only from available net cash flow as stated in the partnership agreement. For the year ended December 31, 2013, lease expense was \$11,665. As of December 31, 2013, accrued lease payable was \$56,543.

General Partner loan

The General Partner made a loan in the amount of \$25,000 to the Partnership. The loan bears simple interest at 0.5 percent per annum. Payments of principal and interest are due and payable upon the earlier of the funding of the Community Development Block Grant or the contribution of equity from the Investment Limited Partner. As of December 31, 2013, the outstanding principal balance was \$25,000 and accrued interest was \$1,750. For the year ended December 31, 2013, interest expense was \$125.

Partnership management fee

Pursuant to the Partnership Agreement, the General Partner is entitled to a partnership management fee in the amount of 5.75 percent of annual gross income. The Partnership Management fee is non-cumulative and is payable from Net Cash Flow, as defined by the Partnership Agreement. During 2013, no partnership management fees were incurred.

Property management fees

Pursuant to the Property Management Agreement, the General Partner is entitled to a property management fee in the amount of 6 percent of annual gross income. For the year ended December 31, 2013, property management fees were \$15,600. As of December 31, 2013, accrued property management fees were \$0.

Investor service fee

Pursuant to the Partnership Agreement, the Investment Limited Partner is entitled to an investor services fee in the annual amount of \$3,600 per year, with increases of 3 percent per year starting in 2001. The investor services fee is payable from the Net Cash Flow as defined by the Partnership Agreement. For the year ended December 31, 2013, investor services fee expense was \$5,229. As of December 31, 2013, accrued investor service fee was \$5,287, which is included in accrued partnership expense on the accompanying Statement of Net position.

Due to the General Partner

The General Partner has paid for operating expenses on behalf of the Partnership. The Partnership reimburses the General Partner throughout the year during the normal course of business. The amount due to General Partner is unsecured and does not accrue interest. As of December 31, 2013, the amount remaining payable to the General Partner was \$5,769, which is included in accrued partnership expense on the accompanying Statement of Net position.

Due to the Class B Limited Partner

The Class B Limited Partner earned a fee of \$106,000 for architectural services rendered in connection with the rehabilitation of the Project. The amount due is payable from Net Cash Flow as defined by the Partnership Agreement. The amount due to the Class B Limited Partner for architecture services is unsecured and does not accrue interest. As of December 31, 2013, the outstanding balance was \$106,000, which is included in Due to Class B Limited Partner on the accompanying Statement of Net position.

During March 2004, the Partnership entered into a promissory note with the Class B Limited Partner in the amount of \$111,120 (the "Trilogy Note"). The note bears simple interest at 5.7 percent per annum and is payable from Net Cash Flow as defined by the Partnership Agreement. The note is secured by a deed of trust on the property. As of December 31, 2013, the outstanding principal balance on the note was \$111,120, which is included in Due to Class B Limited Partner on the accompanying Statement of Net position. As of December 31, 2013, accrued interest on the Trilogy Note was \$80,605. For the year ended December 31, 2013, interest expense on the note was \$10,339.

Low-income housing tax credits

The Partnership expects to generate an aggregate of \$4,764,860 of low-income housing tax credits (the "Tax Credits"). Generally, such Tax Credits are expected to become available for use by its partners pro rata over a ten-year period beginning in 2000. In order to qualify for the Tax Credits, the project must comply with various federal and state requirements. These requirements include, but are not limited to, renting to low-income tenants at rental rates that do not exceed specified percentages of area median gross income for the first 15 years of operations. The Partnership has also agreed to maintain and operate the Project as low-income housing for another 15 years after that period ends. Because the Tax Credits are subject to complying with certain requirements, there can be no assurance that the aggregate amount of Tax Credits will be realized and failure to meet all such requirements may result in generating a lesser amount of Tax Credits than the expected in future years, and/or recapture of Tax Credits previously allocated. A reduction of future credits or recapture would require credit deficit payments to the Limited Partners under the terms of the Partnership Agreement.

Copies of the financial statements of the component unit can be obtained from:

Peninsula Housing Authority
2603 South Francis Street
Port Angeles, WA 98362

Note 8 – Major Component Unit Information – Port Hadlock Garden Court Apartments, LLC

General

Port Hadlock Garden Court Apartments LLC (the Company), is a Washington limited liability company which was formed in 2009 to acquire, rehabilitate and operate a 40-unit apartment project (the Project) located in Port Hadlock, Washington. The operating agreement provides for the term of the Company to continue until December 31, 2055. The Company also receives a mortgage interest subsidy from RHS. During the year and period ended December 31, 2013 and 2012, rental revenue from RHS totaled \$190,335 and \$188,846 representing 63 and 64 percent of total revenue, respectively. The rent subsidy contract with RHS expired in September 2013, but RHS continues to provide assistance under the terms of the prior contract.

The Company has received a grant of \$2,664,959 from the Tax Credit Exchange Program (TCEP). TCEP is administered by the Washington State Housing Finance Commission (WSHFC) under Section 42 of the Internal Revenue Code. Under this program, housing provided by the Company is subject to monitoring of tenant eligibility by WSHFC. The company has agreed to maintain all apartment units as rent restricted for a minimum period of 40 years.

Profit and Loss Allocations

Profits and losses are allocated as follows:

Managing Member	5%
Investor Member	95%

Development fee

The company has entered into a developer services agreement with an affiliate of the Investor Member and the developer oversight agreement with the Managing Member. The agreements provide for total developer fee of \$437,629, all of which was earned as of December 31, 2011. Pursuant to the agreements, the Managing Member and an affiliate of the Investor Member are to receive 15 percent and 85 percent, respectively, of the developer fee. Any unpaid balance of the development fee shall be paid in accordance with the provision set forth in the development agreement, but in no event later than 180 months following the receipt of the final certificate of occupancy for the project. During the year and period ended December 31, 2013 and 2012, of the total development fee payment, \$29,750 and \$113,717 was paid to an affiliate of the Investor Member and \$5,250 and \$21,416 was paid to the Managing Member, respectively. As

of December 31, 2013 and 2012, the balance of the deferred developer fee payable totaled \$60,964 and \$95,964, respectively.

Management Fee

Management of the project has been performed by a company affiliated with the Investor Member from January 1, 2012 through March 31, 2012. During the year and period ended December 31, 2012, management fees totaling \$6,206 were charged by the related entity. As of December 31, 2013 and 2012, there was no management fee payable to the related entity.

Investor service fee

Pursuant to the Operating Agreement, the company is to pay the Investor Member an investor service fee totaling \$2,500, beginning in 2010. The fee is payable from available cash flow, as defined in the Operating Agreement, and is cumulative. No amount is to be deducted as an expense until it is actually paid. During the year 2013 investor service fees of \$7,500 were paid. During the year ended 2012, no administration fee was paid. As of December 31, 2013 and 2012, the administration fee earned but unpaid totaled \$59,500 and \$36,000, respectively.

