

HOUSING AUTHORITY OF THE CITY OF ANSONIA

**FINANCIAL STATEMENTS
AND
REPORTS OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE YEAR ENDED
DECEMBER 31, 2013**

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	<i>i</i>
MANAGEMENT'S DISCUSSION & ANALYSIS	1
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	8
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11
SUPPLEMENTAL INFORMATION	
DECD BASIS FINANCIAL STATEMENTS	21
NOTES TO DECD BASIS FINANCIAL STATEMENTS	26
FINANCIAL DATA SCHEDULE	28
COMPLIANCE AND SINGLE AUDIT REPORTING	
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	<i>ii</i>
REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	<i>iii</i>
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	53
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	54
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	55
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS	58

Independent Auditor's Report

Board of Commissioners
Housing Authority of the City of Ansonia

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Ansonia, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Ansonia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the City of Ansonia, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information, such as management's discussion and analysis on pages 1 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

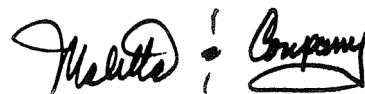
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Ansonia's basic financial statements. The DECD Basis Financial Statements, required by the CT Department of Economic and Community Development, the Financial Data Schedules required by *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The DECD Basis Financial Statements, the Financial Data Schedules and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the DECD Basis Financial Statements, the Financial Data Schedules and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 11, 2014 on our consideration of the Housing Authority of the City of Ansonia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Housing Authority of the City of Ansonia's internal control over financial reporting and compliance.



Maletta & Company
Certified Public Accountants

Bristol, Connecticut
June 11, 2014

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Management's analysis of the Authority's annual financial report is for the Fiscal Year Ended December 31, 2013 and consists of a discussion of its financial performance. This analysis was designed to provide an overview of the Authority's financial activity and assist in identifying individual issues and concerns.

Management's Discussion and Analysis should be read in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's Net Position increased by \$897,627 during fiscal year 2013 (FY2013). Net Positions were \$7,408,051 and \$8,305,678 for 2012 and 2013, respectively. Total revenue and expenditures both increased by 3%, resulting in a loss before capital contributions of \$644,022. Capital contributions from HUD's Capital Fund Program (CFP) of \$1,541,649 offset the loss.
- Total revenue (operating and non-operating) increased by \$250,829 during FY2013. Revenues were \$8,405,286 for 2013 and \$8,154,457 for 2012.
- Total expenses (operating and non-operating) for all programs increased by \$304,443. Total expenses were \$9,049,308 for 2013 and \$8,744,865 for 2012. The Section 8 Housing Choice Voucher (HCV) program saw an increase in landlord Housing Assistance Payments (HAP) of \$550,146 as compared to 2012. Conversely, the redevelopment of Riverside Apartments allowed for a reduction in expenses for Agency-owned properties; during late 2012, 59 units were approved for demolition and taken offline. This subsequently led to decreases in administrative, tenant service, utility, maintenance and extraordinary costs totaling \$313,464. All other operating and non-operating expenses increased by \$67,761 for the same period.

THE FINANCIAL STATEMENTS

The Authority's Financial Statements present information using Generally Accepted Accounting Principles (GAAP) similar to those used by private entities (Enterprise Fund).

The Statement of Net Position (Balance Sheet) consists of all the Authority's assets and liabilities, and provides information about the amounts invested in assets and the obligations to Authority's creditors. It also provides a basis to assess the Authority's liquidity and financial flexibility. In addition, increases and decreases in net position may provide a useful indicator of the Authority's financial health.

The Statement of Revenues, Expenses and Changes in Net Position accounts for the current year's revenues, expenses and changes in net position, and depicts the operating activity during the year.

The Statement of Cash Flow provides information concerning the Authority's sources and uses of funds during the reporting period. It also reflects net changes in cash as a result of operations.

FINANCIAL ANALYSIS OF THE AUTHORITY

A summary of the Authority's Net Position is presented in Table I. The Statement of Revenues, Expenses and Changes in Net Position (TABLE II) provides additional detail on the changes in financial position.

The positive change in Net Position of \$897,627 was the result of an agency-wide operating loss of \$641,612, a non-operating loss of \$2,410 and capital contributions of \$1,541,649.

Depreciation expense for the year was \$497,114, a 1% increase over the prior fiscal year (\$492,560). Depreciation is recognized on open Capital Fund Program grant purchases. Prior to FY2012, depreciation was not recognized until each grant was closed.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Management costs (administrative, tenant services, maintenance, insurance and general), utility expenses, and Housing Assistance Payments represent three of the largest items in the Housing Authority's budget. Management costs totaled \$1,964,020. HAP totaled \$6,107,259 and utility expenses amounted to \$477,108.

Tenant Dwelling Rents and subsidies/grants represent the two major operating revenue funding sources. Tenant Rents totaled \$588,449 and subsidies/grants, primarily from the Federal Government, amounted to \$7,577,779. Other and Interest Income totaled \$239,058.

**TABLE I
Combined Statement of Net Position**

	2013	2012	Dollar Change	% Change
Current Assets	\$ 2,605,172	\$ 2,886,460	\$ (281,288)	(10%)
Non-current Assets	<u>\$ 6,058,564</u>	<u>\$ 5,045,915</u>	<u>\$ 1,012,649</u>	20%
Total Assets	<u>\$ 8,663,736</u>	<u>\$ 7,932,375</u>	<u>\$ 731,361</u>	9%
Current Liabilities	\$ 217,381	\$ 368,152	\$ (150,771)	(41%)
Noncurrent Liabilities	<u>\$ 140,677</u>	<u>\$ 156,172</u>	<u>\$ (15,495)</u>	(10%)
Total Liabilities	<u>\$ 358,058</u>	<u>\$ 524,324</u>	<u>\$ (166,266)</u>	(32%)
Invested in Capital				
Assets (net of Related Debt)	\$ 6,055,283	\$ 5,041,178	\$ 1,014,105	20%
Unrestricted Net Assets	\$ 1,957,586	\$ 1,730,810	\$ 226,776	13%
Restricted Net Assets	<u>\$ 292,809</u>	<u>\$ 636,063</u>	<u>\$ (343,254)</u>	(54%)
Total Net Position	<u>\$ 8,305,678</u>	<u>\$ 7,408,051</u>	<u>\$ 897,627</u>	12%
Total Liabilities & Net Position	<u>\$ 8,663,736</u>	<u>\$ 7,932,375</u>	<u>\$ 731,361</u>	9%

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

**TABLE II
Combined Statement of Revenues and Expenses and Changes in Net Position**

	2013	2012	Dollar Change	% Change
Tenant Revenue	\$ 588,449	\$ 668,954	\$ (80,505)	(12%)
Subsidy & Grant Funding	\$ 7,577,779	\$ 7,316,147	\$ 261,632	4%
Other Income (includes interest)	<u>\$ 239,058</u>	<u>\$ 169,356</u>	<u>\$ 69,702</u>	41%
Total Revenue	\$ 8,405,286	\$ 8,154,457	\$ 250,829	3%
Administration	\$ 1,038,196	\$ 1,213,758	\$ (175,562)	(14%)
Tenant & Protective Services	\$ 234,528	\$ 238,235	\$ (3,707)	(1%)
Utilities	\$ 477,108	\$ 588,240	\$ (111,132)	(19%)
Maintenance	\$ 372,322	\$ 390,702	\$ (18,380)	(5%)
Insurance Premiums	\$ 101,836	\$ 95,423	\$ 6,413	7%
General Expense	\$ 217,138	\$ 160,344	\$ 56,794	35%
Housing Assistance Payments	\$ 6,107,259	\$ 5,557,113	\$ 550,146	10%
Extraordinary Maintenance	\$ 3,807	\$ 8,490	\$ (4,683)	(55%)
Disposal of Fixed Assets	\$ 0	\$ 0	\$ 0	0%
Depreciation	<u>\$ 497,114</u>	<u>\$ 492,560</u>	<u>\$ 4,554</u>	1%
Total Expenses	<u>\$ 9,049,308</u>	<u>\$ 8,744,865</u>	<u>\$ 304,443</u>	3%
Net Income (Loss) Before Capital Contributions	\$ (644,022)	\$ (590,408)	\$ (53,614)	(9%)
Capital Contributions	<u>\$ 1,541,649</u>	<u>\$ 596,795</u>	<u>\$ 944,854</u>	158%
Change in Net Position	\$ 897,627	\$ 6,387	\$ 891,240	13953%
Beginning Net Position	\$ 7,408,051	\$ 7,401,664	\$ 6,387	0%
Prior Year Adjustments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	0%
Ending Net Position	<u><u>\$ 8,305,678</u></u>	<u><u>\$ 7,408,051</u></u>	<u><u>\$ 897,627</u></u>	12%

REVENUE

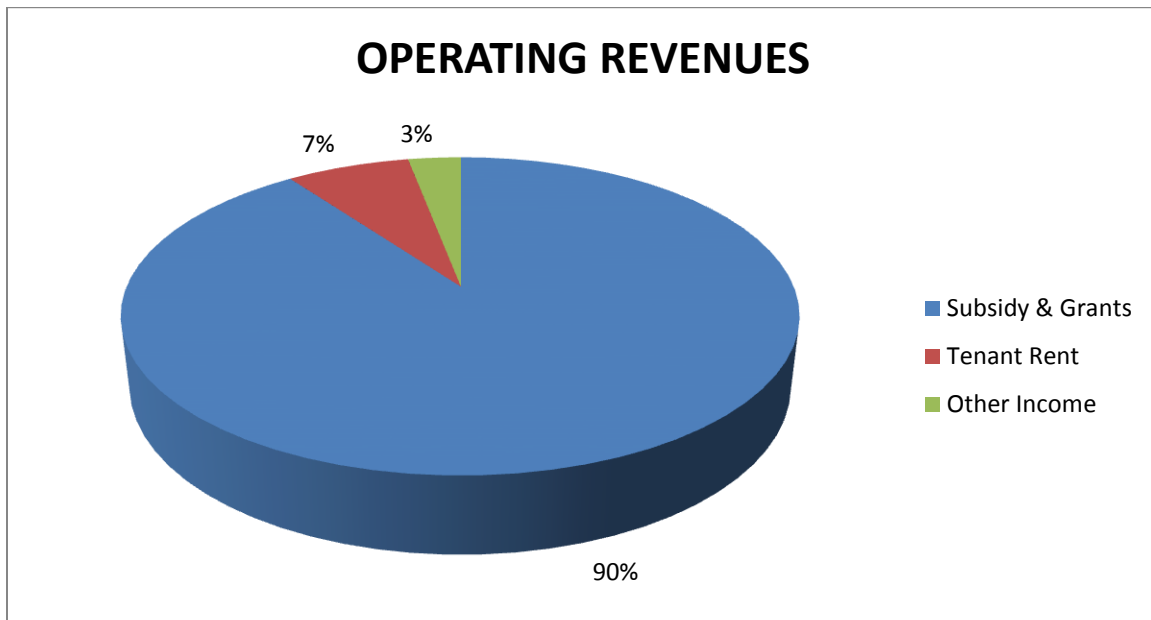
Tenant Revenue – Tenant Revenue represents rent paid by the occupants of the Authority's apartments. The Authority billed \$588,449 during the most recent year. The Authority has maintained a lease up rate in the high 90's (%) as required by the individual providers of subsidies/grants.

