



Financial Statements
June 30, 2014 and 2013

Housing Authority of Billings, Montana

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Section I – Financial Section
June 30, 2014 and 2013

Housing Authority of Billings, Montana



Independent Auditor's Report

The Board of Directors
Housing Authority of Billings, Montana
Billings Montana

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of Billings, Montana (the Authority) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Authority'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 an opinion on these financial statements based on our audits. We conducted our audits 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of Billings, Montana as of June 30, 2014 and June 30, 2013, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Billings, Montana's basic financial statements. The accompanying supplementary schedules on pages 25 – 36 are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the Financial Data Schedule (FDS) as required by Housing and Urban Development Real Estate Assessment Center (REAC) are not a required part of the financial statements.

The supplementary schedules on pages 25 – 36, the financial data schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 17, 2014 on our consideration of Housing Authority of Billings, Montana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of Billings, Montana's internal control over financial reporting and compliance.

Eide Sallee LLP

Bismarck, North Dakota
October 17, 2014

This discussion and analysis of the Housing Authority of Billings provides a narrative overview and analysis of the financial activity of the Authority for the year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

Financial Highlights

2014

- Net Position of the Authority increased \$544,688 in the fiscal year ending June 30, 2014.
- Operating revenue of the Authority increased \$839,518 over the prior year. Revenues in the Housing Choice Voucher Program increased \$413,014 and Shelter Plus Care revenues increased \$59,332. The subsidy from HUD for the Low Rent Public Housing Program increased \$310,663. Dwelling rental income increased \$70,537. All other revenue sources declined by \$14,028.
- The Authority had intergovernmental revenues consisting of HUD Low Rent Public Housing Operating Funds of \$673,160, HUD Capital Fund Program Grants of \$156,213, HUD Section 8 Housing Choice Voucher Program Grants of \$3,678,123, Montana State Department of Commerce Section 8 Program administrative fees of \$163,510, HUD Section 8 New Construction Grants for Pleasantview Apartments of \$384,880, and HUD Shelter Plus Care Program Grants of \$162,468. The Authority also received \$554,191 of Home funds through Homeword, Inc. and \$533,323 in State Home Funds for construction of Pheasant Home, a 16 unit project that will ultimately cost approximately \$3,583,000 when completed in the next fiscal year.

2013

- Net Position of the Authority decreased \$1,043,196 in the fiscal year ending June 30, 2013.
- Operating revenue of the Authority decreased \$352,828 from the prior year. Revenues in the Housing Choice Voucher Program decreased \$288,562 and Shelter Plus Care revenues decreased \$29,095. The subsidy from HUD for the Low Rent Public Housing Program decreased \$47,285. Dwelling rental income increased \$25,774. All other revenue sources declined by \$13,660.
- The Authority had intergovernmental revenues consisting of HUD Low Rent Public Housing Operating Funds of \$362,497, HUD Capital Fund Program Grants of \$550,825, HUD Section 8 Housing Choice Voucher Program Grants of \$3,265,109, Montana State Department of Commerce Section 8 Program administrative fees of \$184,873, HUD Section 8 New Construction Grants for Pleasantview Apartments of \$377,545, and HUD Shelter Plus Care Program Grants of \$103,136. The City of Billings, Montana made a grant of \$1,001 to the Low Rent Public Housing Program for tenant services.

Overview of the Financial Statements

The financial statements consist of three parts-management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include a balance sheet, statements of revenues, expenses and changes in net assets, and statements of cash flows. Since the Authority has only enterprise funds, the entity-wide and the fund presentation information is the same.

- The basic financial statements consist of fund financial statements of the Authority's major and non-major enterprise funds, which operating similar to business activities and for which the Authority follows an accrual basis of accounting.
- The basic financial statements also include a "Notes to the Financial Statements" section that explains some of the information in the fund financial statements and provides more detailed data.
- The Notes to the Financial Statements are followed by a "Supplementary Information" section, which presents the financial data schedule of the Authority required by the U.S. Dept. of Housing and Urban Development (HUD).

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of these statements.

Basic Financial Statements

The basic financial statements provide detailed information about the Authority's most significant funds. The Authority has one kind of fund:

- Enterprise funds-The Authority's activities are in its enterprise funds, activities that are accounted for in a manner similar to businesses operating in the public sector. Funding has primarily come from HUD grant income. The net position of these funds represents accumulated earnings since their inception and is generally for program purposes.

Housing Authority of Billings, Montana
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Financial Analysis of the Authority

The following is management's representation of how the Authority performed during the fiscal year ended June 30, 2014 and 2013.

	<u>2014</u>	<u>2013</u>	<u>Net Change</u>
Assets			
Cash	\$ 2,718,292	\$ 5,444,253	\$ (2,725,961)
Investments	4,101,816	1,142,579	2,959,237
Receivables	22,212	11,215	10,997
Due from HUD	125,878	134,446	(8,568)
Due from State of Montana	533,323	-	533,323
Due from City of Billings	-	701	(701)
Prepaid expenses	2,175	2,175	-
Net property and equipment	<u>18,522,250</u>	<u>18,347,036</u>	<u>175,214</u>
Total Assets	<u><u>\$ 26,025,946</u></u>	<u><u>\$ 25,082,405</u></u>	<u><u>\$ 943,541</u></u>
Liabilities and Net Position			
Liabilities			
Accounts payable	\$ 22,350	\$ 29,853	\$ (7,503)
Accounts payable construction	377,396	-	377,396
Other liabilities	446,789	417,829	28,960
Total Liabilities	<u>846,535</u>	<u>447,682</u>	<u>398,853</u>
Net Position			
Invested in capital assets	18,522,250	18,347,036	175,214
Restricted	112,004	39,847	72,157
Unrestricted	6,545,157	6,247,840	297,317
Total Net Assets	<u>25,179,411</u>	<u>24,634,723</u>	<u>544,688</u>
Total Liabilities and Net Position	<u><u>\$ 26,025,946</u></u>	<u><u>\$ 25,082,405</u></u>	<u><u>\$ 943,541</u></u>

2014

Cash and investments increased by \$233,276 in 2014. This increase is primarily due to cash provided from operations of \$686,363 and other income of \$85,628 offset by net property purchases of \$540,914.

The receivable from the State of Montana is for Home funds due on the Pheasant Home project.

The increase in accounts payable is due to construction payables of \$377,396 on the Pheasant Home project in 2014.

Restricted Net Position represents funds restricted for use as housing assistance payments under the Housing Choice Voucher program. A corresponding amount of restricted cash is included in the investments balance.

Housing Authority of Billings, Montana
Management's Discussion and Analysis
For the Year Ended June 30, 2014

2013

Cash and investments decreased by \$1,492,736 in 2013. This decrease is primarily due to the use of \$684,033 of cash for operations and \$844,732 for property purchases.

Restricted Net Position represent funds restricted for use as housing assistance payments under the Housing Choice Voucher program. The decrease represents the use of funds to finance the operating loss in the Housing Choice Voucher Program. A corresponding amount of restricted cash is included in the investments balance.

The following table summarizes the changes in revenues and expenses between the years ended June 30, 2014 and 2013.