Company Administration Fee

Per the Operating Agreement, the company is to pay the Managing Member an administration fee totaling \$12,000 each year, beginning in 2010. The fee is payable from available cash flow, as defined in the operating agreement, and is cumulative. No amount is to be deducted as an expense until it is actually paid. During 2013, a company administration fee of \$11,500 was paid. During the year ended 2012, no administration fee was paid. As of December 31, 2013 and 2012, the administration fee earned but unpaid totaled \$59,500 and \$36,000, respectively.

Guaranty Fee

The Operating Agreement provides for the Investor Member and the Developer to be paid an annual guaranty fee of \$12,000 each year, beginning in 2010. The fee is payable from available cash flow, as defined in the operating agreement, and is cumulative. No amount is to be deducted as an expense until it is actually paid. During 2013, a guaranty fee of \$11,500 was paid. During the year ended 2012, no guaranty fee was paid. As of December 31, 2013 and 2012, the guaranty fee earned but unpaid totaled \$59,500 and \$36,000, respectively.

Advances Payable to Affiliate of the Investor Member

During 2012, an affiliate of the Investor Member made a payment of \$19,732 to the Department of Commerce Housing Trust Fund loan on behalf of the Company. In addition, the affiliate of the Investor Member is due \$100 for a payment made in 2012 on the Company's behalf. During 2013, net payments made to the affiliate of the Investor Member totaled \$19,538. As of December 31, 2013 and 2012, the payable to the affiliate totaled \$94 and \$19,732, respectively.

Replacement Reserve

The loan agreement between the Company and RHS requires \$19,000 increasing by 3 percent annually, into a separate reserve account until the account reaches \$275,000. In addition, the operating agreement requires the replacement reserve to be funded initially in the amount of \$150,000. Withdrawals from the reserve account require RHS approval. As of December 31, 2013 and 2012, the replacement reserve totaled \$213,995 and \$193,158, respectively.

Operating Reserve

In accordance with the operating agreement, the Company is required to fund initial deposit of \$82,715 to the operating reserve. The reserve was funded during 2012. The Managing Member may use funds in the operating reserve for operating deficits, as defined in the operation agreement. In addition, the grant agreement provides that withdrawals from the operating reserve in excess of \$5,000 each year requires prior written consent of the Commission. During 2013, a withdrawal in the amount of \$25,100 was made without the consent of the Commission. As of December 31, 2013 and 2012, the operating reserve account totaled \$57,702 and \$82,744, respectively.

Initial Tenant Rent Adjustment Reserve (RADJ)

Per the operating agreement, the company was required to fund a RADJ reserve in the amount of \$6,400. The Company is utilizing the RADJ reserve to supplement rents from tenants in occupancy at closing. As of December 31, 2013 and 2012, the reserve account totaled \$6,421 and \$6,415, respectively.

MORTGAGE NOTES PAYABLE

Substantially all of the rental property and equipment is pledged as collateral on the loans. No member is individually liable on the loans, except as noted. As of December 31, 2013, it is not practicable to make a reasonable estimate of fair value for the loans payable. Loans payable, listed according to seniority, consist of the following:

Rural Housing Service – RHS

During 2010, the company secured a mortgage note from RHS in the amount of \$505,840. The note is payable in monthly installments of \$2037 through September 2040. The stated rate of 4.25 percent varies from the effective rate of 1 percent due to a mortgage interest subsidy provided by RHS. The mortgage note is nonrecourse and is secured by the rental property and equipment. During the years ended December 31, 2013 and 2012, the mortgage interest subsidy totaled \$11,562, respectively. As of December 31, 2013 and 2012, the RHS note payable totaled \$497,607 and \$500,823, respectively.

Housing Assistance Council Loan – HAC

The company has executed a promissory note agreement with Housing Assistance Council (HAC) in the amount of \$470,000. The mortgage note bears interest at 5 percent and is payable in monthly installments in the amount of \$2523 through September 1, 2039 at which time the remaining balance owed on the note shall be paid in full. As of

December 31, 2013 and 2012, the balance of the promissory note totaled \$446,806 and \$454,528, respectively.

Washington Department of Community, Trade and Economic Development (HTF)

The note in the original amount of \$1,300,000 is subject to the terms and conditions of the Housing Trust Fund (HTF). The note bears interest at zero percent and payment is deferred through July 2012. During the deferral period, at least fifty percent (50%) of any proceeds received through the sale of passive losses to an Investor shall be paid in annual payments due by December 31 of each year. Beginning August 1, 2012, the principal will be amortized for 39 years with interest accruing at the rate of one percent. Quarterly payments in the amount of \$10,306 shall begin on October 31, 2012 and continue for a total of 39 years. As of December 31, 2013 and 2012, the HTF note payable totaled \$1,220,568 and \$1,268,653, respectively.

Principal payments on the mortgage notes for the next 5 years are as follows:

<u>Year</u>	<u>Amount</u>
2014	40,432
2015	41,284
2016	42,166
2017	43,080
2018	44,028
2019 and later years	1,953,991
	<u>\$2,164,981</u>

TCEP NOTE PAYABLE AND PRIOR PERIOD ADJUSTMENT

Washington State Housing Finance Commission – TCEP

Pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), the company is the recipient of Tax Credit Exchange Program (TCEP) funds administered by the Washington State Housing Finance Commission in the amount of \$2,664,959. No payments are required over the fifteen year term of the agreement as long as certain use restrictions on the low-income housing units are met. The funds are forgiven at the end of the compliance period. In accordance with the grant agreement with the Washington State Housing Finance Commission (the “Commission”), the amount due and payable to the Commission shall be reduced by 1/15th of each full year of the building’s 15 year compliance period where a Section 1602 Recapture Event has not occurred, as defined in the agreement. The funds are forgiven at the end of the compliance period.

During 2013, an error was identified related to the TCEP note. The note payable was not properly reduced in the prior years. As a result of this error, the note payable was overstated and income was understated. During 2013, a prior period adjustment of

\$229,483 was made which was attributable to grant income in 2010 and 2011.. The prior period adjustment resulted in a January 1, 2012 increase to equity. In addition, an increase of \$177,664 was made to 2012 net income and the 2012 financial statements were restated. As of December 31, 2013 and 2012, the TCEP note totaled \$2,080,149 and \$2,257,812, respectively.

As of December 31, 2013, it is not practicable ot make a reasonable estimate of fair value for the note payable.

Limited Distributions

Annual distributions to Members are limited by the Rural Development Loan Agreement to \$23,869 per annum. Distributions totaling \$30,499 were made during 2013 in accordance with section 8.01 of the operating agreement. There were no distributions made during 2012.

Capital Contributions and Subscriptions Receivable

Per the operating agreement, the Managing Member and Investor Member have subscribed to capital contributions totaling \$100 and \$224,658, respectively. During 2013 and 2012, the company received capital contributions totaling \$125,330 and 26,802 from the Investor Member. As of December 31, 2013, all of the Managing member's capital contribution remains outstanding and \$72,526 of the Investor Member's capital contribution remains outstanding.

