

HOUSING AUTHORITY OF THE CITY OF ANSONIA

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

**FOR THE YEAR ENDED
DECEMBER 31, 2015**

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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 Housing Authority of the City of Ansonia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise 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 Housing Authority of the City of Ansonia, as of December 31, 2015, 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.

Emphasis of Matter

As discussed in Note 1, the Housing Authority of the City of Ansonia has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinions are not modified with respect to this matter.

As discussed in Note 7, the Housing Authority of the City of Ansonia restated beginning net position of its financial statements for the year ended December 31, 2015, due to implementation of new accounting standards. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 1 - 7 and supplemental pension information on page 29 are 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 Housing Authority of the City of Ansonia's basic financial statements. The CHFA Supplemental HM Forms as required by the Connecticut Housing Finance Authority, 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 audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* Uniform Guidance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The CHFA Supplemental HM Forms, the Financial Data Schedules and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 CHFA Supplemental HM Forms, the Financial Data Schedule 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 July 13, 2016 on our consideration of 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 Housing Authority of the City of Ansonia's internal control over financial reporting and compliance.

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
July 13, 2016

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Management's analysis of the Authority's annual financial report is for the Fiscal Year Ended December 31, 2015 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 \$569,832 during fiscal year 2015 (FY2015). Net Positions were \$7,617,698 and \$8,187,530 for 2014 and 2015, respectively. Total revenues increased by 10% while total expenditures increased by 4%. This resulted in a loss before capital contributions of \$177,232. Capital contributions from HUD's Capital Fund Program (CFP) and City bonding for redevelopment of Riverside Apartments totaled \$747,064, offsetting the loss.
- Total revenue (operating and non-operating) increased by \$798,073 during FY2015. Revenues were \$8,626,020 for 2015 and \$7,827,947 for 2014.
- Total expenses (operating and non-operating) for all programs increased by \$299,882. Total expenses were \$8,803,252 for 2015 and \$8,503,370 for 2014. The Section 8 Housing Choice Voucher (HCV) program saw an increase in landlord Housing Assistance Payments (HAP) of \$301,312 as compared to 2014. Ongoing redevelopment of Riverside Apartments did not substantially affect agency costs (the decrease in administrative costs of 4% was offset by increases in tenant services and maintenance costs of 21% and 4%, respectively). Utility costs remained flat. In aggregate, all operating and non-operating expenses outside of HAP decreased by \$1,430 during 2015.

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 \$569,832 was the result of an agency-wide operating loss of \$177,232 and capital contributions of \$747,064.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Depreciation expense for the year was \$467,227, a 7% decrease over the prior fiscal year (\$502,123). Depreciation is recognized on open Capital Fund Program grant purchases. Prior to FY2012, depreciation was not recognized until each grant was closed.

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 \$1,937,220. HAP totaled \$5,973,985 and utility expenses amounted to \$424,820.

Tenant Revenues (dwelling rents / miscellaneous charges) and subsidies/grants represent the two major operating revenue funding sources. Tenant Revenues totaled \$658,483 and subsidies/grants, primarily from the Federal Government, amounted to \$7,921,235. Other and Interest Income totaled \$46,302.

**TABLE I
Combined Statement of Net Position**

	2015	2014	Dollar Change	% Change
Current Assets	\$ 2,029,106	\$ 2,188,047	\$ (158,941)	-7.26%
Non-Current Assets	\$ 7,084,694	\$ 6,547,087	\$ 537,607	8.21%
Total Assets	\$ 9,113,800	\$ 8,735,134	\$ 378,666	4.33%
Deferred Outflows of Resources	\$ 81,226	\$ 55,001	\$ 26,225	100.00%
Total Assets & Deferred Outflows	<u>\$ 9,195,026</u>	<u>\$ 8,790,135</u>	<u>\$ 404,891</u>	4.61%
Current Liabilities	\$ 356,917	\$ 541,011	\$ (184,094)	-34.03%
Non-Current Liabilities	\$ 650,579	\$ 518,305	\$ 132,274	25.52%
Total Liabilities	\$ 1,007,496	\$ 1,059,316	\$ (51,820)	-4.89%
Deferred Inflows of Resources	\$ -	\$ 113,121	\$ (113,121)	-100.00%
Total Liabilities & Deferred Inflows	\$ 1,007,496	\$ 1,172,437	\$ (164,941)	-14.07%
Net Investment in Capital Assets	\$ 7,084,694	\$ 6,547,087	\$ 537,607	8.21%
Restricted	\$ 93,413	\$ 3,947	\$ 89,466	0.00%
Unrestricted	\$ 1,009,423	\$ 1,066,664	\$ (57,241)	-5.37%
Total Net Position	\$ 8,187,530	\$ 7,617,698	\$ 569,832	7.48%
Total Liabilities, Deferred Inflows & Net Position	<u>\$ 9,195,026</u>	<u>\$ 8,790,135</u>	<u>\$ 404,891</u>	4.61%

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

	2015	2014	Dollar Change	% Change
Tenant Revenue	\$ 658,483	\$ 634,927	\$ 23,556	3.71%
Subsidy & Grants	\$ 7,921,235	\$ 7,129,086	\$ 792,149	11.11%
Other Income & Fees for Service	\$ 43,746	\$ 61,671	\$ (17,925)	-29.07%
Interest Income	\$ 2,556	\$ 2,263	\$ 293	12.95%
Total Revenue	\$ 8,626,020	\$ 7,827,947	\$ 798,073	10.20%
Administration	\$ 1,043,797	\$ 1,092,557	\$ (48,760)	-4.46%
Tenant Services	\$ 195,620	\$ 161,928	\$ 33,692	20.81%
Utilities	\$ 424,820	\$ 424,574	\$ 246	0.06%
Ordinary Maintenance	\$ 430,614	\$ 412,940	\$ 17,674	4.28%
Insurance Premiums	\$ 104,373	\$ 96,001	\$ 8,372	8.72%
General	\$ 162,816	\$ 140,574	\$ 22,242	15.82%
Housing Assistance Payments	\$ 5,973,985	\$ 5,672,673	\$ 301,312	5.31%
Depreciation	\$ 467,227	\$ 502,123	\$ (34,896)	-6.95%
NonRoutine Maintenance	\$ -	\$ -	\$ -	0.00%
Interest Expense	\$ -	\$ -	\$ -	0.00%
Total Expenses	\$ 8,803,252	\$ 8,503,370	\$ 299,882	3.53%
Net Income/(Loss) Before Capital Contributions	\$ (177,232)	\$ (675,423)	\$ 498,191	73.76%
Special Items and Prior Year Adjustments	\$ -	\$ -	\$ -	0.00%
Capital Contributions	\$ 747,064	\$ 432,862	\$ 314,202	72.59%
Change in Net Position	\$ 569,832	\$ (242,561)	\$ 812,393	-334.92%
Net Position, Beginning of Year	\$ 7,617,698	\$ 7,860,259	\$ (242,561)	-3.09%
Net Position, End of Year	\$ 8,187,530	\$ 7,617,698	\$ 569,832	7.48%

REVENUE

Tenant Revenue – Tenant Revenue represents rent and other charges paid by the occupants of the Authority's apartments. The Authority billed \$658,483 during the most recent year. The Authority has