Program Grants / Subsidies – Subsidy and Grant Revenues for the year were \$7,577,779. Most grants/subsidies are Federally-funded.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Low Income Program	\$ 987,297
Housing Choice Voucher Program	\$ 6,239,403
Capital Fund Program	\$ 164,836
ROSS Grant	\$ 175,338
Resident Services Coordinator Grant	\$ 7,506
Disaster Assistance Grant	<u>\$ 3,399</u>
Total	\$ 7,577,779

Other Income – The Authority receives funding from various sources which may or may not provide a steady flow of funds in future years.



EXPENDITURES

The Ansonia Housing Authority experienced an increase in total expenses for the current year of \$304,443.

Administrative – Administrative costs exclude all maintenance, utilities, tenant service costs, landlord payments, insurance and general expenses. Such costs include administrative payroll, legal, auditing, training, the cost of supplies, telephone, etc. During the year, administrative costs decreased over the prior year by 14% or \$175,562.

Maintenance – All costs to maintain the owned and/or managed housing units of the Authority fall into this category. It consists of maintenance payroll, supplies and contracts. As part of the Riverside Apartments redevelopment, units were removed from inventory, resulting in decreased maintenance costs of \$18,380, or 5%, versus the prior year.

Insurance Premiums – All insurance costs (property, auto, liability, worker's compensation, public official's liability, fidelity bonding, lead based paint, etc.). Insurance costs, primarily due to Federal liability coverage's, increased by \$6,413 (7%) from the prior year.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

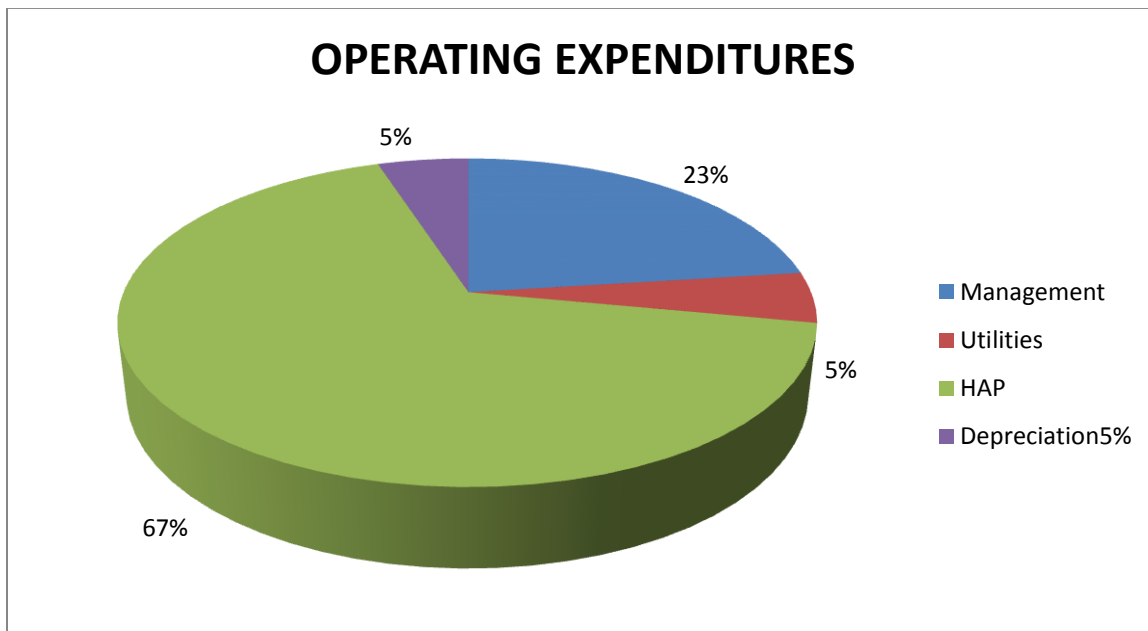
General Expense – General expenses include collection losses, compensated absences, payment-in-lieu-of- taxes (PILOT) to the City of Ansonia, etc. PILOT expenses were not accrued for the Federal Low Rent program since higher energy costs outpaced relatively stable tenant revenues as per the PILOT formula. Due to the write off of vacated tenant receivables and an increase in administrative fees paid on HCV portable vouchers, total general expenses increased by \$56,794 from the prior year.

Housing Assistance Payments – HAP consists of rental payments to owners of private property on behalf of low income households for which the Authority has an agreement with both the private landlord and the low income residents. The payment to the landlord is the difference between his/her contract rent and the tenant portion (30% of adjusted income) subsidized by the Authority. For FY2013, the Agency's efforts to increase utilization resulted in an additional 400+ unit months leased. This, along with a per-unit-month cost increase of \$21 led to an increase in HAP expense of \$550,146 versus the prior year.

Depreciation Expense – The capitalization of costs are spread over their useful life; the estimated current year expense is recorded as depreciation.

Tenant and Protective Services – Costs include all expenses incurred in providing security and social services to the residents. Costs in this category vary year to year based on the availability of grant and operating funding.

Utilities – Utilities expense for the Authority decreased by \$111,132 (19%) due to the reduction in units.



**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

**TABLE III
Capital Assets – Total Authority**

	Beginning	Additions	Deductions	Ending
Non-depreciable Assets				
Land	\$ 204,428	\$ -	\$ -	\$ 204,428
Depreciable Assets				
Building & Improvements	13,196,465	279,857	-	13,476,322
Equipment	1,365,359	45,708	(48,516)	1,362,551
Construction in Progress	<u>503,930</u>	<u>1,185,653</u>	<u>-</u>	<u>1,689,583</u>
Total	15,270,182	1,511,218	(48,516)	16,732,884
Accumulated Depreciation	<u>(10,229,004)</u>	<u>(497,113)</u>	<u>48,516</u>	<u>(10,677,601)</u>
Net Book Value	<u>\$ 5,041,178</u>			<u>\$ 6,055,283</u>

As of December 31, 2013, the Authority had \$6,055,283 invested in a broad range of capital assets, including land, buildings, furniture, equipment and construction in progress. This represents a net increase of \$1,014,105 from last year. The increase was primarily attributable to ongoing Riverside Apartments redevelopment activities, including abatement and demolition, which were funded through City of Ansonia bonds funds.

THE AUTHORITY'S PROGRAMS

Conventional Public Housing – Under the Conventional Public Housing Program or Low Income Public Housing (LIPH), the Authority rents units to low income households. These units are operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidy and capital funds to enable the Authority to provide a rent that is based on 30% of adjusted household income.

Housing Choice Voucher Program – Under this program the Authority administers contracts with independent landlords of private property. The Authority assists participants by providing subsidy toward the payment of rent. The subsidy is called a Housing Assistance Payment (HAP) and is made to private sector landlords on behalf of the low income participants. The participant's share is limited to 30% of adjusted household income for the first year of tenancy. The program is administered under a separate Annual Contributions Contract (ACC) with HUD.

State and Local Fund – This fund includes an assisted housing program administered under the State of Connecticut's Department of Economic & Community Development (DECD). Under this program, housing is provided to elderly residents at a minimum rent (base rent) unless 30% of a family's household income results in the family's ability to pay a higher rent, commonly called "excess of base". The rental structure should be sufficient to operate the project as well as servicing the debt. No subsidies are provided to the Authority by the State of Connecticut or DECD.

Business Activities – This fund represents non-HUD and non-State resources developed from a variety of activities. The fiscal year 2013 activity stemmed from administration of the Milford (CT) Redevelopment and Housing Partnership's (MRHP) Housing Choice Voucher Program. During the fiscal year, the Agency terminated its relationship with the MRHP.

Capital Fund Program – HUD provides funds on an annual basis to the Authority for the primary purpose of upgrading and modernizing the Conventional Public Housing units and systems. In prior

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2013**

years (2010 and 2011), the agency received additional capital funds based on the American Recovery & Reinvestment Act (ARRA).