COMMITMENTS AND CONTINGENCIES

Operating Guaranty

Under the terms of the operating agreement, in the event that an operating deficit occurs an affiliate of the Investor Member shall advance funds to the Company in an amount equal to the operation deficit. The obligation shall continue until the Project has operated at break-even, as defined by the operating agreement, for at least three consecutive calendar years following the stabilization date of the project, as defined by the operating agreement. Any operating deficit loan shall bear interest at 6 percent per annum and shall be repaid out of cash flow based on a priority set forth in the operating agreement.

Property Purchase Option

Pursuant to a Purchase Option and Right of First Refusal Agreement, the company has granted to the Managing Member an option to purchase the project and a right of first refusal to purchase the project at the end of the low-income housing tax credit compliance period.

Copies of the financial statements of the component unit can be obtained from:

Peninsula Housing Authority
2603 South Francis Street
Port Angeles, WA 98362

Note 9-Contingencies and Litigation

The Peninsula Housing Authority has recorded in its financial statements all material liabilities. In the opinion of management, the Housing Authority's insurance policies are adequate to pay all known or pending claims.

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

Note 10 –Risk Management

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

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

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

General and Automobile Liability Coverages are written on an occurrence basis, without member deductibles. Errors and Omissions coverage (which includes Employment Practices Liability) is written on a claims made basis, and the members are responsible for 10% of the incurred costs of the claims. The Property coverage offered by HARRP is on a replacement cost basis, with deductibles ranging from \$1,000 to \$25,000. (Due to special underwriting circumstances, some members may be subject to greater deductibles and E&O co-payments). Fidelity coverage is also offered, with limits of \$100,000 (with options up to \$500,000) for employee dishonesty, forgery or alteration and \$10,000 for theft with deductibles similar to the retention on Property.

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

HARRP self insures the full layer of coverage for the first \$1,000,000 of any claim. There is Munich Reinsurance limits above our retention. For Property, HARRP retains \$2,000,000 and purchases \$34,000,000 of excess insurance from Munich Reinsurance Company for a combined total of \$32,000,000. Hartford Steam and Boiler provides Equipment Breakdown Coverage at the agreed amount property limit for each location. The HARRP Board of Directors determines the limits and coverage terms, at its sole discretion.

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

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

Note 11-Subsequent Events

The Housing Authority did receive Housing Trust Funds award and executed a contract in this current fiscal year for the development of the property known as "Eklund Heights 1". The development will be for multi-family low income homes and an occupancy permit is expected for lease-up about November 1, 2014.

The Housing Authority has received a land acquisition program loan from the Washington State Housing Finance Commission to place the land for Eklund Heights II. This holds the land for future development and pays down prior loan (Impact Capital).

The Housing Authority has created a master plan to redevelop Mt. Angeles View. The infrastructure construction is expected to start with City CDBG funds in the Winter with demolition of 6 units. The 6 units will be re-built with Capital Fund dollars. The Housing Authority will seek funding for the redevelopment phases of the project to create a mixed-income neighborhood. Mt. Angeles View is currently considered public housing. The redevelopment will expand opportunity to offer some units at market rent.

The Housing Authority has begun the process of selling ownership of Sunbelt Apartments to Serenity House of Clallam County (SHCC), a local non-profit. They will operate the project with HUD subsidy to serve chronically homeless persons. The sale of this asset to SHCC is currently under review by the State of Washington, Department of Commerce, as well as assignment of the low-income housing covenant agreement. Once the sale is complete, the property and asset will be removed from net position.

**Peninsula Housing Authority
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014**

CFDA #	Federal Agency Name	Federal Program Name	Pass-Through Agency Name	Other Award I.D. Number	ARRA	Total	Footnote Ref.
10.420	Dept of Agriculture Rural Development	Rural Self Help Housing Technical Assistance		56-005-091600097-0008		\$ 200,944	1
10.427	Dept of Agriculture Rural Development	Rural Rental Assistance Payments		56-005-957884528-024		\$ 283,461	1
14.235	U.S. Dept of HUD	Supportive Housing Program		09-47101-103		\$ 20,173	1
14.239	U.S. Dept of HUD	HOME Investment Partnership Program	Washington State Department of Commerce, Molly Gasper, Program Manager Mollie.gasper@commerce.wa.gov	09-47101-103		\$ 282,284	1
14.850a	U.S. Dept of HUD	Low Rent Public Housing		WA004-00000113D		\$ 111,651	1
14.850a	U.S. Dept of HUD	Low Rent Public Housing		WA004-00000114D		\$ 122,411	1
14.850a	U.S. Dept of HUD	Low Rent Public Housing		WA004-00000213D		\$ 112,749	1
14.850a	U.S. Dept of HUD	Low Rent Public Housing		WA004-00000214D		\$ 130,527	1
14.871	U.S. Dept of HUD	Section 8 Housing Choice Vouchers		WA004AF		\$ 3,658,013	1,2
14.872	U.S. Dept of HUD	Public Housing Capital Fund Program		WA19P004501-10		\$ 150,415	1
14.872	U.S. Dept of HUD	Public Housing Capital Fund Program		WA19P004501-11		\$ 189,900	1
14.872	U.S. Dept of HUD	Public Housing Capital Fund Program		WA19P004501-12		\$ 619	1
14.872	U.S. Dept of HUD	Public Housing Capital Fund Program		WA19P004501-13		\$ 36,736	1
14.195	U.S. Dept of HUD	Section 8 Housing Assistance Payments Special Allocations		WA19R000012		\$ 202,877	1
14.267	U.S. Dept of HUD	Continuum of Care Program				\$ 142,041	1
				TOTAL		\$ 5,644,800	

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

Note 1 – BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the Housing Authority's financial statements. The Housing Authority uses the accrual basis of accounting.

Note 2 – SECTION 8 HOUSING CHOICE VOUCHER PROGRAM EXPENDITURES

As required by the granting agency, the amounts shown on the schedule for the Housing Choice Voucher program (CFDA 14.871) represent amounts awarded to the Authority. Actual expenditures of the grant during the period were \$3,258,402.

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$435,692	\$136,185	\$240,904		\$147,704
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$202,641	\$410,856		\$460,684
114 Cash - Tenant Security Deposits	\$63,325		\$34,395		\$38,993
115 Cash - Restricted for Payment of Current Liabilities	\$18,116	\$7,109	\$13,513		
100 Total Cash	\$517,133	\$345,935	\$699,668	\$0	\$647,381
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$49,212				
124 Accounts Receivable - Other Government					\$2,097
125 Accounts Receivable - Miscellaneous		\$461			\$92,222
126 Accounts Receivable - Tenants	\$14,185		\$3,732		\$9,280
126.1 Allowance for Doubtful Accounts - Tenants	-\$13,057		-\$3,732		-\$206
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$50,340	\$461	\$0	\$0	\$103,393
131 Investments - Unrestricted					
132 Investments - Restricted	\$136,675				
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$6,750	\$2,451	\$2,671		\$15,442
143 Inventories	\$22,069		\$6,667		\$5,271