	<u>2014</u>	<u>2013</u>	<u>Net Change</u>
Operating Revenue			
Dwelling rental	\$ 1,392,761	\$ 1,322,224	\$ 70,537
Administration fees	163,510	184,873	(21,363)
Government operating grant	673,160	362,497	310,663
Housing assistance program	<u>4,225,471</u>	<u>3,745,790</u>	<u>479,681</u>
Total operating revenue	<u>6,454,902</u>	<u>5,615,384</u>	<u>839,518</u>
Operating Expenses			
Occupancy and payments to:			
Landlords	4,519,056	4,491,102	27,954
Maintenance	842,053	919,046	(76,993)
Administration	1,337,528	1,305,027	32,501
Utilities	363,463	342,647	20,816
Tenant services	122,042	122,333	(291)
Other operating expenses	<u>75,559</u>	<u>68,149</u>	<u>7,410</u>
Total operating expense	<u>7,259,701</u>	<u>7,248,304</u>	<u>11,397</u>
Operating Income	<u>(804,799)</u>	<u>(1,632,920)</u>	<u>828,121</u>
Non-Operating Revenue			
Investment income	2,199	5,684	(3,485)
Capital grant income	156,213	550,825	(394,612)
Pheasant Home grant income	554,191	6,830	547,361
State Home funds grant	533,323	-	533,323
Other income, net	<u>103,561</u>	<u>26,385</u>	<u>77,176</u>
Total non-operating revenue	<u>1,349,487</u>	<u>589,724</u>	<u>759,763</u>
Change in net position	<u>\$ 544,688</u>	<u>\$ (1,043,196)</u>	<u>\$ 1,587,884</u>

A discussion of the change between revenues and expenses for fiscal year 2014 compared to fiscal year 2013 is as follows:

- Operating revenue increased \$839,518 due to the reasons noted in the financial highlights above.
- Operating expenses increased \$11,397 in 2014. The major changes in 2014 were a decrease in maintenance costs of \$64,866 in the Low Rent Public Housing Program offset by an overall depreciation expense increase of \$52,389. There were small percentage increases and decreases in other expense categories in the other programs.
- Investment income continued to decline in 2014 due to low rates. The investment base was higher for the year as certificate of deposit investments increased \$2,959,237. However, most of that investment occurred in April 2014.
- Grant revenue to the Public Housing Capital Fund decreased \$394,612 in 2014. However, the Authority received \$554,191 in Home funds through Homeword, Inc. and \$533,323 in State Home Funds in 2014 for the construction of Pheasant Home.
- Other income, net increased \$77,176 in 2014. In 2013, the Low Rent Public Housing Program sustained a loss of \$27,195 on the retirement of certain equipment. There was no such loss in 2014.

A discussion of the change between revenues and expenses for fiscal year 2013 compared to fiscal year 2012 is as follows:

- Operating revenue decreased \$352,828 due to the reasons noted in the financial highlights above.
- Operating expenses increased by \$485,263 in 2013 primarily due to an increase in housing assistance payments to landlords under the Housing Choice Voucher Program of \$407,955. Depreciation expense also increased \$54,338 in 2013. The increases in maintenance costs were primarily due to an increase of \$85,378 in extraordinary maintenance expenditures in the Low Rent Public Housing Program. Other operating expenses declined \$102,850 due to decreases of \$35,913 and \$55,000 in general costs in the Capital Fund and Low Rent Public Housing Program, respectively.
- Investment income decreased \$23,011 in 2013. The investment base was lower and interest rates were also lower, averaging .5% in 2013 versus 1.2% in 2012.
- Grant revenue to the Public Housing Capital Fund increased \$117,987 in 2012.
- Other income decreased \$218,291 in 2013. In 2012, \$45,000 was received from the City of Billings for development of Whitetail Square and an allocation of \$55,000 was made by the Authority to make repairs on the office building. Also, \$99,750 of insurance proceeds was received into income in 2012. There were no such receipts in 2013.

Housing Authority of Billings, Montana
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Capital Assets

The following table summarizes the changes in capital assets between June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>	<u>Net Change</u>
Land	\$ 2,340,725	\$ 2,340,725	\$ -
Buildings	19,210,211	19,210,211	-
Building improvements	12,770,315	12,434,716	335,599
Infrastructure	860,791	860,791	-
Equipment	1,231,934	1,211,177	20,757
Construction in progress	1,542,340	728,153	814,187
Accumulated depreciation	<u>(19,434,066)</u>	<u>(18,438,737)</u>	<u>(995,329)</u>
Total Assets	<u>\$ 18,522,250</u>	<u>\$ 18,347,036</u>	<u>\$ 175,214</u>

2014

The Authority spent \$1,389,098 for capital assets in 2014 of which \$1,106,016 was spent on the construction of Pheasant Home. These costs were offset by depreciation expense of \$1,159,743. Asset retirements in all programs totaled \$218,555 of which \$164,414 had been fully depreciated.

2013

The Authority spent \$1,427,502 for capital assets in 2013 of which \$482,676 was spent in the Public Housing Capital Fund Program and \$553,943 was spent in the Low Rent Public Housing Program. The Authority also spent \$180,986 at Pleasantview Apartments. The balance of \$229,897 was spent in the other programs. These costs were offset by depreciation expense of \$1,107,354. Asset retirements in all programs totaled \$188,581 of which \$160,728 had been fully depreciated.

Currently known facts and expectations and/or Conditions/Expectations

The Housing Authority received \$340,000 in Capital funds for 2014 down from \$350,000 in the prior year. The Housing Authority is being authorized for a subsidy in 2014 of 89% in the Public Housing Operating Fund. The second half of our fiscal year is in 2015 and Congress did not pass a THUD Bill before August recess so we are unsure whether or if using the CR process will trigger sequestration and we will be in worse shape.

The Housing Assistance payments for the Housing Choice Voucher Program are much better than last year with a \$300,000 increase. The per unit costs continue to rise meaning less vouchers are able to be leased with our current budget authority forcing the use of all our net restricted assets at the Authority. The administrative fees are up to 79% from 69%, still forcing the program to use administrative reserves to make up the staffing differences. Again the second half of the PHA Section 8 budget is still unknown since a THUD budget was not passed before the August recess, leaving us with what looks like another CR and possible sequestration.

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The VASH Voucher Program is close to being 100% leased, receipt of another 15 vouchers in 2013 bringing the total VASH Vouchers to 75 for our community. This is a great partnership with the VA providing case management.

The Authority applied for and did not receive vouchers even though their application received a perfect score for two years in a row and lesser scoring projects were funded this is a large problem for Billings as we have the largest poverty concentration in in the state.

A new HOME program development, Pheasant Home, is under construction and will provide 16 two and three bedroom units. It is being funded with City and State HOME dollars, as well as a \$1.2 million dollar grant and an \$800,000 2.6% loan from the PHA. The building is scheduled to start leasing this fall.

An analysis of the DOC Section 8 program will continue to determine financial feasibility of keeping the program with the Montana Department of Commerce. The program cuts caused this program to quit lease up for over a year, a staff position was cut and \$5,000 dollars of reserve funds had to be used. Now full leasing to our contract amount of 425 has begun and we are anticipating not having to use reserves for this program, as long as we don't add back the lost position.

Health Insurance and Fire and Liability insurance continue to rise and affect the PHA's budget. A large hail storm in May will be affecting the budget \$300,000 to \$400,000 in 1% deductibles per building value.

These are anticipated changes for the next fiscal year.

Contacting the Authority's Management Center

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. If you have any questions concerning any of the information provided in this report or would like to request additional information, contact the Executive Director, 2415 1st Ave. North, Billings, MT 59101.

Housing Authority of Billings, Montana

Balance Sheets

June 30, 2014 and 2013

	2014	2013
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,478,734	\$ 5,218,673
Restricted cash	92,169	81,800
Tenant security deposits	147,389	143,780
Receivables		
Due from Department of Housing and Urban Development	125,878	134,446
Due from State of Montana	533,323	-
Due from City of Billings	-	701
Other	22,212	11,215
Investments		
Certificates of deposits	3,989,812	1,102,732
Certificates of deposits - restricted	112,004	39,847
Prepaid expenses	2,175	2,175
Total current assets	7,503,696	6,735,369
Capital Assets		
Capital assets, not being depreciated	3,883,065	3,068,878
Capital assets, net of accumulated depreciation	14,639,185	15,278,158
Total capital assets, net of accumulated depreciation	18,522,250	18,347,036
	\$ 26,025,946	\$ 25,082,405
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 22,350	\$ 29,853
Accounts payable construction	377,396	-
Accrued liabilities	207,231	192,249
Tenant security deposits payable	147,389	143,780
FSS escrow obligations	92,169	81,800
Total Liabilities	846,535	447,682
Net Position		
Net investment in capital assets	18,522,250	18,347,036
Restricted	112,004	39,847
Unrestricted	6,545,157	6,247,840
Total net position	25,179,411	24,634,723
	\$ 26,025,946	\$ 25,082,405