ECONOMIC FACTORS AND EVENTS AFFECTING OPERATIONS

Significant economic factors affecting the Authority are:

1. Operating subsidy for the Conventional Housing Program was funded at 81.86% of the Authority's eligibility. This represents a reduction in funding of approximately \$218,000.
2. Housing Choice Voucher (HCV) subsidies are not tied to a specific number of units. Instead, the HCV program is a fund-based program; i.e., housing agencies can issue Housing Assistance Payments (HAP) up to the maximum budget authority, regardless of the number of units served. As a result, the Authority must carefully monitor its performance in relation to the number of vouchers that would normally be issued. During FY2012, the agency requested and HUD provided an additional 59 tenant-based vouchers to replace the units at Riverside Apartments approved for demolition.
3. As of September 30, 2013, the AHA no longer administers the Milford Redevelopment and Housing Partnership Housing Choice Voucher Program.
4. In 2002, the Public Housing Drug Elimination Program (PHDEP) was merged with the public housing operating fund. This resulted in less funding for resident programs; the Authority has needed to redirect funds from other areas in order to maintain resident programs which were once paid for through the PHDEP program.
5. The CY2011 crime rate per 100,000 people in Ansonia was 179. For CY2012, the crime rate had increased to 183 per 100,000 people. By comparison, the U.S. city average crime rates were 260 and 257, respectively, for the same years. Crime rates in the City of Ansonia are considered low based on the national crime index.
6. The July 2013 unemployment rate for the City of Ansonia was 10.0 %, down from 11.2% as of August 2012. By comparison, the State of Connecticut's July 2013 unemployment rate was 8.4%, down from 9.2% as of August 2012.
7. The 2011 median household income for Ansonia was \$52,375, a decrease of 14% over two years, from \$60,825 in 2009. Comparatively, the 2011 median household income for the State of Connecticut was \$65,753, or 2% less than the \$67,034 average of 2009. Additionally, the 2011 percentage of Ansonia and Connecticut residents living below the poverty level was 11.6% and 11.2%, respectively.
8. The 2011 median residential house or condo value in Ansonia was \$248,195 (the State of Connecticut's median house or condo value for 2011 was \$278,700). The percent of homes built pre-1950 was 49% for Ansonia as compared to 32% for pre-1950 homes throughout the entire State of Connecticut. During 2012, four single-family new home building permits were secured.

NOTE: The most recent statistics available regarding nos. 5, 6, 7 and 8 above were taken from the data profile for Ansonia, CT at www.city-data.com/city/Ansonia-Connecticut.html.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is issued to provide users with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional information, contact the Executive Director at 36 Main Street, Ansonia, CT 06401, by telephone 203-736-8888, or by fax at 203-736-8833.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2013**

ASSETS

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 1,379,692
Cash and Cash Equivalents - Restricted	350,082
Accounts Receivable	
Tenants, net of Allowances	2,177
Other	117,771
Investments	704,947
Prepaid Expenses	50,503
Total Current Assets	<u>2,605,172</u>

Noncurrent Assets

Capital Assets, net of A/D	
Nondepreciable	204,428
Depreciable	5,850,855
Tenant Repayment Agreements, net of Allowance	3,281
Total Noncurrent Assets	<u>6,058,564</u>
Total Assets	<u>8,663,736</u>

DEFERRED OUTFLOWS OF RESOURCES

Total Deferred Outflows of Resources	<u>-</u>
---	----------

LIABILITIES

Current Liabilities

Accounts Payable - Vendors and Contractors	148,692
Accounts Payable - Other	14,002
Tenant Security Deposits Payable	7,906
FSS Escrows	5,960
Accrued Wages and Related Liabilities	22,446
Accrued Compensated Absences	4,317
Accrued PILOT	14,375
Prepaid Rent	396
Total Current Liabilities	<u>218,094</u>

Noncurrent Liabilities

Accrued Compensated Absences	44,105
FSS Escrows	41,389
OPEB Liability	54,470
Total Noncurrent Liabilities	<u>139,964</u>
Total Liabilities	<u>358,058</u>

DEFERRED INFLOWS OF RESOURCES

Total Deferred Inflows of Resources	<u>-</u>
--	----------

NET POSITION

Net Investment in Capital Assets	6,055,283
Restricted for:	
Housing Assistance Payments	289,410
Modernization and Development	3,399
Unrestricted	1,957,586
Total Net Position	<u><u>\$ 8,305,678</u></u>

*The accompanying notes are an integral
part of the financial statements.*

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013**

OPERATING REVENUE

Rental Revenue	\$ 588,449
HUD Operating Grants	7,566,874
Fees for Other Services	159,133
Other Government Operating Grants	10,905
Other Income	78,528
Total Operating Revenue	<u>8,403,889</u>

OPERATING EXPENSES

Administrative	1,038,196
Tenant and Protective Services	234,528
Utilities	477,108
Ordinary Maintenance and Operations	372,322
Insurance Premiums	101,836
General	217,138
Housing Assistance Payments	6,107,259
Depreciation	497,114
Total Operating Expenses	<u>9,045,501</u>

Operating Income (Loss) (641,612)

NONOPERATING REVENUES (EXPENSES)

Interest Income	1,127
Proceeds from Sale of Capital Assets	270
Nonroutine Maintenance and Replacement	(3,807)
Total Nonoperating Revenues (Expenses)	<u>(2,410)</u>

Income (Loss) before Capital Contributions (644,022)

Capital Contributions 1,541,649

Change in Net Position 897,627

Net Position, Beginning of Year 7,408,051

Net Position, End of Year \$ 8,305,678

*The accompanying notes are an integral
part of the financial statements.*

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash Received from Operations	\$ 798,776
HUD Operating Grants	7,566,874
Housing Assistance Payments	(6,107,259)
Payments to Vendors and Suppliers	(1,768,947)
Payments for Employee Wages	(836,862)
Other Receipts (Payments)	(7,863)
Net Cash Provided by (Used in) Operating Activities	<u>(355,281)</u>

CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES:

Purchases of Property and Equipment	(1,510,949)
Capital Grants Received	1,522,790
Net Cash Provided by (Used in) Capital Related Financing Activities	<u>11,841</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Net Proceeds from (Deposits to) Investments	267,664
Interest Income	1,127
Net Cash Provided by (Used in) Investing Activities	<u>268,791</u>

Net Increase (Decrease) in Cash (74,649)

Cash at the Beginning of the Year 1,804,423

Cash at the End of the Year \$ 1,729,774

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

Operating Income (Loss) \$ (641,612)

Adjustments to Reconcile Change in Net Cash
Provided by Operating Activities:

Depreciation Expense	497,114
Nonroutine Maintenance	(3,807)

Change in Operating Assets and Liabilities:

Decrease (Increase) in Receivables	(41,340)
Decrease (Increase) in Prepaid Expenses	630
Increase (Decrease) in Accounts Payable	(21,729)
Increase (Decrease) in Other Liabilities	(144,537)

Net Cash Provided by (Used in) Operating Activities	<u>\$ (355,281)</u>
---	---------------------

*The accompanying notes are an integral
part of the financial statements.*

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Housing Authority of the City of Ansonia (the Authority) is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Reporting Entity

The Authority was created pursuant to Section 8-40 of the Connecticut General Statutes. The Authority has contracted with the Federal Government, acting through the Department of Housing and Urban Development (HUD), for financial assistance of Housing Choice Vouchers and Federal Operating Subsidy pursuant to the United States Housing Act of 1937, as amended. The Authority has also contracted the State of Connecticut Department of Community Development (DECD) for financial assistance for elderly rental projects in the form of capital grants pursuant to Section 8-70 of the Connecticut General Statutes. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria for including organizations as component units within the reporting entity, as set forth in GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization's board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority's Board of Commissioner or the component unit provides services entirely to the Authority. These component units' funds are blended into those of the Authority's by appropriate activity type to compose the primary government presentation. Discretely presented component units are separate legal entities that meet the component unit criteria but do not meet the criteria for blending.

Based on the aforementioned criteria, the Authority is not a component unit of the city, nor does it include any component units.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Operating Revenue includes rental income, operating grants, management services income and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants from HUD to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations consist of housing and grant programs as follows:

- The ***Housing Choice Voucher Program*** provides rental housing assistance to serve up to 732 housing units. The purpose of the program is to provide decent and affordable housing to low income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are owned, maintained and managed by private landlords.
- The ***Public Housing Program*** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties totaling 168 units. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents.
- The ***Capital Fund Program*** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.
- The ***State/Local Programs*** consist of the operations of low rent public housing properties totaling 40 units of State Elderly Housing under contract with the State of Connecticut Department of Economic and Community Development.
- The ***Resident Opportunities and Self Sufficiency (ROSS) Grant*** provides public housing residents support services, resident empowerment activities and assistance in becoming economically self sufficient.

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all of the Authority's activities.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash and Cash Equivalents

Cash and cash equivalents represent cash in checking accounts, money market funds or short-term investments with original maturities of three months or less.

Investments

The Authority has adopted HUD's Investment Regulation PIH 1996-33 on investments as its investment policy. The Authority also invests in external investment pools, which are subject to regulatory oversight by the State of Connecticut and CHFA.

Accounts Receivable

Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant receivables in its public housing programs is \$2,000.

Capital Assets

Land, structures, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$5,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed.

Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building and Improvements	10 to 40 years
Machinery and Equipment	5 to 15 years

Capitalized Interest

Interest costs are capitalized when incurred on debt where proceeds were used to finance the construction of assets.

Leases

The Authority's leases consist of leases of apartments to tenants reported as rental income and leases of office space and equipment reported as operating expenses. Substantially all of the Authority's carrying balance in depreciable Capital Assets are leased to tenants in the form of operating leases. All operating leases are for a term of one year and cancelable upon sufficient notice.

Compensated Absences

Employees accumulate vacation and sick days for subsequent use or payment upon termination. Compensated absences are accrued when incurred and reported as a liability until paid.

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 and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses used during the reporting period. Actual results could differ from those estimates. Significant estimates include the economic lives of capital assets.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Restricted Funds

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Equity Classifications

Equity is classified as net position and displayed in three components in the Statement of Net Position.

Net Investment in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Authority has no related debt.

Restricted consist of residual funding with constraints place on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consists of unspent HCV HAP funding provided by HUD and certain other federal grants restricted as to purpose.

Unrestricted consist of all other residual funding that do not meet the definition of restricted or Net Investment in Capital Assets.

NOTE 2 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk for Deposits and Investments

The Authority maintains cash with FDIC depository banks. While operating cash may fluctuate greatly, the Authority maintains cash accounts in excess of insured limits during the year. In addition, the Authority does not have a policy for custodial credit risk. The Authority held \$1,729,774 in depository accounts, of which \$1,363,040 exceeded FDIC insurance. Of the uninsured balance, \$149,741 was collateralized by the bank's trust department, but not in the Authority's name (Category 3) and the remaining was uncollateralized.