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
143.1 Allowance for Obsolete Inventories	\$0	\$0			\$0
144 Inter Program Due From	\$433	\$1,990			\$1,406
145 Assets Held for Sale					
150 Total Current Assets	\$733,400	\$348,847	\$710,996	\$0	\$772,893
161 Land	\$1,004,372		\$342,083		\$550,487
162 Buildings	\$10,643,787		\$4,788,337		\$4,269,757
163 Furniture, Equipment & Machinery - Dwellings			\$30,433		\$612,254
164 Furniture, Equipment & Machinery - Administration	\$298,744	\$25,699	\$19,576		\$11,876
165 Leasehold Improvements	\$1,377,607		\$562,052		\$1,567,169
166 Accumulated Depreciation	-\$10,452,522	-\$24,867	-\$1,406,836		-\$2,496,890
167 Construction in Progress	\$564,987				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,436,975	\$832	\$4,335,645	\$0	\$4,514,653
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					\$80,813
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$3,436,975	\$832	\$4,335,645	\$0	\$4,595,466
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$4,170,375	\$349,679	\$5,046,641	\$0	\$5,368,359

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14,871 Housing Choice Vouchers	10,415 Rural Rental Housing Loans	10,427 Rural Rental Assistance Payments	6,1 Component Unit - Discretely Presented
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$17,691	\$5,318	\$8,997		\$10,761
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$2,736	\$1,702	\$635		\$44
324 Accrued Contingency Liability					
325 Accrued Interest Payable					\$2,080,149
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$63,325		\$34,395		\$38,993
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital			\$53,372		
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$9,437	\$1,791	\$4,882		\$8,448
347 Inter Program - Due To	\$424		\$69		\$12,262
348 Loan Liability - Current					
310 Total Current Liabilities	\$93,613	\$8,811	\$102,350	\$0	\$2,150,657
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$4,468,250		\$2,383,457
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$89,704			\$262,416
354 Accrued Compensated Absences - Non Current	\$25,434	\$15,319	\$5,710		\$404
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14,871 Housing Choice Vouchers	10,415 Rural Rental Housing Loans	10,427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$25,434	\$105,023	\$4,473,960	\$0	\$2,646,277
300 Total Liabilities	\$119,047	\$113,834	\$4,576,310	\$0	\$4,796,934
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$3,436,975	\$832	-\$185,977	\$0	\$51,047
511.4 Restricted Net Position	\$81,440	\$113,941	\$472,712	\$0	\$499,677
512.4 Unrestricted Net Position	\$532,913	\$121,072	\$183,596	\$0	\$20,701
513 Total Equity - Net Assets / Position	\$4,051,328	\$235,845	\$470,331	\$0	\$571,425
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$4,170,375	\$349,679	\$5,046,641	\$0	\$5,368,359

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
111 Cash - Unrestricted				\$0
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$91,117		
114 Cash - Tenant Security Deposits		\$8,700		
115 Cash - Restricted for Payment of Current Liabilities		\$20,996		\$2,950
100 Total Cash	\$0	\$120,813	\$0	\$2,950
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government	\$54,693	\$54,693		\$13,315
125 Accounts Receivable - Miscellaneous		\$20,603		\$5,996
126 Accounts Receivable - Tenants		\$2,149		
126.1 Allowance for Doubtful Accounts - Tenants		-\$1,790		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$54,693	\$75,655	\$0	\$19,311
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets		\$743		\$607
143 Inventories		\$4,178		
143.1 Allowance for Obsolete Inventories		\$0		

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.235 Supportive Housing Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$54,693	\$201,389	\$0	\$0	\$22,868
161 Land		\$737,618			
162 Buildings		\$918,025			
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration		\$23,429			\$31,133
165 Leasehold Improvements		\$137,106			
166 Accumulated Depreciation		-\$589,665			-\$14,999
167 Construction in Progress		\$1,451,319			
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$2,677,832	\$0	\$0	\$16,134
171 Notes, Loans and Mortgages Receivable - Non-Current		\$600,220			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$3,278,052	\$0	\$0	\$16,134
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$54,693	\$3,479,441	\$0	\$0	\$39,002
311 Bank Overdraft					

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14,239 HOME Investment Partnerships Program	2 State/Local	14,235 Supportive Housing Program	14,195 Section 8 Housing Assistance Payments Program_Special Allocations	10,420 Rural Self-Help Housing Technical Assistance
312 Accounts Payable <= 90 Days		\$101,461			\$19,489
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$299			\$765
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits		\$7,900			
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$54,693				
346 Accrued Liabilities - Other		\$1,154			
347 Inter Program - Due To		\$33			\$3,490
348 Loan Liability - Current					
310 Total Current Liabilities	\$54,693	\$110,847	\$0	\$0	\$23,744
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$2,922,541			
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$87,926			
354 Accrued Compensated Absences - Non Current		\$2,695			\$6,885
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14,239 HOME Investment Partnerships Program	2 State/Local	14,235 Supportive Housing Program	14,195 Section 8 Housing Assistance Payments Program_Special Allocations	10,420 Rural Self-Help Housing Technical Assistance
350 Total Non-Current Liabilities	\$0	\$3,013,162	\$0	\$0	\$6,885
300 Total Liabilities	\$54,693	\$3,124,009	\$0	\$0	\$30,629
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets					
511.4 Restricted Net Position		-\$244,709	\$0	\$0	\$16,134
512.4 Unrestricted Net Position	\$0	\$129,298	\$0	\$0	-\$7,761
513 Total Equity - Net Assets / Position	\$0	\$470,843	\$0	\$0	\$8,373
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$54,693	\$3,479,441	\$0	\$0	\$39,002

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
111 Cash - Unrestricted	\$151,985	\$3,854	\$448,337	\$1,564,661	
112 Cash - Restricted - Modernization and Development	\$298,305			\$298,305	
113 Cash - Other Restricted				\$1,165,298	
114 Cash - Tenant Security Deposits		\$3,000		\$148,413	
115 Cash - Restricted for Payment of Current Liabilities			\$87,484	\$150,168	
100 Total Cash	\$450,290	\$6,854	\$535,821	\$3,326,845	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$29,923		\$79,135	
124 Accounts Receivable - Other Government			\$83,028	\$207,826	
125 Accounts Receivable - Miscellaneous			\$114,046	\$233,328	
126 Accounts Receivable - Tenants		\$4,353		\$33,699	
126.1 Allowance for Doubtful Accounts - Tenants		-\$2,280		-\$21,065	
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$31,996	\$197,074	\$532,923	\$0
131 Investments - Unrestricted				\$136,675	
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets		\$105	\$2,087	\$30,856	
143 Inventories				\$38,185	
143.1 Allowance for Obsolete Inventories				\$0	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14,267 Continuum of Care Program	COCC	Subtotal	ELIM
144 Inter Program Due From			\$79,804	\$83,633	
145 Assets Held for Sale					
150 Total Current Assets	\$450,290	\$38,955	\$814,786	\$4,149,117	\$0
161 Land	\$555,458		\$180,261	\$3,370,279	
162 Buildings			\$616,111	\$21,236,017	
163 Furniture, Equipment & Machinery - Dwellings			\$261,576	\$642,687	
164 Furniture, Equipment & Machinery - Administration			\$49,827	\$3,693,761	
165 Leasehold Improvements			-\$657,493	-\$15,643,272	
166 Accumulated Depreciation	\$13,875		\$8,799	\$2,038,980	
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$569,333	\$0	\$459,081	\$16,010,485	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			\$29,674	\$629,894	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets				\$80,813	
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$569,333	\$0	\$488,755	\$16,721,192	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$1,019,623	\$38,955	\$1,303,541	\$20,870,309	\$0
311 Bank Overdraft					

