

HOUSING AND COMMUNITY
SERVICES AGENCY OF LANE COUNTY

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2012

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

SEPTEMBER 30, 2012

BOARD OF COMMISSIONERS

Jay Bozievich	125 E. 8 th Avenue Eugene, Or 97401
Rob Handy	125 E. 8 th Avenue Eugene, OR 97401
Sid Leiken	125 E. 8 th Avenue Eugene, OR 97401
C. Peter Sorenson	125 E. 8 th Avenue Eugene, OR 97401
Faye Stewart	125 E. 8 th Avenue Eugene, OR 97401
Judith Pothier	125 E. 8 th Avenue Eugene, OR 97401
Charene Reavis	125 E. 8 th Avenue Eugene, OR 97401

ADMINISTRATION

Larry Abel	Executive Director
Dorothy Cummings	Deputy Director

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 2012

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HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

FISCAL YEAR ENDED SEPTEMBER 30, 2012

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing and Community Services
Agency of Lane County, Oregon
177 Day Island Road
Eugene, Oregon 97401

I have audited the accompanying basic financial statements of the Housing and Community Services Agency of Lane County (HACSA), a component unit of Lane County, Oregon as of and for the year ended September 30, 2012 as listed in the Table of Contents. These financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HACSA as of September 30, 2012, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 25, 2013, on my consideration of the HACSA's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide the opinion on the internal control over financial reporting or on compliance. That report is an integral part of my audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The Management's Discussion and Analysis (MD&A) is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information, and accordingly, express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements of HACSA. The accompanying financial statements and schedules listed as supplementary information on the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The accompanying Financial Data Schedule is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, and in my opinion, is fairly stated in all material respects in relation to the financial statements referred to above.

Bill Kellough

Certified Public Accountant

Eugene, Oregon
June 25, 2013

REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD & A)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD & A)

Our discussion and analysis of the Housing And Community Services Agency (HACSA) of Lane County's financial performance provides an overview of the Agency's financial activities for the fiscal year ended September 30, 2012. Please read it in conjunction with the Agency's financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- The Agency reported combined net assets (assets less liabilities) of \$45,194,559 as of September 30, 2012. This represents a decrease of \$411,830 or 0.9% from the prior year.
- 26.8% (\$12,130,768) of combined net assets was unrestricted and, therefore, had no constraints on future use. This compares to \$12,986,934 last year.
- Total combined revenue for the year ended September 30, 2012 aggregated \$26,705,485, a decrease of \$2,482,237, or 8.5% under the prior year.
- Expenses exceeded revenues by \$411,830, compared to a net gain of \$1,557,773 last year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements which are listed in the Table of Contents. The basic financial statements reflect the financial position, results of operations and cash flows of HACSA, as a whole, as of and for the year ended September 30, 2012. The supplemental information reflects the combining financial statements of the Agency's major programs. The Financial Data Schedule (FDS) is required by Housing and Urban Development (HUD). HUD has established Uniform Financial Reporting Standards that require HACSA to submit financial information electronically using the FDS format.

Reporting the Agency as a Whole

One of the most important uses of the MD & A is to compare the current year financial position and changes in net assets to the previous year. The Statement of Net Assets, the Statement of Revenue, Expenses and Changes in Net Assets and the Statement of Cash Flows report information about HACSA as a whole in a way that presents this comparison.

The Statement of Net Assets presents HACSA's financial position as of September 30, 2012. It is a snapshot of the Agency's accounts on that specific date. Assets are defined as what the Agency owns and liabilities are what it owes.

Therefore, net assets are simply what is owned less what is owed. While the Statement of Net Assets presents the financial position as of a specific date, the Statement of Revenue, Expenses and Changes in Net Assets measures the Agency's results and change in net assets for a period of time; in this case the year ended September 30, 2012. The Statement of Cash Flows is an analysis of the increase or decrease in the Agency's cash balances during the year.

Reporting the Agency's Most Significant Programs

Our analysis of HACSA's major programs begins on page 43. Each major program is a self-balancing set of accounts, which is segregated for the purpose of carrying on specific activities. Generally accepted accounting principles (GAAP) requires state and local governments to use the enterprise fund type to account for business-type activities. All of the Agency's transactions are recorded in one enterprise fund. Enterprise funds use the accrual basis of accounting; revenue is recorded when earned and expenses are recorded when incurred, regardless of when the cash is received or disbursed.

FINANCIAL ANALYSIS

All of HACSA's activities are accounted for in Public Housing, Section 8 Housing Choice Vouchers, Veterans Administration Supportive Housing (VASH), Section 8 New Construction and Section 236 Housing, and Community Development programs. The details of each program are set forth in the supplemental information. The following analysis pertains to the Agency as a whole.

Net Assets

Net assets decreased by \$411,830, or 0.9% over last year.

TABLE 1
NET ASSETS

	September 30	
	<u>2012</u>	<u>2011</u>
Current assets	6,111,288	\$ 7,623,282
Restricted assets	3,956,028	4,952,925
Fixed assets, net	35,888,081	34,746,918
Other assets	7,551,424	6,742,001
Total	<u>53,506,821</u>	<u>54,065,126</u>
Current liabilities	\$2,244,350	2,119,176
Noncurrent liabilities	<u>\$6,067,912</u>	<u>6,339,561</u>
Net Assets	<u>\$45,194,559</u>	<u>\$45,606,389</u>
Classification of net assets:		
Investment in capital assets, net of related debt	\$29,910,119	\$28,449,525
Restricted net assets	\$3,153,672	4,169,930
Unrestricted net assets	<u>\$12,130,768</u>	<u>12,986,934</u>
Total net assets	<u>\$45,194,559</u>	<u>\$45,606,389</u>

TABLE 2
CHANGES IN NET ASSETS

	Year Ended September 30	
	<u>2012</u>	<u>2011</u>
Revenues:		
Dwelling rent	\$ 3,202,605	\$ 3,257,905
Federal operating grants	21,546,082	22,807,201
Federal capital grants	1,255,011	1,348,838
Interest	177,888	233,683
Other	523,899	1,540,095
	<u>\$ 26,705,485</u>	<u>\$ 29,187,722</u>
Expenses:		
Administration	\$ 4,484,309	\$ 4,707,868
Resident services	86,440	87,094
Utilities	774,828	684,955
Maintenance	4,235,854	5,488,327
Protective services	32,350	24,284
General expense	590,191	562,591
Interest	202,472	212,670
Housing assistance payments	15,532,700	14,676,923
Depreciation	1,178,171	1,203,875
	<u>\$ 27,117,315</u>	<u>\$ 27,648,587</u>
Prior period inc (dec) to net assets	-	18,638
Total inc (dec) in net assets	<u>\$ (411,830)</u>	<u>\$ 1,557,773</u>

HUD's Real Estate Assessment Center (REAC)

REAC evaluates all public housing authorities (PHAs) on an annual basis. Using the Public Housing Assessment System (PHAS), PHAs are rated for the physical status of their properties, financial condition, management proficiency, and capital fund compliance. An aggregate score of 90 or above designates the PHA as a "High Performer." HACSA has received a high performer designation since PHAS scoring has been in place, and continues the trend with a score of 91 out of 100 for the year ended September 30, 2011. Our 2012 score is pending.

TABLE 3
PUBLIC HOUSING ASSESSMENT SYSTEM
Fiscal Year 2011

PHAS Indicators	Score	Maximum Score
Physical	32	40
Financial	25	25
Management	24	25
Capital Fund	10	10
PHAS Total Score	91	100

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

This year's additions of \$2,319,337 are primarily due to capital improvements at our public housing developments, which are recorded as Construction in Progress until completion of each capital grant. The rehabilitation of the Norseman Village Apartments also impacted additions to capital assets.

TABLE 4
CAPITAL ASSETS

	September 30	
	<u>2012</u>	<u>2011</u>
Land	\$ 8,374,576	\$ 8,374,576
Buildings and improvements	49,772,191	49,559,081
Equipment	2,642,204	2,624,464
Construction in progress	2,554,321	465,834
Total	<u>63,343,292</u>	<u>61,023,955</u>
Less: accumulated depreciation	<u>(27,455,211)</u>	<u>(26,277,037)</u>
Net capital assets	<u><u>\$ 35,888,081</u></u>	<u><u>\$ 34,746,918</u></u>

Long-term Debt

Long-term debt aggregated to \$5,977,962 on September 30, 2012. The decrease of \$319,431 from the balance on September 30, 2011 represents principal paid on debt during the year.

BUDGETS, SIGNIFICANT CHANGES AND ECONOMIC FACTORS

The Agency's budget for the year ended September 30, 2012 was approved by the HACSA Board of Commissioners on September 29, 2011. HACSA's Board of Commissioners includes two public housing residents and five Commissioners from the Lane County Board of Commissioners. HACSA is a component unit of Lane County and its financial statements are, therefore, included in Lane County's financial statements.

HACSA's actual expenditures for the year ended September 30, 2012 aggregated to \$27,117,315, 3,307,285 less than the original budget. The difference in personal services is due primarily to reductions (by attrition) in the Section 8 Housing Choice Vouchers program. The difference in capital outlay is primarily due to delays in the rehabilitation of the Norsemen Village Apartments.

TABLE 5
VARIATIONS BETWEEN BUDGET AND ACTUAL AMOUNTS

	Fiscal Year 2012		
	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) budget</u>
Personal services	\$ 5,806,633	\$ 6,206,400	\$ (399,767)
Materials and services	18,471,980	18,634,600	(162,620)
Capital outlay	2,319,337	4,922,500	(2,603,163)
Debt service	519,365	661,100	(141,735)
Total expenditures	<u><u>\$ 27,117,315</u></u>	<u><u>\$ 30,424,600</u></u>	<u><u>\$ (3,307,285)</u></u>

The budget for the FY ending September 30, 2013 was approved by the HACSA Board on September 26, 2012. Federal funding accounts for approximately 84% of HACSA's revenues; HUD alone comprises 71%. HACSA is primarily dependent upon HUD for the funding of operations and is affected more by Federal budget appropriations than by local economic conditions.

HUD Funding

On March 26, 2013, Congress extended the continuing resolution, which sustained last year's austere funding. We have been under a continuing resolution for about 40 months during the past five years. Congress' inability to pass a budget restrains our ability to effectively manage the programs that we are mandated to administer. Sequestration, which resulted in an additional 5% cut in HUD funding effective March 1, 2013, has made a bleak situation bleaker.

HACSA's three largest programs are Section 8 Housing Choice Vouchers (HCV), Public Housing and Community Development. The HCV and Public Housing programs are reliant on HUD funding.

Section 8 Housing Choice Vouchers Program

The new voucher program year began on January 1, 2013. HACSA has an allocation of 2,790 vouchers. Funding for Housing Assistance Payments (HAP), which subsidizes rents to private landlords, is calculated based on HAP in calendar year 2012. Because of inadequate congressional appropriations, this year's HAP is prorated at 93% of that amount. Even though we will use available reserves, it is likely that up to 200 vouchers will have to be eliminated. This would be done by attrition so that we will not have to remove anyone from the program. We also have an allocation of 135 vouchers under the HUD-Veterans Affairs Supportive Housing (VASH) program. Funding for the VASH program is adequate. Administrative fees are based on the number of vouchers leased at the beginning of each month. These fees are prorated at 69%. As a result, Section 8 staff that retired has not been replaced. This puts a tremendous burden on remaining staff.

Public Housing Program

HACSA has a total of six Asset Management Projects (AMPS), which encompass all of our 708 public housing units. HUD funded our Public Housing operating subsidy for calendar year 2012 at about 95% of the amount that they considered adequate. Furthermore, Congress authorized HUD to recapture “excess operating reserves” of \$257,716, leaving HACSA with just four months of operating expense coverage. Nationwide, \$750 million of operating reserve funds maintained by PHAs were recaptured. Extensive research concluded that a credible claim can be made for breach of contract because of the recaptures. HACSA is participating in a lawsuit, along with 358 other PHAs, against the federal government. In 2013, the HUD operating subsidy is prorated at only 82%. Again, our property management and maintenance staffs are extremely overworked.

In addition to operating subsidies, HUD provides PHAs with capital fund grants for improvements to and modernization of public housing units. The amount of the grant in fiscal year 2012 was \$961,540. The comparable amount in fiscal year 2011 was \$1,043,757 and in 2010 it was \$1,256,000. The significant decline in funding has made it very difficult for the Agency to keep up with the capital needs of our public housing stock.

Community Development

Weatherization

Cost effective measures are installed by private contractors and are paid for with public and private funds from federal grants and participating electric and national gas utilities. Fifteen separate funding sources make up this year’s budget. Funding aggregated \$1,670,916 during the fiscal year ended September 30, 2012.

Development

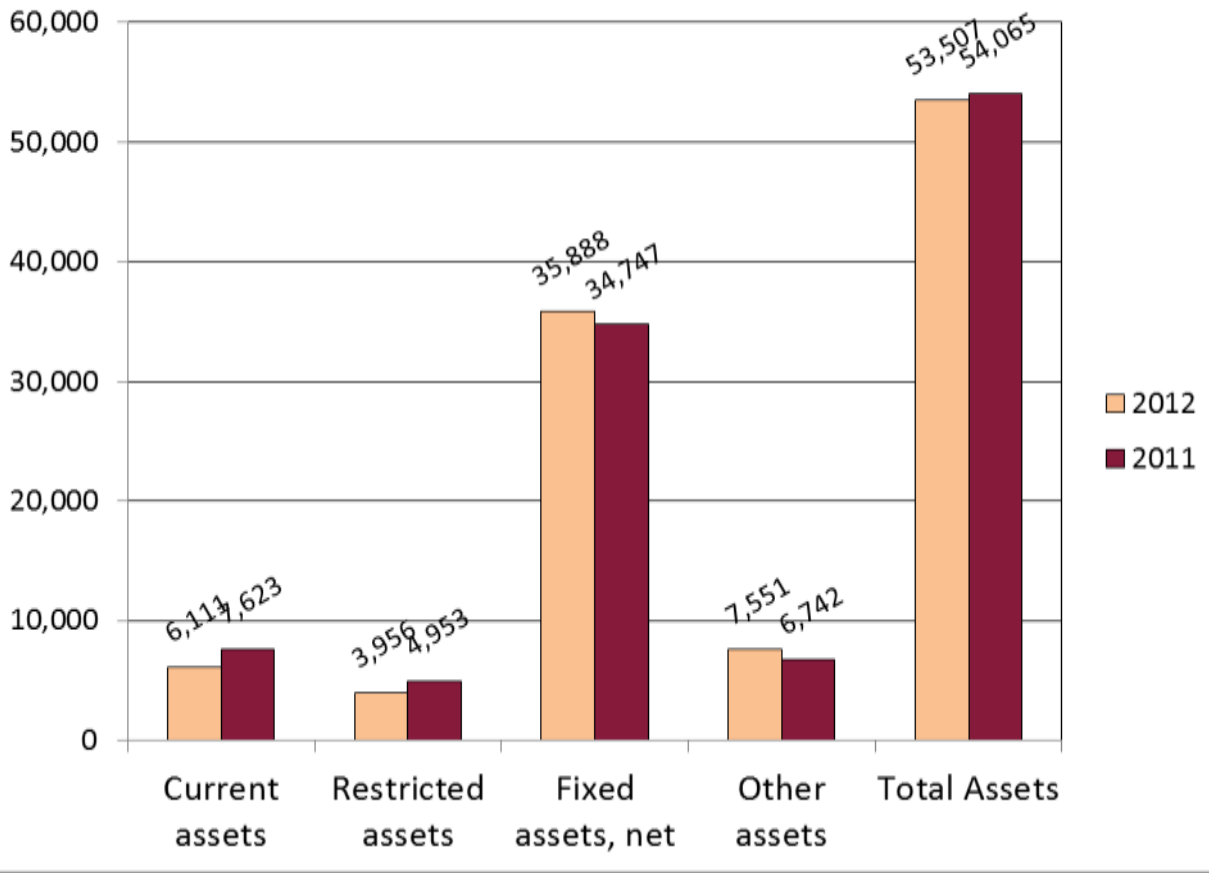
HACSA is the general partner and the managing member in a number of limited partnerships and limited liability companies formed to finance the construction of affordable housing. This year HACSA completed rehabilitation of the Hawthorn Apartments, which provides subsidized housing for individuals with psychiatric disabilities.

We also completed the rehabilitation of the Norsemen Village Apartments, an apartment complex in Junction City for seniors and people with disabilities. Subsidies for Norseman are provided by USDA, Rural Development.