The breakdown of restrictions on deposits reported as of December 31, 2013 is as follows:

<u>Restrictions on Deposits</u>	
Housing Assistance Payments	\$ 289,410
Family Self Sufficiency Escrows	47,348
Tenant Security Deposits	8,361
FEMA Grant - Modernization	3,399
Payment of Current Liability	1,564
Total Restricted Cash	<u>\$ 350,082</u>

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 2 – DEPOSITS AND INVESTMENTS (CONT'D)

Investments

The Authority adheres to HUD's Investment Regulation PIH 1996-33 on investments by investing with CHFA and other state managed investments. This practice is followed to address various risks relating to the Authority's investments. Credit Risk is the risk that an insured or other counterparty to an investment will not fulfill its obligations. Custodial Credit Risk is the risk that the Authority will not be able to recover the value of investment or collateral securities that are in the possession of an outside party if the counterparty to the transaction fails. The Authority's certificates of deposit are collateralized by securities held by the bank's trust, but not in the Authority's name as of December 31, 2013. Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In addition, policy limits the maturities on investments to be no longer than three years on federal investments to manage its exposure to the risk of loss in fair value on its fixed income securities. The Authority's Connecticut Short Term Investment Funds (STIF) are held in 2a7-like pools and are therefore not subject to interest rate or custodial credit risk. The pool sponsors maintain policies to address the remaining risks and as such require no further risk disclosure. The pooled investments are accounted for on an amortized cost basis which approximates fair value.

The Authority follows the provisions of GASB No. 31, "Accounting and Financial Reporting for Certain Investments in a Governmental Entity," which requires all publicly traded debt and equity securities to be recorded at fair market value generally determined on the basis of quoted market values. Purchases and sales of securities are reflected in a trade-date basis. Realized gains and losses on sales of securities are based on average cost.

The Authority held the following investments at year end:

	Cost	Fair Value	Maturity <1yr	Program
CT Short-Term Investment Fund	\$ 541,429	\$ 541,429	n/a	State Elderly
Certificates of Deposit	135,432	135,432	135,432	Federal Public Housing
Certificate of Deposit	28,086	28,086	28,086	State Elderly
Total Investments	<u>\$ 704,947</u>	<u>\$ 704,947</u>		

NOTE 3 – ACCOUNTS RECEIVABLE – OTHER

The breakdown of Accounts Receivable – Other is as follows:

	Amount	Program
City of Ansonia - Bond Proceeds	\$ 76,016	Federal Public Housing
HUD Grants	31,293	Federal Public Housing
DECD Grant	7,506	State Elderly
Portability	2,956	Housing Choice Voucher
	<u>\$ 117,771</u>	

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 4 – NONCURRENT RECEIVABLES

The Authority's noncurrent receivable balance of \$5,281 as of December 31, 2013 representing repayment agreements entered into by tenants for the repayment of fraud and back rent due to the Authority.

NOTE 5 – CAPITAL ASSETS

The following is a summary of Capital Assets as of December 31, 2013:

	Beginning	Additions	Deductions	Ending
Nondepreciable Assets:				
Land	\$ 204,428	\$ -	\$ -	\$ 204,428
Depreciable Assets:				
Building and Improvements	13,196,465	279,859	-	13,476,324
Equipment	1,365,359	45,709	(48,516)	1,362,552
Construction in Progress	503,930	1,185,651	-	1,689,581
	15,270,182	1,511,219	(48,516)	16,732,885
Accumulated Depreciation	(10,229,004)	(497,114)	48,516	(10,677,602)
Net Book Value	<u>\$ 5,041,178</u>			<u>\$ 6,055,283</u>

NOTE 6 – NONCURRENT LIABILITIES

The following is a summary of Noncurrent Liabilities as of December 31, 2013:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Compensated Absences	\$ 50,216	\$ 93,005	\$ (94,799)	\$ 48,422	\$ 4,317
FSS Escrows	99,401	22,522	(74,574)	47,349	5,960
OPEB Liability	62,963	-	(8,493)	54,470	-
	<u>\$ 212,580</u>	<u>\$ 115,527</u>	<u>\$ (177,866)</u>	150,241	<u>\$ 10,277</u>
			Less: Current Portion	(10,277)	
			Noncurrent Portion	<u>\$ 139,964</u>	

NOTE 7 – LEASES

The Authority leases two copiers, a mail machine, and office space. The office space lease is cancellable upon sufficient notice and the remaining leases are not material to the Authority's operations. Therefore, all leases are treated as operating leases. The minimum annual lease payments are as follows:

2014	\$ 42,312
2015	44,269
2016	43,611
2017	42,675
2018	10,725

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 8 – OTHER POST EMPLOYEE BENEFITS

The Authority is obligated to provide Other Post-Employment Benefits (OPEB) under a collective bargaining agreement. This potential obligation is a single employer plan and is for health insurance benefits for employees who have served with the Authority for at least twenty-five years and are at least fifty-five at time of retirement. The Authority is required to pay 50% of the medical premiums for a maximum of ten years or until the employee reaches age 65 or becomes eligible for Medicare.

Accrued Plan Liability

The Authority has accrued the full estimated costs of the three currently vested employees based on the current cost of health insurance. There are no active members or former employees participating in the plan. This calculation was not done on an actuarial basis. As a result, no provision has been established for any currently vesting employees, as the Authority expects the probability of payment to remain extremely low.

The associated liability is as follows:

	Federal Public Housing	Housing Choice Voucher	State Elderly	MRHP	Total
Accrued for Active Employees (Beneficiaries)	\$ 43,358	\$ 4,358	\$ 5,665	\$ 1,089	\$ 54,470
Total Accrued for OPEB	\$ 43,358	\$ 4,358	\$ 5,665	\$ 1,089	\$ 54,470

NOTE 9 – RETIREMENT PLAN

Plan Description:

The Authority is a member of the Connecticut Municipal Employee's Retirement Fund (MERF), a multiple-employer public retirement system (MERS) established by the State of Connecticut and administered by the State Retirement Commission to provide retirement benefits of participating municipalities. The plan is a multiple-employer defined benefit plan. Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes MERF benefits, member contribution rates, and other plan provisions. MERF is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106 or by calling 860-702-3500.

Funding Policy:

Participation is mandatory for all full time employees of the Authority. Employees who have at least 5 years of longevity and have attained 55 years of age are eligible to receive retirement benefits. The retirement plan is a pooled risk type of plan. Under this type of plan, funding is determined based on all employees covered for all employing units. The funding liabilities are shared by each employing unit pro-rata based on the number of employees in the employing unit. Since the Authority's share of pension liability is not based on its employees, pension expense is determined by the total required payment to be made to the retirement plan for the year. The Authority is required to contribute at an actuarially determined rate. The contribution requirements of the Authority are established and may be amended by the State Retirement Commission. Employees are required by State Statute to contribute 2.25% of earnings upon which Social Security tax is paid. The Authority is required by State Statute to contribute 11.81% of earnings. The total contribution is based on 14.06% of gross earnings.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 9 – RETIREMENT PLAN (CONT'D)

Annual Pension Cost:

Total employer and employee contributions for the years ended December 31, 2013, 2012 and 2011 were \$109,792, \$106,142, and \$120,723, respectively.

NOTE 10 – HOUSING CHOICE VOUCHERS NET POSITION SUMMARY

A detailed breakdown of HCV Net Position is as follows:

	Unrestricted Net Position	Restricted Net Position	Total
Beginning Net Position	\$ 15,735	\$ 568,063	\$ 583,798
Revenues			
Annual Contributions	497,015	5,742,388	6,239,403
Investment Income	221	-	221
Fraud Recovery	80	80	160
FSS Forfeitures	-	14,341	14,341
Portability	75,032	-	75,032
Total Revenues	572,348	5,756,809	6,329,157
Expenses			
Operating	(471,195)	-	(471,195)
Housing Assistance Payments	(71,797)	(6,035,462)	(6,107,259)
Total Expenses	(542,992)	(6,035,462)	(6,578,454)
Net Income	29,356	(278,653)	(249,297)
Operating Transfers	84,262	-	84,262
Change in Net Position	113,618	(278,653)	(165,035)
Ending Net Position	\$ 129,353	\$ 289,410	\$ 418,763

NOTE 11 – HUD CAPITAL FUND PROGRAM

The Authority is awarded federal capital grants from HUD. The grants are to be expended for modernization, security, and replacement housing related to its federal public housing projects.

The following completed grants have been fully expended, disbursed, all work completed and liabilities fully paid as of December 31, 2013:

	CT26-P015 501-10
Funds Authorized	<u>\$447,652</u>
Funds Advanced	447,652
Less Project Expenditures	<u>(447,652)</u>
Excess(Deficiency) of Advances	<u>\$ -</u>

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 11 – HUD CAPITAL FUND PROGRAM (CONT'D)

The following grants are open as of December 31, 2013:

	CT26-P015			CT26-R015		
	501-11	501-12	501-13	501-11	501-12	501-13
Funds Authorized	<u>\$ 320,936</u>	<u>\$ 311,116</u>	<u>\$ 311,114</u>	<u>\$ 39,622</u>	<u>\$ 38,409</u>	<u>\$ 38,409</u>
Funds Advanced	287,001	194,655	-	-	-	-
Less Project Expenditures	<u>(293,360)</u>	<u>(197,095)</u>	-	-	-	-
Excess(Deficiency) of Advances	<u>\$ (6,359)</u>	<u>\$ (2,440)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 12 – HUD ROSS GRANTS

The Authority was awarded ROSS Grants for supportive services to public housing residents. Grant expenditures were audited in accordance with program requirements.