Housing Authority of Billings, Montana
 Statements of Revenues, Expenses and Changes in Net Position
 Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenue		
Housing assistance program receipts	\$ 4,225,471	\$ 3,745,790
Dwelling rental	1,392,761	1,322,224
Operating subsidy	673,160	362,497
Administration fees	163,510	184,873
Total operating revenue	6,454,902	5,615,384
Operating Expenses		
Occupancy and payments to landlords	4,519,056	4,491,102
Maintenance	842,053	919,046
Administration	1,337,528	1,305,027
Utilities	363,463	342,647
Tenant services	122,042	122,333
Other	75,559	68,149
Total operating expenses	7,259,701	7,248,304
Operating Loss	(804,799)	(1,632,920)
Nonoperating Revenue		
Interest and investment income	2,199	5,684
Other income	103,561	25,384
Other grant income	-	1,001
State Home funds grant	533,323	-
Development grant for Pheasant Home	554,191	6,830
Total nonoperating revenue	1,193,274	38,899
Income (loss) Before Capital Contributions	388,475	(1,594,021)
Capital Contributions		
HUD capital grants	156,213	550,825
Change in Net Position	544,688	(1,043,196)
Net Position, Beginning of Year	24,634,723	25,677,919
Net Position, End of Year	\$ 25,179,411	\$ 24,634,723

Housing Authority of Billings, Montana
 Statements of Cash Flows
 Years Ended June 30, 2014 and 2013

	2014	2013
Operating Activities		
Cash received from tenants	\$ 1,395,745	\$ 1,398,855
Cash received from U. S. Department of Housing and Urban Development Housing assistance	4,807,980	4,068,657
Cash received from State of Montana - Department of Commerce	163,510	184,873
Cash payments to landlords	(3,329,312)	(3,379,756)
Cash payments to employees	(1,079,728)	(1,105,641)
Cash payments to suppliers	(714,350)	(749,990)
Cash payments to other governments/agencies	(56,692)	(54,747)
Cash payments to others	(896,119)	(1,046,284)
Net Cash from (used for) Operating Activities	291,034	(684,033)
Non-Capital Financing Activities		
Other nonoperating receipts	103,561	25,384
Capital and Related Financing Activities		
Grants funds received	794,043	554,917
Property and equipment purchases	(1,011,702)	(1,399,649)
Loss on disposal of property and equipment	54,141	-
Net Cash used for Capital and Related Financing Activities	(163,518)	(844,732)
Investing Activities		
Interest income and realized gains	2,199	10,645
Purchase of investments	(2,959,237)	-
Proceeds from sale of investments	-	821,129
Net Cash (used for) from Investing Activities	(2,957,038)	831,774
Net Change in Cash and Cash Equivalents	(2,725,961)	(671,607)
Cash and Cash Equivalents, Beginning of Year	5,444,253	6,115,860
Cash and Cash Equivalents, End of Year	\$ 2,718,292	\$ 5,444,253

Housing Authority of Billings, Montana
 Statements of Cash Flows
 Years Ended June 30, 2014 and 2013

	2014	2013
Reconciliation of Cash and Cash Equivalents		
Cash	\$ 2,478,734	\$ 5,218,673
Restricted cash	92,169	81,800
Tenant security deposits	147,389	143,780
Total Cash and Cash Equivalents	\$ 2,718,292	\$ 5,444,253
Reconciliation of Operating Loss		
to Net Cash from (used for) Operating Activities		
Operating loss	\$ (804,799)	\$ (1,632,920)
Adjustments to reconcile operating loss		
to net cash from operating activities		
Depreciation expense	1,159,743	1,107,354
Changes in assets and liabilities		
Receivables, net	(85,367)	12,835
Prepaid expenses	-	(75)
Accounts payable	(7,503)	(182,850)
Accrued liabilities	14,982	(12,547)
Security deposits	3,609	6,878
FSS escrow obligations	10,369	17,292
Net Cash from (used for) Operating Activities	\$ 291,034	\$ (684,033)
Supplemental Schedule of Noncash Capital and Related Financing Activities		
Increase in property and equipment for accounts payable construction	\$ 377,396	\$ -

Note 1 - Nature of Operations and Significant Accounting Policies

Nature of Operations

The Housing Authority of Billings, Montana (Housing Authority), a related organization of the City of Billings, Montana, is a public housing agency formed to provide financial assistance for low income public housing pursuant to the United States Housing Act of 1937, as amended, 42 United States Code Section 1437 et seq. The City of Billings appoints the members of the Housing Authority's Board of Commissioners, however, the Housing Authority is not financially accountable to the City of Billings.

The Housing Authority operates 274 public housing units subsidized by the Department of Housing and Urban Development under an Annual Contributions Contract; Section 8 Programs consisting of 579 Housing Authority of Billings, Montana housing choice vouchers, 75 veterans affairs supportive housing and administrative income to administer a portion of the Montana State Section 8 voucher Program; a Section 23D Elderly project housing 100 subsidized and 2 unsubsidized units; a Shelter Plus Care project with 15 to 27 units, 27 HAB Development units, and 32 LIHTC units owned by Whitetail Run Apartments, LLP of which the Housing Authority is the general partner.

Reporting Entity

The Housing Authority's financial statements include the accounts of all Housing Authority operations. The criteria for including organizations as component units within the Housing Authority reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

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

Included within the financial reporting entity of the Housing Authority as blended component units are Whitetail Run Apartments Development, LLC and Whitetail Run Apartments, LLP. The Housing Authority is the sole member of Whitetail Run Apartments Development, LLC and the managing general partner in Whitetail Run Apartments, LLP (Partnership). Whitetail Run Apartments, LLP is a 32 unit low income housing tax credit project located in Billings, Montana. As the general partner, the Housing Authority has the day to day management responsibilities of the Partnership. Whitetail Run Apartments Development, LLC is the limited partner in Whitetail Run Apartments, LLP. Accordingly, the balances and transactions of this component unit are reported within the proprietary funds of the Housing Authority.

The Housing Authority is not includable as a component unit within another reporting entity.

New Accounting Pronouncements

The Authority has implemented GASB Statement 65, *Items Previously Reported as Assets and Liabilities*. The main provision of the statement is the recognition of debt issuance costs as period costs that would have previously been capitalized as intangible assets and amortized over the term of the debt. There is no significant impact on the Authority's financial statements due to the implementation of this statement.

The GASB also issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and is effective for fiscal years beginning after June 15, 2014, with earlier application encouraged. The Authority has not early adopted the new pronouncement. The primary objective of this Statement is to improve accounting and financial reporting about financial support for pensions and may result in recognizing additional liabilities to the defined benefit pension plan.

Under the new statement, a cost-sharing employer whose employees receive pensions through a trust will report a net pension asset or liability, deferred outflows or inflows of resources related to pensions and pension expense based on its proportionate share of the collective net pension liability of all employers in the plan. The share of collective net pension liability recognized by an individual employer should be based on the employer's relationship to all employers and non-employer contributing entities in the plan. The employer's proportion should be consistent with how contributions are determined; the use of the long-term contribution effort of the employer is encouraged. The measurement of collective net pension liability, pension expense and other key information will follow the same standards that apply to single and agent employers. The effects of changes to an employer's expected proportion of total employer-related contributions—as well as the effects of differences between the expected and actual proportionate share of total employer-related contributions each period—will be reported as a deferred outflow or inflow of resources and recognized in the employer's pension expense in a systematic and rational manner over a closed period representative of the average expected remaining service lives of employees, beginning with the period of adoption. Under the current standards, governments recognize only the portion of cost-sharing pension obligations related to their annual required contributions. The Authority is currently evaluating the impact this statement will have on financial reporting.

Basis of Accounting

The Department of Housing and Urban Development Real Estate Assessment Center (REAC) assesses the financial condition of Public Housing Authorities (PHA's). To uniformly and consistently assess the PHA's, REAC requires that PHA's financial statements conform to Generally Accepted Accounting Principles (GAAP).

The Housing Authority considers all revenues and expenses (including HUD intergovernmental revenues and expenses) as operating items with the exception of interest expense, interest income, development and construction grants, and HUD capital grants, which are considered non-operating for financial reporting purposes.

The Housing Authority prepares its financial statements on the accrual basis of accounting which is generally accepted. Under this method revenues are recognized in the accounting period in which they are earned and expenses when the liability for them is initially incurred.

The Agency considers receivables collected within sixty days after year-end to be available and recognizes them as revenue of the current year.

Accounting Estimates

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

Concentrations of Credit Risk

Accounts receivable are comprised principally of amounts due from HUD for reimbursement of modernization costs and for annual contributions due under grants.

Cash and Cash Equivalents

The Housing Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Restricted Cash and Investments

Restricted cash relates to tenant security deposits held and accrued subsidies for the family self-sufficiency program, described later on in Note 1. Restricted investments relate to excess HAP funds provided by HUD for the Housing Choice Voucher program.