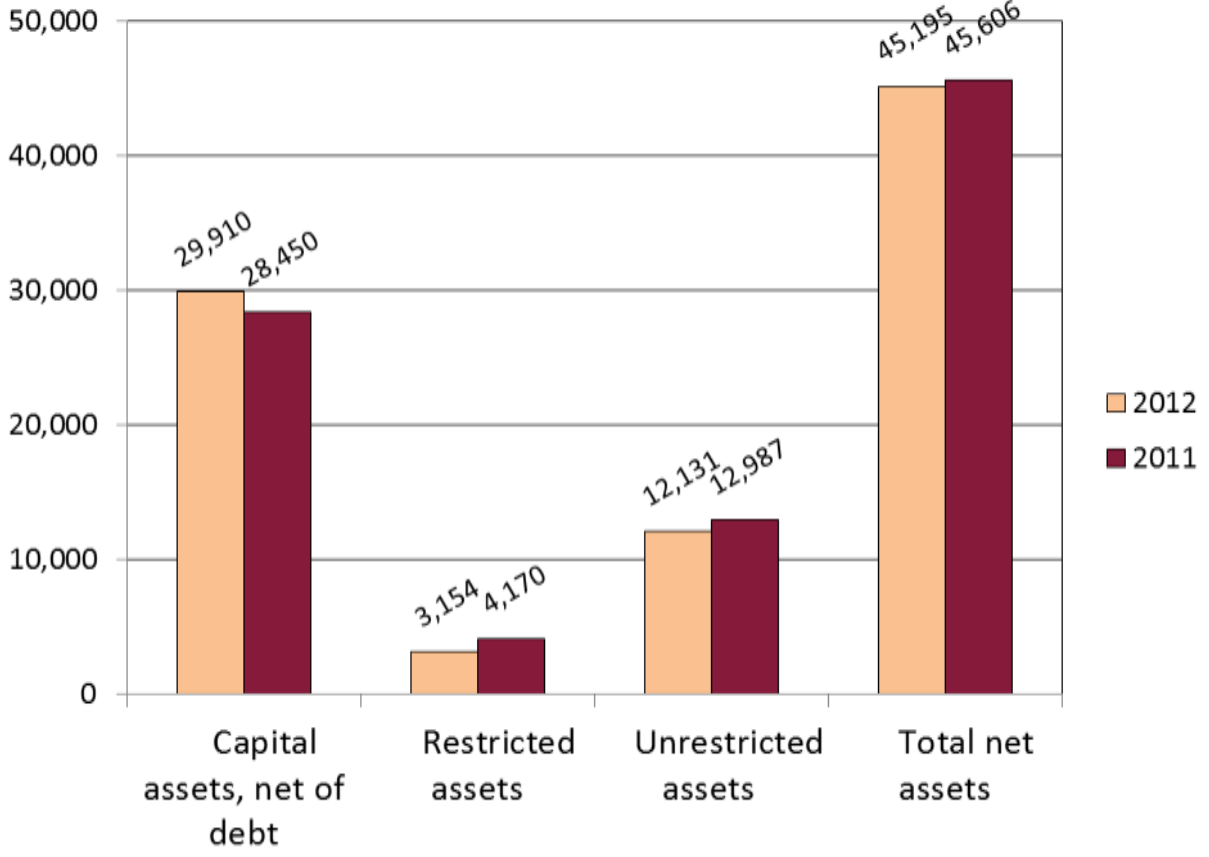
CONTACTING HACSA’S FINANCIAL MANAGEMENT

This financial report is intended to provide its citizens, taxpayers, creditors and stakeholders with a general overview of HACSA’s finances and to show the Agency’s accountability for the money it receives. If you have questions about this report or wish to request additional information, contact Larry A. Abel, Executive Director, Housing and Community Services Agency of Lane County, 177 Day Island Road, Eugene, OR, 97401; email: label@hacsa.us; telephone: (541) 682-2503.

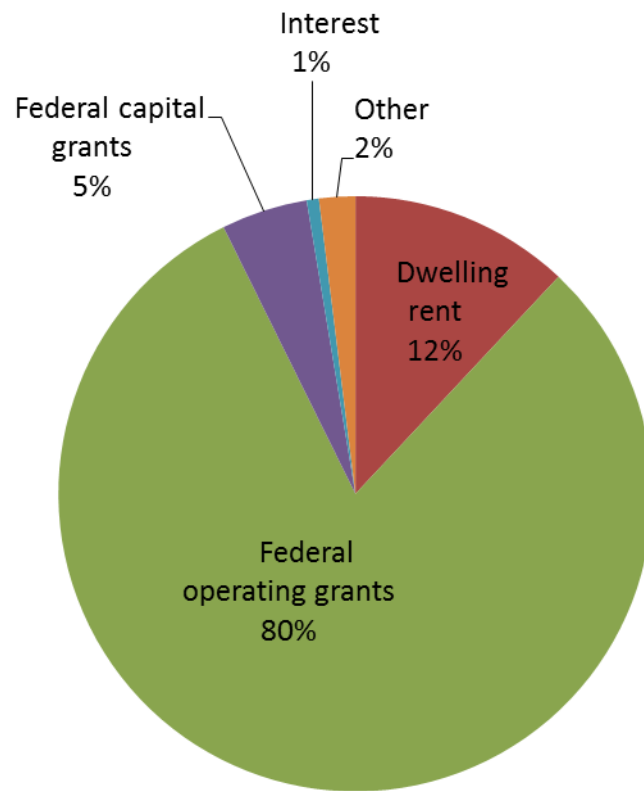
~ TOTAL ASSETS ~
(in thousands of dollars)



~ NET ASSETS ~
(in thousands of dollars)



**~ REVENUE ~
Year Ended
September 30, 2012**



BASIC FINANCIAL STATEMENTS

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

STATEMENT OF NET ASSETS

September 30, 2012

ASSETS:

Current Assets:

Cash and cash and cash equivalents	\$ 2,670,317
Accounts receivable:	
HUD	322,672
Grants	508,256
Tenants	23,469
Other	1,875,555
Investments	555,506
Prepaid expenses	100,701
Inventory	54,812
	6,111,288
Total Current Assets	6,111,288

Restricted Assets:

Cash and cash equivalents	941,573
Investments	2,881,706
FSS Escrow deposits	132,749
	3,956,028
Total Restricted Assets	3,956,028

Fixed Assets, Net of Depreciation

35,888,081

Other Assets:

Loans receivable	5,022,306
Investments in limited partnerships	2,520,168
Deposits	1,144
Unamortized bond discount	7,806
	7,551,424
Total Other Assets	7,551,424

Total Assets

\$53,506,821

LIABILITIES:

Current Liabilities:

Accounts payable and accrued liabilities	\$ 1,176,482
Tenant security deposits	285,724
Deferred revenue	538,848
Current portion long-term liabilities	243,296
	2,864,869
Total Current Liabilities	2,864,869

Long-term Liabilities:

FSS escrow deposits	333,246
Loans and bonds payable	5,734,666
	6,067,912
Total Long-term Liabilities	6,067,912
Total Liabilities	8,932,781

NET ASSETS:

Invested in capital assets, net of related debts	29,910,119
Restricted	3,153,672
Unrestricted	12,130,768
	45,194,559
Total Net Assets	45,194,559
Total Liabilities and Net Assets	\$53,506,821

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

HOUSING AND COMMUNITY
SERVICES AGENCY OF LANE COUNTY

STATEMENT OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

OPERATING INCOME:	
Dwelling rent	\$ 3,202,605
Housing assistance grants	14,644,328
Operating grants	6,237,630
HUD subsidy income	664,124
Other income	523,899
	<hr/>
Total Operating Income	\$25,272,586
	<hr style="border-top: 1px dashed black;"/>
OPERATING EXPENSES:	
Administration	4,484,309
Tenant services	86,440
Utilities	774,828
Ordinary maintenance	4,231,383
Protective services	32,350
General expense	590,191
Housing assistance payments	15,532,700
Non-routine maintenance	4,455
Casualty Loss	16
Depreciation	1,178,171
	<hr/>
Total Operating Expenses	26,914,843
	<hr/>
Net Operating Income	-1,642,257
	<hr/>
NON-OPERATING INCOME (EXPENSES):	
Investment income	177,888
Interest expense	-202,472
Capital grants	1,255,011
	<hr/>
Net Non-Operating Income (Expense)	1,230,427
	<hr/>
Net Income (Loss)	-411,830
	<hr/>
Net Assets - Beginning of Year	45,606,389
	<hr/>
Net Assets - End of Year	\$45,194,559
	<hr style="border-top: 3px double black;"/>

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

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:

Dwelling rent	\$ 3,215,471
Housing assistance grants	14,644,328
Operating grants	7,420,249
Other operating receipts	523,899
Payments to employees and related benefits	(5,898,560)
Payments to vendors and other operations	(2,936,914)
Housing assistance payments	<u>(15,532,700)</u>

**Cash Flows Provided by (Used for)
Operating activities**

1,435,773

CASH FLOW FROM INVESTING ACTIVITIES:

(Increase) decrease in investments	2,910,725
(Increase) decrease in other assets	(802,877)
Loan to Sponsors, Inc.	(6,546)
Interest income	<u>197,465</u>

**Net cash provided (used) by investing
activities:**

2,298,767

**CASH FLOWS FROM CAPITAL AND RELATED
ACTIVITIES:**

Capital grants	1,255,011
Purchase of fixed assets	(2,319,334)
Principal payments on long-term debt	(319,431)
Interest on long-term debt	<u>(204,176)</u>

**Net Cash Provided (used) by capital and
Related Financing Activities:**

(1,587,930)

**CASH FLOWS FROM NONCAPITAL FINANCING
ACTIVITIES:**

Change in FSS escrow deposits	<u>(25,815)</u>
-------------------------------	-----------------

**Net cash provided (used) by non-capital
financing activities**

(25,815)

**Increase (decrease) in cash and
and cash equivalents**

2,120,795

Beginning cash and cash equivalents

1,623,844

Ending cash and cash equivalents

\$ 3,744,439

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

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

REPORTED ON STATEMENT OF NET ASSETS:

Unrestricted	\$ 2,670,317
Restricted	941,573
FSS escrow deposits	<u>132,749</u>
Ending cash and cash equivalents	<u><u>\$ 3,744,639</u></u>

**RECONCILIATION OF OPERATING INCOME (LOSS)
PROVIDED (USED) BY OPERATING ACTIVITIES:**

Net operating income (loss)	\$ (411,830)
Adjustments to reconcile net income(loss) to net cash provided (used) by operating activities:	
Depreciation	1,178,171
(Increase) Decrease in receivables	380,109
(Increase) Decrease in inventory	1,394
(Increase) Decrease in prepaid expenses	87,464
Increase (Decrease) in accounts payable and accrued liabilities	133,335
Increase (Decrease) in security deposits	4,994
Increase (Decrease) in deferred revenue	<u>62,136</u>
Net cash provided (used) by operating activities:	<u><u>\$ 1,435,773</u></u>

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

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

The Housing and Community Services Agency (HACSA) of Lane County, Oregon was created by resolution of the County Board of Commissioners, pursuant to ORS 456.085, its primary functions are planning, development, and operations of low-income housing projects funded by the U.S. Department of Housing and Urban Development (HUD), and the administration and operation of other programs related to low-income housing assistance. These include Weatherization, Community Development, and Community Service Programs, funding for these programs is primarily provided by other HUD and other federal agencies, including the Department of Energy.

The seven-member Board of Commissioners acts as the governing body under the provisions of ORS 456.085.

Day-to-day management of HACSA is the responsibility of an Executive Director appointed by the Board of Commissioners.

The accounting system of HACSA is designed to generate that information necessary to prepare financial statements based on principles applicable to reports required by the various federal agencies and State, County and Agency requirements. The accounting policies of HACSA conform to generally accepted accounting principles of the United States of America.

Reporting Entity

All significant activities and organization over which HACSA exercises oversight responsibility have been included in the financial statements. My evaluation of the reporting entity was in accordance with Statement No. 14 of the Governmental Accounting Standards Board (GASB). Based on the criteria contained therein, HACSA is a component unit of Lane County. The Agency does not have any entities considered to be component units of HACSA for the fiscal year 2012.

Program Accounting

The accounts of HACSA are organized on the basis of programs. The operations of each program are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities net assets, revenues, and expenditures as appropriated.

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:

Program Accounting - Continued

Government resources are allocated to and accounted for the individual programs based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various programs are combined into agency - wide financial statements, which are reported as basic financial statements. The individual programs are reported in the supplemental information as follows:

PUBLIC HOUSING:

This program accounts for properties owned by HACSA, financed through long-term debt, and rented to low-income families.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM:

This program accounts for rent subsidy payments to landlords for low-income families who locate their own rental units and negotiate the monthly rent.

VETERANS ADMINISTRATION SUPPORTIVE HOUSING:

This program accounts for a grant to provide housing assistance to veterans.

SECTION 8 NEW CONSTRUCTION AND SECTION 236 HOUSING:

Abbie Lane Apartments

This program accounts for a twenty-five units of affordable housing assistance payments from HUD. Purchase of these units was funded with loans from various public and private sources.

Village Oaks Apartments

This program accounts for a project financed by HUD with loans of \$465,874 and contributed capital of \$2,126,871 for the acquisition and operations of housing for low-income families.

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:

Program Accounting-Continued

14 Pines Apartments

This program accounts for a project financed by HUD with loans of \$577,996 and contributed capital of \$2,329,635 for the acquisition and operation of housing for low-income families.

COMMUNITY DEVELOPMENT:

Agency Program

The Agency program is used to account for financial resources except those otherwise required by grant terms to be accounted for in a separate program. The primary source of revenue is from rental fees charged and interest earned.

CSA Programs

This program accounts for the various community development projects funded through various Federal, State and Local sources. These projects include Affordable Housing, Weatherization and Resident Programs.

Firwood Apartments

This program accounts for an affordable housing project funded with revenue bonds issued by HACSA and being retired over a period of thirty years.

Heeran Center

This program accounts for the operation of a sixteen - bed residential mental health treatment facility. The project was funded with loans of \$1,372,849 and contributed capital of \$245,000.

Signpost House

This program accounts for sixteen units purchased with a City of Eugene "HOME" grant of \$516,170 to provide housing for clients enrolled in the Shelter + Care program.

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:

Camas Apartments

This program accounts for thirty-six units of affordable housing financed by the U.S. Department of Agriculture (USDA) with loans of \$536,182 and a State of Oregon "HOME" grant of \$574,584.

Norsemen Village Apartments

This program accounts for forty-four units of affordable housing financed by the USDA with loans of \$1,952,583 and a grant of \$20,000.

Richardson Bridge Apartments

This program accounts for thirty-one units of affordable housing acquired December 31, 2008 from a Limited Partnership in which HACSA was the General Partner. HACSA exercised its option to purchase the property at the end of the certification period for low-income housing tax credit.

Budgets and Budgetary Accounting

A budget is prepared by the administrative and fiscal staff for each of the separate programs within each division and for the total operation of HACSA after coordination, consultation, and receipt of approvals of service levels from the various grantor's agencies. A consolidated budget is submitted to the Board of Commissioners for approval, modification and adoption. The Agency is not subject to Oregon Local Budget Law under ORS 294.316(8).

Basis of Accounting

In accordance with GASB Statement No. 20, the basic financial statements reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Agency distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Agency's ongoing operations. Operating revenue includes rental income, operating subsidies and grants. Operating expenses include housing assistance payments, occupancy costs, tenant services administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are classified as non-operating revenues and expenses.

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:

Basis of Accounting - Continued

Expenses that may be applied to either restricted or unrestricted resources are first applied to restricted resources. The Agency has not applied Financial Accounting Standards Board (FASB) statements and interpretations used after November 30, 1989.

Investments

Investments are stated at cost and consist of federally insured investments, the State of Oregon Local Government Investment Pool, and low-income housing tax credits limited partnerships. Cost of these investments approximates market value, therefore no adjustment for unrealized gain or loss has been made on these financial statements.

Inventories

Inventories are stated at cost, on a first-in, first-out basis.

Accounts Receivable

Accounts receivable are shown at net realizable value. A provision for uncollectible amounts has been established in an amount determined by management.

FIXED ASSETS:

The Capitalization threshold is \$5,000. Capital assets are those that have initial lives extending beyond a single reporting period. These assets are recorded at cost or estimated historical cost. Depreciation is recorded on the straight-line method over estimated useful lives of the respective assets as follows:

Buildings and Improvements	40 Years
Furniture and Equipment	3 to 7 Years
Vehicles	5 Years

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Income Taxes

The Agency is exempt from Federal income taxes under Internal Revenue Code Section 115.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, HACSA, considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

NOTE 2. CASH AND CASH INVESTMENTS:

Cash

The cash balances at September 30, 2012 are as follows:

Petty Cash	\$ 2,202
Cash with fiscal agent (management company)	81,960
Checking, Saving & Money Market accounts	<u>3,660,477</u>
Total	<u>\$3,744,639</u>
	=====

Cash balances are classified as follows:

Unrestricted	\$2,670,317
Restricted	<u>1,074,322</u>
Total	<u>\$3,744,639</u>
	=====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 2. CASH AND INVESTMENTS - CONTINUED:

Custodial credit risk for deposits:

This is the risk that deposits may not be returned to the Agency in the event of a bank failure. There were no balances as of September 30, 2012 that were not covered by federal depository insurance or collateral pledged by the depository institution.