The following completed grants have been fully expended, disbursed, all work completed and liabilities fully paid as of December 31, 2013:

	CT015-RFS 034A-010	CT015-RPS 028A-008
Funds Authorized	<u>\$ 69,000</u>	<u>\$ 240,000</u>
Funds Advanced	69,000	240,000
Less Project Expenditures	<u>(69,000)</u>	<u>(240,000)</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

The following grants are open as of December 31, 2013:

	CT015-RFS 182A-012	CT015-RPS 023A-011
Funds Authorized	<u>\$ 69,000</u>	<u>\$ 240,000</u>
Funds Advanced	61,942	97,825
Less Project Expenditures	<u>(64,934)</u>	<u>(110,404)</u>
Excess(Deficiency) of Advances	<u>\$ (2,992)</u>	<u>\$ (12,579)</u>

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 13 – DATE OF MANAGEMENT’S REVIEW

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through June 11, 2014, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Project Name J.J. O'Donnell ApartmentsProject # E-75Sponsor/Authority Name: Ansonia Housing AuthorityCHFA # 85001D**ADMINISTRATION FUND
BALANCE SHEET**As of: 12/31/2013**ASSETS**

1111	Cash-Checking	\$	41,131.00	
1113	Reserve Cash-Saving and Investments	\$	541,429.00	
1114	Restricted Cash-Security Deposits	\$	-	
1115	Restricted Cash-Special Deposits	\$	-	
1116	Restricted Cash-Sales Program	\$	-	
1117	Petty Cash Fund	\$	-	
1118	Change Fund	\$	-	
	Total Cash			\$ 582,560.00
1122	Tenants' Accounts Receivable	\$	573.00	
1123	Vacated Tenants' Accounts Receivable	\$	-	
	Total Tenants' Accounts Receivable	\$	573.00	
1123.1	Less: Allowance for Collection Loss	\$	-	
	Net Tenants' Accounts Receivable	\$	573.00	
1124.1	Unissued State Subsidy - Congregate	\$	-	
1124.2	Unissued State Subsidy - Congregate	\$	-	
1125	Housing Assistance Payments Receivable	\$	1,425.00	
1126.1	Rehabilitation Funds Receivable, No.	\$	-	
1126.2	Rehabilitation Funds Receivable, No.	\$	-	
1128	Accounts Receivable-ineligible program costs	\$	-	
1129	Sundry Accounts Receivable	\$	-	
1145	Accrued Interest Receivable	\$	-	
1155	Advances to Revolving Fund	\$	-	
1156	Advances for Travel	\$	-	
	Total Accounts Receivable			\$ 1,998.00
1211	Unexpired Insurance	\$	6,206.00	
1212	Anticipated Dividends	\$	-	
1269	General Stores	\$	-	
	Total Deferred Charges and Prepayments			\$ 6,206.00
1405	Development Cost	\$	726,230.00	
1430	Furniture and Equipment	\$	41,249.00	
1440	Capital Improvements - State Rehab. Grants/Loan	\$	1,074,290.00	
	Total Fixed Assets			\$ 1,841,769.00
1501	Payroll Clearance	\$	-	
1502	Insurance Claims Clearance	\$	-	
1503.1	Rehabilitation Program Expenditures, No.	\$	-	
1503.2	Rehabilitation Program Expenditures, No.	\$	-	
1504.1	Net Program Cost Congregate - Contract No.	\$	-	
1504.2	Net Program Cost Congregate - Contract No.	\$	-	
1505	Incomplete Contracts	\$	-	
1507	RAP Subsidy Payments - Elderly Program Only	\$	-	
1508	Resident Services Coordinator Expenses-Elderly Program Only	\$	7,506.00	
1509	DECD Rental Subsidy (Congregate Program)	\$	-	
	Total Clearance			\$ 7,506.00
	TOTAL ASSETS			\$ 2,440,039.00

Project Name: J.J. O'Donnell Apartments
 Sponsor/Authority Name: Ansonia Housing Authority

Project # E-75
 CHFA # 85001D

**ADMINISTRATION FUND
BALANCE SHEET**

LIABILITIES

2110	Administration Fund Creditors	\$	4,306.00	
2111	Contract Awards	\$	-	
2112	Contract Retentions	\$	-	
2113	ALSA Escrow-DSS Tenants and DECD Tenants	\$	-	
2116	Tenants' Security Deposits	\$	-	
2117	Payroll Deductions	\$	-	
2119	Sundry Accounts Payable	\$	14,805.00	
2120	Undistributed Proceeds - Sales Program	\$	-	
	Total Accounts Payable			\$ 19,111.00
2131	Accrued Interest and Principal - Mortgage	\$	-	
2131.1	Accrued Interest and Principal - Rehab. Loan	\$	-	
2135	Accrued Salaries and Wages	\$	1,926.00	
2135.1	Accrued Compensated Absences	\$	5,252.00	
2136	Accrued State Service Charge	\$	-	
2137	Accrued Liability to Municipalities			
	In Lieu of Taxes (or Ad Valorem Taxes, if Applicable)	\$	14,375.00	
2139	Accrued Payroll Taxes	\$	-	
	Total Accrued Expenses			\$ 21,553.00
2240	Tenants' Prepaid Rents			\$ 54.00
2313	Indebtedness to the State of Connecticut - Mortgage	\$	-	
2313.1	Debt Retirement - Mortgage	\$	-	\$ -
2314	Indebtedness to the State of Connecticut - Rehabilitation Loan	\$	-	
2314.1	Debt Retirement - Rehabilitation Loan	\$	-	\$ -
	Total Long Term Liabilities			\$ -

TOTAL LIABILITIES

\$ 40,718.00

EQUITY

2810	Capital Grant by the State of Connecticut			\$ 726,230.00
2810.1	Contribution by the State of Connecticut - Interest Earned on Development Advances			\$ -
2811.1	State Subsidy Authorized - Congregate			\$ -
2811.2	State Subsidy Authorized - Congregate			\$ -
2813	Valuation of Fixed Assets			\$ 91,897.00
2814	Contribution by the Municipality			\$ 50,000.00
2814.3	Gifts and Donations			\$ -
2820.1	Rehabilitation Funds Authorized, No			\$ -
2820.2	Rehabilitation Funds Authorized, No			\$ -
2821	Capital Grant by the State of Connecticut - Rehabilitation			\$ 995,113.00
2825	Mortgage Loan Liquidation			\$ -
2826	Rehabilitation Loan Liquidation			\$ -
2827	Rental Assistance Grant Authorized-Elderly Program Only			\$ -
2827.1	Rental Assistance Grant Unissued-Elderly Program Only			\$ -
2828	Resident Services Coordinator Grant Authorized-Elderly Program Only			\$ 7,506.00
2828.1	Resident Services Coordinator Grant Unissued-Elderly Program Only			\$ 7,506.00
2830	Unappropriated Retained Earnings	-\$	151,682.00	
2830.1	Income and Expense Clearance	-\$	109,550.00	
2830.2	Prior Year Adjustments	-\$	7,495.00	
2830.3	Retained Earnings Appropriated for Development Improvements	\$	-	
2830.4	Retained Earnings Appropriated for Repairs, Maintenance and Replacements (RM&R)	\$	804,808.00	
2830.5	Retained Earnings Appropriated for the Authorities Project Tenant Support (APTS) Program	\$	-	
	Total Retained Earnings			\$ 536,081.00

TOTAL EQUITY

\$ 2,399,321.00

TOTAL LIABILITIES AND EQUITY

\$ 2,440,039.00

Project Name: J.J. O'Donnell Apartments

Project #: E-75

Sponsor/Authority Name: Ansonia Housing Authority

CHFA # 85001D

**ADMINISTRATION FUND
OPERATING STATEMENT**

For the Quarter Ending: 12/31/2013

12 # months

No. of Dwelling Units: 40

No. of Unit Months: 480

		Budget Amount	PUM	Actual Amount	PUM
INCOME					
3100	Rental Income - Base	241,440.00	503.00	241,440.00	503.00
3100.1	Rental Income - Excess of Base	276.00	0.58	-	
3110	Excess Utilities	-		-	
3120	Surcharges	-		-	
	Total Rental Income	\$ 241,716.00	503.58	\$ 241,440.00	503.00
3210	Dwelling Vacancy Loss	(3,500.00)	(7.29)	(55,885.00)	(116.43)
3220	Dwelling Vacancy Subsidy	0.00		0.00	
	Net Rental Income	\$ 238,216.00	496.28	\$ 185,555.00	386.57
3300	Non Dwelling Rental Income	0.00		0.00	
3510	Sales and Service to Tenants (including Cable TV fee	0.00		0.00	
3610	Interest Income	1,504.00	3.13	809.00	1.69
3620	Other Income	4,900.00	10.21	1,868.00	3.89
	GROSS INCOME	\$ 244,620.00	509.63	\$ 188,232.00	392.15
EXPENSE					
4120	Salaries - Office	44,428.00	92.56	46,388.00	96.64
4120.1	Compensated Absences-Administrative Salaries	890.00	1.85	6,949.00	14.48
4130	Legal and Other Services	7,500.00	15.63	9,860.00	20.54
4130.1	Less: Legal Charges to Tenants	0.00		0.00	
4131	Accounting Fees	5,450.00	11.35	5,241.00	10.92
4132	Management Fees	0.00		0.00	
4151	Office Supplies	1,232.00	2.57	1,064.00	2.22
4152	Rents	0.00		0.00	
4153	Travel	230.00	0.48	2,620.00	5.46
4159	Other Office Expense	15,610.00	32.52	18,126.00	37.76
4160	Pensions and Other Funds	33,086.00	68.93	55,306.00	115.22
4161	Payroll Taxes	0.00		0.00	
	Total Management Expense	\$ 108,426.00	225.89	\$ 145,554.00	\$ 303.24
4310	Water	19,000.00	39.58	10,622.00	22.13
4320	Electricity	39,825.00	82.97	30,625.00	63.80
4330	Gas	0.00		0.00	
4340	Fuel	2,200.00	4.58	1,461.00	3.04
4350	Cable Television	0.00		0.00	
4360	Sewer	0.00		0.00	
	Total Utility Expense	\$ 61,025.00	127.14	\$ 42,708.00	\$ 88.98
4410	Maintenance Wages	26,600.00	55.42	60,976.00	127.03
4410.1	Compensated Absences-Maintenance Wages	530.00	1.10	3,461.00	7.21
4420	Materials and Supplies	500.00	1.04	3,011.00	6.27
4430	Contractual Services	14,140.00	29.46	16,905.00	35.22
4440	Maintenance & Shop Equipment Expense	0.00		0.00	
	Total Maintenance Expense	\$ 41,770.00	87.02	\$ 84,353.00	\$ 175.74
4710	Refuse Removal	0.00		0.00	
4711	Insurance	11,566.00	24.10	7,641.00	15.92
4715	Pilot or Taxes	17,719.00	36.91	14,375.00	29.95
4716	State Service Charge	0.00		0.00	
4717	Interest Expense	0.00		0.00	
	Total Other Expense	\$ 29,285.00	61.01	\$ 22,016.00	\$ 45.87
4810	Provision for Repairs,Maint. & Replacements	3,864.00	8.05	0.00	
4820	Provision for Collection Loss	250.00	0.52	3,151.00	6.56
	Total Provisions	\$ 4,114.00	8.57	\$ 3,151.00	\$ 6.56
4910	Principal Payment-Mortgage	0.00		0.00	
4920	Principal Payment-Rehabilitation Loan	0.00		0.00	
	Total Principal Payments	\$ -	-	\$ -	-
6100	Extraordinary Income	0.00		0.00	
6200	Extraordinary Expense	0.00		0.00	
	TOTAL EXPENSES	\$ 244,620.00	509.63	\$ 297,782.00	620.38
	NET GAIN (LOSS) FOR THE PERIOD	\$ -	-	\$ (109,550.00)	\$ (228.23)