Investments and Investment Income

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more is stated at historical or estimated historical cost. Depreciation is computed using the straight-line method and is provided over the following estimated useful lives:

Buildings	30-40 years
Building improvements	20 years
Infrastructure	40 years
Equipment	3-10 years

Budgetary

The Housing Authority prepares budgets for each program annually which is approved by the Board of Directors. The Housing Authority is required to submit to HUD only the budget related to the Public Housing program. Revisions to the budgets are approved by the Board of Directors.

Fraud Recovery

HUD requires the Housing Authority to account for monies recovered from tenants who committed fraud or misrepresentation in the application process for rent calculations and now owe additional rent for prior periods or retroactive rent as fraud recovery. The monies recovered are shared by HUD and the local Housing Authority.

Family Self-Sufficiency

The Family Self-Sufficiency program (FSS) is an incentive program for low-income persons receiving subsidies to help them find ways to increase their income through schooling, technical training, etc. The Housing Authority sets aside in an escrow account the difference between the participants' starting subsidy and their declining subsidy as their wages increase. When the participants achieve an income level at which they no longer receive subsidies in accordance with program guidelines, they will receive the escrow balance in cash. If the participants fail to comply with the program requirements, their escrow balance is forfeited. The total balance of the escrow accounts at June 30, 2014 and 2013 was \$92,169 and \$81,800, respectively. The liability and the corresponding restricted cash are shown on the Housing Authority's financial statements.

Compensated Absences

Vacation

Permanent full-time and part-time employees of the Housing Authority begin earning vacation days on the first day of their employment. However, they may not use vacation days until they have been continuously employed for six months. Vacation days earned vary based upon years of service for permanent full-time employees as follows:

<u>Years of Service</u>	<u>Annual Vacation Days Earned</u>
1 day through 10 years	15
10 years through 15 years	18
15 years through 20 years	21
Over 20 years	24

Permanent part-time employees receive prorated annual vacation benefits. Employees may accumulate unused vacation days up to twice the annual vacation days earned. Upon termination of employment, employees will be compensated for earned but unused vacation days not exceeding twice their annual vacation days earned.

Sick Leave

Permanent full-time and part-time employees and temporary employees begin earning sick leave days on the first day of their employment. However, they may not use sick leave days until they have been continuously employed for 90 days. Permanent full-time employees earn twelve days of sick leave per year. Part-time permanent employees receive prorated annual sick leave benefits. Temporary employees received sick leave benefits provided they work the qualifying period.

Upon termination of employment, employees will be compensated for 25% of their earned but unused sick leave days.

Components of Net Position

Components of net position include the following:

- Net Investment in Capital Assets—Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- Restricted Net Position—Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the balance sheet that are subject to restraints on their use by HUD.
- Unrestricted Net Position—Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the balance sheet that are not subject to restraints on their use.

Restricted Net Position

Excess HAP funds provided by HUD for the Housing Choice Voucher program are considered restricted. All restricted funds must be used solely for the purpose of the Voucher program HAP expenses with the exception of over-leased units. It is the Housing Authority's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 2 - Deposits and Investments

Deposit and Investment Policy

The Authority's funds are required to be deposited and invested under the terms of a general depository agreement pursuant to PIH 95-27 "Required HA Cash Management and Investment Policies and Procedures." The depository bank deposits for safekeeping and trust with the Authority's agent approved pledged securities in an amount sufficient to protect Authority funds on a day-to-day basis during the period of the agreement. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation insurance. Under the general depository agreement, the Housing Authority, at its own discretion, invests funds in demand and savings deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

The agreement authorizes the Authority to invest in the following approved investment instruments:

- A. Direct obligations of the Federal Government backed by the full faith and credit of the United States including U.S. Treasury Bills; U.S. Treasury Notes; and U.S. Treasury Bonds
- B. Obligations of Federal Government Agencies including Federal Financing Bank; Government National Mortgage Association (GNMA), Mortgage-Backed Securities (GNMA I and GNMA II); GNMA Participation Certificates; Maritime Administration Merchant Marine Bonds, Notes and Obligations; Small Business Administration (SBA), Small Business Investments Corporation (SBIC) Debentures; and Tennessee Valley Authority (TVA) Power Bonds and Notes
- C. Securities of Government-Sponsored Agencies including Farm Credit Consolidated System-Wide Discount Notes; Federal Farm Credit Banks Consolidated System-Wide Bonds; Federal Home Loan Banks Consolidated Bonds, Notes and Discount Notes; FHLMC Mortgage Participation Certificates (PC) (Guaranteed); FHLMC Collateralized Mortgage Obligations (CMOs); Federal National Mortgage Association (FNMA) Debentures; FNMA Notes; FNMA Short-Term Discount Notes; FNMA Capital Debentures; and Student Loan Marketing Associations (SLMA) Obligations
- D. Demand and Savings Deposits
- E. Money-Market Deposit Accounts
- F. Municipal Depository Fund
- G. Super NOW Accounts
- H. Certificates of Deposit
- I. Repurchase Agreements
- J. Sweep Accounts
- K. Separate Trading of Registered Interest and Principal of Securities
- L. Mutual Funds

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Beyond what is stated in the Century Code, the Authority does not have a formal policy to further limit exposure to custodial credit risk.

The carrying amounts of the Housing Authority's deposits (cash and certificates of deposit) with financial institutions as of June 30, 2014 and 2013 were \$6,820,100 and \$6,586,832, respectively, and the cash bank balances were \$6,940,996 and \$6,322,392, respectively.

For the bank balances as of June 30, 2014, \$750,000 was covered by Federal Depository Insurance. \$6,095,287 was collateralized with securities held by a pledging financial institution's agent in the government's name, and \$307,441 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Authority does not have a formal policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Beyond what is stated in the Century Code, the Authority does not have a formal policy to further limit exposure to credit risk. All certificates of deposit held by the Authority as of June 30, 2014 mature within 1 year.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The Authority places no limit on the amount which may be invested with a single issuer.

Note 3 - Capital Assets

Capital asset activity for the years ended June 30, 2014 and 2013 are as follows:

	July 1, 2013 Balances	Increases	Decreases	Transfers	June 30, 2014 Balances
Capital assets not being depreciated					
Land	\$ 2,340,725	\$ -	\$ -	\$ -	\$ 2,340,725
Construction in progress	728,153	1,290,339	-	(476,152)	1,542,340
Total capital assets not being depreciated	3,068,878	1,290,339	-	(476,152)	3,883,065
Capital assets being depreciated					
Buildings	19,210,211	-	-	-	19,210,211
Building Improvements	12,434,716	64,776	(205,329)	476,152	12,770,315
Infrastructure	860,791	-	-	-	860,791
Equipment	1,211,177	33,983	(13,226)	-	1,231,934
Total capital assets being depreciated	33,716,895	98,759	(218,555)	476,152	34,073,251
Less accumulated depreciation for:					
Buildings	11,680,494	442,837	-	-	12,123,331
Building Improvements	5,856,917	632,042	(151,190)	-	6,337,769
Infrastructure	21,520	21,520	-	-	43,040
Equipment	879,806	63,344	(13,224)	-	929,926
Total accumulated depreciation	18,438,737	1,159,743	(164,414)	-	19,434,066
Total capital assets being depreciated, net	15,278,158	(1,060,984)	(54,141)	476,152	14,639,185
Total capital assets, net	\$ 18,347,036	\$ 229,355	\$ (54,141)	\$ -	\$ 18,522,250

Housing Authority of Billings, Montana
Notes to Financial Statements
June 30, 2014 and 2013