Investments

Investments at HACSA consist of the following:

State of Oregon Local Government Investment Pool	\$1,767,179
Federal Agency Securities (rated AAA by Moody's and S & P):	
Federal Farm Credit Bank note, 2.23%	
Matures May 19, 2016, par call	
November 19, 2011	1,200,000
Investments with Fiscal agents	<u>469,033</u>
Total	<u>\$3,437,212</u>
	=====
Investments are classified as follows:	
Unrestricted	\$ 555,506
Restricted	<u>2,881,706</u>
Total	<u>\$3,437,212</u>
	=====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 2. CASH AND INVESTMENTS - CONTINUED

Oregon Revised Statutes authorize HACSA to participate in the following types of investments:

Obligations of the United States, agencies or instrumentalities of the United States, and States of Oregon, Washington, Idaho and California, certificates of deposit, savings accounts or share accounts held in banks, savings and loan associations, or credit unions, fixed or variable life insurance or annuity contracts, banker's acceptances, commercial paper, repurchase and reverse repurchase agreements, and State of Oregon Local Government.

The State of Oregon Local Government Investment Pool (Pool) is not registered with the U.S. Securities and Exchange Commission as an investment company and is not rated. Oregon Revised Statutes and the Investment Council govern the Pool's investment policies. The State Treasurer is the investment officer for the Pool. These funds must be invested and managed as a prudent investor would, exercising reasonable care, skill, and caution. Investments of the Pool are further governed by portfolio guidelines issued by the Oregon Short Term Funds Board, which establish diversification rules and specify the types and maturities of investments.

Restrictions on cash balances are as follows:

Public Housing - Family Self-Sufficiency (FSS) Income Deposits	\$ 183,394
Agency Program	
Walnut Park Reserve	101,186
Empire Pacific Window Deposit	107,416
Norseman Village Apartments	15,744
Family Self-Sufficiency (FSS) escrow deposits	132,749
Housing Choice Vouchers	247,983
Tenant Security Deposit Accounts:	
Public Housing	171,300
Abbie Lane Apartments	4,178
Village Oaks Apartments	26,523
Fourteen Pines Apartments	13,394
Camas Apartments	14,507
Norseman Village Apartments	9,729
Signpost House	1,010
Richardson Bridge	15,999
Firwood Apartments	<u>29,210</u>
Total	\$ 1,074,322 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 2. CASH AND INVESTMENTS - CONTINUED:

Restrictions on investment balances are as follows:

Replacement reserve accounts:	
Abbie Lane Apartments	\$ 188,282
Village Oaks Apartments	177,198
Fourteen Pines Apartments	471,747
Heeran Center	98,354
Camas Apartments	18,865
Norseman Village Apartments	70,734
Richardson Bridge Apartments	25,662
14 Pines Tax and insurance reserve	123
Housing Choice Vouchers	1,044,459
Neighborhood Network Reserve - CSA	14,226
Residual Receipts Reserve - Village Oaks	9,905
Residual Receipts Reserve - 14 Pines	430
Rehabilitation Reserve - Norseman Village	230,314
USDA Rehabilitation Reserve - Norseman	156,320
Firwood Apartments Bonded Debt Funds:	
Lease payment fund	2,528
Principal and interest fund	79,002
Bond reserve fund	100,369
Note payment fund	8,569
Public Housing - accrued compensation	101,145
COCC	<u>83,474</u>
Total	\$ 2,881,706 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 3. RECEIVABLES:

Receivables are reported in the following major categories:

HUD - This represents annual settlement with HUD for amounts expended by HACSA in excess of funds received from HUD.

Grants - Amounts due from other government agencies and utility companies for amounts expended in the Weatherization and various other grant programs.

Tenants - These amounts represent charges to tenants for damages, rent and other miscellaneous items.

Other - These include amounts due from Limited Partnerships, and all other miscellaneous receivables.

NOTE 4. LOANS RECEIVABLE:

Loans receivable of HACSA consist of low interest loans made to Limited Partnerships' to develop low-income housing projects. HACSA is the General Partner in all of the Limited Partnerships.

Note receivable - Munsel Park Limited Partnership
Interest at 1.5%, 5% payable annually, principal and
accrued interest due December 31, 2039. \$770,726

Note receivable - Sheldon Village I Limited Partnership
Interest at 5.57%, principal and accrued interest
due January 1, 2033. 284,195

Note receivable - Sheldon Village I Limited Partnership
Interest at 3.0%, principal and accrued interest due
January 1, 2033. 100,000

Note receivable - Hawthorn -at- 29th, LLC.
Interest at 6.0%, principal and accrued interest due
December 31, 2013. 700,000

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 4. LOANS RECEIVABLE - CONTINUED

Note receivable - Hawthorn -at- 29 th , LLC. Interest at 6.0%, principal and accrued interest due on or before March 31, 2062.	\$115,000
Note receivable - Sheldon Village II Limited Partnership Interest at 5.7%, principal and accrued interest due January 1, 2035.	290,805
Note receivable Sheldon Village II Limited Partnership Interest at 3.0%, principal and accrued interest due January 1, 2035.	100,000
Note receivable - Laurel Gardens Limited Partnership Interest at 3.0%, due annually, principal and accrued interest due January 1, 2014.	77,840
Note receivable - Laurel Gardens Limited Partnership Interest at 7.08%, due annually, principal and accrued interest due December 31, 2013.	137,200
Note receivable - Laurel Gardens Limited Partnership Interest at 1.0%, principal and interest payments due annually, principal and accrued interest due December 31, 2013.	178,222
Note receivable - Jacob's Lane Limited Partnership Interest at 6.0%, .5% payable annually, principal and accrued interest due January 1, 2029.	406,440
Note receivable - Jacob's Lane Limited Partnership Interest at 1.0%, principal and interest payments of \$3,192 due annually, principal and accrued interest due January 1, 2029.	100,000
Note receivable - New Winds Apartments Limited Partnership Interest at 3.25%, principal and accrued interest due August 1, 2047.	701,611

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 4. LOANS RECEIVABLE - CONTINUED

Note receivable - New Winds Apartments Limited Partnership Interest at 5.15%, principal and accrued interest due August 1, 2047.	\$ 75,000
Note receivable - New Winds Apartments Limited Partnership Interest at 3.25%, principal and accrued interest at 3.25%, principal and accrued interest due August 1, 2047.	100,000
Note receivable - Turtle Creek Apartments Limited Partnership Interest at 5.01%, principal and accrued interest due October 1, 2047.	867,000
Note receivable - Sponsors, Inc. Interest at 4%, principal and interest payable monthly, due December 31, 2017.	<u>18,267</u>
Total	\$5,022,306 =====

All of the notes from the Limited Partnerships are secured by trust deeds on the property. Most do not call for payments until maturity. These notes are subordinated to other obligations of the Partnerships, and payments may only be made to the extent that surplus cash is available.

NOTE 5. INVESTMENT IN LIMITED PARTNERSHIPS:

HACSA is the General Partner in a number of Limited Partnerships formed to finance the construction of low-income housing. These Partnerships provide low-income housing tax credits to the investors. HACSA has an option to purchase the Limited Partners' interest after the tax credit compliance audit termination date, at the greater of its fair market value or an amount determined under the provision of the Partnership Agreement. The investments are presented at cost.

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 5. INVESTMENTS IN LIMITED PARTNERSHIPS - CONTINUED:

The investments are as follows:

HACSA Partner, LLC., 100% interest	\$	156,600
Sheldon Village I Limited Partnership, .01% interest		244,094
The Orchards Limited Partnership, 1% interest		666,394
Walnut Park limited Partnership, 1% interest		737,253
Sheldon Village II Limited Partnership, .01% interest		158,006
Laurel Gardens Limited Partnership, 01% interest		110,000
Jacob's Lane Limited Partnership, .01% interest		447,499
New Winds Limited Partnership, .01% interest		111
Turtle Creek Limited Partnership, .01% interest		111
Hawthorn - at - 29 th , LLC. .01% interest		100
 Total	 \$	 2,520,168 <u>=====</u>

HACSA provides management and accounting services to the Limited Partnerships. HACSA recognized \$62,559 in fees during the year.

NOTE 6. FIXED ASSETS:

Land, buildings and equipment are accounted for in the individual programs in which the assets were purchased. The following is a summary of fixed asset activity for the year ended September 30, 2012:

	Balance September 30, 2011	Additions	Balance September 30, 2012
Capital assets not being			
Depreciated			
Land	\$ 8,374,576	\$ -	\$ 8,374,576
Construction in progress	465,834	2,088,487	2,554,321
Total Capital assets not being depreciated	8,840,410	2,088,487	10,928,897
Capital assets being			
Depreciated:			
Buildings and improvements	49,559,081	213,108	49,772,189
Furniture and equipment	1,941,231	17,740	1,958,971
Vehicles	683,233	-	683,233
Total capital assets being depreciated	52,183,545	230,848	52,414,393

HOUSING AND COMMUNITY SERVICES

AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 6. FIXED ASSETS - Continued:

	Balance <u>September 30, 2011</u>	Additions	Balance <u>September 30, 2012</u>
Less accumulated depreciation for:			
Buildings and improvements	\$ 24,049,165	\$1,154,141	\$ 25,203,306
Furniture and equipment	1,567,640	9,541	1,577,181
Vehicles	<u>660,235</u>	<u>14,489</u>	<u>674,724</u>
 Total accumulated Depreciation	 <u>26,277,040</u>	 <u>1,178,171</u>	 <u>27,455,211</u>
Total capital assets Being depreciated, net	 <u>25,906,505</u>	 <u>(947,321)</u>	 <u>24,959,185</u>
 Total capital assets, net	 <u>\$ 34,746,915</u>	 <u>\$1,141,166</u>	 <u>\$ 35,888,081</u>

Depreciation expense is charged to the program as follows:

Public Housing	\$ 762,242
Section 8 Housing Choice Vouchers	239
Abbie Lane Apartments	37,853
Village Oaks Apartments	50,478
Fourteen Pine Apartments	69,415
CSA Program	9,780
Richardson Bridge	70,898
Firwood Apartments	64,088
Heeran Center	51,306
Signpost House	14,395
Camas Apartments	22,902
Norseman Village Apartments	<u>24,575</u>
 Total	 <u>\$ 1,178,171</u>

NOTE 7. LONG-TERM DEBT:

For the year ending September 30, 2012 the Agency completed the following long-term debt transactions:

	Balance <u>September 30, 2011</u>	Principal <u>Retirement</u>	Balance <u>September 30, 2012</u>
BONDS PAYABLE:			
Firwood Apartments - Series A Revenue Bonds			
Original amount			
\$965,000, Interest at 5.0% - 6.7%	565,000	40,000	525,000
 Firwood Apartments - Series B Revenue Bonds			
Original amount			
\$470,000, Interest at 6.7%	<u>130,000</u>	<u>20,000</u>	<u>110,000</u>

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT CONTINUED:

	<u>Balance September 30, 2011</u>	<u>Principal Retirement</u>	<u>Balance September 30, 2012</u>
Total Bonds Payable	\$ 695,000	\$ 60,000	\$ 635,000
NOTES PAYABLE:			
Oregon Housing and Community Services Department Original amount \$99,000 Interest at .25%, annual Payment \$3,457, secured by property	46,439	3,345	43,094
City of Eugene Rehabilitation Loan Original amount \$487,881, interest at 2.0%, annual payment \$22,140, secured by property	<u>392,361</u>	<u>14,711</u>	<u>377,650</u>
Total	<u>438,800</u>	<u>18,056</u>	<u>420,744</u>
Firwood Apartments:			
Ralph Greenhoot Original amount \$388,760, interest at 5.0%, annual payment \$25,043 secured by property	245,492	13,065	232,427
City of Eugene Rehabilitation Loan Original amount \$206,000, interest at 3.5%, annual payment of \$12,046, secured by property	102,191	8,980	93,211
City of Eugene Rehabilitation Loan Original amount \$250,000, interest at 22.0% annual payment \$15,144, secured by property	<u>222,462</u>	<u>10,957</u>	<u>211,505</u>
Total	<u>570,145</u>	<u>33,002</u>	<u>537,143</u>

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

	Balance September 30, 2011	Principal Retirement	Balance September 30, 2012
Notes Payable - Continued:			
CSA Program:			
Umpqua Bank, original amount \$120,000, interest at 7.75%, annual payment \$11,882, secured by property	\$ 53,807	\$ 9,357	\$ 44,450
Village Oaks Apartments: Siuslaw Bank, original amount \$465,874, interest at 7.5%, annual payment \$50,437, secured by property	27,697	27,697	-
Fourteen Pines Apartments: Berkadia Mortgage Original amount \$806,000, interest at 7.5%, annual payment \$60,150 secured by property	57,917	57,917	-
City of Eugene Rehabilitation Loan Original amount \$750,000. interest at 3.5%, annual payment \$40,414, secured by property	143,670	36,150	107,520
Total	201,587	94,067	107,520
Heeran Center:			
Oregon Housing and Community Services Department Original amount \$1,348,349, interest at 3.69%. annual payment \$74,383, secured by property	880,528	42,607	837,921
Oregon Housing and Community Services Department Original amount \$992,822, interest at 0%, annual payment not yet determined, secured by property	992,822	-	992,822

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

	<u>Balance September 30, 2011</u>	<u>Principal Retirement</u>	<u>Balance September 30, 2012</u>
Oregon Department of Human Resources Original amount \$24,500, terms not yet determined	\$ 24,500	\$ -	\$ 24,500
Total	<u>1,897,850</u>	<u>42,607</u>	<u>1,855,243</u>
Signpost House:			
City of Eugene Rehabilitation Loan Original amount \$127,678, interest at 5.0%, annual payment \$11,112, secured by property	<u>66,521</u>	<u>8,094</u>	<u>58,427</u>
Camas Apartments:			
USDA Rural Development Original amount \$191,239, interest at 6.875%, annual payment \$26,221, secured by property	307,884	5,216	302,668
USDA Rural Development Original amount \$191,239, interest at 6.875%, annual payment \$14,882, secured by the property	<u>165,524</u>	<u>3,616</u>	<u>161,908</u>
Total	<u>473,408</u>	<u>8,832</u>	<u>464,576</u>
Norseman Village Apartments:			
USDA Rural Development Original amount \$1,079,937, interest at 5.375%, annual payment not yet determined, secured by property	1,079,937	-	1,079,937

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

	Balance September 30, 2011	Principal Retirement	Balance September 30, 2012
USDA Rural Development Original amount \$191,997, interest at 5.375%, annual payment \$12,953, secured by property	\$ 175,777	\$ 3,592	\$ 172,185
USDA Rural Development Original amount \$344,947, interest at 6.875%, annual payment \$26,221, secured by property	339,429	8,543	330,886
USDA Rural Development Original amount 378,003, interest at 5.375%, annual payment \$12,953, secured by property	<u>277,435</u>	<u>5,584</u>	<u>271,851</u>
Total	<u>1,872,578</u>	<u>17,719</u>	<u>1,854,859</u>
 Total	 \$ 6,297,393 =====	 \$ 319,431 =====	 \$ 5,977,962 =====

The annual requirements to amortize all long-term debt outstanding as of September 30, 2012 are as follows:

Firwood Apartments Revenue Bonds, Series A

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 45,000	\$ 33,495	\$ 78,495
September 30, 2014	45,000	30,525	75,525
September 30, 2015	50,000	27,390	77,390
September 30, 2016	55,000	23,925	78,925
September 30, 2017	60,000	20,460	80,460
September 30 2018-2021	<u>270,000</u>	<u>37,896</u>	<u>307,896</u>
 Total	 \$525,000 =====	 \$ 173,691 =====	 \$ 698,691 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

Firwood Apartments Series B

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 20,000	\$ 6,700	\$ 26,700
September 30, 2014	25,000	5,193	30,193
September 30, 2015	25,000	3,517	28,517
September 30, 2016	25,000	1,843	26,843
September 30, 2017	<u>15,000</u>	<u>502</u>	<u>15,502</u>
Total	\$110,000 =====	\$ 17,755 =====	\$127,755 =====

Abbie Lane Apartments - OHCS

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 3,353	\$ 104	\$ 3,457
September 30, 2014	3,361	96	3,457
September 30, 2015	3,370	87	3,457
September 30, 2016	3,378	79	3,457
September 30, 2017	3,387	70	3,457
September 30, 2018-2022	<u>26,245</u>	<u>256</u>	<u>26,501</u>
Total	\$ 43,094 =====	\$ 692 =====	\$ 43,786 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