Project Name: J.J. O'Donnell ApartmentsProject #: E-75Sponsor/Authority Name: Ansonia Housing AuthorityCHFA # 85001D**ADMINISTRATION FUND
ANALYSIS OF RETAINED EARNINGS**As of: 12/31/2013**ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS (2830, .1, .2)**

	Calendar/Fiscal Beginning Date:	<u>01/01/13</u>	Balance:	\$	<u>(151,682.00)</u>
Add:	Operating Gain (2830.				
	Prior Year Adjustments (2830.2)				
	Other Adjustment:			\$	<u>-</u>
Deduct:	Operating Loss (2830.1)			\$	<u>(109,550.00)</u>
	Prior Year Adjustments (2830.2)			\$	<u>(7,495.00)</u>
	Other Adjustment:			\$	<u>(117,045.00)</u>
Balance as of:	<u>12/31/2013</u>			\$	<u>(268,727.00)</u>

ANALYSIS OF RETAINED EARNINGS APPROPRIATED FOR DEVELOPMENT IMPROVEMENTS

(2830.3)

	Calendar/Fiscal Beginning Date:	<u>01/01/13</u>	Balance:		
Deduct:	Total Charges to Retained Earnings Appropriated for Development Improvements as Approved by DECL (Per Attached Schedule)		\$	<u>-</u>	\$ <u>-</u>
Balance as of:	<u>12/31/2013</u>			\$	<u>-</u>

ANALYSIS OF RETAINED EARNINGS APPROPRIATED FOR REPAIRS, MAINTENANCE AND REPLACEMENTS (2830.4)

	Calendar/Fiscal Beginning Date:	<u>01/01/13</u>	Balance:	\$	<u>820,416.00</u>
Add:	Provision		\$	<u>-</u>	
	Other Adjustment:			\$	<u>-</u>
Deduct:	Total Charges to Retained Earnings Appropriated for RM&K (Per Attached Schedule)		\$	<u>15,608.00</u>	
	Other Adjustment:			\$	<u>15,608.00</u>
Balance as of:	<u>12/31/2013</u>			\$	<u>804,808.00</u>

**ANALYSIS OF RETAINED EARNINGS APPROPRIATED FOR
the AUTHORITIES PROJECT TENANT SUPPORT (APTS II) Program (2830.5)**

	Calendar/Fiscal Beginning Date:	<u>01/01/13</u>	Balance:	\$	<u>-</u>
Add:	State Service Charge Provision		\$	<u>-</u>	
	Other Adjustment:			\$	<u>-</u>
Deduct:	Total Charges to Retained Earnings Appropriated for APTS (Per Attached Schedule)		\$	<u>-</u>	
	Other Adjustment:			\$	<u>-</u>
Balance as of:	<u>12/31/2013</u>			\$	<u>-</u>

TOTAL RETAINED EARNINGS		\$	<u><u>536,081.00</u></u>
--------------------------------	--	----	--------------------------

Sponsor/Authority Name: Ansonia Housing Authority CHFA # 85001D

SUMMARY OF CHARGES TO ACCOUNT NO.'S 2830.3, 2830.4 & 2830.5

Summary of Charges to Account 2830.3

Date	For	Amount
	TOTAL	\$ -

Summary of Charges to Account 2830.4

9/25/2013	Compactor	\$ 15,608.00
	TOTAL	\$ 15,608.00

Summary of Charges to Account 2830.5

	TOTAL	\$ -

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE DECD BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Housing Authority of the City of Ansonia (the Authority) is presented to assist in understanding the Authority's financial statements. The statutory financial statements and notes are representations of the Authority's management, which are responsible for their integrity and objectivity. These financial statements have, in general, been prepared on the basis of accounting prescribed by the State of Connecticut, Department of Economic and Community Development (DECD) and differ in some respects from generally accepted accounting principles (GAAP).

Organization

The Authority was created pursuant to Section 8-40 of the Connecticut General Statutes to provide low-income public housing for qualifying individuals in accordance with rules and regulations prescribed by the State of Connecticut Department of Economic and Community Development (DECD). For a more complete description of the organization refer to the Notes to Financial Statements found on page 11.

Method of Accounting

The financial statements are 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. Grants and similar items are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty-one days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The various differences in basis of accounting utilized by the Authority and generally accepted accounting principles are described below:

DECD Resident Service Coordinator (RSC)

DECD requires that net program costs RSC be shown separately as an asset on the related program balance sheet. There are no operating receipts related to the RSC program. Upon completion of the program, a Certificate of Approved Program Cost and State Funding will be issued and the asset will be closed to fund equity.

Furniture and Equipment

Furniture and Equipment are stated at cost, in accordance with policies established by the DECD. No provision has been made for depreciation. Donated assets are recorded at estimated market value or assessed value as of the date of the donation.

Major repair expenditures funded out of operations, such as painting, roofing, or plumbing, are charged against Retained Earnings.

Statement of Cash Flows

The basis of accounting practices prescribed or permitted by the DECD does not require a Statement of Cash Flows to be presented as part of a full set of financial statements. Presentation of such statement summarizing the Authority's operating, noncapital financing, capital and related financing, and investing activities is required by generally accepted accounting principles.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE DECD BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Adjusting Journal Entries

The audited financial statements include various journal entries created by the Independent Public Accountant. The adjusting entries were approved by management and are made available upon request.

NOTE 2 – STATE FINANCIAL ASSISTANCE

Resident Service Coordinator Program No. 2008-002-003-107-000-1E:

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$7,388.

The final program cost was determined to be \$7,388.

Resident Service Coordinator Program No. 2008-002-003-107-000-1F:

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$7,788.

The current program cost was determined to be \$3,894.

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
111 Cash - Unrestricted	\$952,733		\$152,383		\$3,905
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$330,798		
114 Cash - Tenant Security Deposits	\$8,361				
115 Cash - Restricted for Payment of Current Liabilities			\$7,524		
100 Total Cash	\$961,094	\$0	\$490,705	\$0	\$3,905
121 Accounts Receivable - PHA Projects			\$57,768		
122 Accounts Receivable - HUD Other Projects	\$29,867	\$1,426			
124 Accounts Receivable - Other Government	\$76,016				\$7,506
125 Accounts Receivable - Miscellaneous					\$1,425
126 Accounts Receivable - Tenants	\$1,604				\$573
126.1 Allowance for Doubtful Accounts -Tenants	\$0				\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	-\$54,812		\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$107,487	\$1,426	\$2,956	\$0	\$9,504
131 Investments - Unrestricted	\$135,432				\$569,515
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$38,880		\$5,417		\$6,206
143 Inventories					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$1,242,893	\$1,426	\$499,078	\$0	\$589,130
161 Land	\$204,428				
162 Buildings	\$11,644,653				\$1,831,670
163 Furniture, Equipment & Machinery - Dwellings	\$775,656				
164 Furniture, Equipment & Machinery - Administration	\$565,961		\$7,000		\$10,099
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$8,885,174		-\$7,000		-\$1,781,976
167 Construction in Progress	\$1,689,583				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$5,995,107	\$0	\$0	\$0	\$59,793
171 Notes, Loans and Mortgages Receivable - Non-Current	\$3,281				
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	\$5,998,388	\$0	\$0	\$0	\$59,793
190 Total Assets	\$7,241,281	\$1,426	\$499,078	\$0	\$648,923
200 Deferred Outflow of Resources					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
290 Total Assets and Deferred Outflow of Resources	\$7,241,281	\$1,426	\$499,078	\$0	\$648,923
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$132,196		\$12,190		\$4,306
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$12,798	\$1,426	\$6,296		\$1,926
322 Accrued Compensated Absences - Current Portion	\$3,604		\$713		
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs			\$1,564		
332 Account Payable - PHA Projects			\$1,425		
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$7,906				
342 Unearned Revenue	\$342				\$54
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$5,960		
346 Accrued Liabilities - Other					\$14,375
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$156,846	\$1,426	\$28,148	\$0	\$20,661
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$41,389		
354 Accrued Compensated Absences - Non Current	\$32,433		\$6,420		\$5,252

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$43,358		\$4,358		\$5,665
350 Total Non-Current Liabilities	\$75,791	\$0	\$52,167	\$0	\$10,917
300 Total Liabilities	\$232,637	\$1,426	\$80,315	\$0	\$31,578
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$5,995,107		\$0		\$59,793
511.4 Restricted Net Position			\$289,410		
512.4 Unrestricted Net Position	\$1,013,537	\$0	\$129,353	\$0	\$557,552
513 Total Equity - Net Assets / Position	\$7,008,644	\$0	\$418,763	\$0	\$617,345
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$7,241,281	\$1,426	\$499,078	\$0	\$648,923