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
312 Accounts Payable <= 90 Days	\$288	\$13	\$46,184	\$210,202	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable			\$21,271	\$21,271	
322 Accrued Compensated Absences - Current Portion		\$230	\$2,667	\$9,078	
324 Accrued Contingency Liability					
325 Accrued Interest Payable				\$2,080,149	
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits		\$3,000		\$147,613	
342 Unearned Revenue		\$283		\$283	
343 Current Portion of Long-term Debt - Capital			\$5,671	\$59,043	
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities				\$54,693	
346 Accrued Liabilities - Other			\$42	\$25,754	
347 Inter Program - Due To				\$16,278	
348 Loan Liability - Current					
310 Total Current Liabilities	\$288	\$3,526	\$75,835	\$2,624,364	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$255,000		\$1,068,638	\$11,097,886	
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other				\$440,046	
354 Accrued Compensated Absences - Non Current		\$2,070	\$24,002	\$82,519	
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
350 Total Non-Current Liabilities	\$255,000	\$2,070	\$1,092,640	\$11,620,451	\$0
300 Total Liabilities	\$255,288	\$5,596	\$1,168,475	\$14,244,815	\$0
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$314,333		-\$615,227	\$2,773,408	\$0
511.4 Restricted Net Position	\$298,017	\$3,000		\$1,598,085	\$0
512.4 Unrestricted Net Position	\$151,985	\$30,359	\$750,293	\$2,254,001	\$0
513 Total Equity - Net Assets / Position	\$764,335	\$33,359	\$135,066	\$6,625,494	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$1,019,623	\$38,955	\$1,303,541	\$20,870,309	\$0

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133
 Fiscal Year End: 06/30/2014

	Total
111 Cash - Unrestricted	\$1,564,661
112 Cash - Restricted - Modernization and Development	\$298,305
113 Cash - Other Restricted	\$1,165,298
114 Cash - Tenant Security Deposits	\$148,413
115 Cash - Restricted for Payment of Current Liabilities	\$150,168
100 Total Cash	\$3,326,845
121 Accounts Receivable - PHA Projects	
122 Accounts Receivable - HUD Other Projects	\$79,135
124 Accounts Receivable - Other Government	\$207,826
125 Accounts Receivable - Miscellaneous	\$233,328
126 Accounts Receivable - Tenants	\$33,699
126.1 Allowance for Doubtful Accounts - Tenants	-\$21,065
126.2 Allowance for Doubtful Accounts - Other	\$0
127 Notes, Loans, & Mortgages Receivable - Current	
128 Fraud Recovery	
128.1 Allowance for Doubtful Accounts - Fraud	
129 Accrued Interest Receivable	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$532,923
131 Investments - Unrestricted	\$136,675
132 Investments - Restricted	
135 Investments - Restricted for Payment of Current Liability	
142 Prepaid Expenses and Other Assets	\$30,856
143 Inventories	\$38,185
143.1 Allowance for Obsolete Inventories	\$0

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
144 Inter Program Due From	\$83,633
145 Assets Held for Sale	
150 Total Current Assets	\$4,149,117
161 Land	\$3,370,279
162 Buildings	\$21,236,017
163 Furniture, Equipment & Machinery - Dwellings	\$642,687
164 Furniture, Equipment & Machinery - Administration	\$672,033
165 Leasehold Improvements	\$3,693,761
166 Accumulated Depreciation	-\$15,643,272
167 Construction in Progress	\$2,038,980
168 Infrastructure	
160 Total Capital Assets, Net of Accumulated Depreciation	\$16,010,485
171 Notes, Loans and Mortgages Receivable - Non-Current	\$629,894
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	
173 Grants Receivable - Non Current	
174 Other Assets	\$80,813
176 Investments in Joint Ventures	
180 Total Non-Current Assets	\$16,721,192
200 Deferred Outflow of Resources	
290 Total Assets and Deferred Outflow of Resources	\$20,870,309
311 Bank Overdraft	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
312 Accounts Payable <= 90 Days	\$210,202
313 Accounts Payable >90 Days Past Due	
321 Accrued Wage/Payroll Taxes Payable	\$21,271
322 Accrued Compensated Absences - Current Portion	\$9,078
324 Accrued Contingency Liability	
325 Accrued Interest Payable	\$2,080,149
331 Accounts Payable - HUD PHA Programs	
332 Account Payable - PHA Projects	
333 Accounts Payable - Other Government	
341 Tenant Security Deposits	\$147,613
342 Unearned Revenue	\$283
343 Current Portion of Long-term Debt - Capital	\$59,043
344 Current Portion of Long-term Debt - Operating Borrowings	
345 Other Current Liabilities	\$54,693
346 Accrued Liabilities - Other	\$25,754
347 Inter Program - Due To	\$16,278
348 Loan Liability - Current	
310 Total Current Liabilities	\$2,624,364
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$11,097,886
352 Long-term Debt, Net of Current - Operating Borrowings	
353 Non-current Liabilities - Other	\$440,046
354 Accrued Compensated Absences - Non Current	\$82,519
355 Loan Liability - Non Current	
356 FASB 5 Liabilities	
357 Accrued Pension and OPEB Liabilities	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133
 Fiscal Year End: 06/30/2014

	Total
350 Total Non-Current Liabilities	\$11,620,451
300 Total Liabilities	\$14,244,815
400 Deferred Inflow of Resources	
508.4 Net Investment in Capital Assets	\$2,773,408
511.4 Restricted Net Position	\$1,598,085
512.4 Unrestricted Net Position	\$2,254,001
513 Total Equity - Net Assets / Position	\$6,625,494
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$20,870,309

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue	\$700,377		\$173,814		\$304,101
70400 Tenant Revenue - Other	\$109,314		\$14,281		\$30,686
70500 Total Tenant Revenue	\$809,691	\$0	\$188,095	\$0	\$334,787
70600 HUD PHA Operating Grants	\$514,437	\$3,658,013			\$56,692
70610 Capital Grants	\$340,571				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants			\$30,000	\$283,461	\$177,664
71100 Investment Income - Unrestricted	\$694	\$111	\$187		\$508
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery		\$2,912			
71500 Other Revenue	\$3,111	\$307,277	\$84		
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted		\$111	\$904		\$94
70000 Total Revenue	\$1,668,504	\$3,968,424	\$219,270	\$283,461	\$569,745
91100 Administrative Salaries	\$314,139	\$136,789	\$69,471		\$40,421