Abbie Lane Apartments - City of Eugene Rehabilitation Loan

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 14,723	\$ 7,417	\$ 22,140
September 30, 2014	15,020	7,120	22,140
September 30, 2015	15,324	6,816	22,140
September 30, 2016	15,622	6,518	22,140
September 30, 2017	15,922	6,218	22,140
September 30, 2018-2022	82,970	27,730	110,700
September 30, 2023-2027	91,688	19,012	110,700
September 30, 2028-2032	107,464	3,236	110,700
September 30, 2033-2036	<u>18,917</u>	<u>435</u>	<u>19,352</u>
Total	\$377,650 =====	\$84,502 =====	\$ 462,152 =====

Firwood Apartments - Ralph Greenhoot

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 13,734	\$11,978	\$ 25,043
September 30, 2014	14,436	11,309	25,043
September 30, 2015	14,436	10,607	25,043
September 30, 2016	15,175	9,868	25,043
September 30, 2017	16,727	8,316	25,043
September 30, 2018-2022	96,206	29,011	125,217
September 30, 2023-2025	<u>60,198</u>	<u>2,418</u>	<u>62,616</u>
Total	\$232,427 =====	\$80,621 =====	\$ 313,048 =====

HOUSING AND COMMUNITY SERVICES
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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED:

Firwood Apartments - City of Eugene Rehabilitation Loan

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 8,909	\$ 3,137	\$ 12,046
September 30, 2014	9,226	2,820	12,046
September 30, 2015	9,554	2,492	12,046
September 30, 2016	9,879	2,167	12,046
September 30, 2017	10,209	1,837	12,046
September 30, 2018-2022	<u>45,434</u>	<u>7,950</u>	<u>53,384</u>
Total	\$ 93,211	\$ 20,403	\$113,614
	=====	=====	=====

Firwood Apartments - City of Eugene Rehabilitation Loan

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 11,016	\$ 4,128	\$ 15,144
September 30, 2014	11,238	3,906	15,144
September 30, 2015	11,465	3,679	15,144
September 30, 2016	11,696	3,448	15,144
September 30, 2017	11,936	3,208	15,144
September 30, 2018-2022	60,961	14,758	75,720
September 30, 2023-2027	72,631	3,089	75,720
September 30, 2028-2030	<u>20,562</u>	<u>450</u>	<u>21,012</u>
Total	\$ 211,505	\$ 36,667	\$ 248,172
	=====	=====	=====

CSA Program - Umpqua Bank

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 8,572	\$ 3,310	\$ 11,882
September 30, 2014	9,261	2,621	11,882
September 30, 2015	10,004	1,878	11,882
September 30, 2016	10,484	1,398	11,882
September 30, 2017	<u>6,129</u>	<u>619</u>	<u>6,748</u>
Total	\$ 44,450	\$ 9,826	\$ 54,276
	=====	=====	=====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED

Fourteen Pines Apartments - City of Eugene Rehabilitation Loan

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 37,248	\$ 3,166	\$ 40,414
September 30, 2014	38,573	1,841	40,414
September 30, 2015	<u>31,699</u>	<u>393</u>	<u>32,092</u>
Total	\$107,520 =====	\$ 5,400 =====	\$ 112,920 =====

Heeran Center - Oregon Housing and Community Services Department

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 44,207	\$ 30,176	\$ 74,383
September 30, 2014	45,866	28,517	74,383
September 30, 2015	47,587	26,796	74,383
September 30, 2016	49,373	25,010	74,383
September 30, 2017	51,173	23,210	74,383
September 30, 2018-2022	331,097	40,825	371,916
September 30, 2023-2027	<u>268,624</u>	<u>72,299</u>	<u>340,923</u>
Total	\$ 837,921 =====	\$246,833 =====	\$ 1,084,754 =====

Signpost House - City of Eugene Rehabilitation Loan

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 8,383	\$ 2,729	\$ 11,112
September 30, 2014	8,812	2,300	11,112
September 30, 2015	9,263	1,849	11,112
September 30, 2016	9,589	1,523	11,112
September 30, 2017	10,158	954	11,112
September 30, 2018-2019	<u>12,222</u>	<u>97</u>	<u>12,319</u>
Total	\$ 58,427 =====	\$ 9,452 =====	\$ 67,879 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED

Camas Apartments - USDA Rural Development

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 5,586	\$ 21,005	\$ 26,221
September 30, 2014	5,983	20,635	26,221
September 30, 2015	6,407	20,238	26,221
September 30, 2016	6,948	19,814	26,221
September 30, 2017	7,498	19,273	26,221
September 30, 2018-2022	42,389	88,715	131,104
September 30, 2023-2027	59,719	71,385	131,104
September 30, 2028-2032	94,137	46,970	131,104
September 30, 2033-2037	<u>74,001</u>	<u>5,088</u>	<u>79,089</u>
Total	\$302,668 =====	\$300,838 =====	\$ 603,506 =====

Of the above amounts, Rural Development provides an annual interest subsidy which reduces the net payment the Agency is required to make on the above loan. The subsidies provided by RD over the life of the loan are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ 14,322
2014	14,322
2015	14,322
2016	14,322
2017	14,322
Thereafter	<u>242,277</u>
Total	\$313,887 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED

Camas Apartments - USDA Rural Development

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 3,872	\$ 11,011	\$ 14,883
September 30, 2014	4,146	10,736	14,882
September 30, 2015	4,441	10,442	14,883
September 30, 2016	4,722	10,161	14,883
September 30, 2017	5,003	9,880	14,883
September 30, 2018-2022	29,935	44,477	74,412
September 30, 2023-2027	41,399	33,013	74,412
September 30, 2028-2032	66,963	7,449	74,412
September 30, 2033-2036	<u>1,427</u>	<u>98</u>	<u>1,525</u>
Total	\$161,908 =====	\$ 137,267 =====	\$299,175 =====

Of the above accounts, Rural Development provides an annual interest subsidy which reduces the net payment the Agency is required to make on the above loan. The subsidies provided by RD over the life of the loan are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ 7,782
2014	7,782
2015	7,782
2016	7,782
2017	7,782
Thereafter	<u>109,606</u>
Total	\$148,516 =====

Norseman Village Apartments - USDA Rural Development

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 3,790	\$ 9,163	\$ 12,953
September 30, 2014	3,999	8,954	12,953
September 30, 2015	4,219	8,733	12,952
September 30, 2016	4,451	8,502	12,953
September 30, 2017	4,691	8,261	12,952
September 30, 2018-2022	26,220	38,544	64,764
September 30, 2023-2027	34,283	30,480	64,763
September 30, 2028-2032	49,050	15,713	64,763
September 30, 2033-2037	<u>41,482</u>	<u>2,230</u>	<u>43,712</u>
Total	\$ 172,185 =====	\$130,580 =====	\$302,765 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED

Of the above amounts, Rural Development provides an annual interest subsidy which reduces the net payment the Agency is required to make on the above loan. The subsidy provided by RD over the life of the loan is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ 5,503
2014	5,503
2015	5,503
2016	5,503
2017	5,503
Thereafter	<u>100,901</u>
Total	\$128,416 =====

Norseman Village Apartments - USDA Rural Development

<u>Fiscal Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 9,012	\$ 17,567	\$ 26,579
September 30, 2014	9,513	17,067	26,580
September 30, 2015	10,035	16,545	26,580
September 30, 2016	10,588	15,991	26,579
September 30, 2017	11,128	15,451	26,579
September 30, 2018-2022	67,122	65,773	132,895
September 30, 2023-2027	86,283	46,612	132,895
September 30, 2028-2032	111,360	21,536	132,896
September 30, 2033-2036	<u>15,845</u>	<u>735</u>	<u>16,580</u>
Total	\$330,886 =====	\$ 217,277 =====	\$ 548,163 =====

Of the above amounts, Rural Development provides an annual interest subsidy which reduces the net payment the Agency is required to make on the above loan. The subsidies provided by RD over the life of the loan are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	11,910
2014	11,910
2015	11,910
2016	11,910
2017	11,910
Thereafter	<u>224,753</u>
Total	\$284,303 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 7. LONG-TERM DEBT - CONTINUED

Norseman Village Apartments - USDA Rural Development

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 5,891	\$ 14,469	\$ 20,360
September 30, 2014	6,216	14,144	20,360
September 30, 2015	6,558	13,801	20,359
September 30, 2016	7,301	13,058	20,359
September 30, 2017	7,701	12,658	20,359
September 30, 2018-2022	45,741	56,056	101,797
September 30, 2023-2027	58,967	42,831	101,798
September 30, 2028-2032	76,258	25,540	101,798
September 30, 2033-2037	<u>57,218</u>	<u>15,740</u>	<u>72,958</u>
Total	\$271,851 =====	\$208,297 =====	\$ 480,148 =====

Of the above amounts, Rural Development provides an annual interest subsidy which reduces the net payments the Agency is required to make on the above loan. The subsidies provided by RD over the life of the loan are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2013	\$ 8,651
2014	8,651
2015	8,651
2016	8,651
2017	8,651
Thereafter	<u>160,752</u>
Total	\$204,007 =====

Total future requirements for all long-term debt are shown as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30, 2013	\$ 243,296	\$ 178,516	\$ 421,812
September 30, 2014	255,650	166,685	422,335
September 30, 2015	260,101	154,100	414,201
September 30, 2016	239,982	141,988	381,970
September 30, 2017	236,662	130,367	367,029
September 30, 2018-2022	1,136,536	452,089	1,588,625
September 30, 2023-2027	773,792	321,139	1,094,931
September 30, 2028-2032	525,794	110,891	636,685
September 30, 2032-2036	208,890	24,326	233,216
Undetermined - Heeran Center			
- OHCS	24,500	-	24,500
Undetermined - Heeran Center			
- OHCS	992,822	-	992,822
Undetermined - Norseman Village			
- USDA Rural Development	<u>1,079,937</u>	<u>-</u>	<u>1,079,937</u>
Total	\$5,977,962 =====	\$ 1,680,101 =====	\$7,658,063 =====

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

NOTE 8. TENANT SECURITY DEPOSITS:

The following is a summary of deposits held by HACSA to tenants upon termination of rental contracts:

Public Housing	\$ 171,300
Abbie Lane Apartments	4,178
Village Oaks Apartments	26,523
Fourteen Pines Apartments	13,394
Richardson Bridge Apartments	15,999
Firwood Apartments	29,210
Signpost House	1,010
Camas Apartments	14,507
Norsemen Village Apartments	<u>9,729</u>
Total	\$ 285,850 =====

NOTE 9. RISK MANAGEMENT:

HACSA is exposed to various risks of loss related to errors and omissions, automobiles, damage to and destruction of assets, bodily injury, and workers' compensation. HACSA has obtained insurance from the Housing Authorities Risk Retention Pool to cover all risks except for workers' compensation and flood coverage. Those risks are covered by commercial insurance. There has been no significant reduction to coverage from the prior year, and settled claims have not exceeded the level of coverage in the past three years.

NOTE 10. PENSION PLAN:

HACSA has a defined contribution plan established under Section 401(k) of the Internal Revenue Code, covering substantially all employees working half-time or more after six months of service. The Agency makes a contribution of twelve percent of covered compensation, and employees have the option of making salary deferral contributions up to fifty percent of compensation, subject to the dollar limits specified in the Internal Revenue Code. The employer contribution for the year ended September 30, 2012 was \$431,858.

SUPPLEMENTAL INFORMATION

COMBINED FINANCIAL STATEMENTS

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMBINED STATEMENT OF NET ASSETS

September 30, 2012

	Public Housing	Section 8 Housing Choice Vouchers	Section 8 New Construction and Section 236 Housing	Community Development	Total
ASSETS:					
Current Assets:					
Cash and Cash Equivalents	\$ 1,454,766	\$ 796,066	\$ 43,361	\$ 376,124	\$ 2,630,317
Accounts Receivable:					
HUD	97,748	-	-	224,924	322,672
Grants	-	-	-	508,256	508,256
Tenants	13,425	-	2,810	7,234	23,469
Other	93,373	-	9,064	1,773,118	1,875,555
Due from Other Programs	-	-	-	620,519	620,519
Investments	555,506	-	-	-	555,506
Prepaid Expenses	45,491	-	25,995	29,215	100,701
Inventories	45,690	-	7,489	1,633	54,812
Total Current Assets	2,306,199	796,066	88,719	3,540,823	6,731,807
Restricted Assets:					
Cash and Cash Equivalents	354,694	247,983	44,095	294,801	941,573
Investments	184,619	1,044,459	847,685	804,943	2,881,706
FSS escrow deposits	-	132,749	-	-	132,749
Total Restricted Assets	539,313	1,425,191	891,780	1,099,744	3,956,028
Fixed Assets, Net of Depreciation	20,218,902	9,198	5,922,303	9,737,678	35,888,081
Other Assets:					
Loans Receivable	-	-	-	5,022,306	5,022,306
Investments in limited partnerships	-	-	-	2,520,168	2,520,168
Deposits	1,144	-	-	-	1,144
Unamortized bond discount	-	-	-	7,806	7,806
Total Other Assets	1,144	-	-	7,550,280	7,551,424
Total Assets	\$ 23,065,558	\$ 2,230,455	\$ 6,902,802	\$ 21,928,525	\$ 54,127,340
LIABILITIES:					
Current Liabilities:					
Accounts payable amd accrued liabilities	\$ 424,189	\$ 161,759	\$ 26,853	\$ 563,681	\$ 1,176,482
Tenant Security Deposits	171,300	-	43,969	70,455	285,724
Deferred revenue	-	-	-	538,848	538,848
Due to other programs	28,141	53,451	205,109	333,818	620,519
Current portion of long-term debt	-	-	55,324	187,972	243,296
Total Current Liabilities	623,630	215,210	331,255	1,694,774	2,864,869
Long-Term Liabilities:					
FSS escrow deposits	200,497	132,749	-	-	333,246
Loans and bonds payable	-	-	472,940	5,261,726	5,734,666
Total Long-Term Liabilities	200,497	132,749	472,940	5,261,726	6,067,912
Total Liabilities	824,127	347,959	804,195	6,956,500	8,932,781
NET ASSETS:					
Invested in capital assets, net of related debt	20,218,902	9,198	5,394,039	4,287,980	29,910,119
Restricted	-	1,292,442	847,685	1,013,545	3,153,672
Unrestricted	2,022,529	580,856	(143,117)	9,670,500	12,130,768
Net Assets	22,241,431	1,882,496	6,098,607	14,972,025	45,194,559
Total Liabilities and Net Assets	\$ 23,065,558	\$ 2,230,455	\$ 6,902,802	\$ 21,928,525	\$ 54,127,340

The accompanying notes are an integral
Part of the financial statements

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PUBLIC HOUSING AND SECTION 8 HOUSING
FINANCIAL STATEMENTS

AGENCY OF LANE COUNTY

STATEMENT OF NET ASSETS

September 30, 2012

	Projects					ROSS	Central Office Cost_Center	Total
	AMP_100	AMP_200	AMP_300	AMP_400	AMP_500			
ASSETS:								
Current Assets:								
Cash and Cash Equivalents	\$ 86,209	\$ 203,016	\$ 80,000	\$ 340,113	\$ 150,000	\$ 56,982	\$ -	\$ 538,446
Accounts receivable:								
HUD								
Tenants	86	14,209	7,492	3,192	-	44,828	28,141	-
Other	530	9,904	1,960	710	321	-	-	13,425
Investments	3,574	4,902	6,004	364	2,082	3,337	-	28,988
Prepaid expenses	27,463	122,051	118,142	54,041	20,386	63,855	-	149,568
Inventories	-	-	-	-	-	-	-	45,491
	-	849	269	1,381	2,151	6,886	-	34,154
Total Current Assets	117,862	399,053	213,867	399,801	174,940	175,888	28,141	796,647
Restricted Assets:								
Cash and Cash Equivalents	10,247	128,368	130,140	30,957	45,057	9,925	-	354,694
Investments	1,410	37,421	18,873	18,174	12,382	12,885	-	83,474
Total Restricted Assets	11,657	165,789	149,013	49,131	57,439	22,810	-	83,474
Fixed Assets - No. of Depositories	2,829,829	4,341,411	4,776,439	2,079,160	1,984,128	3,631,496	-	576,439
Other Assets:								
Deposits	-	-	-	-	-	-	-	1,144
Total Assets:	\$ 2,959,348	\$ 4,906,253	\$ 5,139,319	\$ 2,528,092	\$ 2,216,507	\$ 3,830,194	\$ 28,141	\$ 1,457,704
LIABILITIES:								
Current Liabilities:								
Accounts payable and accrued liabilities	\$ 5,608	98,732	53,355	59,648	30,199	36,316	-	140,331
Tenant security deposits	8,680	64,080	55,700	16,650	16,265	9,925	-	171,300
Deferred revenue	-	-	-	-	-	-	-	-
Due to other programs	-	-	-	-	-	-	28,141	17,375
Total Current Liabilities	14,288	162,812	109,055	76,298	46,464	46,241	28,141	140,331
Long-term Liabilities:								
FSS escrow deposits	1,567	64,288	74,440	14,307	28,792	-	-	17,103
Total Liabilities	15,855	227,100	183,495	90,605	75,256	46,241	28,141	157,434
NET ASSETS:								
Invested in capital assets, net of related debt	2,829,829	4,341,411	4,776,439	2,079,160	1,984,128	3,631,496	-	576,439
Unrestricted	113,664	337,742	179,389	358,327	157,123	152,457	-	723,831
Total Net Assets	\$ 2,943,493	\$ 4,679,153	\$ 4,955,824	\$ 2,437,487	\$ 2,141,251	\$ 3,783,953	\$ -	\$ 1,300,270
Total Liabilities and Net Assets	\$ 2,959,348	\$ 4,906,253	\$ 5,139,319	\$ 2,528,092	\$ 2,216,507	\$ 3,830,194	\$ 28,141	\$ 1,457,711