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$270,671		\$1,379,692		\$1,379,692
112 Cash - Restricted - Modernization and Development		\$3,399	\$3,399		\$3,399
113 Cash - Other Restricted			\$330,798		\$330,798
114 Cash - Tenant Security Deposits			\$8,361		\$8,361
115 Cash - Restricted for Payment of Current Liabilities			\$7,524		\$7,524
100 Total Cash	\$270,671	\$3,399	\$1,729,774	\$0	\$1,729,774
121 Accounts Receivable - PHA Projects			\$57,768		\$57,768
122 Accounts Receivable - HUD Other Projects			\$31,293		\$31,293
124 Accounts Receivable - Other Government			\$83,522		\$83,522
125 Accounts Receivable - Miscellaneous			\$1,425	-\$1,425	\$0
126 Accounts Receivable - Tenants			\$2,177		\$2,177
126.1 Allowance for Doubtful Accounts -Tenants			\$0		\$0
126.2 Allowance for Doubtful Accounts - Other			-\$54,812		-\$54,812
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$121,373	-\$1,425	\$119,948
131 Investments - Unrestricted			\$704,947		\$704,947
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$50,503		\$50,503
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$270,671	\$3,399	\$2,606,597	-\$1,425	\$2,605,172
161 Land			\$204,428		\$204,428
162 Buildings			\$13,476,323		\$13,476,323
163 Furniture, Equipment & Machinery - Dwellings			\$775,656		\$775,656
164 Furniture, Equipment & Machinery - Administration	\$3,835		\$586,895		\$586,895
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$3,452		-\$10,677,602		-\$10,677,602
167 Construction in Progress			\$1,689,583		\$1,689,583
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$383	\$0	\$6,055,283	\$0	\$6,055,283
171 Notes, Loans and Mortgages Receivable - Non-Current			\$3,281		\$3,281
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	\$383	\$0	\$6,058,564	\$0	\$6,058,564
190 Total Assets	\$271,054	\$3,399	\$8,665,161	-\$1,425	\$8,663,736
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$271,054	\$3,399	\$8,665,161	-\$1,425	\$8,663,736

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days			\$148,692		\$148,692
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable			\$22,446		\$22,446
322 Accrued Compensated Absences - Current Portion			\$4,317		\$4,317
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs			\$1,564		\$1,564
332 Account Payable - PHA Projects			\$1,425	-\$1,425	\$0
333 Accounts Payable - Other Government	\$12,438		\$12,438		\$12,438
341 Tenant Security Deposits			\$7,906		\$7,906
342 Unearned Revenue			\$396		\$396
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$5,960		\$5,960
346 Accrued Liabilities - Other			\$14,375		\$14,375
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$12,438	\$0	\$219,519	-\$1,425	\$218,094
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$41,389		\$41,389
354 Accrued Compensated Absences - Non Current			\$44,105		\$44,105
355 Loan Liability - Non Current					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$1,089		\$54,470		\$54,470
350 Total Non-Current Liabilities	\$1,089	\$0	\$139,964	\$0	\$139,964
300 Total Liabilities	\$13,527	\$0	\$359,483	-\$1,425	\$358,058
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$383		\$6,055,283		\$6,055,283
511.4 Restricted Net Position		\$3,399	\$292,809		\$292,809
512.4 Unrestricted Net Position	\$257,144	\$0	\$1,957,586		\$1,957,586
513 Total Equity - Net Assets / Position	\$257,527	\$3,399	\$8,305,678	\$0	\$8,305,678
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$271,054	\$3,399	\$8,665,161	-\$1,425	\$8,663,736

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
70300 Net Tenant Rental Revenue	\$392,326				\$185,555
70400 Tenant Revenue - Other	\$8,700				\$1,868
70500 Total Tenant Revenue	\$401,026	\$0	\$0	\$0	\$187,423
70600 HUD PHA Operating Grants	\$1,152,133	\$175,338	\$6,239,403		
70610 Capital Grants	\$309,960				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					\$1,239,195
71100 Investment Income - Unrestricted	\$97		\$221		\$809
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$160		
71500 Other Revenue	\$64,027		\$89,373		
71600 Gain or Loss on Sale of Capital Assets	\$270				
72000 Investment Income - Restricted			\$0		
70000 Total Revenue	\$1,927,513	\$175,338	\$6,329,157	\$0	\$1,427,427
91100 Administrative Salaries	\$184,618		\$170,684		\$46,095

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
91200 Auditing Fees	\$2,563		\$9,313		\$625
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$866				\$1,162
91500 Employee Benefit contributions - Administrative	\$95,987		\$101,035		\$23,810
91600 Office Expenses	\$38,544		\$54,734		\$14,282
91700 Legal Expense	\$34,861		\$22,615		\$9,859
91800 Travel	\$1,788		\$20,033		\$2,620
91810 Allocated Overhead					
91900 Other	\$102,673		\$28,624		\$8,364
91000 Total Operating - Administrative	\$461,900	\$0	\$407,038	\$0	\$106,817
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$6,511	\$112,119	\$13,460		\$5,427
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services	\$15,689	\$52,682	\$14,267		\$2,079
92400 Tenant Services - Other	\$188	\$10,537			
92500 Total Tenant Services	\$22,388	\$175,338	\$27,727	\$0	\$7,506
93100 Water	\$117,456				\$10,622
93200 Electricity	\$220,137				\$30,625
93300 Gas	\$96,188				\$43
93400 Fuel	\$619				\$1,418
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
93800 Other Utilities Expense					
93000 Total Utilities	\$434,400	\$0	\$0	\$0	\$42,708
94100 Ordinary Maintenance and Operations - Labor	\$119,685				\$60,976
94200 Ordinary Maintenance and Operations - Materials and	\$42,566				\$3,281
94300 Ordinary Maintenance and Operations Contracts	\$33,829				\$16,132
94500 Employee Benefit Contributions - Ordinary Maintenance	\$64,357				\$31,496
94000 Total Maintenance	\$260,437	\$0	\$0	\$0	\$111,885
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$1,066				\$503
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$1,066	\$0	\$0	\$0	\$503
96110 Property Insurance	\$18,042				\$3,880
96120 Liability Insurance	\$21,775		\$5,016		\$1,271
96130 Workmen's Compensation	\$10,246		\$1,012		\$2,159
96140 All Other Insurance	\$37,176		\$525		\$330
96100 Total insurance Premiums	\$87,239	\$0	\$6,553	\$0	\$7,640
96200 Other General Expenses			\$17,033	\$68,000	
96210 Compensated Absences	\$69,751		\$12,844		\$10,410
96300 Payments in Lieu of Taxes					\$14,375
96400 Bad debt - Tenant Rents	\$21,574				\$3,151
96500 Bad debt - Mortgages					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$91,325	\$0	\$29,877	\$68,000	\$27,936
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
96900 Total Operating Expenses	\$1,358,755	\$175,338	\$471,195	\$68,000	\$304,995
97000 Excess of Operating Revenue over Operating Expenses	\$568,758	\$0	\$5,857,962	-\$68,000	\$1,122,432
97100 Extraordinary Maintenance	\$3,801				
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$6,035,462		
97350 HAP Portability-In			\$71,797		
97400 Depreciation Expense	\$489,394				\$6,953
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,851,950	\$175,338	\$6,578,454	\$68,000	\$311,948
10010 Operating Transfer In	\$164,836		\$84,262		
10020 Operating transfer Out	-\$164,836				

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
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)	\$0	\$0	\$84,262	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$75,563	\$0	-\$165,035	-\$68,000	\$1,115,479
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$5,701,392	\$0	\$583,798	\$68,000	\$733,555
11040 Prior Period Adjustments, Equity Transfers and Correction	\$1,231,689				-\$1,231,689
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$129,353		
11180 Housing Assistance Payments Equity			\$289,410		

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	8 Other Federal Program 1	2 State/Local
11190 Unit Months Available	2016		8339		480
11210 Number of Unit Months Leased	1904		7640		378
11270 Excess Cash	\$935,008				
11610 Land Purchases	\$0				
11620 Building Purchases	\$264,251				
11630 Furniture & Equipment - Dwelling Purchases	\$41,631				
11640 Furniture & Equipment - Administrative Purchases	\$4,078				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$0		\$577,881		\$577,881
70400 Tenant Revenue - Other			\$10,568		\$10,568
70500 Total Tenant Revenue	\$0	\$0	\$588,449	\$0	\$588,449
70600 HUD PHA Operating Grants			\$7,566,874		\$7,566,874
70610 Capital Grants			\$309,960		\$309,960
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants		\$3,399	\$1,242,594		\$1,242,594
71100 Investment Income - Unrestricted			\$1,127		\$1,127
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$160		\$160
71500 Other Revenue	\$84,101		\$237,501		\$237,501
71600 Gain or Loss on Sale of Capital Assets			\$270		\$270
72000 Investment Income - Restricted			\$0		\$0
70000 Total Revenue	\$84,101	\$3,399	\$9,946,935	\$0	\$9,946,935
91100 Administrative Salaries	\$31,698		\$433,095		\$433,095
91200 Auditing Fees			\$12,501		\$12,501