	July 1, 2012 Balances	Increases	Decreases	Transfers	June 30, 2013 Balances
Capital assets not being depreciated					
Land	\$ 2,340,725	\$ -	\$ -	\$ -	\$ 2,340,725
Construction in progress	1,220,207	505,592	-	(997,646)	728,153
Total capital assets not being depreciated	<u>3,560,932</u>	<u>505,592</u>	<u>-</u>	<u>(997,646)</u>	<u>3,068,878</u>
Capital assets being depreciated					
Buildings	19,210,211	-	-	-	19,210,211
Building Improvements	11,653,581	740,605	(153,775)	194,305	12,434,716
Infrastructure	-	57,450	-	803,341	860,791
Equipment	1,122,128	123,855	(34,806)	-	1,211,177
Total capital assets being depreciated	<u>31,985,920</u>	<u>921,910</u>	<u>(188,581)</u>	<u>997,646</u>	<u>33,716,895</u>
Less accumulated depreciation for:					
Buildings	11,234,407	446,087	-	-	11,680,494
Building Improvements	5,404,534	578,829	(126,446)	-	5,856,917
Infrastructure	-	21,520	-	-	21,520
Equipment	853,170	60,918	(34,282)	-	879,806
Total accumulated depreciation	<u>17,492,111</u>	<u>1,107,354</u>	<u>(160,728)</u>	<u>-</u>	<u>18,438,737</u>
Total capital assets being depreciated, net	<u>14,493,809</u>	<u>(185,444)</u>	<u>(27,853)</u>	<u>997,646</u>	<u>15,278,158</u>
Total capital assets, net	<u>\$ 18,054,741</u>	<u>\$ 320,148</u>	<u>\$ (27,853)</u>	<u>\$ -</u>	<u>\$ 18,347,036</u>

Note 4 - Pension and Retirement Fund

General Information

The Public Employees' Retirement System (PERS) financial information is reported in the Public Employees Retirement Board's (PERB) *Comprehensive Annual Financial Report* for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena, MT 59620-0131, 406-444-3154. The information can also be found on the PERB web site at <http://www.state.mt.us/doa/PERB/perb.htm>.

Beginning in FY2002, eligible members of PERS had a 12-month window to choose between the PERS- defined benefit retirement plan (DBRP) or the PERS-defined contribution retirement plan (DCRP). Eligible new hires will have a 12-month window during which they may choose to remain in the current PERS-DBRP or join the PERS-DCRP. Members may not be active members of both the defined contribution and defined benefit retirement plans. The choice is irrevocable. For members that choose to join the PERS-DCRP, a percentage of the employer contribution will be used to maintain the funding of the defined benefit plan.

Plan Description

Defined Benefit Retirement Plan

The PERS-DBRP is a multiple-employer, cost sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, university system, local governments and certain employees of the school districts.

The PERS-DBRP provides retirement, disability and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature. Benefits are based on eligibility, years of service and highest average compensation. Highest average compensation is highest compensation during any consecutive 36 months. Benefit eligibility is age 60 with at least five years of service; age 65 regardless of service; or 30 years of service regardless of age. Actuarial reduced benefits may be taken with 25 years of service or at age 50 with at least five years of service. Monthly retirement benefits for employees with less than 25 years of service are 1.78% of highest average compensation per year of membership service and for employees with 25 years of service of greater the monthly benefits are 2.00% of highest average compensation per year of membership service. A guaranteed annual benefit adjustment (GABA) is provided each January for benefit recipients if they have been receiving a benefit for at least 12 full months. The GABA is a maximum increase of 3.0%, inclusive of other adjustments to the member's benefit. Members' rights became vested after five years of service.

Defined Contribution Retirement Plan

The PERS-DCRP is a multi-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, university system, local governments and certain employees of the school districts.

The PERS-DCRP provides retirement, disability and death benefits to plan members and their beneficiaries based on the balance in the members account.

Funding Policy

The State legislature has the authority to establish and amend contribution rates to the plan. Prior to July 1, 2014, plan members were required to contribute 6.9% of monthly compensation. The Housing Authority of Billings, Montana was required to contribute 6.8% of members' compensation. The State of Montana was required to contribute .1% of members' compensation on behalf of local government entities. Effective July 1, 2014, plan members will contribute 7.9%, the Housing Authority will contribute 8.17% and the State will continue to contribute .1%.

The Housing Authority of Billings, Montana's contributions to PERS for the years ending June 30, 2014, 2013 and 2012 were \$89,114, \$79,602, and \$75,179, respectively, equal to 100% of the required contribution for each year.

Note 5 - Risk Management

The Housing Authority's risk management activities include purchase of commercial insurance for employee health care, workers' compensation, buildings, personal property, loss of income, auto, employee dishonesty, boiler and machinery and general liability. The Housing Authority retains no risk of loss except losses exceeding insurance coverage amounts. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. There have been no significant reductions in insurance coverage.

Note 6 - TCAP Grant

Whitetail Run Apartments, LLP received total TCAP funds of \$2,658,141 in 2010 and 2011 from the Montana Board of Housing in lieu of receiving tax credits under the Low Income Housing Tax Credit Program. TCAP funds are subject to the same limitations, including rent, income, use restrictions and compliance monitoring, as are projects awarded low income housing tax credits under Section 42 of the Internal Revenue Code. The Partnership must comply with these provisions for fifteen years. A violation of the terms of the agreement may require the Partnership to repay all or a portion of the funds.

Note 7 - Pheasant Home

The Housing Authority, through HAB Development Corporation, is in the process of constructing 16 units of low income housing in the Whitetail Square subdivision. Homeword Inc., a nonprofit, is administering the construction. The project is estimated to cost approximately \$3,583,000 of which \$1,199,353 has been expended at June 30, 2014 and is classified as construction in progress in the accompanying financial statements. The project will be financed by Home Funds grants from the City of Billings of \$554,191 through Homeword Inc., a Home Funds grant from the State of Montana to the Housing Authority of \$750,000 and a loan to the project of \$800,000 from the Housing Authority. The Housing Authority will provide equity capital of approximately \$1,479,000 to cover the balance of the construction costs. At June 30, 2014, \$554,191 has been received from the City of Billings Home funds through Homeword Inc. and \$533,323 is due from the State of Montana.

Note 8 - HOME Funds

As disclosed in Note 7, during 2014, the Authority received funding through two grants under the HOME program. Grants provided under the terms of the HOME program are subject to a variety of requirements, including period of affordability provisions for twenty years. In the event a project is not in compliance with the HOME provisions within the period of affordability, the full amount of the HOME grant for that project may need to be repaid by the Authority.



Supplementary Information
June 30, 2014 and 2013

Housing Authority of Billings, Montana

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2014
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Assets	AMP-1	COCC	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation				
				State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	
Current Assets											
Cash and cash equivalents	\$ 441,862	\$ 131,322	\$ 138,292	\$ -	\$ 223,695	\$ -	\$ 45,423	\$ 116,720	\$ 103,489	\$ 109,065	
Restricted cash	-	-	-	-	92,169	-	-	-	-	-	-
Tenant security deposits	89,845	-	28,542	-	-	-	4,600	2,200	900	-	-
Receivables											
Due from Department of Housing and Urban Development	125,878	-	-	-	-	-	-	-	-	-	-
Due from State of Montana	-	-	-	-	-	-	-	-	-	533,323	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Other	8,993	-	468	-	10,638	-	870	959	231	308,601	-
Allowance for doubtful accounts	(570)	-	-	-	(112)	-	-	-	-	-	-
Investments											
Certificates of deposit	156,125	-	625,031	79,305	279,894	-	74,390	74,390	-	-	-
Certificates of deposit - restricted	-	-	-	-	112,004	-	-	-	-	-	-
Due from other programs	105,231	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	2,100	-	75	-	-	-	-	-	-	-	-
Total current assets	929,464	131,322	792,408	79,305	718,288	-	125,283	194,269	104,620	950,989	
Net Property and Equipment											
Land	1,746,757	-	200,000	-	-	-	1	-	32,016	-	-
Buildings	11,199,142	-	1,822,750	-	-	-	832,699	804,909	605,242	-	-
Building improvements	9,699,893	-	2,102,620	-	-	-	270,951	18,619	9,306	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Equipment	872,628	104,890	115,782	21,341	83,840	-	13,436	46	10	-	-
Construction in progress	5,699	-	-	-	-	-	56,313	-	-	1,199,353	-
	23,524,119	104,890	4,241,152	21,341	83,840	-	1,173,400	823,574	646,574	1,199,353	-
Accumulated depreciation	(14,687,212)	(94,469)	(2,912,571)	(13,451)	(67,423)	-	(496,689)	(231,457)	(76,788)	-	-
	8,836,907	10,421	1,328,581	7,890	16,417	-	676,711	592,117	569,786	1,199,353	-
	\$ 9,766,371	\$ 141,743	\$ 2,120,989	\$ 87,195	\$ 734,705	\$ -	\$ 801,994	\$ 786,386	\$ 674,406	\$ 2,150,342	

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2014
(Page 2 of 8)