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
91200 Auditing Fees	\$13,141	\$4,955	\$3,522		\$39,436
91300 Management Fee	\$181,431	\$79,440	\$57,491		\$63,048
91310 Book-keeping Fee	\$22,628	\$49,650			\$24
91400 Advertising and Marketing	\$2,412	\$720	\$589		\$1,930
91500 Employee Benefit contributions - Administrative	\$122,538	\$56,350	\$30,368		\$13,147
91600 Office Expenses	\$62,019	\$37,742	\$13,318		\$22,332
91700 Legal Expense	\$36,519	\$3,852	\$9,413		\$11,958
91800 Travel	\$2,050	\$448	\$1,072		\$1,282
91810 Allocated Overhead					
91900 Other	\$22,279	\$15,802	\$2,930		\$28,574
91000 Total Operating - Administrative	\$779,156	\$385,748	\$188,174	\$0	\$222,152
92000 Asset Management Fee	\$30,170				\$3,334
92100 Tenant Services - Salaries	\$73,966				
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services	\$223	\$29,543	\$97		
92400 Tenant Services - Other	\$12,156				
92500 Total Tenant Services	\$12,379	\$103,509	\$97	\$0	\$0
93100 Water	\$38,097		\$13,012		\$16,003
93200 Electricity	\$73,615		\$6,273		\$21,075
93300 Gas					\$4
93400 Fuel					
93500 Labor					
93600 Sewer	\$67,690		\$25,184		\$16,503
93700 Employee Benefit Contributions - Utilities					

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14,871 Housing Choice Vouchers	10,415 Rural Rental Housing Loans	10,427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
93800 Other Utilities Expense	\$50,991		\$27,773		\$20,246
93000 Total Utilities	\$230,393	\$0	\$72,242	\$0	\$73,831
94100 Ordinary Maintenance and Operations - Labor	\$207,018		\$55,711		\$36,884
94200 Ordinary Maintenance and Operations - Materials and	\$44,354	\$1,695	\$12,583		\$28,263
94300 Ordinary Maintenance and Operations Contracts	\$143,498	\$923	\$16,044		\$52,441
94500 Employee Benefit Contributions - Ordinary Maintenance	\$101,081		\$26,744		\$12,110
94000 Total Maintenance	\$495,951	\$2,618	\$111,082	\$0	\$129,698
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$16,178		\$5,486		\$8,466
96120 Liability Insurance	\$6,789	\$1,188	\$1,776		\$8,124
96130 Workmen's Compensation					
96140 All Other Insurance	\$4,673	\$2,350	\$1,273		\$672
96100 Total insurance Premiums	\$27,640	\$3,538	\$8,535	\$0	\$17,262
96200 Other General Expenses	-\$2,224		\$1,279		\$3,434
96210 Compensated Absences	-\$1,112	-\$289	\$144		-\$1,593
96300 Payments in Lieu of Taxes	\$2,198				
96400 Bad debt - Tenant Rents	\$34,796		\$2,419		\$2,349
96500 Bad debt - Mortgages					

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
96600 Bad debt - Other					\$6,646
96800 Severance Expense					
96000 Total Other General Expenses	\$33,658	-\$289	\$3,842	\$0	\$10,836
96710 Interest of Mortgage (or Bonds) Payable			\$58,274		\$31,543
96720 Interest on Notes Payable (Short and Long Term)					\$24,434
96730 Amortization of Bond Issue Costs					\$5,295
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$58,274	\$0	\$61,272
96900 Total Operating Expenses	\$1,609,347	\$495,124	\$442,246	\$0	\$518,385
97000 Excess of Operating Revenue over Operating Expenses	\$59,157	\$3,473,300	-\$222,976	\$283,461	\$51,360
97100 Extraordinary Maintenance	\$10,400				
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$3,926	\$3,258,402			
97350 HAP Portability-In		\$279,878			
97400 Depreciation Expense	\$357,043	\$416	\$223,616		\$189,204
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,980,716	\$4,033,820	\$665,862	\$0	\$707,589
10010 Operating Transfer In			\$486,338		\$190,335
10020 Operating transfer Out				-\$283,461	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In	\$100,000				
10092 Inter Project Excess Cash Transfer Out	-\$100,000				
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$486,338	-\$283,461	\$190,335
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$312,212	-\$65,396	\$39,746	\$0	\$52,491
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$4,363,540	\$301,241	\$430,585	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction					\$518,934
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity		\$121,904			
11180 Housing Assistance Payments Equity		\$113,941			

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	6.1 Component Unit - Discretely Presented
11190 Unit Months Available	3240	7320	1104		648
11210 Number of Unit Months Leased	3024	6618	1059		582
11270 Excess Cash	\$479,918				
11610 Land Purchases	\$0				
11620 Building Purchases	\$0				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.235 Supportive Housing Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
70300 Net Tenant Rental Revenue		\$78,169	\$3,204		
70400 Tenant Revenue - Other		\$3,901			
70500 Total Tenant Revenue	\$0	\$82,070	\$3,204	\$0	\$0
70600 HUD PHA Operating Grants	\$262,705		\$20,173		
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants		\$109,944		\$202,877	\$200,944
71100 Investment Income - Unrestricted		\$83			\$3
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue		\$12,759			
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$262,705	\$204,856	\$23,377	\$202,877	\$200,947
91100 Administrative Salaries		\$36,422	\$634		\$47,557
91200 Auditing Fees		\$1,506			\$1,198

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14,239 HOME Investment Partnerships Program	2 State/Local	14,235 Supportive Housing Program	14,195 Section 8 Housing Assistance Payments Program_Special Allocations	10,420 Rural Self-Help Housing Technical Assistance
91300 Management Fee		\$16,547			
91310 Book-keeping Fee					
91400 Advertising and Marketing		\$703			\$2,206
91500 Employee Benefit contributions - Administrative		\$15,751	\$327		\$18,165
91600 Office Expenses		\$11,063			\$16,290
91700 Legal Expense		\$748			\$861
91800 Travel		\$533			\$2,799
91810 Allocated Overhead					
91900 Other		\$1,678			\$1,424
91000 Total Operating - Administrative	\$0	\$84,951	\$961	\$0	\$90,500
92000 Asset Management Fee		\$3,960			
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water		\$9,822			
93200 Electricity		\$7,534			
93300 Gas		\$2,424			
93400 Fuel					
93500 Labor					
93600 Sewer		\$18,844			
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense		\$8,829			

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.235 Supportive Housing Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
93000 Total Utilities	\$0	\$47,453	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor		\$47,486			\$61,289
94200 Ordinary Maintenance and Operations - Materials and		\$5,893			\$1,660
94300 Ordinary Maintenance and Operations Contracts		\$6,040			\$654
94500 Employee Benefit Contributions - Ordinary Maintenance		\$9,497			\$27,173
94000 Total Maintenance	\$0	\$68,916	\$0	\$0	\$90,776
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance		\$2,207			\$764
96120 Liability Insurance		\$1,054			
96130 Workmen's Compensation					
96140 All Other Insurance		\$523			\$513
96100 Total Insurance Premiums	\$0	\$3,784	\$0	\$0	\$1,277
96200 Other General Expenses		\$140			
96210 Compensated Absences		-\$470			\$645
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents		\$1,988			
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