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing			\$2,028		\$2,028
91500 Employee Benefit contributions - Administrative	\$18,701		\$239,533		\$239,533
91600 Office Expenses	\$2,812		\$110,372		\$110,372
91700 Legal Expense	\$950		\$68,285		\$68,285
91800 Travel	\$361		\$24,802		\$24,802
91810 Allocated Overhead					
91900 Other	\$7,919		\$147,580		\$147,580
91000 Total Operating - Administrative	\$62,441	\$0	\$1,038,196	\$0	\$1,038,196
92000 Asset Management Fee					
92100 Tenant Services - Salaries			\$137,517		\$137,517
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services			\$84,717		\$84,717
92400 Tenant Services - Other			\$10,725		\$10,725
92500 Total Tenant Services	\$0	\$0	\$232,959	\$0	\$232,959
93100 Water			\$128,078		\$128,078
93200 Electricity			\$250,762		\$250,762
93300 Gas			\$96,231		\$96,231
93400 Fuel			\$2,037		\$2,037
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
93000 Total Utilities	\$0	\$0	\$477,108	\$0	\$477,108
94100 Ordinary Maintenance and Operations - Labor			\$180,661		\$180,661
94200 Ordinary Maintenance and Operations - Materials and			\$45,847		\$45,847
94300 Ordinary Maintenance and Operations Contracts			\$49,961		\$49,961
94500 Employee Benefit Contributions - Ordinary Maintenance			\$95,853		\$95,853
94000 Total Maintenance	\$0	\$0	\$372,322	\$0	\$372,322
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs			\$1,569		\$1,569
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$1,569	\$0	\$1,569
96110 Property Insurance			\$21,922		\$21,922
96120 Liability Insurance	\$404		\$28,466		\$28,466
96130 Workmen's Compensation			\$13,417		\$13,417
96140 All Other Insurance			\$38,031		\$38,031
96100 Total insurance Premiums	\$404	\$0	\$101,836	\$0	\$101,836
96200 Other General Expenses			\$85,033		\$85,033
96210 Compensated Absences			\$93,005		\$93,005
96300 Payments in Lieu of Taxes			\$14,375		\$14,375
96400 Bad debt - Tenant Rents			\$24,725		\$24,725
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$217,138	\$0	\$217,138
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
96900 Total Operating Expenses	\$62,845	\$0	\$2,441,128	\$0	\$2,441,128
97000 Excess of Operating Revenue over Operating Expenses	\$21,256	\$3,399	\$7,505,807	\$0	\$7,505,807
97100 Extraordinary Maintenance	\$6		\$3,807		\$3,807
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$6,035,462		\$6,035,462
97350 HAP Portability-In			\$71,797		\$71,797
97400 Depreciation Expense	\$767		\$497,114		\$497,114
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$63,618	\$0	\$9,049,308	\$0	\$9,049,308
10010 Operating Transfer In			\$249,098		\$249,098
10020 Operating transfer Out	-\$84,262		-\$249,098		-\$249,098
10030 Operating Transfers from/to Primary Government					

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
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)	-\$84,262	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$63,779	\$3,399	\$897,627	\$0	\$897,627
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$321,306	\$0	\$7,408,051		\$7,408,051
11040 Prior Period Adjustments, Equity Transfers and Correction		\$0	\$0		\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$129,353		\$129,353
11180 Housing Assistance Payments Equity			\$289,410		\$289,410
11190 Unit Months Available			10835		10835

Housing Authority of the City of Ansonia (CT015)

Ansonia, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2013

	1 Business Activities	97.109 Disaster Housing Assistance Grant	Subtotal	ELIM	Total
11210 Number of Unit Months Leased			9922		9922
11270 Excess Cash			\$935,008		\$935,008
11610 Land Purchases			\$0		\$0
11620 Building Purchases			\$264,251		\$264,251
11630 Furniture & Equipment - Dwelling Purchases			\$41,631		\$41,631
11640 Furniture & Equipment - Administrative Purchases			\$4,078		\$4,078
11650 Leasehold Improvements Purchases			\$0		\$0
11660 Infrastructure Purchases			\$0		\$0
13510 CFFP Debt Service Payments			\$0		\$0
13901 Replacement Housing Factor Funds			\$0		\$0

**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**

Independent Auditor's Report

The Governing Body
Housing Authority of the City of Ansonia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Housing Authority of the City of Ansonia as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Housing Authority of the City of Ansonia's basic financial statements, and have issued our report thereon dated June 11, 2014.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Housing Authority of the City of Ansonia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an

opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management Housing Authority of the City of Ansonia in a separate letter dated June 11, 2014.

Purpose of this Report

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

A handwritten signature in black ink, appearing to read "Maletta & Company", with a stylized flourish at the end.

Maletta & Company
Certified Public Accountants

Bristol, Connecticut
June 11, 2014

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROLOVER COMPLIANCEIN ACCORDANCE WITH OMB CIRCULAR A-133**

Independent Auditor's Report

Board of Commissioners
Housing Authority of the City of Ansonia

Report on Compliance for Each Major Federal Program

We have audited Housing Authority of the City of Ansonia's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Housing Authority of the City of Ansonia's major federal programs for the year ended December 31, 2013. Housing Authority of the City of Ansonia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Housing Authority of the City of Ansonia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2013-001, 2013-002, and 2013-003, that we consider to be significant deficiencies.

Housing Authority of the City of Ansonia's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. Housing Authority of the City of Ansonia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



Maletta & Company
Certified Public Accountants

Bristol, Connecticut
June 11, 2014

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program	Federal CFDA Number	Pass-Through / Identification Number	Federal Expenditures
<i>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)</i>			
Direct Programs:			
EDI - Special Project Grant	14.251	B-08-SP-CT-0075	\$ 68,000
Low Rent Public Housing	14.850	CT015-00000112D	987,297
Housing Choice Vouchers	14.871	CT015	6,239,403
Resident Opportunity and Self Sufficiency	14.870	CT015RPS023A011	110,404
Resident Opportunity and Self Sufficiency- FSS	14.870	CT015RFS182A012	64,934
Total ROSS Grants			<u>175,338</u>
Capital Fund Program	14.872	CT26P015501-10	74,074
Capital Fund Program	14.872	CT26P015501-11	204,836
Capital Fund Program	14.872	CT26P015501-12	195,886
Total CFP Cluster			<u>474,796</u>
Total HUD Expenditures			<u>7,944,834</u>
<i>U.S. DEPARTMENT OF HOMELAND SECURITY</i>			
Passthrough Program - CT Department of Emergency Services and Public Protection			
Disaster Housing Assistance Grant	97.109	4106 - CT	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 7,944,834</u>

See accompanying notes to
Schedule of Expenditures of Federal Awards.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2013. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133 *Audits of States, Local Government, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.

NOTE C – PROGRAM COST

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the schedule.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

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

Type of auditor's report issued on compliance for major programs: **Unmodified**

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

Identification of major programs tested:

CFDA#	Program Name
14.850	Low Rent Public Housing
14.871	Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee _____ Yes X No

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

**II. FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE
REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING
STANDARDS**

None Reported

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SIGNIFICANT DEFICIENCY

**2013-001 Eligibility
Housing Choice Vouchers – CFDA# 14.871**

Condition:	Income documentation obtained to determine eligibility contained errors or was otherwise insufficient or incomplete.
Criteria:	PHA's are required to determine income eligibility and calculate the tenant's rent payment using the documentation from third-party verification in accordance with 24 CFR part 5 subpart F
Cause:	HCV program staff turnover and lack of sufficient staff training.
Effect or Potential Effect:	Potential overpayment of HAP due to incorrect income calculations.
Recommendation:	We recommend the Authority re-evaluate income documentation procedures used to annualize employment income and monitor HCV staff performance to ensure compliance with HUD regulations.
Views of Responsible Officials:	Management agrees with the finding. Corrective action to be taken as detailed in the Corrective Action Plan.

SIGNIFICANT DEFICIENCY

**2013-002 Eligibility / Special Tests and Provisions – Waiting List
Public Housing – CFDA# 14.850**

Condition:	Documentation obtained to determine eligibility was insufficient or incomplete including admission information such as proof of waiting list usage and tenant screening procedures (including EIV).
Criteria:	PHA's are required to follow its own tenant selection policy for placement and selection from the waiting list, including verification and documentation of information relevant to the acceptance or rejection of each applicant.
Cause:	Deficiencies in tenant file format and lack of sufficient staff training.
Effect or Potential Effect:	Potential admission of ineligible applicants or bypass eligible applicants.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

**III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT
(CONT'D)**

**2013-002 Eligibility / Special Tests and Provisions – Waiting List (Cont'd)
Public Housing – CFDA# 14.850**

Recommendation: We recommend the Authority standardize public housing tenant files to retain permanent information such as original application, waitlist correspondence, identification and screening procedures. In addition, the Authority should implement EIV procedures on applicants prior to admission in according with program regulations.

Views of Responsible Officials: Management agrees with the finding. Corrective action to be taken as detailed in the Corrective Action Plan.

SIGNIFICANT DEFICIENCY

**2013-003 Activities Allowed or Unallowed / Cost Principles
Public Housing – CFDA# 14.850**

Condition: The Authority does not have an adequate system of controls over the allocation of costs.

Criteria: HUD regulations require the allocation of costs be made on a reasonable basis in accordance with an approved cost allocation plan.

Context: Four out of twenty five relevant testing selections indicated instances of unsupported cost assignments.

Cause: Ineffective oversight over the assigned of costs.

Effect or Potential Effect: Federal Public Housing likely overcharged costs pertaining to office and other administrative costs.

Recommendation: We recommend the Authority require all expenditure documentation notate the program charged to enable effective management oversight and authorization. In addition, costs related to the central office should be allocated to the Authority's programs based on the Authority's cost allocation plan.

Views of Responsible Officials: Management agrees with the finding. Corrective action to be taken as detailed in the Corrective Action Plan.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**2012-002 Eligibility
Housing Choice Vouchers – CFDA#14.871**

Condition: The Authority did not recertify participants in a timely basis. In addition, income documentation obtained to determine income eligibility had errors or was otherwise deficient.

Recommendation: We recommend the Authority monitor and evaluate HCV staff performance to ensure compliance with HUD regulations. In addition, the Authority should enforce mandatory third-party verification procedures.

Status: Corrective action partially taken as participants were recertified within program guidelines. See current year eligibility finding regarding income documentation.

**2012-003 Housing Quality Standards Inspections and Enforcement
Housing Choice Vouchers – CFDA#14.871**

Condition: The Authority is not adequately enforcing Housing Quality Standards (HQS) inspection deficiencies.

Recommendation: We recommend the Authority evaluate inspection needs and establish a procedure to monitor compliance with HUD regulations regarding HQS inspections.

Status: Corrective action taken.

**2012-004 Reporting
Housing Choice Voucher – CFDA#14.871**

Condition: The Authority does not retain adequate support of information submitted to HUD through the Voucher Management System (VMS).

Recommendation: We recommend that the Authority's retained documentation include support for all critical line items as defined by HUD for the VMS submission.

Status: Corrective action taken, as VMS documentation is now retained to support the Authority's internal control process over VMS filings.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF PRIOR AUDIT FINDINGS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2013**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT'D)

2011-003 Reasonable Rent

Housing Choice Vouchers – CFDA#14.871

Condition:	The Authority is not adequately documenting the determination that the rent to owner is reasonable.
Recommendation:	We recommend the Authority document that the rent to owner is reasonable in accordance with its administrative plan at initial leasing and during the term of the contract.
Status:	Corrective action taken.