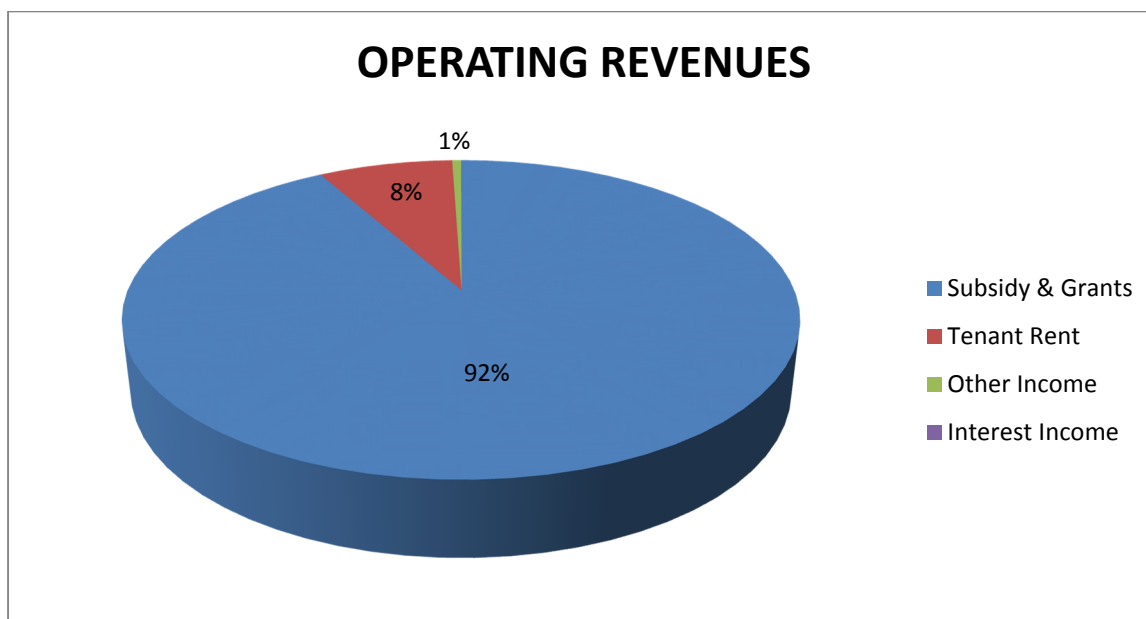
**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

maintained a lease up rate in the mid to high 90's (%) as required by the individual providers of subsidies/grants.

Program Grants / Subsidies – Subsidy and Grant Revenues for the year were \$7,921,235. Most grants/subsidies are Federally-funded.

Federal Low Income Program	\$ 940,301
Housing Choice Voucher Program	\$ 6,569,691
Capital Fund Program	\$ 243,841
ROSS Grant	\$ 78,774
FSS Grant	\$ 81,122
Resident Services Coordinator Grant	\$ 7,506
Total	\$ 7,921,235

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 \$299,882.

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 4% or \$48,760.

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 a preventative maintenance effort, contract costs rose, resulting in increased maintenance costs of \$17,674, or 4%, versus the prior year.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Insurance Premiums – All insurance costs (property, auto, liability, worker's compensation, public official's liability, fidelity bonding, lead based paint, etc.). Insurance costs increased by \$8,372 (9%) from the prior year.

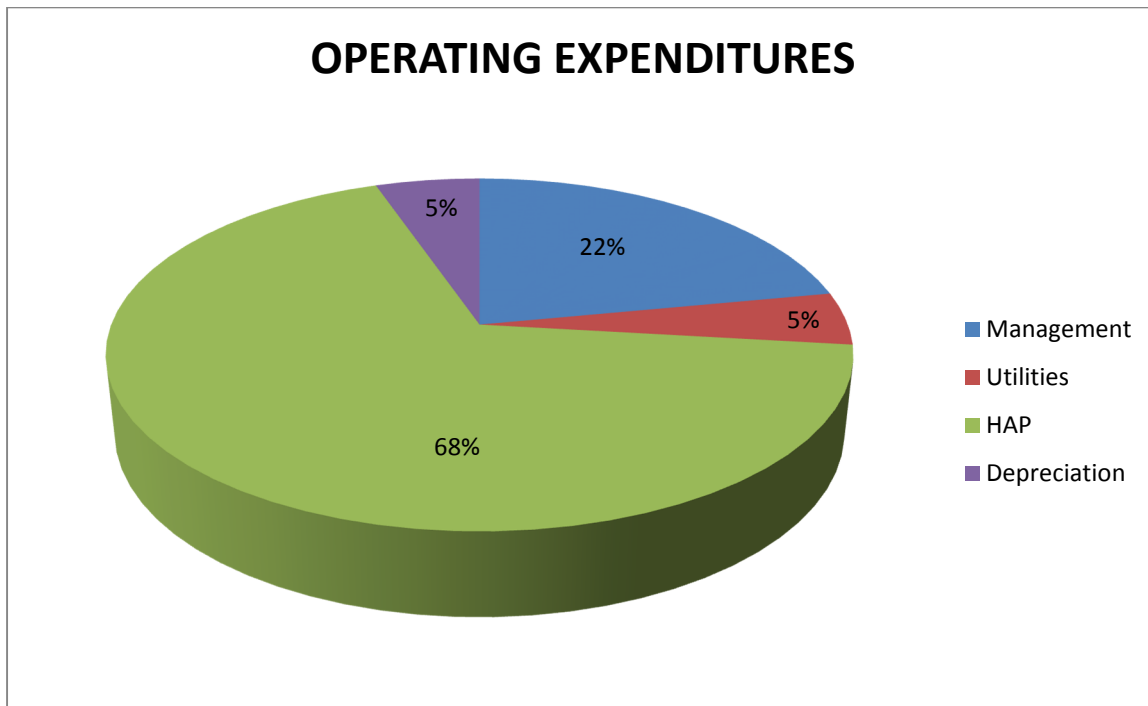
General Expense – General expenses include collection losses, compensated absences, payment-in-lieu-of- taxes (PILOT) to the City of Ansonia, etc. For only the second time in many years, PILOT expenses were accrued for the Federal Low Rent program as relatively stable tenant revenues outpaced decreasing energy costs. Due to a 100% increase in tenant bad debt, along with small increases in compensated absences and PILOT, total general expenses increased by \$22,242 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 FY2015, the Agency experienced an increase in utilization of 87 unit months. This, along with an increase in per-unit-month HAP cost of \$32 led to a increase in HAP expense of \$301,312 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 increased by \$246 (<1%).



**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

**TABLE III
Capital Assets – Total Authority**

	Beginning	Additions	Deductions	Ending
Non-Depreciable Assets				
Land	\$ 204,428	\$ -	\$ -	\$ 204,428
Depreciable Assets				
Buildings & Improvements	\$ 13,542,237	\$ 604,933	\$ -	\$ 14,147,170
Equipment	\$ 1,369,723	\$ 25,336	\$ -	\$ 1,395,059
Construction in Progress	\$ 2,610,424	\$ 374,565	\$ -	\$ 2,984,989
Total	\$ 17,726,812	\$ 1,004,834	\$ -	\$ 18,731,646
Accumulated Depreciation	\$ (11,179,725)	\$ (467,227)	\$ -	\$ (11,646,952)
Net Book Value	\$ 6,547,087			\$ 7,084,694

As of December 31, 2015, the Authority had \$7,084,694 invested in a broad range of capital assets, including land, buildings, furniture, equipment and construction in progress. This represents a net increase of \$537,607 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 by the State of Connecticut's Department of Housing (DOH) through CHFA. 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.

**ANSONIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Business Activities – This fund represents non-HUD and non-State resources developed from a variety of activities.

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 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 85.36% of the Authority's eligibility. This represents a reduction in funding of \$161,270.
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. Based on the limited number of rental units within the City, participants are frequently unsuccessful in locating available properties within the required timeframe.
3. The CY2013 crime rate per 100,000 people in Ansonia was 174. For CY2014, the crime rate remained unchanged at 174 per 100,000 people. By comparison, the U.S. city average crime rates were 245 and 236, respectively, for the same years. Crime rates in the City of Ansonia are considered low based on the national crime index.
4. The September 2015 unemployment rate for the City of Ansonia was 5.6%, down from 7.1% as of June 2014. By comparison, the State of Connecticut's September 2015 unemployment rate was 5.1%, down from 6.5% as of June 2014.
5. The 2013 median household income for Ansonia was \$42,991, a decrease of 17% from \$52,115 a year earlier. Comparatively, the 2013 median household income for the State of Connecticut was \$67,098 or unchanged versus the \$67,276 average of 2012. Additionally, the 2013 percentage of Ansonia and Connecticut residents "living in poverty" was 23.7% and 13.9%, respectively.
6. The 2013 median residential house or condo value in Ansonia was \$219,392 (the State of Connecticut's median house or condo value for 2013 was \$267,000). 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 2013, three single-family new home building permits were secured.