96800	Severance Expense								
96000	Total Other General Expenses	\$0	\$1,658	\$0	\$0	\$0	\$0	\$645	
96710	Interest of Mortgage (or Bonds) Payable								
96720	Interest on Notes Payable (Short and Long Term)								
96730	Amortization of Bond Issue Costs								
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
96900	Total Operating Expenses	\$0	\$210,722	\$961	\$0	\$0	\$0	\$183,198	
97000	Excess of Operating Revenue over Operating Expenses	\$262,705	-\$5,866	\$22,416	\$202,877	\$17,749			
97100	Extraordinary Maintenance								
97200	Casualty Losses - Non-capitalized								
97300	Housing Assistance Payments	\$262,705	\$301	\$19,212					
97350	HAP Portability-In								
97400	Depreciation Expense		\$38,076			\$3,838			
97500	Fraud Losses								
97600	Capital Outlays - Governmental Funds								
97700	Debt Principal Payment - Governmental Funds								
97800	Dwelling Units Rent Expense								
90000	Total Expenses	\$262,705	\$249,099	\$20,173	\$0	\$187,036			
10010	Operating Transfer In								
10020	Operating transfer Out								-\$202,877
10030	Operating Transfers from/to Primary Government								

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133 Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.235 Supportive Housing Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	-\$202,877	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	-\$44,243	\$3,204	\$0	\$13,911
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$376,803	\$6,832	\$0	-\$5,538
11040 Prior Period Adjustments, Equity Transfers and Correction		\$22,872	-\$10,036		
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	374	396	262		

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	14.239 HOME Investment Partnerships Program	2 State/Local	14.235 Supportive Housing Program	14.195 Section 8 Housing Assistance Payments Program Special Allocations	10.420 Rural Self-Help Housing Technical Assistance
11210 Number of Unit Months Leased	374	361	228		
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Peninsula Housing Authority (WA004)
PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
70300 Net Tenant Rental Revenue		\$33,495		\$1,293,160	
70400 Tenant Revenue - Other			\$8,393	\$166,575	
70500 Total Tenant Revenue	\$0	\$33,495	\$8,393	\$1,459,735	\$0
70600 HUD PHA Operating Grants		\$142,041		\$4,654,061	
70610 Capital Grants				\$340,571	
70710 Management Fee			\$388,005	\$388,005	-\$298,173
70720 Asset Management Fee			\$37,213	\$37,213	-\$34,130
70730 Book Keeping Fee			\$69,195	\$69,195	-\$72,278
70740 Front Line Service Fee					
70750 Other Fees			\$24,150	\$24,150	-\$27,525
70700 Total Fee Revenue			\$518,563	\$518,563	-\$432,106
70800 Other Government Grants			\$82,824	\$1,087,714	
71100 Investment Income - Unrestricted				\$1,586	
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$2,912	
71500 Other Revenue	\$240,000		\$215,917	\$779,148	-\$1,563
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted				\$1,109	
70000 Total Revenue	\$240,000	\$175,536	\$825,697	\$8,845,399	-\$433,669
91100 Administrative Salaries		\$10,558	\$287,635	\$943,626	
91200 Auditing Fees		\$213	\$4,206	\$68,177	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
91300 Management Fee				\$397,957	-\$298,173
91310 Book-keeping Fee				\$72,302	-\$72,278
91400 Advertising and Marketing			\$1,278	\$9,838	
91500 Employee Benefit contributions - Administrative		\$3,724	\$92,802	\$353,172	
91600 Office Expenses	\$32	\$566	\$27,673	\$191,035	-\$27,525
91700 Legal Expense		\$106	-\$2,034	\$61,423	
91800 Travel		\$9	\$6,575	\$14,768	
91810 Allocated Overhead					
91900 Other		\$114	\$8,519	\$81,320	
91000 Total Operating - Administrative	\$32	\$15,290	\$426,654	\$2,193,618	-\$397,976
92000 Asset Management Fee				\$37,464	-\$34,130
92100 Tenant Services - Salaries				\$73,966	
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services				\$29,863	
92400 Tenant Services - Other				\$12,156	
92500 Total Tenant Services	\$0	\$0	\$0	\$115,985	\$0
93100 Water					
93200 Electricity			\$331	\$77,265	
93300 Gas			\$3,807	\$112,304	
93400 Fuel				\$2,428	
93500 Labor					
93600 Sewer			\$885	\$129,106	
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense			\$159	\$107,998	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
93000 Total Utilities	\$0	\$0	\$5,182	\$429,101	\$0
94100 Ordinary Maintenance and Operations - Labor				\$408,388	
94200 Ordinary Maintenance and Operations - Materials and			\$4,349	\$98,797	
94300 Ordinary Maintenance and Operations Contracts			\$3,079	\$222,679	
94500 Employee Benefit Contributions - Ordinary Maintenance				\$176,605	
94000 Total Maintenance	\$0	\$0	\$7,428	\$906,469	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance			\$682	\$33,783	
96120 Liability Insurance		\$6	\$213	\$19,150	
96130 Workmen's Compensation					
96140 All Other Insurance		\$59	\$1,635	\$11,698	
96100 Total insurance Premiums	\$0	\$65	\$2,530	\$64,631	\$0
96200 Other General Expenses	\$1,038		\$2,756	\$6,423	-\$1,563
96210 Compensated Absences		-\$304	-\$11,746	-\$14,725	
96300 Payments in Lieu of Taxes				\$2,198	
96400 Bad debt - Tenant Rents		\$1,940		\$43,492	
96500 Bad debt - Mortgages					
96600 Bad debt - Other				\$6,646	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
96800 Severance Expense					
96000 Total Other General Expenses	\$1,038	\$1,636	-\$8,990	\$44,034	-\$1,563
96710 Interest of Mortgage (or Bonds) Payable				\$89,817	
96720 Interest on Notes Payable (Short and Long Term)			\$2,659	\$27,093	
96730 Amortization of Bond Issue Costs				\$5,295	
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$2,659	\$122,205	\$0
96900 Total Operating Expenses	\$1,070	\$16,991	\$435,463	\$3,913,507	-\$433,669
97000 Excess of Operating Revenue over Operating Expenses	\$238,930	\$158,545	\$390,234	\$4,931,892	\$0
97100 Extraordinary Maintenance			\$82,824	\$93,224	
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$135,222		\$3,679,768	
97350 HAP Portability-In				\$279,878	
97400 Depreciation Expense			\$27,973	\$840,166	
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,070	\$152,213	\$546,260	\$8,806,543	-\$433,669
10010 Operating Transfer In					
10020 Operating transfer Out				\$676,673	
10030 Operating Transfers from/to Primary Government				-\$486,338	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	9 Other Federal Program 2	14,267 Continuum of Care Program	COCC	Subtotal	ELIM
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In				\$100,000	
10092 Inter Project Excess Cash Transfer Out				-\$100,000	
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$190,335	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$238,930	\$23,323	\$279,437	\$229,191	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$525,405	\$0	-\$121,684	\$5,877,184	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction		\$10,036	-\$22,687	\$519,119	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				\$121,904	
11180 Housing Assistance Payments Equity					
11190 Unit Months Available		30		13374	0