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 8 NEW CONSTRUCTION AND
SECTION 236 HOUSING

FINANCIAL STATEMENTS

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 8 NEW CONSTRUCTION AND SECTION 236 HOUSING

STATEMENT OF NET ASSETS

September 30, 2012

	Abbie Lane Apartments	Village Oaks Apartments	Fourteen Pines Apartments	Total
ASSETS:				
Current Assets:				
Cash and Cash equivalents	\$ 43,361	\$ -	\$ -	\$ 43,361
Accounts receivable:				
Tenants	9,483	1,161	1,230	11,874
Prepaid expenses	-	-	25,995	25,995
Inventories	1,569	3,994	1,926	7,489
Total Current Assets	<u>54,413</u>	<u>5,155</u>	<u>29,151</u>	<u>88,719</u>
Restricted Assets:				
Cash and cash equivalents	4,178	26,523	13,394	44,095
Investments	188,282	187,104	472,299	847,685
Total Restricted Assets	<u>192,460</u>	<u>213,627</u>	<u>485,693</u>	<u>891,780</u>
Fixed Assets - Net of Depreciation	<u>1,074,277</u>	<u>2,056,768</u>	<u>2,791,258</u>	<u>5,922,303</u>
Total Assets	<u>\$ 1,321,150</u>	<u>\$ 2,275,550</u>	<u>\$ 3,306,102</u>	<u>\$ 6,902,802</u>
LIABILITIES:				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ 12,465	\$ 7,521	\$ 6,867	\$ 26,853
Tenant security deposits	4,052	26,523	13,394	43,969
Due to other programs	48,204	58,324	98,581	205,109
Current portion of long-term liabilities	18,076	-	37,248	55,324
Total Current Liabilities	<u>82,797</u>	<u>92,368</u>	<u>156,090</u>	<u>331,255</u>
Long-Term Liabilities				
Loans payable	402,668	-	70,272	472,940
Total Liabilities	<u>485,465</u>	<u>92,368</u>	<u>226,362</u>	<u>804,195</u>
NET ASSETS:				
Invested in capital assets, net of related debt	653,533	2,056,768	2,683,738	5,394,039
Restricted	188,282	187,104	472,299	847,685
Unrestricted	(6,130)	(60,690)	(76,297)	(143,117)
Total Net Assets	<u>835,685</u>	<u>2,183,182</u>	<u>3,079,740</u>	<u>6,098,607</u>
Total Liabilities and Net Assets	<u>\$ 1,321,150</u>	<u>\$ 2,275,550</u>	<u>\$ 3,306,102</u>	<u>\$ 6,902,802</u>

COMMUNITY DEVELOPMENT

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMMUNITY DEVELOPMENT

STATEMENT OF NET ASSETS

September 30, 2012

	Agency Program	CSA Programs	Richardson Bridge Apartments	Firwood Apartments	Heeran Center	Signpost House	Camas Apartments	Norseman Village Apartments	Total
ASSETS:									
Current Assets:									
Cash and cash equivalents	\$ -	\$ 261,198	\$ 300	\$ 50	\$ -	\$ -	\$ 77,985	\$ 36,591	\$ 376,124
Accounts receivable:									
HUD	-	224,724	-	-	-	-	-	-	224,724
Grants	-	508,256	-	-	-	-	-	-	508,256
Tenants	-	-	1,156	1,859	4,000	-	(326)	545	7,234
Other	-	1,769,991	-	-	-	3,127	-	-	1,773,118
Investments	1,449,425	(1,554,012)	104,587	-	-	-	-	-	-
Prepaid expenses	-	12,832	2,718	13,665	-	-	-	-	29,215
Inventories	-	-	-	1,633	-	-	-	-	1,633
Due from Other Projects	59,463	121,097	1,550	-	323,318	115,091	-	-	620,519
Total Current Assets	1,508,888	1,344,086	110,311	17,207	327,318	118,218	77,659	37,136	3,540,823
Restricted Assets:									
Cash and Cash Equivalents	-	254,821	-	-	-	-	14,507	25,473	294,801
Investments	317,754	(303,528)	25,662	190,468	98,354	-	18,864	457,369	804,943
Total Restricted Assets	317,754	(48,707)	25,662	190,468	98,354	-	33,371	482,842	1,099,744
Accrued Assets Net. Of Depreciation	9,015	1,470,404	724,647	1,888,930	2,208,783	621,494	1,087,193	1,727,212	9,737,678
Other Assets:									
Loans receivable	-	5,022,306	-	-	-	-	-	-	5,022,306
Investments in Limited Partnerships	-	2,520,168	-	-	-	-	-	-	2,520,168
Bond discounts - net	-	-	-	7,806	-	-	-	-	7,806
Total Other Assets	-	7,542,474	-	7,806	-	-	-	-	7,550,280
Total Assets	\$ 1,835,657	\$ 10,308,257	\$ 860,620	\$ 2,104,411	\$ 2,634,455	\$ 739,712	\$ 1,198,223	\$ 2,247,190	\$ 21,928,525
LIABILITIES:									
Current Liabilities:									
Accounts payable and Accrued Liabilities	\$ 194,377	\$ 56,197	\$ 23,212	\$ 24,302	\$ 1,505	\$ 231	\$ 9,990	\$ 253,867	\$ 563,681
Tenant security deposits	-	-	15,999	29,210	-	1,010	14,507	9,729	70,455
Deferred revenue	-	536,848	2,000	-	-	-	-	-	538,848
Due to Other Programs	-	(955,407)	1,031,054	101,997	-	-	76,495	79,679	333,818
Current portion of long-term liabilities	-	8,572	-	98,659	44,207	8,383	10,432	17,719	187,972
Total Current Liabilities	194,377	(353,790)	1,072,265	254,168	45,712	9,624	111,424	360,994	1,694,774
Long-Term Liabilities:									
Loans payable	-	35,868	-	1,073,484	1,811,046	50,044	454,144	1,837,140	5,261,726
Total Liabilities	194,377	(317,922)	1,072,265	1,327,652	1,856,758	59,668	565,568	2,198,134	6,956,500
NET ASSETS:									
Invested in capital assets, net of related debt	9,015	1,425,953	724,647	716,787	353,541	563,067	622,617	(127,647)	4,287,980
Restricted	317,754	(134,706)	25,662	190,468	98,354	-	33,171	482,842	1,013,545
Unrestricted	1,314,511	9,334,932	(961,954)	(130,496)	325,802	116,977	(23,133)	(306,139)	9,670,500
Total Net Assets	1,641,280	10,626,179	(211,645)	776,759	777,697	680,044	632,655	49,056	14,972,025
Total Liabilities and Net Assets	\$ 1,835,657	\$ 10,308,257	\$ 860,620	\$ 2,104,411	\$ 2,634,455	\$ 739,712	\$ 1,198,223	\$ 2,247,190	\$ 21,928,525

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Public Housing	Section 8 Housing Choice Vouchers	Section 8 New Construction and Section 236 Housing	Community Development	Total
OPERATING INCOME:					
Dwelling rent	\$ 1,651,045	\$ -	\$ 450,888	\$ 1,100,672	\$ 3,202,605
Management and administration fees	1,538,206	-	-	-	1,538,206
Housing assistance grants	-	14,644,328	-	-	14,644,328
Operating Grants	1,753,517	2,031,032	-	2,453,081	6,237,630
HUD Subsidy income	-	-	664,124	-	664,124
Other income	58,749	78,270	24,755	262,125	523,899
Total Operating Income	5,001,517	16,753,630	1,139,767	3,915,878	26,810,792
OPERATING EXPENSES:					
Administration	2,589,695	1,956,214	362,208	807,939	5,716,056
Asset management fee	84,480	-	-	-	84,480
Tenant services	86,284	-	13	143	86,440
Utilities	549,563	-	110,102	115,163	774,828
Ordinary maintenance	1,910,685	4,462	400,398	2,137,817	4,453,362
Protective services	27,097	-	5,233	-	32,330
General expense	193,585	13,940	34,949	347,718	590,191
Non-routine maintenance	4,455	-	-	-	4,455
Casualty Loss	16	-	-	-	16
Housing assistance payments	-	15,136,945	-	295,755	15,532,700
Depreciation	762,242	239	157,746	257,944	1,178,171
Total Operating Expenses	6,231,360	17,111,860	1,070,669	4,062,479	28,452,049
Net Operating Income (Loss)	(1,229,843)	(358,170)	69,098	(146,611)	(1,642,257)
NON-OPERATING INCOME (EXPENSES):					
Investment income	21,855	9,246	814	145,973	177,888
Interest expense	-	-	(25,825)	(176,647)	(202,472)
Capital grants	1,255,011	-	-	-	1,255,011
Net Non-Operating Income (Expense)	1,276,866	9,246	(25,011)	(30,674)	1,230,427
Net Income (Loss)	70,292	(348,924)	44,087	(177,285)	411,830
Dividend Distribution to CSA Program	-	-	(9,440)	9,440	-
Net Assets - Beginning of Year	22,171,139	2,231,420	6,063,960	15,139,870	45,606,389
Net Assets - End of Year	\$ 22,241,431	\$ 1,882,496	\$ 6,098,607	\$ 14,972,025	\$ 45,194,559

PUBLIC HOUSING

STATEMENT OF REVENUE, EXPENSES AND

CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Projects						ROSS	Central Office Cost Center	Total
	AMP 100	AMP 200	AMP 300	AMP 400	AMP 500	AMP 600			
OPERATING INCOME:									
Dwelling rent	\$ 67,572	\$ 512,473	\$ 243,334	\$ 429,565	\$ 190,779	\$ 207,322	\$ -	\$ -	\$ 1,651,045
Management and Administrative fee	-	-	-	-	-	-	-	1,538,206	1,538,206
Operating grants	59,000	474,157	350,171	274,055	185,961	259,170	151,003	-	1,753,517
Other income	6,113	14,735	9,821	10,766	7,542	9,039	-	733	58,749
Total Operating Income	132,685	1,001,365	603,326	714,386	384,282	475,531	151,003	1,538,939	5,001,517
OPERATING EXPENSES:									
Administration	44,132	390,022	215,621	267,860	151,801	217,922	151,003	1,151,334	2,589,695
Asset management fee	3,600	25,680	15,480	17,880	10,680	11,160	-	-	84,480
Tenant services	3,973	25,238	16,193	18,651	10,267	11,479	-	483	86,284
Utilities	34,893	150,543	25,580	142,498	105,055	65,325	-	25,669	549,563
Ordinary maintenance	110,056	511,158	412,659	194,685	209,188	174,543	-	298,386	1,910,674
Protective services	-	20,429	-	2,758	1,207	2,703	-	-	27,097
General expense	8,788	54,697	39,757	39,750	17,270	21,397	-	11,925	193,585
Non-routine maintenance	-	114	-	-	4,341	-	-	-	4,455
Casualty loss	-	16	-	-	-	-	-	-	16
Depreciation	51,120	209,544	184,067	92,348	72,897	109,742	-	42,524	762,242
Total Operating Expenses	256,562	1,387,441	909,357	776,430	582,706	614,271	151,003	1,530,321	6,208,091
Net Operating Income (Loss)	(123,877)	(386,072)	(306,031)	(62,044)	(198,424)	(138,740)	-	8,618	(1,206,564)
Prior Year Adjustments and Transfers	(380,000)	150,000	80,000	-	150,000	-	-	-	-
NON-OPERATING INCOME (EXPENSES):									
Investment income	746	4,409	3,854	2,665	1,821	2,019	-	6,341	21,855
Capital grants	1,542	255,459	134,685	57,388	-	805,937	-	-	1,255,011
Net Non-Operating Income (Expense)	2,288	259,868	138,539	60,053	1,821	807,956	-	6,341	1,276,866
Net Income (Loss)	(121,589)	(126,208)	(167,492)	(1,991)	(196,603)	669,216	-	14,959	70,292
Prior Year Adjustments and Transfers	(380,000)	150,000	80,000	-	150,000	-	-	-	-
Net Assets - Beginning of Year	3,445,082	4,655,361	5,043,316	2,439,478	2,187,854	3,114,737	-	1,285,311	22,171,139
Net Assets - End of Year	\$ 2,943,493	\$ 4,659,153	\$ 4,955,824	\$ 2,437,487	\$ 2,141,251	\$ 3,783,953	\$ -	\$ 1,300,270	\$ 22,241,431

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS

SECTION 8 NEW CONSTRUCTION AND SECTION 236 HOUSING

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Abbie Lane Apartments	Village Oaks Apartments	Fourteen Pines Apartments	Total
OPERATING INCOME:				
Dwelling rent	\$33,878	\$292,514	\$124,496	\$450,888
HUD subsidy income	211,485	95,013	357,626	664,124
Other income	1,496	10,448	12,811	24,755
Total Operating Income	<u>246,859</u>	<u>397,975</u>	<u>494,933</u>	<u>1,139,767</u>
OPERATING EXPENSES:				
Administration	55,294	153,435	153,479	362,208
Tenant Services	13	-	-	13
Utilities	25,367	50,967	33,768	110,102
Ordinary maintenance	84,427	125,955	190,016	400,398
Protective services	-	5,253	-	5,253
General expense	18,182	7,409	9,358	34,949
Depreciation	37,853	50,478	69,415	157,746
Total Operating Expenses	<u>221,136</u>	<u>393,497</u>	<u>456,036</u>	<u>1,070,669</u>
Net Operating Income (Loss)	<u>25,723</u>	<u>4,478</u>	<u>38,897</u>	<u>69,098</u>
NON-OPERATING INCOME (EXPENSE):				
Investment income	143	462	209	814
Interest expense	-7,541	-8,399	-9,885	-25,825
Net Non-Operating Income (Expense)	<u>-7,398</u>	<u>-7,937</u>	<u>-9,676</u>	<u>-25,011</u>
Net Income (Loss)	18,325	-3,459	29,221	44,087
Dividends Paid	-	-640	-8,800	-9,440
Net Assets - Beginning of Year	<u>817,360</u>	<u>2,187,281</u>	<u>3,059,319</u>	<u>6,063,960</u>
Net Assets - End of Year	<u>\$835,685</u>	<u>\$2,183,182</u>	<u>\$3,079,740</u>	<u>\$6,098,607</u>

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMMUNITY DEVELOPMENT

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Agency Program	CSA Programs	Richardson Bridge Apartments	Firwood Apartments	Heeran Center	Signpost House	Camas Apartments	Norseman Village Apartments	Total
OPERATING INCOME:									
Dwelling rents	\$ -	\$ -	\$193,926	\$442,942	\$181,596	\$85,035	\$104,021	\$93,152	\$1,100,672
Operating grants	-	2,179,440	-	-	-	-	109,876	163,765	2,453,081
Other income	20,165	312,550	2,868	8,733	1,287	6,364	8,238	2,120	362,125
Total Operating Income	20,165	2,491,750	196,794	451,675	182,883	91,399	222,135	259,037	3,915,878
OPERATING EXPENSES:									
Administrative expense	5,645	510,472	32,097	99,502	15,480	17,034	49,953	77,756	807,939
Tenant services	-	-	-	143	-	-	-	-	143
Utilities	-	-	21,485	38,921	-	6,611	28,121	20,025	115,163
Ordinary maintenance	-	1,676,817	90,594	164,599	34,511	19,382	92,689	79,225	2,137,817
General expense	-	283,162	6,456	48,069	2,245	872	4,633	2,281	347,718
Housing assistance payments	-	395,755	-	-	-	-	-	-	395,758
Depreciation	-	9,780	70,898	64,088	51,306	14,395	22,902	245,275	257,944
Total Operating Expenses	5,645	2,875,986	221,530	415,322	103,642	58,294	198,297	203,862	4,062,479
Net Operating Income (Loss)	14,520	-344,186	-24,736	36,353	79,241	33,105	23,838	55,175	-146,611
NON-OPERATING INCOME (EXPENSES):									
Investment income	14,352	130,890	94	14	173	-	100	350	145,973
Interest expense	-	-3,516	-	-63,961	-31,710	-3,016	-32,272	-42,172	-176,647
Net Non-Operating Income (expenses)	14,352	127,374	94	-63,947	-31,537	-3,016	-32,172	-41,822	-30,674
Net Income (Loss)	28,872	256,822	-24,642	-27,594	47,704	30,089	-8,334	13,353	-177,285
Prior Year Adjustments and Transfers	-	9,440	-	-	-	-	-	-	9,440
Net Assets - Beginning of Year	1,612,408	10,853,256	-187,003	804,553	730,004	649,960	640,989	35,703	15,139,870
Net Assets - End of Year	\$1,641,280	\$10,620,963	(\$211,645)	\$776,959	\$777,708	\$680,049	\$632,655	\$49,056	\$14,972,025