NOTE: The most recent statistics available regarding nos. 4, 5, 6 and 7 above were taken from the most recent 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, 2015

ASSETS

Current Assets

Cash and Cash Equivalents - Unrestricted	\$ 817,171
Cash and Cash Equivalents - Restricted	209,681
Accounts Receivable	
Tenants, net of Allowances	1,431
Other	361,918
Investments	584,583
Prepaid Expenses	54,322
Total Current Assets	<u>2,029,106</u>

Noncurrent Assets

Capital Assets, net of A/D	
Nondepreciable	3,189,417
Depreciable	3,895,277
Total Noncurrent Assets	<u>7,084,694</u>
Total Assets	<u>9,113,800</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows Related to Pensions	<u>81,226</u>
Total Deferred Outflows of Resources	<u>81,226</u>

LIABILITIES

Current Liabilities

Accounts Payable - Vendors and Contractors	249,339
Accounts Payable - Other	32,874
Accrued Wages and Related Liabilities	13,853
Accrued Compensated Absences	5,208
Accrued PILOT	21,735
Tenant Security Deposits Payable	6,518
FSS Escrows	26,781
Unearned Revenue	609
Total Current Liabilities	<u>356,917</u>

Noncurrent Liabilities

Accrued Compensated Absences	46,872
FSS Escrows	82,706
OPEB Liability	41,662
Net Pension Liability	479,339
Total Noncurrent Liabilities	<u>650,579</u>
Total Liabilities	<u>1,007,496</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows Related to Pensions	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>

Net Position

Net Investment in Capital Assets	7,084,694
Restricted for:	
Housing Assistance Payments	90,015
Modernization and Development	3,399
Unrestricted	1,009,422
Total Net Position	<u><u>8,187,530</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, 2015**

OPERATING REVENUE

Rental Revenue	\$ 658,483
HUD Operating Grants	7,913,729
Fees for Other Services	12,434
Other Government Grants	7,506
Other Income	31,312
Total Operating Revenue	<u>8,623,464</u>

OPERATING EXPENSES

Administrative	1,043,797
Utilities	424,820
Ordinary Maintenance and Operations	430,614
Tenant and Protective Services	195,620
Insurance Premiums	104,373
General	162,816
Housing Assistance Payments	5,973,985
Depreciation	467,227
Total Operating Expenses	<u>8,803,252</u>

Operating Income (Loss) (179,788)

NONOPERATING REVENUES (EXPENSES)

Interest Income	2,556
Proceeds from Sale of Capital Assets	-
Nonroutine Maintenance and Replacement	-
Total Nonoperating Revenues (Expenses)	<u>2,556</u>

Income (Loss) before Capital Contributions (177,232)

Capital Contributions 747,064

Change in Net Position 569,832

Net Position, Beginning of Year - Restated 7,617,698

Net Position, End of Year \$ 8,187,530

*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, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash Received from Operations	\$ 682,164
HUD Operating Grants	7,883,412
Housing Assistance Payments	(6,155,503)
Payments to Vendors and Suppliers	(1,721,784)
Payments for Employee Wages	(830,549)
Other Receipts (Payments)	36,404
Net Cash Provided by (Used in) Operating Activities	<u>(105,856)</u>

CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES:

Purchases of Property and Equipment	(823,316)
Capital Grants Received	429,106
Net Cash Provided by (Used in) Capital Related Financing Activities	<u>(394,210)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Net Proceeds from (Deposits to) Investments	31,633
Interest Income	2,556
Net Cash Provided by (Used in) Investing Activities	<u>34,189</u>

Net Increase (Decrease) in Cash (465,877)

Cash at the Beginning of the Year 1,492,729

Cash at the End of the Year \$ 1,026,852

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

Operating Income (Loss) \$ (179,788)

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

Depreciation Expense	467,227
Nonroutine Maintenance	-
Pension Expense	81,388
Employer Pension Contributions	(94,692)

Change in Operating Assets and Liabilities:

Decrease (Increase) in Receivables	(16,967)
Decrease (Increase) in Prepaid Expenses	(3,644)
Increase (Decrease) in Accounts Payable	(379,420)
Increase (Decrease) in Other Liabilities	20,040

Net Cash Provided by (Used in) Operating Activities \$ (105,856)

Noncash Capital and Financing Activities

Financing of Capital Assets through Payables \$ 181,518

*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, 2015**

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) and Department of Housing (DOH) 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, 2015**

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 786 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, 2015**

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

Change in Accounting Principle

For the year ended December 31, 2015, the Authority adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Implementation required measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through its defined benefit pension plan. In addition, Statement No. 68 requires disclosure of information related to pension benefits. The Authority's net position as of January 01, 2015 decreased due to implementation of the Statements.

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 and other receivables is \$2,000 and \$59,904, respectively.

Capital Assets

Land, buildings, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$1,000. 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 is leased to tenants in the form of operating leases. All operating leases are for a term of one year and cancelable upon sufficient notice.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position of fund balance that applies to future periods and will be recognized as revenue, or a reduction in expense, in future periods.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Connecticut Municipal Employee Retirement System (CMERS) pension plan and additions to/deductions from CMERS's fiduciary net position have been determined on the same basis as they are reported by CMERS. For this purpose, benefit payments, (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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.

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.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk for Deposits and Investments

The Authority maintains cash with FDIC depository banks. Additional protection against loss is provided for deposits in excess of FDIC insurance under Chapter 656 of the Connecticut General Statutes. The Statutes require every qualified public depository to maintain segregated collateral equal to at least ten percent of the average of the public deposits. Such additional protection is limited to the segregated collateral available.

At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, such balances are fully collateralized through agreements with the financial institution in the entity's name. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2015.

The breakdown of restrictions on deposits reported as of December 31, 2015 is as follows:

<u>Restrictions on Deposits</u>	
Family Self Sufficiency Escrows	\$ 82,706
Housing Assistance Payments	90,015
Tenant Security Deposits	6,518
FEMA Grant - Modernization	3,399
Payment of Current Liabilities	27,043
Total Restricted Cash	<u>\$ 209,681</u>

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. 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.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 2 – DEPOSITS AND INVESTMENTS (CONT'D)

The Authority held the following investments at year end:

	Cost	Fair Value	Maturity <1yr	Program
CT Short-Term Investment Fund	402,925	402,925	N/A	State Elderly
Certificates of Deposit	153,400	153,474	153,474	Federal Public Housing
Certificate of Deposit	28,086	28,184	28,184	State Elderly
Total Investments	<u>\$ 584,411</u>	<u>\$ 584,583</u>		

NOTE 3 – ACCOUNTS RECEIVABLE – OTHER

The breakdown of Accounts Receivable – Other is as follows:

	Amount	Program
HUD Capital Fund Grants	\$ 189,173	Federal Public Housing
City Bond Proceeds	137,198	Federal Public Housing
HUD Admin Fee Revenue	19,641	Housing Choice Voucher
HUD ROSS/FSS Grants	10,675	Federal Public Housing
DOH RSC Grant	3,753	State Elderly
Portability	1,478	Housing Choice Voucher
	<u>\$ 361,918</u>	

NOTE 4 – CAPITAL ASSETS

The following is a summary of Capital Assets as of December 31, 2015:

	Beginning	Additions	Deductions	Ending
Nondepreciable Assets:				
Land	\$ 204,428	\$ -	\$ -	\$ 204,428
Construction in Progress	2,610,424	374,565	-	2,984,989
Depreciable Assets:				
Building and Improvements	13,542,237	604,933	-	14,147,170
Equipment	1,369,723	25,336	-	1,395,059
	<u>17,726,812</u>	<u>1,004,834</u>	<u>-</u>	<u>18,731,646</u>
Accumulated Depreciation	<u>(11,179,725)</u>	<u>(467,227)</u>		<u>(11,646,952)</u>
Net Book Value	<u>\$ 6,547,087</u>			<u>\$ 7,084,694</u>

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 5 – NONCURRENT LIABILITIES

The following is a summary of Noncurrent Liabilities as of December 31, 2015:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Compensated Absences	49,246	\$ 98,531	\$ (95,697)	\$ 52,080	\$ 5,208
FSS Escrows	81,936	39,248	(11,697)	109,487	26,781
OPEB Liability	47,207	-	(5,545)	41,662	-
Net Pension Liability	353,297	189,845	(63,803)	479,339	-
	531,686	327,624	(176,742)	682,568	31,989
			Less: Current Portion	(31,989)	
			Noncurrent Portion	<u>\$ 650,579</u>	

NOTE 6 – 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:

2015	\$ 45,945
2016	48,243
2017	49,143
2018	17,193
2019	6,468

NOTE 7 – NET POSITION – RESTATED

The Net Position of Primary Government of the Authority was restated to reflect the net pension liability in accordance with implementation of GASB 68. The Beginning Net Position as previously reported of \$8,029,115 was reduced \$362,142 for beginning Net Position Liability and \$49,275 for contributions made during 2015 that were included in the calculation of the net pension liability for a restated Net Position of \$7,617,698.

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.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 8 – OTHER POST EMPLOYEE BENEFITS (CONT'D)

The associated liability is as follows:

	Federal Public Housing	Housing Choice Voucher	State Elderly	Development	Total
Accrued for Active Employees (Beneficiaries)	\$ 29,202	\$ 3,787	\$ 7,916	\$ 757	\$ 41,662
Total Accrued for OPEB	\$ 29,202	\$ 3,787	\$ 7,916	\$ 757	\$ 41,662

NOTE 9 – RETIREMENT PLAN

Plan Description

The Authority is a member of the CMERS, a multiple-employer public retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide retirement benefits of participating municipalities. Membership is mandatory for all regular full time employees. 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 CMERS benefits, member contribution rates, and other plan provisions. CMERS 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.

Benefits Provided

CMERS makes provision for the retirement, disability, and death benefits. The retirement benefit is 2% of average final compensation multiplied by the years of service for members not covered by social security. The benefit for members covered by social security is 1 ½% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, multiplied by years of service. Employees are eligible to retire age 55 with 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service. Employees can retire early after 5 years of continuous or 15 years of active aggregate service. The benefit can either be deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation. Long term disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit of 50% of compensation at the time of the disability. Pre-retirement death benefits are available in the form of a lump sum return of contributions with interest or surviving spouse benefit depending on the length of service.

Contributions

The actuarial funding method utilized by the pension plan is the Early Age Normal (EAN) method. Per EAN a normal contribution rate is developed for each active member as a percent of payroll that would be sufficient, if paid from the age at which the member entered CMERS would fully fund the member's benefits when due. These calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate, which is currently 8%. The contribution requirements of the Authority are established and may be amended by the State Retirement Commission. Employees covered by social security are required by State Statute to contribute 2.25% of compensation up to the social security taxable wage base, plus 5% of compensation in excess of such base. Employees not covered by social security are required to contribute 5% of earnings. The Authority is required by State Statute to contribute 11.98% of earnings. The total contribution is based on 14.23% of gross earnings. Contributions to the pension plan from the Authority were \$94,692 for the year ended December 31, 2015.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 9 – RETIREMENT PLAN (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2015, the Authority reported a net pension liability of \$479,339. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions, actuarially determined. As of June 30, 2015 and 2014, the Authority's proportion was 0.34%.

For the year ended December 31, 2015 the Authority recognized pension expense of \$81,388. At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ -
Differences between Projected and Actual Investment Earnings	35,809	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	-	-
Contributions Made after Measurement Date	45,417	-
	<u>\$ 81,226</u>	<u>\$ -</u>

\$45,417 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 1,882
2017	1,882
2018	1,882
2019	30,163
2020	-
Thereafter	-

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 9 – RETIREMENT PLAN (CONT'D)

Actuarial Assumptions

The total pension liability reported on the June 30, 2015 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary Increases	4.25 - 11%, including infation
Investment Rate of Return	8%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table (set forward one year for males and set back one year for females).

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for a five-year period ending June 30, 2010.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. Equities	16%	5.80%
Developed non-U.S. equities	14%	6.60%
Emerging markets (non-U.S.)	7%	8.30%
Core Fixed Income	8%	1.30%
Inflation linked bond fund	5%	1.00%
Emerging market bond	8%	3.70%
High yield bonds	14%	3.90%
Real estate	7%	5.10%
Private equity	10%	7.60%
Alernative investments	8%	4.10%
Liquidity Fund	3%	0.40%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 9 – RETIREMENT PLAN (CONT'D)

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following projects the Authority's proportionate share of the net pension liability calculated using the discount rate of 8%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate:

	1% Decrease (7%)	Discount Rate (8%)	1% Increase (9%)
Authority's Proportionate Share of Net Pension Liability	\$ 880,112	\$ 479,339	\$ 179,894

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CMERS financial report.

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 - Restated	\$ (61,849)	\$ 548	\$ (61,301)
Revenues			
Annual Contributions	530,588	6,039,103	6,569,691
Investment Income	323	-	323
Fraud Recovery	1,169	1,169	2,338
FSS Forfeitures	-	11,434	11,434
Portability	13,836	-	13,836
Total Revenues	545,916	6,051,706	6,597,622
Expenses			
Operating	635,236	-	635,236
Housing Assistance Payments	11,746	5,962,239	5,973,985
Total Expenses	646,982	5,962,239	6,609,221
Operating Transfers	118,345	-	118,345
Change in Net Position	17,279	89,467	106,746
Ending Net Position	\$ (44,570)	\$ 90,015	\$ 45,445
HUD-Held Reserves		\$ 589,611	

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 11 – HUD CAPITAL FUND PROGRAM

The Authority is awarded federal capital grants from HUD. The grants are to be expended for modernization and replacement housing related to its federal public housing projects. The following grants have been fully expended, disbursed, all work completed, and liabilities fully paid as of December 31, 2015:

	CT26-P015	
	501-11	501-12
Funds Authorized	<u>\$ 320,936</u>	<u>\$ 311,116</u>
Funds Advanced	320,936	311,116
Less Project Expenditures	<u>(320,936)</u>	<u>(311,116)</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

The following grants are open as of December 31, 2015:

	CT26-P015		
	501-13	501-14	501-15
Funds Authorized	<u>\$ 311,114</u>	<u>\$ 358,354</u>	<u>\$ 366,114</u>
Funds Advanced	275,977	273,985	78,453
Less Project Expenditures	<u>(290,862)</u>	<u>(305,594)</u>	<u>(221,132)</u>
Excess(Deficiency) of Advances	<u>\$ (14,885)</u>	<u>\$ (31,609)</u>	<u>\$ (142,679)</u>

	CT26-R015				
	501-11	501-12	501-13	501-14	501-15
Funds Authorized	<u>\$ 39,622</u>	<u>\$ 38,409</u>	<u>\$ 38,409</u>	<u>\$ 44,241</u>	<u>\$ 45,199</u>
Funds Advanced	-	-	-	-	-
Less Project Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 12 – OTHER HUD GRANTS

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

The following grants are open as of December 31, 2015:

	CT015-FSH		CT015-RSP
	122A-014	122A-015	077A-014
Funds Authorized	<u>\$ 95,920</u>	<u>\$ 69,000</u>	<u>\$ 246,000</u>
Funds Advanced	78,815	-	70,405
Less Project Expenditures	<u>(81,122)</u>	<u>-</u>	<u>(78,774)</u>
Excess(Deficiency) of Advances	<u>\$ (2,307)</u>	<u>\$ -</u>	<u>\$ (8,369)</u>

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 July 13, 2016, 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.

STATEMENT OF OPERATIONS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 12/2014)

Project Name: J. J. O'Donnell Apartments	Fiscal Year-End: December 31, 2015
CHFA Number: 85001D	Beginning Date: January 1, 2015
HUD Number:	Mortgagor: Ansonia Housing Authority

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Rental Income 5100	Rent Revenue- Gross Potential	5120		\$ 258,720	
	Tenant Assistance Payments (HAP Receipts)	5121		\$ -	
	Tenant Assistance Payments (RAP Receipts)	5121.1		\$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		\$ -	
	Tenant Assistance Payments - Congregate	5121.3		\$ -	
	Rent Revenue- Stores & Commercial	5140		\$ -	
	Rent Revenue- Garage & Parking	5170	3300	\$ -	
	Flexible Subsidy Revenue	5180		\$ -	
	Miscellaneous Rent Revenue**	5190	3120 & 3300	\$ -	
	Excess Rent	5191	3100.1	\$ 4,855	
	Excess Utilities	5191.1	3110	\$ -	
	Rent Revenue- Insurance	5192		\$ -	
	Special Claims Revenue	5193	3220	\$ -	
	Retained Excess Income	5194		\$ -	
	Total Rent Revenue (GPI @ 100% Occupancy)	5100T			\$ 263,575
Vacancies 5200	Apartments- Vacancy	5220	3210	\$ 34,204	
	Stores & Commercial- Vacancy	5240		\$ -	
	Rental Concessions	5250		\$ -	
	Garage & Parking- Vacancy	5270		\$ -	
	Miscellaneous** (other vacancy)	5290		\$ -	
	Total Vacancies	5200T			\$ 34,204
	Net Rental Revenue Rent Revenue Less Vacancy	5125N			\$ 229,371
	Elderly & Congregate Service Income (attach schedule)	5300			\$ 7,506
Financial Revenue 5400	Financial Revenue - Project Operations	5410	3610	\$ -	
	Revenue from Investments - Residual Receipts	5430		\$ -	
	Revenue from Investments - Replacement Reserves	5440		\$ -	
	Revenue from Investments - Miscellaneous **	5490		\$ -	
	Total Financial Revenue	5400T			\$ 0
Other Revenue 5900	Laundry & Vending Revenue	5910	3620	\$ -	
	Tenant Charges	5920		\$ 2,608	
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	\$ -	
	Interest Reduction Payments	5945		\$ -	
	Miscellaneous Revenue (Specify) **	5990		\$ 1,092	
	Total Other Revenue	5900T			\$ 3,700
	Total Revenue	5000T			\$ 240,577
Administrative Expenses 6200/6300	Conventions & Meetings	6203	4153	\$ 1,825	
	Management Consultants	6204		\$ 1,200	
	Advertising & Marketing	6210		\$ 9	
	Apartment Resale Expenses (Coops)	6235		\$ -	
	Other Renting Expenses	6250	4152	\$ 3,153	
	Office Salaries	6310	4120	\$ 12,706	
	Salaries - RSC	6310.1		\$ -	
	Office Expenses	6311		\$ 4,669	
	Office or Model Apartment Rent	6312		\$ -	
	Compensated Absences - Administrative Salaries	6313	4120.1	\$ 10,882	
	Management Fee	6320	4132	\$ -	
	Manager or Superintendent Salaries	6330		\$ -	
	Administrative Rent Free Unit	6331		\$ -	
	Legal Expense (Project)	6340	4130	\$ 7,790	
	Audit Expense	6350		\$ 1,952	
	Bookkeeping Fees/Accounting Services	6351	4131	\$ 6,975	
	Bad Debts	6370	4820	\$ 11,034	
	State Service Charge - Administrative	6380	4716	\$ -	
	Miscellaneous Administrative Expenses **	6390		\$ 10,383	
	Total Administrative Expenses	6263T			\$ 72,578

Statement of Operations

Part I- Cont.

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	\$ 1,493	
	Electricity	6450	4320	\$ 37,080	
	Water	6451	4310	\$ 10,274	
	Gas	6452	4330	\$ 477	
	Sewer	6453	4360	\$ -	
	Cable Television	6454	4350	\$ -	
	Total Utilities Expense	6400T			\$ 49,324
Operating & Maintenance Expenses 6500	Payroll	6510	4410	\$ 29,743	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	\$ -	
	Supplies	6515	4420	\$ 11,918	
	Contracts	6520	4430	\$ 3,963	
	Operating & Maintenance Rent Free Unit	6521		\$ -	
	Garbage & Trash Removal	6525	4710	\$ 329	
	Security Payroll/ Contracts	6530		\$ -	
	Security Rent Free Unit	6531		\$ -	
	Heating/Cooling Repairs & Maintenance	6546		\$ 43	
	Snow Removal	6548		\$ -	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	\$ 109	
	Miscellaneous Operating & Maintenance **	6590	6200	\$ 7,887	
	Total Operating & Maintenance Expenses	6500T			\$ 53,992
Taxes & Insurance 6700	Real Estate Tax	6710	4715	\$ 17,126	
	Payroll Taxes (project share)	6711	4161	\$ -	
	Property & Liability Insurance	6720	4711	\$ 74	
	Fidelity Bond Insurance	6721		\$ -	
	Workmen's Compensation	6722		\$ -	
	Health Insurance & Other Benefits	6723	4160	\$ 40,202	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		\$ -	
	Total Taxes & Insurance	6700T			\$ 57,402
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	\$ -	
	Interest on Capital Improvement Loan	6821		\$ -	
	Interest on Other Mortgages	6825		\$ -	
	Interest on Notes Payable (Long Term)	6830		\$ -	
	Interest on Notes Payable (Short Term)	6840		\$ -	
	Mortgage Insurance Premium/ Services Charges	6850		\$ -	
	Miscellaneous Financial Expenses **	6890		\$ -	
	Total Financial Expenses	6800T			\$ 0
	Elderly & Congregate Services (attach schedule)	6900			\$ 28,175
	Total Cost of Operations before Depreciation	6000T			\$ 261,471
	Profit (Loss) before Depreciation	5060T			\$ -20,894
	Depreciation Expenses	6600		\$ 7,488	
	Amortization Expense	6610		\$ -	
	Total Depreciation & Amortization Expense				\$ 7,488
	Operating Profit (Loss)	5060N			\$ -28,382
Entity Expenses 7100	Officer's Salaries	7110		\$ -	
	Legal Expenses	7120		\$ -	
	Federal, State, and Other Income Taxes	7130		\$ -	
	Interest Income	7140		\$ -	
	Interest on Notes Payable	7141		\$ -	
	Interest on Mortgage Payable	7142		\$ -	
	Other Expenses	7190		\$ -	
	Net Entity Expenses	7100T			\$ 0
	Net Profit (Loss)	3250			\$ -28,382

* All amounts must be rounded to the nearest dollar, \$.50 and over, round up, \$.49 and below, round down.

** If miscellaneous or Other Income and Expense Accounts exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the Income or Expense.

Statement of Operations
Part II- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	\$	0
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	0
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	\$	0
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	\$	0

Part III- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		\$ -	
	Damages & Cleaning Fees	5930		\$ 2,608	
	Forfeited Tenant Security Deposits	5940		\$ -	
	Tenant Charges	5920			\$ 2,608
Office 6311	Office Supplies	6315	4151	\$ 1,378	
	Telephone and Answering Service	6360		\$ 3,291	
	Office Expenses	6311			\$ 4,669
Payroll 6510	Janitor and Cleaning Payroll	6511		\$ -	
	Grounds Payroll	6535		\$ -	
	Repairs Payroll	6540		\$ 29,743	
	Payroll	6510			\$ 29,743
Supplies 6515	Janitor and Cleaning Supplies	6516		\$ 190	
	Exterminating Supplies	6522		\$ -	
	Ground Supplies	6536		\$ -	
	Repairs Material	6541		\$ 11,728	
	Decorating Supplies	6561		\$ -	
	Supplies	6515	4420		\$ 11,918
Contracts 6520	Janitor and Cleaning Contracts	6517		\$ -	
	Exterminating Contracts	6519		\$ 150	
	Grounds Contracts	6537		\$ -	
	Repairs Contracts	6542		\$ 1,389	
	Elevator Maintenance Contract	6545		\$ 2,424	
	Swimming Pool Maintenance Contract	6547		\$ -	
	Decorating (Painting) Contract/Payroll	6560		\$ -	
	Contracts	6520	4430		\$ 3,963
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		\$ -	
	Other Insurance	6729		\$ -	
	Miscellaneous Taxes, Permits & Insurance	6790			\$ 0

*** Owner to specify account numbers if not provided

**COMPUTATION OF SURPLUS CASH,
DISTRIBUTIONS, AND RESIDUAL RECEIPTS**

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-51 (Rev. 12/2014)

Project Name: <u>J. J. O'Donnell Apartments</u>	Fiscal Year-End: <u>December 31, 2015</u>
CHFA Number: <u>85001D</u>	Beginning Date: <u>January 1, 2015</u>
HUD Number: _____	Mortgagor: <u>Ansonia Housing Authority</u>

Part A - COMPUTE SURPLUS CASH

CASH	1. Cash (Accounts 1110, 1120, 1191, 1192)	\$ 475,890	
	2. Tenant Subsidy vouchers due for period covered by financial statement	\$ 0	
	3. Other (describe)	\$ 0	
	(A) Total Cash (Add Lines 1, 2, and 3)		\$ 475,890
CURRENT OBLIGATIONS	4. Accrued mortgage interest payable	\$ 0	
	5. Delinquent mortgage principal payments	\$ 0	
	6. Delinquent deposits to reserve for replacements	\$ 0	
	7. Accounts payable (due within 30 days)	\$ 7,685	
	8. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	\$ 0	
	9. Deficient Tax Insurance or MIP Escrow Deposits	\$ 0	
	10. Accrued expenses (not escrowed)	\$ 1,735	
	11. Prepaid Rents (Account 2210)	\$ 609	
	12. Tenant security deposits liability (Account 2191)	\$ 0	
	13. Other (Describe)	\$ 0	
	(B) Less: Total Current Obligations (Add Lines 4 through 13)		\$ 10,029
	(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))		\$ 465,861

Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS

	1a. Surplus Cash (From Line (C))		\$ 465,861
	1b. Less: Additional Interest Due CHFA, if applicable		\$ 0
	1c. Surplus Cash Available for Distribution		\$ 465,861
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	\$ 0	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	\$ 0	
	2c. Distributions Paid During Fiscal Period Covered by Statement	\$ 0	
	3. Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	\$ 0	
	4. Amount Available for Distribution During Next Fiscal Period		\$ 0
	5. Deposits Due Residual Receipts (Must be deposited with Mortgagee within 60 days after Fiscal Period ends)		\$ 0

**COMPUTATION OF
NET OPERATING INCOME**

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 12/2014)

Project Name: J. J. O'Donnell Apartments Fiscal Year-End: December 31, 2015
CHFA Number: 85001D Beginning Date: January 1, 2015
HUD Number: _____ Mortgagor: Ansonia Housing Authority

Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")

	Account #	
A. Profit (Loss) before Depreciation	5060T	\$ (20,894)
B. Less: Revenue from Investments - Residual Receipts	5430	\$ -
C. Less: Revenue from Investments - Replacement Reserves	5440	\$ -
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	\$ -
E. Plus: Total Financial Expenses	6800T	\$ -
F. Less: Replacement Reserve Deposits	Part II #2	\$ -
G. Net Operating Income (NOI)		\$ (20,894)

Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT

A. Replacement Reserves

1) Disbursements from replacement reserve during period covered by the statement \$ -
a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement \$ -
b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years \$ -
c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement \$ -
d) Total disbursements from the replacement reserve included as expenses on HM 6-50 \$ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES NO
☐ ☒

3) If YES, explain reason(s) and amount(s) below:

_____	\$ -
_____	\$ -
_____	\$ -
_____	\$ -

TOTAL Extraordinary or one-time income / expense(s) \$ -

B. Other Restricted Reserves

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as Increases on the Schedule of Fixed Assets? YES NO N/A
☐ ☐ ☒

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

_____	\$ -
_____	\$ -
	\$ -

C. Interest Reduction Payments (HUD Section 236 developments only)

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES NO N/A
☐ ☐ ☒

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945?

\$ -

Part III - ADJUSTED NET OPERATING INCOME FROM PART II

	Source	
Net Operating Income	Part I - G	\$ (20,894)
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	\$ -
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	\$ -
Plus: Other Restricted Reserve Accounts	Part II - B2	\$ -
Plus: Interest Reduction Payments	Part II - C2	\$ -
Equals: Adjusted Net Operating Income (NOI)		\$ (20,894)

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULES OF REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	Reporting Fiscal Year (Measurement Date)		
	2015 (2015)	2014 (2014)	2013 through 2006
Authority's Portion of the Net Pension Liability (Asset)	0.3434%	0.3434%	Information not available
Authority's Proportionate Share of the Net Pension Liability (Asset)	\$ 479,339	\$ 353,297	
Authority's Covered-Employee Payroll	\$ 832,091	\$ 816,402	
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	57.61%	43.27%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.47%	90.48%	

Schedule of Authority Contributions

	2015	2014
Statutorily Required Contribution	\$ 94,692	\$ 97,805
Contributions in Relation to the Statutorily Required Contribution	\$ (94,692)	\$ (97,805)
Contribution Deficiency (Excess)	-	-
Authority's Covered Payroll	\$ 832,091	\$ 816,402
Contributions as a Percentage of Covered-Employee Payroll	11.38%	11.98%

	2013	2012 through 2006
Statutorily Required Contribution	\$ 92,222	Information not available
Contributions in Relation to the Statutorily Required Contribution	\$ (92,222)	
Contribution Deficiency (Excess)	-	
Authority's Covered Payroll	\$ 769,800	
Contributions as a Percentage of Covered-Employee Payroll	11.98%	

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
111 Cash - Unrestricted	\$685,083		\$94,501		\$35,533
112 Cash - Restricted - Modernization and Development				\$3,399	
113 Cash - Other Restricted	\$0		\$172,721		
114 Cash - Tenant Security Deposits	\$6,518				
115 Cash - Restricted for Payment of Current Liabilities	\$0		\$27,043		
100 Total Cash	\$691,601	\$0	\$294,265	\$3,399	\$35,533
121 Accounts Receivable - PHA Projects			\$61,382		
122 Accounts Receivable - HUD Other Projects	\$189,173	\$8,368	\$19,641		
124 Accounts Receivable - Other Government	\$137,198				\$3,753
125 Accounts Receivable - Miscellaneous			\$0		
126 Accounts Receivable - Tenants	\$2,296				\$1,135
126.1 Allowance for Doubtful Accounts -Tenants	-\$2,000				\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	-\$59,904		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$326,667	\$8,368	\$21,119	\$0	\$4,888
131 Investments - Unrestricted	\$153,474				\$431,109
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$38,796		\$7,926		\$7,600
150 Total Current Assets	\$1,221,213	\$8,368	\$323,310	\$3,399	\$481,547
161 Land	\$204,428				
162 Buildings	\$12,297,500				\$1,849,670
163 Furniture, Equipment & Machinery - Dwellings	\$782,057				\$10,247
164 Furniture, Equipment & Machinery - Administration	\$590,332		\$8,588		
166 Accumulated Depreciation	-\$9,839,021		-\$7,159		-\$1,796,937
167 Construction in Progress	\$2,974,216				\$10,773
160 Total Capital Assets, Net of Accumulated Depreciation	\$7,009,512	\$0	\$1,429	\$0	\$73,753
180 Total Non-Current Assets	\$7,009,512	\$0	\$1,429	\$0	\$73,753

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$2,054		\$817,171		\$817,171
112 Cash - Restricted - Modernization and Development			\$3,399		\$3,399
113 Cash - Other Restricted			\$172,721		\$172,721
114 Cash - Tenant Security Deposits			\$6,518		\$6,518
115 Cash - Restricted for Payment of Current Liabilities			\$27,043		\$27,043
100 Total Cash	\$2,054	\$0	\$1,026,852	\$0	\$1,026,852
121 Accounts Receivable - PHA Projects			\$61,382		\$61,382
122 Accounts Receivable - HUD Other Projects		\$2,307	\$219,489		\$219,489
124 Accounts Receivable - Other Government			\$140,951		\$140,951
125 Accounts Receivable - Miscellaneous	\$0		\$0		\$0
126 Accounts Receivable - Tenants			\$3,431		\$3,431
126.1 Allowance for Doubtful Accounts -Tenants			-\$2,000		-\$2,000
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	-\$59,904		-\$59,904
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$2,307	\$363,349	\$0	\$363,349
131 Investments - Unrestricted			\$584,583		\$584,583
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$54,322		\$54,322
150 Total Current Assets	\$2,054	\$2,307	\$2,042,198	-\$13,092	\$2,029,106
161 Land			\$204,428		\$204,428
162 Buildings			\$14,147,170		\$14,147,170
163 Furniture, Equipment & Machinery - Dwellings			\$792,304		\$792,304
164 Furniture, Equipment & Machinery - Administration	\$3,835		\$602,755		\$602,755
166 Accumulated Depreciation	-\$3,835		-\$11,646,952		-\$11,646,952
167 Construction in Progress			\$2,984,989		\$2,984,989
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$7,084,694	\$0	\$7,084,694
180 Total Non-Current Assets	\$0	\$0	\$7,084,694	\$0	\$7,084,694

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
200 Deferred Outflow of Resources	\$46,120		\$28,754		\$6,352
290 Total Assets and Deferred Outflow of Resources	\$8,276,845	\$8,368	\$353,493	\$3,399	\$561,652
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$229,794		\$11,860		\$7,685
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$7,930		\$4,774		\$1,149
322 Accrued Compensated Absences - Current Portion	\$3,803		\$819		\$586
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs			\$262		
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$6,518				
342 Unearned Revenue	\$0				\$609
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$26,781		
346 Accrued Liabilities - Other	\$27,109				\$17,126
347 Inter Program - Due To		\$8,368			
310 Total Current Liabilities	\$275,154	\$8,368	\$44,496	\$0	\$27,155