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	9 Other Federal Program 2	14.267 Continuum of Care Program	COCC	Subtotal	ELIM
11210 Number of Unit Months Leased		24		12270	0
11270 Excess Cash				\$479,918	
11610 Land Purchases			\$0	\$0	
11620 Building Purchases			\$0	\$0	
11630 Furniture & Equipment - Dwelling Purchases			\$0	\$0	
11640 Furniture & Equipment - Administrative Purchases			\$0	\$0	
11650 Leasehold Improvements Purchases			\$0	\$0	
11660 Infrastructure Purchases			\$0	\$0	
13510 CFFP Debt Service Payments			\$0	\$0	
13901 Replacement Housing Factor Funds			\$0	\$0	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
70300 Net Tenant Rental Revenue	\$1,293,160
70400 Tenant Revenue - Other	\$166,575
70500 Total Tenant Revenue	\$1,459,735
70600 HUD PHA Operating Grants	\$4,654,061
70610 Capital Grants	\$340,571
70710 Management Fee	\$89,832
70720 Asset Management Fee	\$3,083
70730 Book Keeping Fee	-\$3,083
70740 Front Line Service Fee	
70750 Other Fees	-\$3,375
70700 Total Fee Revenue	\$86,457
70800 Other Government Grants	\$1,087,714
71100 Investment Income - Unrestricted	\$1,586
71200 Mortgage Interest Income	
71300 Proceeds from Disposition of Assets Held for Sale	
71310 Cost of Sale of Assets	
71400 Fraud Recovery	\$2,912
71500 Other Revenue	\$777,585
71600 Gain or Loss on Sale of Capital Assets	
72000 Investment Income - Restricted	\$1,109
70000 Total Revenue	\$8,411,730
91100 Administrative Salaries	\$943,626
91200 Auditing Fees	\$68,177

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
91300 Management Fee	\$99,784
91310 Book-keeping Fee	\$24
91400 Advertising and Marketing	\$9,838
91500 Employee Benefit contributions - Administrative	\$353,172
91600 Office Expenses	\$163,510
91700 Legal Expense	\$61,423
91800 Travel	\$14,768
91810 Allocated Overhead	
91900 Other	\$81,320
91000 Total Operating - Administrative	\$1,795,642
92000 Asset Management Fee	\$3,334
92100 Tenant Services - Salaries	\$73,966
92200 Relocation Costs	
92300 Employee Benefit Contributions - Tenant Services	\$29,863
92400 Tenant Services - Other	\$12,156
92500 Total Tenant Services	\$115,985
93100 Water	\$77,265
93200 Electricity	\$112,304
93300 Gas	\$2,428
93400 Fuel	
93500 Labor	
93600 Sewer	\$129,106
93700 Employee Benefit Contributions - Utilities	
93800 Other Utilities Expense	\$107,998

Peninsula Housing Authority (WA0004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
93000 Total Utilities	\$429,101
94100 Ordinary Maintenance and Operations - Labor	\$408,388
94200 Ordinary Maintenance and Operations - Materials and	\$98,797
94300 Ordinary Maintenance and Operations Contracts	\$222,679
94500 Employee Benefit Contributions - Ordinary Maintenance	\$176,605
94000 Total Maintenance	\$906,469
95100 Protective Services - Labor	
95200 Protective Services - Other Contract Costs	
95300 Protective Services - Other	
95500 Employee Benefit Contributions - Protective Services	
95000 Total Protective Services	\$0
96110 Property Insurance	\$33,783
96120 Liability Insurance	\$19,150
96130 Workmen's Compensation	
96140 All Other Insurance	\$11,698
96100 Total insurance Premiums	\$64,631
96200 Other General Expenses	\$4,860
96210 Compensated Absences	-\$14,725
96300 Payments in Lieu of Taxes	\$2,198
96400 Bad debt - Tenant Rents	\$43,492
96500 Bad debt - Mortgages	
96600 Bad debt - Other	\$6,646

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
 Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
96800 Severance Expense	
96000 Total Other General Expenses	\$42,471
96710 Interest of Mortgage (or Bonds) Payable	\$89,817
96720 Interest on Notes Payable (Short and Long Term)	\$27,093
96730 Amortization of Bond Issue Costs	\$5,295
96700 Total Interest Expense and Amortization Cost	\$122,205
96900 Total Operating Expenses	\$3,479,838
97000 Excess of Operating Revenue over Operating Expenses	\$4,931,892
97100 Extraordinary Maintenance	\$93,224
97200 Casualty Losses - Non-capitalized	
97300 Housing Assistance Payments	\$3,679,768
97350 HAP Portability-In	\$279,878
97400 Depreciation Expense	\$840,166
97500 Fraud Losses	
97600 Capital Outlays - Governmental Funds	
97700 Debt Principal Payment - Governmental Funds	
97800 Dwelling Units Rent Expense	
90000 Total Expenses	\$8,372,874
10010 Operating Transfer In	\$676,673
10020 Operating transfer Out	-\$486,338
10030 Operating Transfers from/to Primary Government	

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
10040 Operating Transfers from/to Component Unit	
10050 Proceeds from Notes, Loans and Bonds	
10060 Proceeds from Property Sales	
10070 Extraordinary Items, Net Gain/Loss	
10080 Special Items (Net Gain/Loss)	
10091 Inter Project Excess Cash Transfer In	\$100,000
10092 Inter Project Excess Cash Transfer Out	-\$100,000
10093 Transfers between Program and Project - In	
10094 Transfers between Project and Program - Out	
10100 Total Other financing Sources (Uses)	\$190,335
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$229,191
11020 Required Annual Debt Principal Payments	\$0
11030 Beginning Equity	\$5,877,184
11040 Prior Period Adjustments, Equity Transfers and Correction	\$519,119
11050 Changes in Compensated Absence Balance	
11060 Changes in Contingent Liability Balance	
11070 Changes in Unrecognized Pension Transition Liability	
11080 Changes in Special Term/Severance Benefits Liability	
11090 Changes in Allowance for Doubtful Accounts - Dwelling	
11100 Changes in Allowance for Doubtful Accounts - Other	
11170 Administrative Fee Equity	\$121,904
11180 Housing Assistance Payments Equity	\$113,941
11190 Unit Months Available	13374

Peninsula Housing Authority (WA004)
 PORT ANGELES, WA
Entity Wide Revenue and Expense Summary

Fiscal Year End: 06/30/2014

Submission Type: Audited/A-133

	Total
11210 Number of Unit Months Leased	12270
11270 Excess Cash	\$479,918
11610 Land Purchases	\$0
11620 Building Purchases	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0
11650 Leasehold Improvements Purchases	\$0
11660 Infrastructure Purchases	\$0
13510 CFFP Debt Service Payments	\$0
13901 Replacement Housing Factor Funds	\$0

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov