

HACSA  
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## HACSA MEMORANDUM

**TO:** HACSA Board of Commissioners

**FROM:** Larry A. Abel, Deputy Director

**AGENDA ITEM TITLE:** REPORT/Review of Audit Report and Project Based Accounting Report

**AGENDA DATE:** May 31, 2006

### I MOTION

None required.

### II ISSUE

Each year the Board is presented with the Agency's project based accounting report and audited financial statements for review.

### III DISCUSSION

#### A. Background/Analysis

HUD regulations require that year-end project based accounting report be distributed to the Board.

Chapter 297 (Audits of Public Funds and Financial Records) of Oregon Revised Statutes and Office of Management and Budget Circular A-133 require an annual organization-wide audit of the Agency's financial statements, accounting systems, and compliance with financial requirements of our various grants.

The organization-wide audit for the year ended September 30, 2005 has been completed. There were no findings and the report has been submitted to HUD and the State of Oregon.

Detailed financial data schedules (pages 44 to 47 of the audit report) were electronically submitted to HUD's Real Estate Assessment Center (REAC) last December. REAC analyzes and scores the financial data as part of the Public Housing Assessment System (PHAS). Our score for financial condition, assessed for the agency as a whole, is 29.5 (out of a maximum of 30).

HACSA's financial statements include Management's Discussion and Analysis (MD&A) on pages three through ten. We expect our funding to be stable through the end of this year. A significant reduction in the public housing operating subsidy is anticipated beginning January 1, 2007.

B. Recommendation

None required.

**IV IMPLEMENTATION/FOLLOW-UP**

None required.

**V ATTACHMENTS**

Project Based Accounting Report  
Audited Financial Statements

*Available at front desk  
for review*

**Project Based Report  
October 2004 - September 2005**

	SCATTERED	MCKENZIE				MATT			TOTAL	
	SITES	FLORENCE	VILLAGE	PARKVIEW	LINDBORG	CRESWELL	RIVERVIEW	VENETA		DRIVE
	133	6-1 30	6-2,3 172	6-4 149	6-5 40	6-6/6-18 33	6-7 60	6-9 49	6-24 36	702
DWELLING RENT	226,336	49,753	267,742	345,109	71,679	58,834	96,069	66,027	66,681	1,248,230
MAINT CHARGES/LEGAL FEES	17,016	408	9,000	5,944	771	733	1,982	1,717	3,684	41,253
INTEREST	3,473	783	4,492	3,891	1,045	862	1,567	1,280	940	18,332
OFFICE RENT/MISC*	11,668	4,963	16,344	13,026	3,497	2,885	5,269	4,284	5,487	67,423
WASHER/DRYER	132	-	-	6,903	1,280	1,684	3,442	1,110	-	14,551
COMP GRANT INCOME	58,550	13,207	75,719	65,594	17,609	14,528	26,414	21,571	15,848	309,040
<b>TOTAL INCOME</b>	<b>\$317,175</b>	<b>\$69,115</b>	<b>\$373,297</b>	<b>\$440,467</b>	<b>\$95,881</b>	<b>\$79,524</b>	<b>\$134,742</b>	<b>\$95,989</b>	<b>\$92,641</b>	<b>\$1,698,830</b>
DIRECT SALARIES	33,022	4,640	24,729	25,446	5,748	7,509	9,566	11,364	13,122	135,146
INDIRECT SALARIES*	121,555	27,418	157,199	136,178	36,558	30,160	54,837	44,783	32,902	641,590
OTHER ADMIN. EXP	1,467	1,522	715	6,568	2,507	962	3,606	1,306	2,419	21,070
INDIRECT OTHER ADMIN EXP*	38,710	8,731	50,060	43,366	11,642	9,605	17,463	14,261	10,478	204,317
AUDITING FEES*	1,696	382	2,193	1,900	510	421	765	625	459	8,950
RESIDENT PARTICIPATION	0	0	0	0	0	0	0	0	0	0
INDIRECT RESIDENT PARTICIPATION*	1,832	413	2,369	2,052	551	455	826	675	496	9,669
DIRECT TENANT SERVICES	0	20	0	22	0	50	121	3	4	220
INDIRECT TENANT SERVICES*	9,146	2,063	11,828	10,246	2,751	2,269	4,126	3,370	2,476	48,275
WATER	2,446	7,980	14,297	6,654	1,828	5,043	5,384	13,134	3,781	60,548
SEWER	5,156	10,289	52,993	18,215	11,923	14,599	5,415	26,282	8,120	152,990
ELECTRICITY	1,906	2,007	9,419	57,280	3,790	2,428	8,977	3,314	3,336	92,456
GAS/OIL/STEAM	0	0	0	100,141	18,847	1,144	0	0	0	120,132
DIRECT MAINT LABOR	105,294	15,970	131,923	53,490	16,392	16,646	20,494	35,332	31,241	426,782
INDIRECT MAINT LABOR*	9,272	2,091	11,991	10,387	2,789	2,301	4,183	3,416	2,510	48,940
DIRECT MATERIALS	15,199	4,866	20,302	11,186	2,658	3,148	4,137	6,626	6,461	74,582
INDIRECT MATERIALS*	19,320	4,358	24,985	21,644	5,810	4,794	8,716	7,118	5,229	101,974
GARBAGE	22,311	4,615	27,344	11,221	3,236	5,164	7,350	10,406	5,762	97,408
INDIRECT GARBAGE*	207	47	267	231	62	51	93	76	56	1,090
ELEVATOR	0	0	1,716	5,780	1,697	0	3,977	0	0	13,170
UTILITIES - VACATES	2,102	883	1,039	0	0	732	8	998	1,427	7,189
VACATE CLEANING	12,985	2,870	16,850	7,335	2,819	2,250	3,360	2,485	5,070	56,024
YARD MAINTENANCE	3,745	1,431	4,234	10,182	4,576	0	5,950	8,405	0	38,523
JANITORIAL	0	0	9,720	14,552	325	300	4,970	0	365	30,232
DIRECT CONTRACT COSTS	21,202	2,707	23,118	14,330	7,603	3,851	4,143	1,509	2,330	80,794
INDIRECT CONTRACT COSTS*	149	34	193	167	45	37	67	55	40	787
VEHICLE EXPENSE	0	72	2,654	304	0	56	0	30	738	3,854
INDIRECT VEHICLE EXPENSE*	445	100	575	499	134	110	201	164	120	2,349
SECURITY AIDES	0	4,792	7,761	2,628	0	0	2,396	0	0	17,577
DIRECT FRINGE	82,482	14,645	94,070	45,456	12,911	15,946	19,484	30,647	27,160	342,799
INDIRECT FRINGE*	69,180	15,604	89,465	77,502	20,806	17,165	31,209	25,487	18,725	365,143
PMT IN LIEU OF TAXES	21,242	2,948	19,103	16,282	3,529	3,562	7,629	2,330	5,144	81,769
INSURANCE*	12,765	2,879	16,509	14,301	3,839	3,167	5,759	4,703	3,455	67,379
COLLECTION LOSSES	9,918	0	2,679	3,941	442	453	311	154	4,089	21,986
EXTRAORDINARY MAINTENANCE	16,356	0	8,866	12,453	8,810	0	750	0	1,294	48,529
BETTERMENTS AND ADDITIONS	0	0	0	0	0	0	0	0	0	0
CASUALTY LOSSES	0	0	821	0	0	0	0	0	0	821
<b>TOTAL EXPENDITURES</b>	<b>\$641,107</b>	<b>\$146,378</b>	<b>\$841,986</b>	<b>\$741,939</b>	<b>\$195,138</b>	<b>\$154,379</b>	<b>\$246,273</b>	<b>\$259,055</b>	<b>\$198,811</b>	<b>\$3,425,066</b>
DEFICIT BEFORE SUBSIDY	-323,932	-77,264	-468,689	-301,472	-99,257	-74,855	-111,531	-163,066	-106,170	-1,726,235
HUD SUBSIDY*	327,514	73,875	423,551	366,914	98,500	81,263	147,751	120,663	88,650	1,728,681
<b>RESIDUAL RCPTS OR DEFICIT</b>	<b>\$3,582</b>	<b>\$3,389</b>	<b>\$45,138</b>	<b>\$65,442</b>	<b>\$47,577</b>	<b>\$6,408</b>	<b>\$36,220</b>	<b>\$42,403</b>	<b>\$17,520</b>	<b>\$2,446</b>

**Expenditures per unit per month**      **\$401.70**      **\$406.61**      **\$407.94**      **\$414.95**      **\$406.54**      **\$389.85**      **\$342.05**      **\$440.57**      **\$460.21**      **\$406.58**

\*Allocated based on number of units