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
200 Deferred Outflow of Resources			\$81,226		\$81,226
290 Total Assets and Deferred Outflow of Resources	\$2,054	\$2,307	\$9,208,118	-\$13,092	\$9,195,026
311 Bank Overdraft					
312 Accounts Payable <= 90 Days			\$249,339		\$249,339
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable			\$13,853		\$13,853
322 Accrued Compensated Absences - Current Portion			\$5,208		\$5,208
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs			\$262		\$262
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$10,112		\$10,112		\$10,112
341 Tenant Security Deposits			\$6,518		\$6,518
342 Unearned Revenue			\$609		\$609
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$26,781		\$26,781
346 Accrued Liabilities - Other			\$44,235		\$44,235
347 Inter Program - Due To	\$2,417	\$2,307	\$13,092	-\$13,092	\$0
310 Total Current Liabilities	\$12,529	\$2,307	\$370,009	-\$13,092	\$356,917

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$82,706		
354 Accrued Compensated Absences - Non Current	\$34,225		\$7,374		\$5,273
357 Accrued Pension and OPEB Liabilities	\$302,127		\$173,473		\$45,401
350 Total Non-Current Liabilities	\$336,352	\$0	\$263,553	\$0	\$50,674
300 Total Liabilities	\$611,506	\$8,368	\$308,049	\$0	\$77,829
400 Deferred Inflow of Resources	\$0		\$0		
508.4 Net Investment in Capital Assets	\$7,009,512		\$1,429		\$73,753
511.4 Restricted Net Position			\$90,015	\$3,399	
512.4 Unrestricted Net Position	\$655,827	\$0	-\$46,000	\$0	\$410,070
513 Total Equity - Net Assets / Position	\$7,665,339	\$0	\$45,444	\$3,399	\$483,823
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$8,276,845	\$8,368	\$353,493	\$3,399	\$561,652

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$82,706		\$82,706
354 Accrued Compensated Absences - Non Current			\$46,872		\$46,872
357 Accrued Pension and OPEB Liabilities			\$521,001		\$521,001
350 Total Non-Current Liabilities	\$0	\$0	\$650,579	\$0	\$650,579
300 Total Liabilities	\$12,529	\$2,307	\$1,020,588	-\$13,092	\$1,007,496
400 Deferred Inflow of Resources			\$0		\$0
508.4 Net Investment in Capital Assets			\$7,084,694		\$7,084,694
511.4 Restricted Net Position			\$93,414		\$93,414
512.4 Unrestricted Net Position	-\$10,475	\$0	\$1,009,422		\$1,009,422
513 Total Equity - Net Assets / Position	-\$10,475	\$0	\$8,187,530	\$0	\$8,187,530
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,054	\$2,307	\$9,208,118	-\$13,092	\$9,195,026

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
70300 Net Tenant Rental Revenue	\$418,742				\$229,371
70400 Tenant Revenue - Other	\$7,762				\$2,608
70500 Total Tenant Revenue	\$426,504	\$0	\$0	\$0	\$231,979
70600 HUD PHA Operating Grants	\$1,184,142	\$78,774	\$6,569,691		
70610 Capital Grants	\$609,866				
70800 Other Government Grants					\$144,704
71100 Investment Income - Unrestricted	\$1,384		\$323		\$849
71400 Fraud Recovery			\$2,337		
71500 Other Revenue	\$15,047		\$25,270		\$1,092
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$2,236,943	\$78,774	\$6,597,621	\$0	\$378,624
91100 Administrative Salaries	\$154,708		\$267,577		\$12,706
91200 Auditing Fees	\$7,320		\$2,928		\$1,952
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$718		\$53		\$9
91500 Employee Benefit contributions - Administrative	\$46,674		\$168,518		\$10,002
91600 Office Expenses	\$54,902		\$72,623		\$14,141
91700 Legal Expense	\$56,296		\$39,287		\$7,790
91800 Travel	\$2,006		\$9,928		\$1,825
91810 Allocated Overhead					
91900 Other	\$76,277		\$22,954		\$12,240
91000 Total Operating - Administrative	\$398,901	\$0	\$583,868	\$0	\$60,665

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			\$648,113		\$648,113
70400 Tenant Revenue - Other			\$10,370		\$10,370
70500 Total Tenant Revenue	\$0	\$0	\$658,483	\$0	\$658,483
70600 HUD PHA Operating Grants		\$81,122	\$7,913,729		\$7,913,729
70610 Capital Grants			\$609,866		\$609,866
70800 Other Government Grants			\$144,704		\$144,704
71100 Investment Income - Unrestricted			\$2,556		\$2,556
71400 Fraud Recovery			\$2,337		\$2,337
71500 Other Revenue	\$2,054		\$43,463	-\$2,054	\$41,409
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$2,054	\$81,122	\$9,375,138	-\$2,054	\$9,373,084
91100 Administrative Salaries			\$434,991		\$434,991
91200 Auditing Fees			\$12,200		\$12,200
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing			\$780		\$780
91500 Employee Benefit contributions - Administrative			\$225,194		\$225,194
91600 Office Expenses			\$141,666		\$141,666
91700 Legal Expense			\$103,373		\$103,373
91800 Travel			\$13,759		\$13,759
91810 Allocated Overhead					
91900 Other	\$363		\$111,834		\$111,834
91000 Total Operating - Administrative	\$363	\$0	\$1,043,797	\$0	\$1,043,797

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$49,366			\$18,259
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$27,957			\$9,205
92400 Tenant Services - Other	\$6,059	\$1,451			\$711
92500 Total Tenant Services	\$6,059	\$78,774	\$0	\$0	\$28,175
93100 Water	\$70,392				\$10,274
93200 Electricity	\$207,024				\$36,917
93300 Gas	\$98,104				\$477
93400 Fuel	\$139				\$1,493
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$375,659	\$0	\$0	\$0	\$49,161
94100 Ordinary Maintenance and Operations - Labor	\$140,944				\$29,743
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,854		\$114		\$9,860
94300 Ordinary Maintenance and Operations Contracts	\$52,129		\$2,008		\$14,009
94500 Employee Benefit Contributions - Ordinary Maintenance	\$88,109				\$15,844
94000 Total Maintenance	\$359,036	\$0	\$2,122	\$0	\$69,456
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$947				\$543
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$947	\$0	\$0	\$0	\$543

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$51,125	\$118,750		\$118,750
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$29,997	\$67,159		\$67,159
92400 Tenant Services - Other			\$8,221		\$8,221
92500 Total Tenant Services	\$0	\$81,122	\$194,130	\$0	\$194,130
93100 Water			\$80,666		\$80,666
93200 Electricity			\$243,941		\$243,941
93300 Gas			\$98,581		\$98,581
93400 Fuel			\$1,632		\$1,632
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$424,820	\$0	\$424,820
94100 Ordinary Maintenance and Operations - Labor			\$170,687		\$170,687
94200 Ordinary Maintenance and Operations - Materials and Other			\$87,828		\$87,828
94300 Ordinary Maintenance and Operations Contracts	\$2,054		\$70,200	-\$2,054	\$68,146
94500 Employee Benefit Contributions - Ordinary Maintenance			\$103,953		\$103,953
94000 Total Maintenance	\$2,054	\$0	\$432,668	-\$2,054	\$430,614
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs			\$1,490		\$1,490
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$1,490	\$0	\$1,490