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMMUNITY DEVELOPMENT

CSA

STATEMENT OF REVENUES AND EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	HUD Grant Programs	Weatherization Programs	Other Programs	Total
OPERATING INCOME:				
Operating grants	\$ 432,017	\$ 1,747,423	\$ -	\$ 2,177,440
Other Income	-	-	312,350	312,350
Total Operating Income	432,017	1,747,423	312,350	2,491,790
OPERATING EXPENSES:				
Administration Expense	36,262	188,606	285,604	510,472
Ordinary maintenance	-	1,570,712	106,105	1,676,817
General expense	-	19,652	263,510	283,162
Housing assistance payments	395,755	-	-	395,755
Depreciation	455	-	9,325	9,780
Total Operating Expenses	432,472	1,778,970	664,544	2,875,986
Net Operating Income (Loss)	(455)	(31,547)	(352,194)	(384,196)
NON-OPERATING INCOME (EXPENSES)				
Investment income	-	-	130,890	130,890
Interest Expense	-	-	(3,516)	(3,516)
Net Non-Operating Income (Expense)	-	-	127,374	127,374
Net Income (Loss)	\$ (455)	\$ (31,547)	\$ (224,820)	\$ (256,822)

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMMUNITY DEVELOPMENT
HUD GRANT PROGRAMS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Shelter + Care Neighborhood		
	Grant	Network	Total
OPERATING INCOME:			
Operating grants	428,361	3,656	432,017
Total Operating Income	428,361	3,656	432,017
OPERATING EXPENSES:			
Administration	32,606	3,656	36,262
Tenant services	-	-	-
Utilities	-	-	-
Ordinary maintenance	-	-	-
General expense	-	-	-
Housing assistance payments	395,755	-	395,755
Depreciation	-	455	455
Total Operating Expenses	428,361	4,111	432,472
Net Operating Income (Loss)	-	(455)	(455)
Net Income (Loss)	\$ -	\$ (455)	\$ (455)

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

COMMUNITY DEVELOPMENT AND WEATHERIZATION PROGRAMS

STATEMENT OF REVENUES AND EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Department of Energy	Department of Energy ARRA	Low-Income Energy Assistance Program	Other Weatherization	Total
OPERATING INCOME:					
Operating grants	\$ 196,985	\$ 655,193	\$ 391,522	\$ 503,723	\$ 1,747,423
Total Operating Income	<u>196,985</u>	<u>655,193</u>	<u>391,522</u>	<u>503,723</u>	<u>1,747,423</u>
OPERATING EXPENSES:					
Administration	27,515	38,233	45,930	76,928	188,606
Ordinary maintenance	166,583	612,176	339,420	452,533	1,570,712
General expenses	2,887	4,784	6,172	5,809	19,652
Total Operating Expenses	<u>196,985</u>	<u>655,193</u>	<u>391,522</u>	<u>535,270</u>	<u>1,778,970</u>
Net Operating Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,547)</u>	<u>\$ (31,547)</u>

REQUIRED AUDIT DISCLOSURES

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INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Housing and Community Services Agency of Lane County
Eugene, Oregon

I have audited the financial statements of the Housing and Community Services Agency of Lane County, for the year ended September 30, 2012 and have issued my report thereon dated June 25, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Standard (ORS) as Standards for Audits of Oregon Municipal Corporations, noncompliance with could have a direct material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion.

I performed procedures to the extent that I considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Insurance and fidelity bonds to force or required by law.
- Programs funded by outside sources.
- Authorized investment of surplus funds - OR-5294 (ORS)
- Public Contracts and Purchasing (ORS) Chapters 279A, 279B, 279C)
- Internal Control OAR-162-10-320.

In connection with my testing, nothing came to my attention that caused me to believe HACSA was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Municipal Corporations. In planning and performing my audits, I considered the Agency's internal control over financial reporting as a basis for designing

my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. My reports on compliance and internal control over financial reporting and compliance issued in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMG Circular A-133 appear on pages 60-61.

Bill Kellomaki

Certified Public Accountant

Eugene, Oregon
June 25, 2013

HOUSING AND COMMUNITY SERVICES
 AGENCY OF LANE COUNTY, OREGON
 SCHEDULE OF FEDERAL AWARDS EXPENDED
 FOR THE YEAR ENDED SEPTEMBER 30, 2012

Federal Grantor/Program Title	Federal CFDA Number	Revenue
U.S. Department of Housing and Urban Development:		
Direct Programs:		
Housing Choice Vouchers	* 14.871	17,400,164
Public Housing	* 14.850	1,602,514
Public Housing Capital Fund Program	* 14.872	1,255,011
Shelter Plus Care	14.238	428,361
Resident Opportunity and Support Sevices - Service Coordinator	14.870	151,003
Interest Reduction Payments - Rental and Corporation Housing for Lower Income Families		
Village Oaks	14.103	95,013
Fourteen Pines	14.103	357,626
Neighborhood Networks	14.800	3,656
Section 8 New Construction and Substantial Rehabilitation - Abbie Lane Apartments	14.182	<u>211,485</u>
Total Department of Housing and Urban Development		21,504,833
Unter States Department of Agriculture		
Direct Programs:		
Rural Rental Assistance Payments - Camas Apartments	10.427	109,876
Rural Rental Assistance Payments - Norsemen Village	10.427	<u>163,765</u>
Total Department of Agriculture		273,641
U.S. Department of Eenergy		
Passed through Lane County, Oregon:		
Weatherization Assistance for Low Income Persons	81.042	196,986
Weatherization Assistance for Low Income Persons - ARRA	81.042	<u>655,191</u>
Total Department of Energy		852,177
Total Federal Programs		<u>22,630,651</u>

* Denotes Major Program

HOUSING AND COMMUNITY SERVICES AGENCY

OF LANE COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2012

Note 1. - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing and Community Services Agency of Lane County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

REPORTS REQUIRED BY GAO AND OMB A-133

COMPLIANCE SUPPLEMENT

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

Board of Commissioners
Housing and Community Services
Agency of Lane County
Eugene, Oregon

I have audited the financial statements of the Housing and Community Services Agency of Lane County, for the year ended September 30, 2012 and have issued my report thereon dated June 25, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Agency's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the Agency's financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Agency's internal control over financial reporting

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected in a timely basis.

My consideration of internal control over financial reporting was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion the results of my tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Management, the Board of Commissioners, others within the Agency, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Bill Kellum

Certified Public Accountant

Eugene, Oregon
June 25, 2013

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE
A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
Housing and Community Services
Agency of Lane County
Eugene, Oregon

Compliance

I have audited Housing and Community Services Agency of Lane County's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of HACSA's major federal programs for the year ended September 30, 2012. HACSA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grant applicable to each of its major federal programs is the responsibility of the Agency's management. My responsibility is to express an opinion on the Agency's compliance based on my audit.

I conducted my audit 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 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Agency's compliance with those requirements.

In my opinion, the Housing and Community Services Agency of Lane County, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal financial assistance programs for the year ending September 30, 2012.

Internal Control over Compliance

The Management of the HACSA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Agency's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing my opinion on compliance and to test and report on

the internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operations 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 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.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those qualified parties.

Bill Kellough

Certified Public Accountant

Eugene, Oregon
June 25, 2013

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDING SEPTEMBER 30, 2012

1. **SUMMARY OF AUDITOR RESULTS:**

Financial Statements

Type of auditor's opinion issued: Unqualified

Internal control reporting:

Material weakness(es) identified? No

Significant deficiency(s) identified that are not considered to be material weaknesses? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(s) identified that are not considered to be material weakness(es)? No

Type of auditor's report on compliance to major programs

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(2) of OMB Circular A-133?

No

Identification of major programs:

<u>Name of Federal Programs</u>	<u>CFDA Number</u>
Housing Choice Vouchers	14.871
Public Housing	14.850
Public Housing Capital Fund Program Cluster	14,872, 14.884, 14.885

The threshold for distinguishing Types A and B Programs:

\$678,920

Auditee qualified as low-risk auditee?

Yes

HOUSING AND COMMUNITY SERVICES
AGENCY OF LANE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING SEPTEMBER 30, 2012

SUMMARY OF AUDITOR RESULTS - Continued:

FINANCIAL STATEMENT FINDINGS

None

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

PRIOR YEAR FINDINGS

None

FINANCIAL DATA SCHEDULES

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission type: Audited/A-133

Fiscal Year End: 09/30/2012

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	81.042 Weatherization Assistance for Low-Income Persons	2 State/Local
111 Cash - Unrestricted	916,320	796,066			
112 Cash - Restricted - Modernization and Development	0				
113 Cash - Other Restricted	183,394	380,732			
114 Cash - Tenant Security Deposits	171,300				
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	1,271,014	1,176,798	0	0	0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	69,807		28,141		
124 Accounts Receivable - Other Government				25,453	57,099
125 Accounts Receivable - Miscellaneous	45,513				
126 Accounts Receivable - Tenants	13,425				
126.1 Allowance for Doubtful Accounts - Tenants	0		0	0	0
126.2 Allowance for Doubtful Accounts - Other	0		0	0	0
127 Notes, Loans, & Mortgages Receivable - Current	18,220				
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud	0		0	0	0
129 Accrued Interest Receivable	662				
120 Total Receivables, Net of Allowances for Doubtful Accounts	147,617	0	28,141	25,453	57,099
131 Investments - Unrestricted	405,938				
132 Investments - Restricted		1,044,459			
135 Investments - Restricted for Payment of Current Liability	101,145				
142 Prepaid Expenses and Other Assets					
143 Inventories	11,536				
143.1 Allowance for Obsolete Inventories	0		0	0	0
144 Inter Program Due From	0				
145 Assets Held for Sale					
150 Total Current Assets	1,937,250	2,221,257	28,141	25,453	57,099
161 Land	4,294,268				
162 Buildings	32,861,839				
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	1,260,450	88,393			
165 Leasehold Improvements					
166 Accumulated Depreciation	-20,472,430	-79,195			
167 Construction in Progress	1,698,336				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	19,642,463	9,198	0	0	0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					

Housing Authority and Community Services of Lane County
Eugene, OR
Entity Wide Balance Sheet Summary

Submission type: Audited/A-133

Fiscal Year End: 09/30/2012

	Project Total	14,871 Housing Choice Vouchers	14,870 Resident Opportunity and Supportive Services	81,042 Weatherization Assistance for Low - Income Persons	2 State/Local
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	19,642,463	9,198	0	0	0
190 Total Assets	21,579,713	2,230,455	28,141	25,453	57,099
311 Bank Overdraft	64,751	2,000			
312 Accounts Payable <= 90 Days					
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	5,247	23,347			
322 Accrued Compensated Absences - Current Portion	101,145	136,412			
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	112,715				
341 Tenant Security Deposits	171,300				
342 Deferred Revenues					
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other					
347 Inter Program - Due To	0	53,451	28,141	25,453	57,099
348 Loan Liability - Current					
310 Total Current Liabilities	455,158	215,210	28,141	25,453	57,099
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	183,394	132,749			
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	183,394	132,749	0	0	0
300 Total Liabilities	638,552	347,959	28,141	25,453	57,099
508.1 Invested in Capital Assets, Net of Related Debt	19,642,463	9,198	0	0	
511.1 Restricted Net Assets	0	1,292,442	0	0	
512.1 Unrestricted Net Assets	1,298,698	580,856	0	0	0
513 Total Equity/Net Assets	20,941,161	1,882,496	0	0	0
600 Total Liabilities and Equity/Net Assets	21,579,713	2,230,455	28,141	25,453	57,099

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission type: Audited/A-133

Fiscal Year End: 09/30/2012

	1 Business Activities	8 Other Federal Program 1	14,238 Shelter Plus Care	10,427 Rural Rental Assistance Payments
111 Cash - Unrestricted	261,548			114,576
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	208,602			15,744
114 Cash - Tenant Security Deposits	46,219			24,236
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	516,369	0	0	154,556
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects	129,632	30,275	64,817	
124 Accounts Receivable - Other Government	425,704			
125 Accounts Receivable - Miscellaneous	803,797			
126 Accounts Receivable - Tenants	12,546			3,172
126.1 Allowance for Doubtful A ccounts - Tenants	-5,531	0	0	-2,953
126.2 Allowance for Doubtful A ccounts - Other	0	0	0	0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful A ccounts - Fraud	0	0	0	0
129 Accrued Interest Receivable	969,321			
120 Total Receivables, Net of Allowances for Doubtful Accounts	2,335,469	30,275	64,817	219
131 Investments - Unrestricted	0			
132 Investments - Restricted	307,195	21,515		476,233
135 Investments - Restricted for Payment of Current Liability	0			
142 Prepaid Expenses and Other Assets	29,215			
143 Inventories	1,633			
143.1 Allowance for Obsolete Inventories	0	0		
144 Inter Program Due From	620,519			
145 Assets Held for Sale				
150 Total Current Assets	3,810,400	51,790	64,817	631,008
161 Land	1,866,575			470,406
162 Buildings	6,963,081	20,229		1,881,961
163 Furniture, Equipment & Machinery - Dwellings	73,011			
164 Furniture, Equipment & Machinery - Administration	709,006	2,525		
165 Leasehold Improvements				
166 Accumulated Depreciation	-2,704,461	-6,693		-372,991
167 Construction in Progress				835,029
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	6,907,212	16,061	0	2,814,405
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	5,022,306			
173 Grants Receivable - Non Current				

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission type: Audited/A-133

Fiscal Year End: 09/30/2012

	1 Business Activities	8 Other Federal Program 1	14,238 Shelter Plus Care	10,427 Rural Rental Assistance Payments
174 Other Assets	7,806			
176 Investments in Joint Ventures	2,520,168			
180 Total Non-Current Assets	14,457,492	16,061	0	2,814,405
190 Total Assets	18,267,892	67,851	64,817	3,445,413
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	183,981			219,090
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	2,532			9,813
322 Accrued Compensated Absences - Current Portion	94,377			
324 Accrued Contingency Liability				
325 Accrued Interest Payable	18,934			34,954
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits	46,219			24,236
342 Deferred Revenues	538,848			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	159,821			28,151
Bonds				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To	0	30,275	64,817	156,174
348 Loan Liability - Current	0			
310 Total Current Liabilities	1,044,712	30,275	64,817	472,418
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	2,970,442			2,291,284
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	2,970,442	0	0	2,291,284
300 Total Liabilities	4,015,154	30,275	64,817	2,763,702
506.1 Invested in Capital Assets, Net of Related Debt	3,776,949	16,061		494,970
511.1 Restricted Net Assets	515,797	21,515	0	476,233
512.1 Unrestricted Net Assets	9,959,992	0	0	-289,492
513 Total Equity/Net Assets	14,252,738	37,576	0	681,711
600 Total Liabilities and Equity/Net Assets	18,267,892	67,851	64,817	3,445,413

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 09/30/2012

	14.182 NCS/R Section 8 Programs	14.103 Interest Reduction Payments_Rental and Cooperative Housing for Lower I	COCC
111 Cash - Unrestricted	43,361		538,446
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			0
114 Cash - Tenant Security Deposits	4,178	39,917	0
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	47,539	39,917	538,446
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	9,064		
126 Accounts Receivable - Tenants	419	2,391	
126.1 Allowance for Doubtful Accounts - Tenants	0	0	0
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	0	0	0
129 Accrued Interest Receivable			28,988
120 Total Receivables, Net of Allowances for Doubtful Accounts	9,483	2,391	28,988
131 Investments - Unrestricted			149,568
132 Investments - Restricted	188,282	659,403	
135 Investments - Restricted for Payment of Current Liability			83,474
142 Prepaid Expenses and Other Assets		25,995	45,491
143 Inventories	1,569	5,920	34,154
143.1 Allowance for Obsolete Inventories	0	0	0
144 Inter Program Due From			0
145 Assets Held for Sale			0
150 Total Current Assets	246,873	733,626	880,121
161 Land			
162 Buildings	214,386	1,363,547	165,394
163 Furniture, Equipment & Machinery - Dwellings	1,682,335	5,252,905	1,109,841
164 Furniture, Equipment & Machinery - Administration	17,034	33,013	458,772
165 Leasehold Improvements			
166 Accumulated Depreciation	-839,478	-1,801,439	-1,178,524
167 Construction in Progress			20,956
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	1,074,277	4,848,026	576,439
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			