Assets	Whitetail Square	Tax Credit Projects		Shelter Plus Care	Office Building	Development Fund	Elimination	Total
		Red Fox	Whitetail Run					
Current Assets								
Cash and cash equivalents	\$ 15,949	\$ 31,847	\$ 250,600	\$ 70,571	\$ -	\$ 799,899	\$ -	\$ 2,478,734
Restricted cash	-	-	-	-	-	-	-	92,169
Tenant security deposits	-	-	21,302	-	-	-	-	147,389
Receivables								
Due from Department of Housing and Urban Development	-	-	-	-	-	-	-	125,878
Due from State of Montana	-	-	-	-	-	-	-	533,323
Interest	-	-	-	-	-	9,203	(9,203)	-
Other	-	-	717	18	-	-	(308,601)	22,894
Allowance for doubtful accounts	-	-	-	-	-	-	-	(682)
Investments								
Certificates of deposit	-	-	-	-	-	2,700,677	-	3,989,812
Certificates of deposit - restricted	-	-	-	-	-	-	-	112,004
Due from other programs	100,300	-	-	-	41,342	1,900,028	(2,146,901)	-
Prepaid expenses	-	-	-	-	-	-	-	2,175
Total current assets	116,249	31,847	272,619	70,589	41,342	5,409,807	(2,464,705)	7,503,696
Net Property and Equipment								
Land	253,918	-	58,033	-	50,000	-	-	2,340,725
Buildings	-	-	3,721,468	-	224,001	-	-	19,210,211
Building improvements	-	-	501,802	-	666,964	-	(499,840)	12,770,315
Infrastructure	860,791	-	-	-	-	-	-	860,791
Equipment	-	-	14,130	-	5,831	-	-	1,231,934
Construction in progress	-	278,977	1,998	-	-	-	-	1,542,340
	1,114,709	278,977	4,297,431	-	946,796	-	(499,840)	37,956,316
Accumulated depreciation	(43,040)	-	(318,492)	-	(529,962)	-	37,488	(19,434,066)
	1,071,669	278,977	3,978,939	-	416,834	-	(462,352)	18,522,250
	<u>\$ 1,187,918</u>	<u>\$ 310,824</u>	<u>\$ 4,251,558</u>	<u>\$ 70,589</u>	<u>\$ 458,176</u>	<u>\$ 5,409,807</u>	<u>\$ (2,927,057)</u>	<u>\$ 26,025,946</u>

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2014
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Liabilities and Equity	AMP-1	COCC	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation				
				State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	
Current Liabilities											
Accounts payable	\$ 15,740	\$ -	\$ 1,346	\$ -	\$ 30	\$ -	\$ 1,283	\$ 74	\$ 965	\$ -	
Accounts payable construction	-	-	-	-	-	-	-	-	-	-	685,997
Due to other programs	-	21,250	22,562	9,568	48,388	-	4,664	1,044	104,335	370,000	
Accrued liabilities	104,592	27,478	23,462	9,286	32,962	-	2,515	1,103	413	-	
Security deposits payable	89,845	-	28,542	-	-	-	4,600	2,200	900	-	
FSS escrow obligations	-	-	-	-	92,169	-	-	-	-	-	
Total liabilities	210,177	48,728	75,912	18,854	173,549	-	13,062	4,421	106,613	1,055,997	
Net Position											
Net Investment in Capital Assets	8,836,907	10,421	1,328,581	7,890	16,417	-	676,711	592,117	569,786	1,199,353	
Restricted	-	-	-	-	112,004	-	-	-	-	-	
Unrestricted	719,287	82,594	716,496	60,451	432,735	-	112,221	189,848	(1,993)	(105,008)	
Total net position	9,556,194	93,015	2,045,077	68,341	561,156	-	788,932	781,965	567,793	1,094,345	
	<u>\$ 9,766,371</u>	<u>\$ 141,743</u>	<u>\$ 2,120,989</u>	<u>\$ 87,195</u>	<u>\$ 734,705</u>	<u>\$ -</u>	<u>\$ 801,994</u>	<u>\$ 786,386</u>	<u>\$ 674,406</u>	<u>\$ 2,150,342</u>	

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2014
(Page 4 of 8)

Liabilities and Equity	Whitetail Square	Tax Credit Projects		Shelter Plus Care	Office Building	Development Fund	Elimination	Total
		Red Fox	Whitetail Run					
Current Liabilities								
Accounts payable	\$ 784	\$ -	\$ 1,178	\$ -	\$ -	\$ 950	\$ -	\$ 22,350
Accounts payable construction	-	-	-	-	-	-	(308,601)	377,396
Due to other programs	-	311,000	1,192,941	61,149	-	-	(2,146,901)	-
Accrued liabilities	-	-	14,182	441	-	-	(9,203)	207,231
Security deposits payable	-	-	21,302	-	-	-	-	147,389
FSS escrow obligations	-	-	-	-	-	-	-	92,169
Total liabilities	784	311,000	1,229,603	61,590	-	950	(2,464,705)	846,535
Net Position								
Net Investment in Capital Assets	1,071,669	278,977	3,978,939	-	416,834	-	(462,352)	18,522,250
Restricted	-	-	-	-	-	-	-	112,004
Unrestricted	115,465	(279,153)	(956,984)	8,999	41,342	5,408,857	-	6,545,157
Total net position	1,187,134	(176)	3,021,955	8,999	458,176	5,408,857	(462,352)	25,179,411
	\$ 1,187,918	\$ 310,824	\$ 4,251,558	\$ 70,589	\$ 458,176	\$ 5,409,807	\$ (2,927,057)	\$ 26,025,946

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2013
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Assets	AMP-1	COCC	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation			
				State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home
Current Assets										
Cash and cash equivalents	\$ 385,775	\$ 103,782	\$ 322,175	\$ -	\$ (2,289)	\$ -	\$ 84,550	\$ 102,894	\$ 106,954	\$ 13,493
Restricted cash	13,909	-	-	-	67,891	-	-	-	-	-
Tenant security deposits	88,958	-	27,394	-	-	-	4,400	2,150	750	-
Receivables										
Due from Department of Housing and Urban Development	94,816	-	-	-	-	-	-	-	-	-
Due from City of Billings	701	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other	5,188	-	(94)	-	6,208	-	(5)	(5)	(1)	-
Allowance for doubtful accounts	(570)	-	-	-	(112)	-	-	-	-	-
Investments										
Certificates of deposit	155,928	-	174,839	79,206	544,181	-	74,289	74,289	-	-
Certificates of deposit - restricted	-	-	-	-	39,847	-	-	-	-	-
Due from other programs	92,846	-	-	-	-	-	-	-	-	-
Prepaid expenses	2,100	-	75	-	-	-	-	-	-	-
Total current assets	839,651	103,782	524,389	79,206	655,726	-	163,234	179,328	107,703	13,493
Net Property and Equipment										
Land	1,746,757	-	200,000	-	-	-	1	-	32,016	-
Buildings	11,199,142	-	1,822,750	-	-	-	832,699	804,909	605,242	-
Building improvements	9,395,132	-	2,108,100	-	-	-	236,594	18,619	9,307	-
Infrastructure	-	-	-	-	-	-	-	-	-	-
Equipment	840,625	110,063	115,200	22,602	89,233	-	13,436	46	11	-
Construction in progress	289,457	-	157,027	-	-	-	29,668	-	-	3,337
	23,471,113	110,063	4,403,077	22,602	89,233	-	1,112,398	823,574	646,576	3,337
Accumulated depreciation	(13,903,003)	(95,159)	(2,929,963)	(11,140)	(62,059)	-	(460,823)	(210,184)	(61,188)	-
	9,568,110	14,904	1,473,114	11,462	27,174	-	651,575	613,390	585,388	3,337
	\$ 10,407,761	\$ 118,686	\$ 1,997,503	\$ 90,668	\$ 682,900	\$ -	\$ 814,809	\$ 792,718	\$ 693,091	\$ 16,830