Housing Authority of the City of Ansonia (CT015)
Ansonia, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
96110 Property Insurance	\$38,722		\$140		\$4,969
96120 Liability Insurance	\$21,923		\$9,375		\$2,686
96130 Workmen's Compensation	\$11,314		\$2,239		\$4,835
96140 All Other Insurance	\$5,709		\$521		\$1,940
96100 Total insurance Premiums	\$77,668	\$0	\$12,275	\$0	\$14,430
96200 Other General Expenses			\$11,584		
96210 Compensated Absences	\$73,023		\$14,626		\$10,882
96300 Payments in Lieu of Taxes	\$4,609				\$17,126
96400 Bad debt - Tenant Rents	\$9,330				\$11,034
96500 Bad debt - Mortgages					
96600 Bad debt - Other			\$10,602		
96800 Severance Expense					
96000 Total Other General Expenses	\$86,962	\$0	\$36,812	\$0	\$39,042
96900 Total Operating Expenses	\$1,305,232	\$78,774	\$635,077	\$0	\$261,472
97000 Excess of Operating Revenue over Operating Expenses	\$931,711	\$0	\$5,962,544	\$0	\$117,152
97100 Extraordinary Maintenance					
97300 Housing Assistance Payments			\$5,962,239		
97350 HAP Portability-In			\$11,746		
97400 Depreciation Expense	\$459,580		\$159		\$7,488
90000 Total Expenses	\$1,764,812	\$78,774	\$6,609,221	\$0	\$268,960
10010 Operating Transfer In	\$152,079		\$118,345		
10020 Operating transfer Out	-\$152,079				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$118,345	\$0	\$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: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
96110 Property Insurance			\$43,831		\$43,831
96120 Liability Insurance			\$33,984		\$33,984
96130 Workmen's Compensation			\$18,388		\$18,388
96140 All Other Insurance			\$8,170		\$8,170
96100 Total insurance Premiums	\$0	\$0	\$104,373	\$0	\$104,373
96200 Other General Expenses			\$11,584		\$11,584
96210 Compensated Absences			\$98,531		\$98,531
96300 Payments in Lieu of Taxes			\$21,735		\$21,735
96400 Bad debt - Tenant Rents			\$20,364		\$20,364
96500 Bad debt - Mortgages					
96600 Bad debt - Other			\$10,602		\$10,602
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$162,816	\$0	\$162,816
96900 Total Operating Expenses	\$2,417	\$81,122	\$2,364,094	-\$2,054	\$2,362,040
97000 Excess of Operating Revenue over Operating Expenses	-\$363	\$0	\$7,011,044	\$0	\$7,011,044
97100 Extraordinary Maintenance					
97300 Housing Assistance Payments			\$5,962,239		\$5,962,239
97350 HAP Portability-In			\$11,746		\$11,746
97400 Depreciation Expense			\$467,227		\$467,227
90000 Total Expenses	\$2,417	\$81,122	\$8,805,306	-\$2,054	\$8,803,252
10010 Operating Transfer In			\$270,424		\$270,424
10020 Operating transfer Out	-\$118,345		-\$270,424		-\$270,424
10100 Total Other financing Sources (Uses)	-\$118,345	\$0	\$0	\$0	\$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: 12/31/2015

	Project Total	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	97.109 Disaster Housing Assistance Grant	2 State/Local
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$472,131	\$0	\$106,745	\$0	\$109,664
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$7,289,613	\$0	\$84,340	\$3,399	\$543,530
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$96,405		-\$145,641		-\$169,371
11170 Administrative Fee Equity			-\$44,571		
11180 Housing Assistance Payments Equity			\$90,015		
11190 Unit Months Available	2004		9030		480
11210 Number of Unit Months Leased	1860		7316		412
11270 Excess Cash	\$806,141				
11610 Land Purchases	\$0				
11620 Building Purchases	\$586,933				
11630 Furniture & Equipment - Dwelling Purchases	\$1,587				
11640 Furniture & Equipment - Administrative Purchases	\$22,014				
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: 12/31/2015

	1 Business Activities	14.896 PIH Family Self-Sufficiency Program	Subtotal	ELIM	Total
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$118,708	\$0	\$569,832	\$0	\$569,832
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$108,233	\$0	\$8,029,115		\$8,029,115
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			-\$411,417		-\$411,417
11170 Administrative Fee Equity			-\$44,571		-\$44,571
11180 Housing Assistance Payments Equity			\$90,015		\$90,015
11190 Unit Months Available			11514		11514
11210 Number of Unit Months Leased			9588		9588
11270 Excess Cash			\$806,141		\$806,141
11610 Land Purchases			\$0		\$0
11620 Building Purchases			\$586,933		\$586,933
11630 Furniture & Equipment - Dwelling Purchases			\$1,587		\$1,587
11640 Furniture & Equipment - Administrative Purchases			\$22,014		\$22,014
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, 2015, 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 July 13, 2016.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

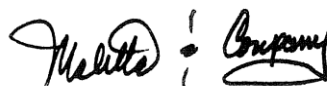
Compliance and Other Matters

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 July 13, 2016.

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
July 13, 2016

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

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) 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, 2015. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2015.

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 the Uniform Guidance, 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 2015-001 and 2015-002, which 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 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 the Uniform Guidance. Accordingly, this report 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
July 13, 2016

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal Grantor/Pass-Through Grantor/Program	Federal CFDA Number	Pass-Through / Identification Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)			
Direct Programs:			
Low Rent Public Housing	14.850	CT015-00000115D	\$ 940,301
Housing Choice Vouchers	14.871	CT015	6,569,691
Resident Opportunity and Self Sufficiency	14.870	CT015RPS077A014	78,774
Capital Fund Program	14.872	CT26P015501-11	3,801
Capital Fund Program	14.872	CT26P015501-12	36,206
Capital Fund Program	14.872	CT26P015501-13	286,975
Capital Fund Program	14.872	CT26P015501-14	305,594
Capital Fund Program	14.872	CT26P015501-15	221,131
Total CFP Cluster			<u>853,707</u>
Family Self Sufficiency	14.896	CT015FSH122A014	81,122
Total HUD Expenditures			<u>8,523,595</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
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><u>\$ 8,523,595</u></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, 2015**

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, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. 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 positions, 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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, 2015**

I. Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

Are any material weaknesses identified?	<u> </u> Yes	<u> X </u> No
Are any significant deficiencies identified?	<u> </u> Yes	<u> X </u> None Reported
Is any noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

Federal Awards

Internal control over major programs:

Are any material weaknesses identified?	<u> </u> Yes	<u> X </u> No
Are any significant deficiencies identified?	<u> X </u> Yes	<u> </u> None Reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> </u> Yes	<u> X </u> No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of federal program or cluster</u>
14.850	Low Rent Public Housing
14.871	Housing Choice Vouchers
14.872	Public Housing Capital Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? X Yes No

II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

No current year audit findings reported.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2015**

III. Findings and Questioned Costs for Federal Awards

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SIGNIFICANT DEFICIENCY

2015-001 Eligibility

Repeat Finding

2013-001

Housing Choice Vouchers – CFDA# 14.871

Condition and Criteria:	Income calculations performed during examinations contained errors or documentation obtained was otherwise insufficient or incomplete. PHA's are required to determine income eligibility and calculate the tenant's rent payment using third-party verifications.
Effect or Potential Effect:	Potential overpayment of HAP due to incorrect income calculations.
Cause:	Ineffective quality control procedures.
Context:	A sample of 25 files were selected for audit from a population of 655. The test found three files with income calculation errors. Our sample was a statistically valid sample.
Auditor's Recommendation:	We recommend the Authority re-evaluate income documentation procedures used to annualize employment income and monitor HCV staff performance, including increased quality control reviews, to ensure compliance with HUD regulations.
Views of Responsible Officials and Planned Corrective Action:	Management agrees with the finding and corrective action is in progress.

SIGNIFICANT DEFICIENCY

2015-002 Eligibility

Public Housing – CFDA# 14.850

Condition and Criteria:	Income calculations contained errors and documentation obtained was otherwise insufficient or incomplete. PHA's are required to determine income eligibility and calculate the tenant's rent payment using the documentation from third-party verifications.
Effect or Potential Effect:	Incorrect rental charges and potential effect on annual subsidy award.
Cause:	Staff turnover and ineffective quality control procedures.
Context:	A sample of 25 files were selected for audit from a population of 159. The test found five files with income calculation or documentation errors. Our sample was a statistically valid sample.
Auditor's Recommendation:	We recommend the Authority monitor staff performance through increased quality control reviews.
Views of Responsible Officials and Planned Corrective Action:	Management agrees with the finding and corrective action is in progress.

**HOUSING AUTHORITY OF THE CITY OF ANSONIA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2014-001 HCV Portability Accounting

Condition: Portability receivable billings have not been recorded since May 2014. In addition, related receipts were not deposited during the same period.

Recommendation: We recommend the Authority obtain the necessary training to properly initiate and record portability activity in the accounting software. In addition, program payments should be deposited in a timely manner and all activity reconciled on a periodic basis.

Status: Corrective action taken.

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

Condition: Income documentation obtained to determine eligibility contained errors or was otherwise insufficient or incomplete.

Recommendation: We recommend the Authority re-evaluate income documentation procedures used to annualize employment income in accordance with relevant policies and procedures, and perform periodic quality control reviews for compliance. In addition, the Authority should document review of income discrepancies and enforce participant noncompliance.

Status: Corrective action in progress, additional current audit finding noted at 2015-001.

**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).

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.

Status: Corrective action in progress.