Housing Authority and Community Services of Lane County
Eugene, OR
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.103 Interest	14.182 NCS/R Section 8 Programs	14.103 Interest Reduction Payments, Rental and Cooperative Housing for Lower I	OOCC
174 Other Assets			1,144	
176 Investments in Joint Ventures				
180 Total Non-Current Assets	1,074,277		4,848,026	577,583
190 Total Assets	1,321,150		5,581,652	1,457,704
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	11,702		11,115	42,531
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable		592	3,273	14,326
322 Accrued Compensated Absences - Current Portion				83,474
324 Accrued Contingency Liability				
325 Accrued Interest Payable		171		
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits		4,052	39,917	
342 Deferred Revenues				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds		18,076	37,248	
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To		48,204	156,905	
348 Loan Liability - Current				
310 Total Current Liabilities		82,797	248,458	140,331
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		402,668	70,272	
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				17,103
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities		402,668	70,272	17,103
300 Total Liabilities		485,465	318,730	157,434
508.1 Invested In Capital Assets, Net of Related Debt		653,633	4,740,506	576,439
511.1 Restricted Net Assets		188,282	659,403	0
512.1 Unrestricted Net Assets		-6,130	-136,987	723,831
513 Total Equity/Net Assets		835,685	5,262,922	1,300,270
600 Total Liabilities and Equity/Net Assets		1,321,150	5,581,652	1,457,704

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
111 Cash - Unrestricted	2,670,317		2,670,317
112 Cash - Restricted - Modernization and Development	0		0
113 Cash - Other Restricted	788,472		788,472
114 Cash - Tenant Security Deposits	285,850		285,850
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	3,744,639	0	3,744,639
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	322,672		322,672
124 Accounts Receivable - Other Government	508,256		508,256
125 Accounts Receivable - Miscellaneous	858,374		858,374
126 Accounts Receivable - Tenants	31,953		31,953
126.1 Allowance for Doubtful Accounts - Tenants	-8,484		-8,484
126.2 Allowance for Doubtful Accounts - Other	0		0
127 Notes, Loans, & Mortgages Receivable - Current	18,220		18,220
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud	0		0
129 Accrued Interest Receivable	998,961		998,961
120 Total Receivables, Net of Allowances for Doubtful Accounts	2,729,952	0	2,729,952
131 Investments - Unrestricted	555,506		555,506
132 Investments - Restricted	2,697,087		2,697,087
135 Investments - Restricted for Payment of Current Liability	184,619		184,619
142 Prepaid Expenses and Other Assets	100,701		100,701
143 Inventories	54,812		54,812
143.1 Allowance for Obsolete Inventories	0		0
144 Inter Program Due From	620,519	-620,519	0
145 Assets Held for Sale			
150 Total Current Assets	10,687,835	-620,519	10,067,316
161 Land	8,374,576		8,374,576
162 Buildings	49,772,191		49,772,191
163 Furniture, Equipment & Machinery - Dwellings	90,045		90,045
164 Furniture, Equipment & Machinery - Administration	2,552,159		2,552,159
165 Leasehold Improvements			
166 Accumulated Depreciation	-27,455,211		-27,455,211
167 Construction in Progress	2,554,321		2,554,321
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	35,888,081	0	35,888,081
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	5,022,306		5,022,306
173 Grants Receivable - Non Current			

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
174 Other Assets	8,950		8,950
176 Investments in Joint Ventures	2,520,168		2,520,168
180 Total Non-Current Assets	43,439,505	0	43,439,505
190 Total Assets	54,127,340	-620,519	53,506,821
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	535,170		535,170
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	59,130		59,130
322 Accrued Compensated Absences - Current Portion	415,408		415,408
324 Accrued Contingency Liability			
325 Accrued Interest Payable	54,059		54,059
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	112,715		112,715
341 Tenant Security Deposits	285,724		285,724
342 Deferred Revenues	538,848		538,848
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	243,296		243,296
Bonds			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other			
347 Inter Program - Due To	620,519	-620,519	0
348 Loan Liability - Current	0		0
310 Total Current Liabilities	2,864,869	-620,519	2,244,350
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	5,734,666		5,734,666
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other	333,246		333,246
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OFEB Liabilities			
350 Total Non-Current Liabilities	6,067,912	0	6,067,912
300 Total Liabilities	8,932,781	-620,519	8,312,262
508.1 Invested in Capital Assets, Net of Related Debt	29,910,119		29,910,119
511.1 Restricted Net Assets	3,153,672		3,153,672
512.1 Unrestricted Net Assets	12,130,768		12,130,768
513 Total Equity/Net Assets	45,194,559	0	45,194,559
600 Total Liabilities and Equity/Net Assets	54,127,340	-620,519	53,506,821

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133	Fiscal Year End: 09/30/2012						
	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive	81.042 Weatherization Assistance for Low-Income Persons	2 State/Local	1 Business Activities	14.800 Other Federal Program 1
70300 Net Tenant Rental Revenue	1,651,045					903,499	
70400 Tenant Revenue - Other	45,287						
70500 Total Tenant Revenue	1,696,332					903,499	
70600 HUD PHA Operating Grants	1,602,514	17,400,164	151,003				3,656
70610 Capital Grants	1,255,011						
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue	2,857,525	17,400,164	151,003				
70800 Other Government Grants				852,177	391,522	503,724	
71100 Investment Income - Unrestricted	15,514					144,927	
71200 Mortgage Interest Income						409	
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery		17,470					
71500 Other Revenue	12,729	60,800				351,767	
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted		9,246				187	
70000 Total Revenue	4,582,100	17,487,680	151,003	852,177	391,522	1,904,513	3,656
91100 Administrative Salaries	375,828	1,087,235	87,001	23,676	14,888	249,827	
91200 Auditing Fees	4,765	5,958		333	306	1,744	

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	81.042 Weatherization Assistance for Low-Income Persons	2 State/Local	1 Business Activities	14.800 Other Federal Program 1
91300 Management Fee	507,590					18,498	
91310 Book-keeping Fee	62,559						
91400 Advertising and Marketing	1,648	2,462		29	150	687	
91500 Employee Benefit contributions - Administrative	243,062	646,286	58,698	12,045	6,066	113,014	
91600 Office Expenses	52,092	80,979	240	16,534	10,576	50,306	3,656
91700 Legal Expense	1,160	844		9	43	7,525	
91800 Travel	10,694	8,695	3,017	2,972	3,083	12,837	
91810 Allocated Overhead							
91900 Other	27,960	123,755	2,047	10,149	10,818	77,853	
91000 Total Operating - Administrative	1,287,358	1,956,214	151,003	65,747	45,930	532,291	3,656
92000 Asset Management Fee	84,480						
92100 Tenant Services - Salaries	39,794						
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services	22,053						
92400 Tenant Services - Other	23,954					143	
92500 Total Tenant Services	170,281	-	-	-	-	143	-
93100 Water	136,147					17,046	
93200 Electricity	97,240					16,497	
93300 Gas	65,449					206	
93400 Fuel							
93500 Labor							
93600 Sewer	225,058					33,268	
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense							
93000 Total Utilities	523,894	-	-	-	-	67,017	-

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive	81.042 Weatherization Assistance for Low-Income Persons.	2 State/Local	1 Business Activities	14.800 Other Federal Program 1
94100 Ordinary Maintenance and Operations - Labor	397,975			183,342	87,621	222,513	
94200 Ordinary Maintenance and Operations - Materials and Other	190,997	165		331,845	97,171	270,010	
94300 Ordinary Maintenance and Operations Contracts	724,523	4,297		175,721	103,282	221,029	
94500 Employee Benefit Contributions - Ordinary Maintenance	298,794			87,851	51,346	134,183	
94000 Total Maintenance	1,612,289	4,462		778,759	339,420	847,735	
95100 Protective Services - Labor	20,703						
95200 Protective Services - Other Contract Costs							
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services	6,394						
95000 Total Protective Services	27,097						
96110 Property Insurance	56,916			4,784		11,643	
96120 Liability Insurance							
96130 Workmen's Compensation							
96140 All Other Insurance	13,940			2,887	6,172	10,285	
96100 Total Insurance Premiums	56,916	13,940		7,671	6,172	21,928	
96200 Other General Expenses						222,505	
96210 Compensated Absences							
96300 Payments in Lieu of Taxes	112,715						
96400 Bad debt - Tenant Rents	12,028					3,368	
96500 Bad debt - Mortgages							

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133	Fiscal Year End: 09/30/2012						
	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Persons	81.042 Weatherization Assistance for Low-Income Persons	2 State/Local	1 Business Activities	14.800 Other Federal Program 1
96600 Bad debt - Other						79,160	
96800 Severance Expense							
96000 Total Other General Expenses	124,743	-	-	-	-	305,033	-
96710 Interest of Mortgage (or Bonds) Payable						102,203	
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	-	-	-	-	-	102,203	-
96900 Total Operating Expenses	3,802,578	1,974,616	151,003	852,177	391,522	1,876,350	3,656
97000 Excess of Operating Revenue over Operating Expenses	779,522	15,513,064	-	-	-	28,163	-
97100 Extraordinary Maintenance	4,455						
97200 Casualty Losses - Non-capitalized	16						
97300 Housing Assistance Payments		15,805,931					
97350 HAP Portability-In		55,818					
97400 Depreciation Expense	719,718	239				210,012	455
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	4,526,767	17,836,604	151,003	852,177	391,522	2,086,362	4,111

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Project Total	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive	81.042 Weatherization Assistance for Low-Income Persons	2 State/Local	1 Business Activities	14.800 Other Federal Program 1
11180 Housing Assistance Payments Equity		1,292,442					
11190 Unit Months Available	8457	34251				1452	
11210 Number of Unit Months Leased	8389	33615				1410	
11270 Excess Cash	877,722						
11610 Land Purchases	-						
11620 Building Purchases	1,205,394						
11630 Furniture & Equipment - Dwelling Purchases	-						
11640 Furniture & Equipment - Administrative Purchases	57,090						
11650 Leasehold Improvements Purchases	-						
11660 Infrastructure Purchases	-						
13510 CFFP Debt Service Payments	-						
13901 Replacement Housing Factor Funds	-						

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 NIC S/R Section 8 Programs	14.103 Interest Reduction Payments_Rental and Cooperative and Housing for	COCC
70300 Net Tenant Rental Revenue		197,173	33,878	417,010	
70400 Tenant Revenue - Other				6,618	
70500 Total Tenant Revenue	-	197,173	33,878	423,628	-
70600 HUD PHA Operating Grants	428,361		211,485	452,639	
70610 Capital Grants					
70710 Management Fee					507,590
70720 Asset Management Fee					84,480
70730 Book Keeping Fee					62,559
70740 Front Line Service Fee					221,979
70750 Other Fees					661,598
70700 Total Fee Revenue	428,361	-	211,485	452,639	1,538,206
70800 Other Government Grants		273,641			
71100 Investment Income - Unrestricted					6,341
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		10,358	1,496	16,641	733
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted		450	143	671	
70000 Total Revenue	428,361	481,622	247,002	893,579	1,545,280
91100 Administrative Salaries	20,290	62,831	27,248	94,401	717,784
91200 Auditing Fees		1,192	750	1,311	4,766

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 N/C S/R Section 8 Programs	14.103 Interest Reduction Payments, Rental and Cooperative Housing for	COCC
91300 Management Fee		36,120		78,330	
91310 Book-keeping Fee					
91400 Advertising and Marketing		352	277	10	328
91500 Employee Benefit contributions - Administrative	12,316	9,581	17,386	98,047	357,338
91600 Office Expenses		13,115	3,494	28,211	48,189
91700 Legal Expense		239	8	633	249
91800 Travel		56	2,320	4,945	3,933
91810 Allocated Overhead					
91900 Other		4,223	3,811	1,026	18,747
91000 Total Operating - Administrative	32,606	127,709	55,294	306,914	1,151,334
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other			13		483
92500 Total Tenant Services	-	-	13	-	483
93100 Water		12,151	7,559	21,469	2,311
93200 Electricity		14,012	2,386	14,205	18,738
93300 Gas				12,623	
93400 Fuel					
93500 Labor					
93600 Sewer		21,983	15,422	36,438	4,620
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	-	48,146	25,367	84,735	25,669

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 N/C S/R Section 8 Programs	14.103 Interest Reduction Payments_Rental and Cooperative and Housing for.	COCC
94100 Ordinary Maintenance and Operations - Labor		47,190	21,541	106,234	136,333
94200 Ordinary Maintenance and Operations - Materials and Other		26,256	12,407	49,382	4,930
94300 Ordinary Maintenance and Operations Contracts		64,367	31,277	141,279	67,523
94500 Employee Benefit Contributions - Ordinary Maintenance		34,100	19,202	19,076	89,600
94000 Total Maintenance	-	171,913	84,427	315,971	298,386
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs				4,515	
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services				738	
95000 Total Protective Services	-	-	-	5,253	-
96110 Property Insurance		4,512		12,367	11,925
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance			2,807		
96100 Total Insurance Premiums	-	4,512	2,807	12,367	11,925
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes			12,056		
96400 Bad debt - Tenant Rents		2,402	3,319	4,400	
96500 Bad debt - Mortgages					

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 N/C S/R Section 8 Programs	14.103 Interest Reduction Payments and Cooperative Housing for	COCC
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	-	2,402	15,375	4,400	-
96710 Interest of Mortgage (or Bonds) Payable		74,444	7,541	18,284	
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	-	74,444	7,541	18,284	-
96900 Total Operating Expenses	32,606	429,126	190,824	747,924	1,487,797
97000 Excess of Operating Revenue over Operating Expenses	395,755	52,496	56,178	145,655	57,483
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	395,755				
97350 HAP Portability-In					
97400 Depreciation Expense		47,477	37,853	119,893	42,524
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	428,361	476,603	228,677	867,817	1,530,321

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Mission Type: Audited/A-133	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 N/CS/R Section 8 Programs	14.103 Interest Reduction Payments_Rental and Cooperative Housing for	Fiscal Year End: 09/30/
10010 Operating Transfer In					
10020 Operating transfer Out					
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					
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)	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-	5,019	18,325	25,762	14,959
11020 Required Annual Debt Principal Payments		26,550	17,777	121,583	
11030 Beginning Equity		676,692	817,360	5,246,600	1,285,311
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				(9,440)	
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 Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	14.238 Shelter Plus Care	10.427 Rural Rental Assistance Payments	14.182 N/C S/R Section 8 Programs	14.103 Interest Reduction Payments_Rental and Cooperative Housing for	COCC
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	1058	960	300	1584	0
11210 Number of Unit Months Leased	1055	931	286	1536	0
11270 Excess Cash					
11610 Land Purchases					-
11620 Building Purchases					7,228
11630 Furniture & Equipment - Dwelling Purchases					-
11640 Furniture & Equipment - Administrative Purchases					17,740
11650 Leasehold Improvements Purchases					-
11660 Infrastructure Purchases					-
13510 CFFP Debt Service Payments					-
13901 Replacement Housing Factor Funds					-

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	3,202,605		3,202,605
70400 Tenant Revenue - Other	51,905		51,905
70500 Total Tenant Revenue	3,254,510		3,254,510
70600 HUD PHA Operating Grants	20,249,822		20,249,822
70610 Capital Grants	1,255,011		1,255,011
70710 Management Fee	507,590	(507,590)	
70720 Asset Management Fee	84,480	(84,480)	
70730 Book Keeping Fee	62,559	(62,559)	
70740 Front Line Service Fee	221,979	(221,979)	
70750 Other Fees	661,598	(661,598)	
70700 Total Fee Revenue	23,043,039	(1,538,206)	
70800 Other Government Grants	2,021,064		2,021,064
71100 Investment Income - Unrestricted	166,782		166,782
71200 Mortgage Interest Income	409		409
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	17,470		17,470
71500 Other Revenue	454,524		454,524
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted	10,697		10,697
70000 Total Revenue	28,968,495	(1,538,206)	5,925,456
91100 Administrative Salaries	2,761,009	(325,240)	2,435,769
91200 Auditing Fees	21,125		21,125

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133 Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
91300 Management Fee	640,538	(507,590)	132,948
91310 Book-keeping Fee	62,559	(62,559)	-
91400 Advertising and Marketing	5,943		5,943
91500 Employee Benefit contributions - Administrative	1,573,839	(229,558)	1,344,281
91600 Office Expenses	307,392	(106,800)	200,592
91700 Legal Expense	10,710		10,710
91800 Travel	52,552		52,552
91810 Allocated Overhead			
91900 Other	280,389		280,389
91000 Total Operating - Administrative	2,933,922	(1,231,747)	4,484,309
92000 Asset Management Fee	84,480	(84,480)	-
92100 Tenant Services - Salaries	39,794		39,794
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services	22,053		22,053
92400 Tenant Services - Other	24,593		24,593
92500 Total Tenant Services	170,281	(84,480)	86,440
93100 Water	196,683		196,683
93200 Electricity	163,078		163,078
93300 Gas	78,278		78,278
93400 Fuel			
93500 Labor			
93600 Sewer	336,789		336,789
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	774,828	-	774,828

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133		Fiscal Year End: 09/30/2012		
	Subtotal	ELIM	Total	
94100 Ordinary Maintenance and Operations - Labor	1,202,749		1,202,749	
94200 Ordinary Maintenance and Operations - Materials and Other	983,163		983,163	
94300 Ordinary Maintenance and Operations Contracts	1,533,298	(221,979)	1,311,319	
94500 Employee Benefit Contributions - Ordinary Maintenance	734,152		734,152	
94000 Total Maintenance	4,453,362	(221,979)	4,231,383	
95100 Protective Services - Labor	20,703		20,703	
95200 Protective Services - Other Contract Costs	4,515		4,515	
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services	7,132		7,132	
95000 Total Protective Services	32,350	-	32,350	
96110 Property Insurance	102,147		102,147	
96120 Liability Insurance				
96130 Workmen's Compensation				
96140 All Other Insurance	36,091		36,091	
96100 Total insurance Premiums	138,238	-	138,238	
96200 Other General Expenses	222,505		222,505	
96210 Compensated Absences				
96300 Payments in Lieu of Taxes	124,771		124,771	
96400 Bad debt - Tenant Rents	25,517		25,517	
96500 Bad debt - Mortgages				

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133 Year End: 09/30/2012

	Subtotal	ELIM	Total
96600 Bad debt - Other	79,160		79,160
96800 Severance Expense			
96000 Total Other General Expenses	451,953	-	451,953
96710 Interest of Mortgage (or Bonds) Payable	202,472		202,472
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	202,472	-	202,472
96900 Total Operating Expenses	11,940,179	(1,538,206)	10,401,973
97000 Excess of Operating Revenue over Operating Expenses	17,028,316	-	17,028,316
97100 Extraordinary Maintenance	4,455		4,455
97200 Casualty Losses - Non-capitalized	16		16
97300 Housing Assistance Payments	16,201,686		16,201,686
97350 HAP Portability- In	55,818		55,818
97400 Depreciation Expense	1,178,171		1,178,171
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	29,380,325	(1,538,206)	27,842,119

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Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
10010 Operating Transfer In	9,898	(9,898)	-
10020 Operating transfer Out	(9,898)	9,898	-
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			
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)	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(411,830)	-	(411,830)
11020 Required Annual Debt Principal Payments	316,893		316,893
11030 Beginning Equity	45,606,389		45,606,389
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-		-
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 Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	590,054		590,054

Housing Authority and Community Services of Lane County
Eugene, OR

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	Subtotal	ELIM	Total
11180 Housing Assistance Payments Equity	1,292,442		1,292,442
11190 Unit Months Available	48,062		48,062
11210 Number of Unit Months Leased	47,222		47,222
11270 Excess Cash	877,722		877,722
11610 Land Purchases	-		-
11620 Building Purchases	1,212,622		1,212,622
11630 Furniture & Equipment - Dwelling Purchases	-		-
11640 Furniture & Equipment - Administrative Purchases	74,830		74,830
11650 Leasehold Improvements Purchases	-		-
11660 Infrastructure Purchases	-		-
13510 CFFP Debt Service Payments	-		-
13901 Replacement Housing Factor Funds	-		-

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Housing Authority and Community Services of Lane County
Eugene, OR
Project Balance Sheet

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
111 Cash - Unrestricted	\$86,209	\$203,016	\$80,000	\$340,113	\$150,000	\$56,982	\$916,320
112 Cash - Restricted - Modernization and Development	\$0	\$0					\$0
113 Cash - Other Restricted	\$1,567	\$64,288	\$74,440	\$14,307	\$28,792		\$183,394
114 Cash - Tenant Security Deposits	\$8,680	\$64,080	\$55,700	\$16,650	\$16,265	\$9,925	\$171,300
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	\$96,456	\$331,384	\$210,140	\$371,070	\$195,057	\$66,907	\$1,271,014
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects	\$86	\$14,209	\$7,492	\$3,192		\$44,828	\$69,807
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous	\$3,473	\$37,465	\$1,960	\$710	\$1,581	\$2,994	\$45,513
126 Accounts Receivable - Tenants	\$530	\$9,904			\$321		\$13,425
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$70	\$11,386	\$5,791	\$286	\$427	\$260	\$18,220
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0					\$0
129 Accrued Interest Receivable	\$31	\$173	\$213	\$78	\$74	\$83	\$652
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$4,190	\$73,137	\$15,456	\$4,266	\$2,403	\$48,165	\$147,617
131 Investments - Unrestricted	\$27,463	\$122,051	\$118,142	\$54,041	\$20,386	\$63,855	\$405,938
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability	\$1,410	\$37,421	\$18,873	\$18,174	\$12,382	\$12,885	\$101,145
142 Prepaid Expenses and Other Assets							
143 Inventories		\$849	\$269	\$1,381	\$2,151	\$6,886	\$11,536
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale							
150 Total Current Assets	\$129,519	\$564,842	\$362,880	\$448,932	\$232,379	\$198,698	\$1,937,250
161 Land	\$299,209	\$1,312,541	\$1,024,218	\$687,758	\$450,796	\$519,746	\$4,294,268

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Housing Authority and Community Services of Lane County
Eugene, OR
Project Balance Sheet

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
162 Buildings	3,728,775	9,106,663	6,871,775	5,129,997	3,520,622	4,504,007	32,861,839
163 Furniture, Equipment & Machinery - Dwellings							
164 Furniture, Equipment & Machinery - Administration	55,796	461,018	278,911	154,434	146,914	163,377	1,260,450
165 Leasehold Improvements							
166 Accumulated Depreciation	-1,255,493	-6,976,933	-3,536,918	-3,951,535	-2,134,204	-2,617,347	-20,472,430
167 Construction in Progress	1,542	438,122	138,453	58,506		1,061,713	1,698,336
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	2,829,829	4,341,411	4,776,439	2,079,160	1,984,128	3,631,496	19,642,463
171 Notes, Loans and Mortgages Receivable - Non-Current							
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	2,829,829	4,341,411	4,776,439	2,079,160	1,984,128	3,631,496	19,642,463
190 Total Assets	\$2,959,348	\$4,906,253	\$5,139,319	2,528,092	\$2,216,507	3,830,194	21,579,713
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	831	24,303	10,854	11,880	8,607	8,276	64,751
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable	99	815	1,853	887	638	955	5,247
322 Accrued Compensated Absences - Current Portion	1,410	37,421	18,873	18,174	12,382	12,885	101,145
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government	3,268	36,193	21,775	28,707	8,572	14,200	112,715
341 Tenant Security Deposits	8,680	64,080	55,700	16,650	16,265	9,925	171,300
342 Deferred Revenues							
343 Current Portion of Long-term Debt - Capital Projects/Mortgage							

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Housing Authority and Community Services of Lane County
Eugene, OR

Project Balance Sheet

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other							0
347 Inter Program - Due To	0						
348 Loan Liability - Current							
310 Total Current Liabilities	14,288	162,812	109,055	76,298	46,464	46,241	455,158
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other	1,567	64,288	74,440	14,307	28,792		183,394
354 Accrued Compensated Absences - Non Current							
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities							
350 Total Non-Current Liabilities	1,567	64,288	74,440	14,307	28,792	0	183,394
300 Total Liabilities	15,855	227,100	183,495	90,605	75,256	46,241	638,552
508.1 Invested In Capital Assets, Net of Related Debt							
511.1 Restricted Net Assets	2,829,829	4,341,411	4,776,439	2,079,160	1,984,128	3,631,496	19,642,463
512.1 Unrestricted Net Assets	\$113,664	\$347,742	\$179,385	358,327	\$157,123	152,457	1,298,698
513 Total Equity/Net Assets	\$2,943,493	\$4,679,153	\$4,955,824	2,437,487	\$2,141,251	3,783,953	20,941,161
600 Total Liabilities and Equity/Net Assets	\$2,959,348	\$4,906,253	\$5,139,319	2,528,092	\$2,216,507	3,830,194	21,579,713

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Housing Authority and Community Services of Lane County
Eugene, OR

Project Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
70300 Net Tenant Rental Revenue	\$67,572	\$512,473	\$243,334	\$429,565	\$190,779	\$207,322	\$1,651,045
70400 Tenant Revenue - Other	\$6,113	\$14,735	\$9,813	\$2,965	\$5,485	\$6,176	\$45,287
70500 Total Tenant Revenue	\$73,685	\$527,208	\$253,147	\$432,530	\$196,264	\$213,498	\$1,696,332
70600 HUD PHA Operating Grants	\$59,000	\$474,157	\$350,171	\$274,055	\$185,961	\$259,170	\$1,602,514
70610 Capital Grants	\$1,542	\$255,459	\$134,685	\$57,388		\$805,937	\$1,255,011
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue	\$60,542	\$729,616	\$484,856	\$331,443	\$185,961	\$1,065,107	\$2,857,525
70800 Other Government Grants							
71100 Investment Income - Unrestricted	\$746	\$4,409	\$3,854	\$2,665	\$1,821	\$2,019	\$15,514
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			\$8	\$7,801	\$2,057	\$2,863	\$12,729
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted							
70000 Total Revenue	\$134,973	\$1,261,233	\$741,865	\$774,439	\$386,103	\$1,283,487	\$4,582,100
91100 Administrative Salaries	\$10,508	\$124,176	\$63,751	\$86,488	\$49,364	\$41,541	\$375,828
91200 Auditing Fees	\$596	\$1,489	\$477	\$1,489	\$357	\$357	\$4,765
91300 Management Fee	\$16,092	\$144,703	\$84,194	\$91,050	\$51,421	\$120,130	\$507,590
91310 Book-keeping Fee	\$2,468	\$19,133	\$11,310	\$13,350	\$7,950	\$8,348	\$62,559
91400 Advertising and Marketing	\$14	\$231	\$171	\$1,145	\$43	\$44	\$1,648
91500 Employee Benefit contributions - Administrative	\$6,837	\$81,589	\$39,195	\$58,081	\$30,670	\$26,690	\$243,062
91600 Office Expenses	\$6,648	\$8,360	\$7,952	\$10,403	\$8,966	\$9,763	\$52,092

Housing Authority and Community Services of Lane County
Eugene, OR

Project Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
91700 Legal Expense		\$405	\$546		\$88	\$121	\$1,160
91800 Travel	\$334	\$1,735	\$2,844	\$2,235	\$979	\$2,567	\$10,694
91810 Allocated Overhead							
91900 Other	\$635	\$8,201	\$5,181	\$3,619	\$1,963	\$8,361	\$27,960
91000 Total Operating - Administrative	\$44,132	\$390,022	\$215,621	\$267,860	\$151,801	\$217,922	\$1,287,358
92000 Asset Management Fee	\$3,600	\$25,680	\$15,480	\$17,880	\$10,680	\$11,160	\$84,480
92100 Tenant Services - Salaries	\$1,613	\$12,189	\$7,288	\$8,549	\$4,902	\$6,253	\$39,794
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services	\$884	\$6,762	\$4,020	\$4,753	\$2,742	\$2,892	\$22,053
92400 Tenant Services - Other	\$1,476	\$6,287	\$4,885	\$5,349	\$2,623	\$3,334	\$23,954
92500 Total Tenant Services	\$7,573	\$50,918	\$31,673	\$36,531	\$20,947	\$22,639	\$170,281
93100 Water	\$13,498	\$39,696	\$9,156	\$10,511	\$43,240	\$20,046	\$136,147
93200 Electricity	\$2,438	\$1,538	\$3,313	\$58,991	\$12,071	\$18,889	\$97,240
93300 Gas				\$50,076	\$14,469	\$904	\$65,449
93400 Fuel							
93500 Labor							
93600 Sewer	\$18,957	\$109,309	\$13,111	\$22,920	\$35,275	\$25,486	\$225,058
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense							
93000 Total Utilities	\$34,893	\$150,543	\$25,580	\$142,498	\$105,055	\$65,325	\$523,894
94100 Ordinary Maintenance and Operations - Labor	\$4,493	\$151,369	\$98,781	\$43,029	\$50,342	\$49,961	\$397,975
94200 Ordinary Maintenance and Operations - Materials and Other	\$7,456	\$56,808	\$46,077	\$36,593	\$19,860	\$24,203	\$190,997
94300 Ordinary Maintenance and Operations Contracts	\$94,713	\$197,976	\$192,335	\$82,884	\$96,698	\$59,917	\$724,523
94500 Employee Benefit Contributions - Ordinary Maintenance	\$3,394	\$105,005	\$75,466	\$32,179	\$42,288	\$40,462	\$298,794
94000 Total Maintenance	\$110,056	\$511,158	\$412,659	\$194,685	\$209,188	\$174,543	\$1,612,289

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Housing Authority and Community Services of Lane County
Eugene, OR

Project Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
95100 Protective Services - Labor		\$14,964		\$2,372	\$1,039	\$2,328	\$20,703
95200 Protective Services - Other Contract Costs							
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services		\$5,465		\$386	\$168	\$375	\$6,394
95000 Total Protective Services	\$0	\$20,429	\$0	\$2,758	\$1,207	\$2,703	\$27,097
96110 Property Insurance	\$2,841	\$16,492	\$13,660	\$10,146	\$6,788	\$6,989	\$56,916
96120 Liability Insurance							
96130 Workmen's Compensation							
96140 All Other Insurance							
96100 Total Insurance Premiums	\$2,841	\$16,492	\$13,660	\$10,146	\$6,788	\$6,989	\$56,916
96200 Other General Expenses							
96210 Compensated Absences							
96300 Payments in Lieu of Taxes	\$3,268	\$36,193	\$21,775	\$28,707	\$8,572	\$14,200	\$112,715
96400 Bad debt - Tenant Rents	\$2,679	\$2,012	\$4,322	\$897	\$1,910	\$208	\$12,028
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	\$5,947	\$38,205	\$26,097	\$29,604	\$10,482	\$14,408	\$124,743
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	\$205,442	\$1,177,767	\$725,290	\$684,082	\$505,468	\$504,529	\$3,802,578

Housing Authority and Community Services of Lane County
Eugene, OR

Project Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
97000 Excess of Operating Revenue over Operating Expenses	-\$70,469	\$83,466	\$16,575	\$90,357	-\$119,365	\$778,958	\$779,522
97100 Extraordinary Maintenance		\$114			\$4,341		\$4,455
97200 Casualty Losses - Non-capitalized		\$16					\$16
97300 Housing Assistance Payments							
97350 HAP Portability-In							
97400 Depreciation Expense	\$51,120	\$209,544	\$184,067	\$92,348	\$72,897	\$109,742	\$719,718
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$256,562	\$1,387,441	\$909,357	\$776,430	\$582,706	\$614,271	\$4,526,767
10010 Operating Transfer In	\$12	\$2,015	\$1,062	\$453		\$6,356	\$9,898
10020 Operating transfer Out	-\$12	-\$2,015	-\$1,062	-\$453		-\$6,356	-\$9,898
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		\$150,000	\$80,000		\$150,000		\$380,000
10092 Inter Project Excess Cash Transfer Out	-\$380,000						-\$380,000
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$121,589	-\$126,208	-\$167,492	-\$1,991	-\$196,603	\$669,216	\$55,333

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Housing Authority and Community Services of Lane County
Eugene, OR

Project Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 09/30/2012

	OR006000100	OR006000200	OR006000300	OR006000400	OR006000500	OR006000600	Total
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$3,445,082	\$4,655,361	\$5,043,316	\$2,439,478	\$2,187,854	\$3,114,737	\$20,885,828
11040 Prior Period Adjustments, Equity Transfers and Correction of							
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 Rents							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity							
11180 Housing Assistance Payments Equity							
11190 Unit Months Available	333	2568	1548	1800	1080	1128	8457
11210 Number of Unit Months Leased	327	2546	1531	1789	1072	1124	8389
11270 Excess Cash	\$475,145	-\$11,008	\$20,724	\$282,158	-\$49,532	\$96,155	\$613,642
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11620 Building Purchases	\$1,542	\$255,459	\$90,528	\$49,359	\$0	\$808,506	\$1,205,394
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$44,157	\$8,029	\$0	\$4,904	\$57,090
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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