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2013
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	Tax Credit Projects			Shelter Plus Care	Office Building	Development Fund	Elimination	Total
	Whitetail Square	Red Fox	Whitetail Run					
Assets								
Current Assets	\$ 35,542	\$ 12,180	\$ 202,206	\$ 7,696	\$ -	\$ 3,843,715	\$ -	\$ 5,218,673
Cash and cash equivalents	-	-	-	-	-	-	-	81,800
Restricted cash	-	-	20,128	-	-	-	-	143,780
Tenant security deposits	-	-	-	-	-	-	-	-
Receivables								
Due from Department of Housing and Urban Development	-	-	-	39,630	-	-	-	134,446
Due from City of Billings	-	-	-	-	-	9,338	(9,338)	701
Interest	-	-	222	384	-	-	-	-
Other	-	-	-	-	-	-	-	11,897
Allowance for doubtful accounts	-	-	-	-	-	-	-	(682)
Investments	-	-	-	-	-	-	-	1,102,732
Certificates of deposit	-	-	-	-	-	-	-	39,847
Certificates of deposit - restricted	100,439	-	-	-	7,780	1,542,350	(1,743,415)	-
Due from other programs	-	-	-	-	-	-	-	2,175
Prepaid expenses	-	-	-	-	-	-	-	-
Total current assets	<u>135,981</u>	<u>12,180</u>	<u>222,556</u>	<u>47,710</u>	<u>7,780</u>	<u>5,395,403</u>	<u>(1,752,753)</u>	<u>6,735,369</u>
Net Property and Equipment								
Land	253,918	-	58,033	-	50,000	-	-	2,340,725
Buildings	-	-	3,721,468	-	224,001	-	-	19,210,211
Building improvements	-	-	499,840	-	666,964	-	(499,840)	12,434,716
Infrastructure	860,791	-	-	-	-	-	-	860,791
Equipment	-	-	14,130	-	5,831	-	-	1,211,177
Construction in progress	-	248,664	-	-	-	-	-	728,153
	<u>1,114,709</u>	<u>248,664</u>	<u>4,293,471</u>	<u>-</u>	<u>946,796</u>	<u>-</u>	<u>(499,840)</u>	<u>36,785,773</u>
Accumulated depreciation	<u>(21,520)</u>	<u>-</u>	<u>(211,301)</u>	<u>-</u>	<u>(497,389)</u>	<u>-</u>	<u>24,992</u>	<u>(18,438,737)</u>
	<u>1,093,189</u>	<u>248,664</u>	<u>4,082,170</u>	<u>-</u>	<u>449,407</u>	<u>-</u>	<u>(474,848)</u>	<u>18,347,036</u>
	<u>\$ 1,229,170</u>	<u>\$ 260,844</u>	<u>\$ 4,304,726</u>	<u>\$ 47,710</u>	<u>\$ 457,187</u>	<u>\$ 5,395,403</u>	<u>\$ (2,227,601)</u>	<u>\$ 25,082,405</u>

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2013
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Liabilities and Equity	AMP-1	COCC	Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation				
				State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home	
Current Liabilities											
Accounts payable	\$ 21,748	\$ -	\$ 2,931	\$ -	\$ 1,968	\$ -	\$ 810	\$ 59	\$ 580	\$ -	
Due to other programs	-	14,483	19,776	4,218	38,184	-	2,349	1,363	104,289	10,000	
Accrued liabilities	98,969	24,279	19,402	10,107	29,852	-	2,752	1,356	509	-	
Security deposits payable	88,958	-	27,394	-	-	-	4,400	2,150	750	-	
Total current liabilities	209,675	38,762	69,503	14,325	70,004	-	10,311	4,928	106,128	10,000	
FSS Escrow Obligations	13,909	-	-	-	67,891	-	-	-	-	-	
Total liabilities	223,584	38,762	69,503	14,325	137,895	-	10,311	4,928	106,128	10,000	
Net Position											
Net Investment in Capital Assets	9,568,110	14,904	1,473,114	11,462	27,174	-	651,575	613,390	585,388	3,337	
Restricted	-	-	-	-	39,847	-	-	-	-	-	
Unrestricted	616,067	65,020	454,886	64,881	477,984	-	152,923	174,400	1,575	3,493	
Total net position	10,184,177	79,924	1,928,000	76,343	545,005	-	804,498	787,790	586,963	6,830	
	<u>\$ 10,407,761</u>	<u>\$ 118,686</u>	<u>\$ 1,997,503</u>	<u>\$ 90,668</u>	<u>\$ 682,900</u>	<u>\$ -</u>	<u>\$ 814,809</u>	<u>\$ 792,718</u>	<u>\$ 693,091</u>	<u>\$ 16,830</u>	

Housing Authority of Billings, Montana
Balance Sheets by Program
June 30, 2013
(Page 8 of 8)

	Tax Credit Projects		Shelter Plus Care	Office Building	Development Fund	Elimination	Total
	Whitetail Square	Red Fox					
	\$ 578	\$ -	\$ 1,179	\$ -	\$ -	\$ -	\$ 29,853
Liabilities and Equity	-	261,000	1,243,379	44,374	-	(1,743,415)	-
Current Liabilities	-	-	13,948	413	-	(9,338)	192,249
Accounts payable	-	-	20,128	-	-	-	143,780
Due to other programs	578	261,000	1,278,634	44,787	-	(1,752,753)	365,882
Accrued liabilities	-	-	-	-	-	-	-
Security deposits payable	-	-	-	-	-	-	81,800
Total current liabilities	578	261,000	1,278,634	44,787	-	(1,752,753)	447,682
FSS Escrow Obligations	-	-	-	-	-	-	-
Total liabilities	1,093,189	248,664	4,082,170	-	449,407	(474,848)	18,347,036
Net Position	-	-	-	-	-	-	39,847
Net Investment in Capital Assets	135,403	(248,820)	(1,056,078)	2,923	7,780	5,395,403	6,247,840
Restricted	-	-	-	-	-	-	-
Unrestricted	1,228,592	(156)	3,026,092	2,923	457,187	(474,848)	24,634,723
Total net position	<u>\$ 1,229,170</u>	<u>\$ 260,844</u>	<u>\$ 4,304,726</u>	<u>\$ 47,710</u>	<u>\$ 457,187</u>	<u>\$ (2,227,601)</u>	<u>\$ 25,082,405</u>

Housing Authority of Billings, Montana
Schedule of Revenue, Expenses and Changes in Net Position by Program
Year Ended June 30, 2014
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			Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation			
	AMP-1	COCC		State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home
Operating Revenue										
Housing assistance program receipts	\$ -	\$ -	\$ 384,880	\$ -	\$ 3,678,123	\$ -	\$ -	\$ -	\$ -	\$ -
Dwelling rental	632,861	-	359,387	-	-	-	87,954	44,615	14,277	-
Operating subsidy	673,160	-	-	-	-	-	-	-	-	-
Administration fees	-	224,877	-	163,510	-	-	-	-	-	-
Total operating revenue	1,306,021	224,877	744,267	163,510	3,678,123	-	87,954	44,615	14,277	-
Operating Expenses										
Occupancy and payments to landlords	826,672	8,116	126,296	8,356	3,215,799	-	37,652	21,916	15,841	-
Maintenance	461,533	35,449	196,654	25,108	45,989	-	25,578	15,772	10,741	-
Administration	530,980	168,307	133,328	138,147	402,501	-	38,821	9,627	3,796	-
Utilities	222,385	-	114,694	-	-	-	7,060	3,398	3,266	-
Tenant services	7,893	-	63,764	-	49,741	-	-	-	-	-
Other	-	-	-	-	-	123,277	-	-	-	-
Total operating expense	2,049,463	211,872	634,736	171,611	3,714,030	123,277	109,111	50,713	33,644	-
Operating Income (Loss)	(743,442)	13,005	109,531	(8,101)	(35,907)	(123,277)	(21,157)	(6,098)	(19,367)	-
Nonoperating Revenue (Expenses)										
Interest and investment income	197	86	192	99	583	-	100	100	-	1
Other income (expense)	82,326	-	7,354	-	51,475	-	5,491	173	197	-
State Home Funds grant	-	-	-	-	-	-	-	-	-	533,323
Development grant for Pheasant Home	-	-	-	-	-	-	-	-	-	554,191
Interest expense	-	-	-	-	-	-	-	-	-	-
Total nonoperating revenue	82,523	86	7,546	99	52,058	-	5,591	273	197	1,087,515
Income (Loss) Before Contributions and Transfers	(660,919)	13,091	117,077	(8,002)	16,151	(123,277)	(15,566)	(5,825)	(19,170)	1,087,515
Capital Contributions										
HUD capital grants	-	-	-	-	-	156,213	-	-	-	-
Income (Loss) Before Transfers	(660,919)	13,091	117,077	(8,002)	16,151	32,936	(15,566)	(5,825)	(19,170)	1,087,515
Transfers in	32,936	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(32,936)	-	-	-	-
Changes in Net Position	(627,983)	13,091	117,077	(8,002)	16,151	-	(15,566)	(5,825)	(19,170)	1,087,515
Net Position, Beginning Of Year	10,184,177	79,924	1,928,000	76,343	545,005	-	804,498	787,790	586,963	6,830
Net Position, End Of Year	\$ 9,556,194	\$ 93,015	\$ 2,045,077	\$ 68,341	\$ 561,156	\$ -	\$ 788,932	\$ 781,965	\$ 567,793	\$ 1,094,345

Housing Authority of Billings, Montana
Schedule of Revenue, Expenses and Changes in Net Position by Program
Year Ended June 30, 2014
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	Tax Credit Projects			Shelter Plus Care	Office Building	Development Fund	Elimination	Total
	Whitetail Square	Red Fox	Whitetail Run					
Operating Revenue								
Housing assistance program receipts	\$ -	\$ -	\$ -	\$ 162,468	\$ -	\$ -	\$ -	\$ 4,225,471
Dwelling rental	-	-	253,667	-	-	-	-	1,392,761
Operating subsidy	-	-	-	-	-	-	-	673,160
Administration fees	-	-	-	-	-	-	(224,877)	163,510
Total operating revenue	-	-	253,667	162,468	-	-	(224,877)	6,454,902
Operating Expenses								
Occupancy and payments to landlords	21,520	-	109,931	150,531	46,291	-	(69,865)	4,519,056
Maintenance	8,539	-	31,082	1,384	9,876	-	(25,652)	842,053
Administration	12,573	20	50,282	4,499	844	43,028	(199,225)	1,337,528
Utilities	-	-	12,660	-	-	-	-	363,463
Tenant services	-	-	644	-	-	-	-	122,042
Other	-	-	-	-	-	-	(47,718)	75,559
Total operating expense	42,632	20	204,599	156,414	57,011	43,028	(342,460)	7,259,701
Operating Income (Loss)	(42,632)	(20)	49,068	6,054	(57,011)	(43,028)	117,583	(804,799)
Nonoperating Revenue (Expenses)								
Interest and investment income	-	-	100	-	-	56,482	(55,741)	2,199
Other income (expense)	1,174	-	2,436	22	58,000	-	(105,087)	103,561
State Home Funds grant	-	-	-	-	-	-	-	533,323
Development grant for Pheasant Home	-	-	-	-	-	-	-	554,191
Interest expense	-	-	(55,741)	-	-	-	55,741	-
Total nonoperating revenue	1,174	-	(53,205)	22	58,000	56,482	(105,087)	1,193,274
Income (Loss) Before Contributions and Transfers	(41,458)	(20)	(4,137)	6,076	989	13,454	12,496	388,475
Capital Contributions								
HUD capital grants	-	-	-	-	-	-	-	156,213
Income (Loss) Before Transfers	(41,458)	(20)	(4,137)	6,076	989	13,454	12,496	544,688
Transfers in	-	-	-	-	-	-	-	32,936
Transfers out	-	-	-	-	-	-	-	(32,936)
Changes in Net Position	(41,458)	(20)	(4,137)	6,076	989	13,454	12,496	544,688
Net Position, Beginning Of Year	1,228,592	(156)	3,026,092	2,923	457,187	5,395,403	(474,848)	24,634,723
Net Position, End Of Year	\$ 1,187,134	\$ (176)	\$ 3,021,955	\$ 8,999	\$ 458,176	\$ 5,408,857	\$ (462,352)	\$ 25,179,411

Housing Authority of Billings, Montana
Schedule of Revenue, Expenses and Changes in Net Position by Program
Year Ended June 30, 2013
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			Housing Assistance Payments Program D-76-040	Section 8 Contract Administrator		Public Housing Capital Fund	HAB Development Corporation			
	AMP-1	COCC		State Vouchers	Local Vouchers		Spring Gardens	Old Town Square	Westchester Square	Pheasant Home
Operating Revenue										
Housing assistance program receipts	\$ -	\$ -	\$ 377,545	\$ -	\$ 3,265,109	\$ -	\$ -	\$ -	\$ -	\$ -
Dwelling rental	582,804	-	351,023	-	-	-	82,999	37,455	16,200	-
Operating subsidy	362,497	-	-	-	-	-	-	-	-	-
Administration fees	-	237,408	-	184,873	-	-	-	-	-	-
Total operating revenue	945,301	237,408	728,568	184,873	3,265,109	-	82,999	37,455	16,200	-
Operating Expenses										
Occupancy and payments to landlords	790,960	7,503	116,195	8,916	3,298,190	-	32,714	21,791	15,855	-
Maintenance	554,555	32,122	186,355	27,599	55,295	-	22,700	8,849	4,708	-
Administration	545,711	139,640	128,815	181,596	368,115	-	29,411	14,234	5,233	-
Utilities	218,016	25	96,779	-	-	-	7,263	3,490	3,475	-
Tenant services	12,549	-	61,774	60	47,294	-	9	2	2	-
Other	-	-	-	-	-	68,149	-	-	-	-
Total operating expense	2,121,791	179,290	589,918	218,171	3,768,894	68,149	92,097	48,366	29,273	-
Operating Income (Loss)	(1,176,490)	58,118	138,650	(33,298)	(503,785)	(68,149)	(9,098)	(10,911)	(13,073)	-
Nonoperating Revenue										
Interest and investment income	1,662	-	2,163	305	1,174	-	124	124	-	-
Other income (expense)	(8,844)	-	12,905	-	16,688	-	6,597	495	156	-
Grant from City of Billings	1,001	-	-	-	-	-	-	-	-	-
Development grant-Homeword, Inc.	-	-	-	-	-	-	-	-	-	6,830
Interest expense	-	-	-	-	-	-	-	-	-	-
Total nonoperating revenue	(6,181)	-	15,068	305	17,862	-	6,721	619	156	6,830
Income (Loss) Before Contributions and Transfers	(1,182,671)	58,118	153,718	(32,993)	(485,923)	(68,149)	(2,377)	(10,292)	(12,917)	6,830
Capital Contributions										
HUD capital grants	-	-	-	-	-	550,825	-	-	-	-
Income (Loss) Before Transfers	(1,182,671)	58,118	153,718	(32,993)	(485,923)	482,676	(2,377)	(10,292)	(12,917)	6,830
Transfers in	482,676	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(4,930,488)	-	-	(482,676)	-	-	-	-
Changes in Net Position	(699,995)	58,118	(4,776,770)	(32,993)	(485,923)	-	(2,377)	(10,292)	(12,917)	6,830
Net Position, Beginning Of Year	10,884,172	21,806	6,704,770	109,336	1,030,928	-	806,875	798,082	599,880	-
Net Position, End Of Year	\$ 10,184,177	\$ 79,924	\$ 1,928,000	\$ 76,343	\$ 545,005	\$ -	\$ 804,498	\$ 787,790	\$ 586,963	\$ 6,830

Housing Authority of Billings, Montana
Schedule of Revenue, Expenses and Changes in Net Position by Program
Year Ended June 30, 2013
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	Whitetail Square	Tax Credit Projects		Shelter Plus Care	Office Building	Development Fund	Elimination	Total
		Red Fox	Whitetail Run					
Operating Revenue								
Housing assistance program receipts	\$ -	\$ -	\$ -	\$ 103,136	\$ -	\$ -	\$ -	\$ 3,745,790
Dwelling rental	-	-	251,743	-	-	-	-	1,322,224
Operating subsidy	-	-	-	-	-	-	-	362,497
Administration fees	-	-	-	-	-	-	(237,408)	184,873
Total operating revenue	-	-	251,743	103,136	-	-	(237,408)	5,615,384
Operating Expenses								
Occupancy and payments to landlords	21,520	-	108,479	95,561	43,914	-	(70,496)	4,491,102
Maintenance	2,055	-	37,658	-	13,316	-	(26,166)	919,046
Administration	18,627	156	52,863	3,359	938	27,571	(211,242)	1,305,027
Utilities	564	-	13,035	-	-	-	-	342,647
Tenant services	-	-	643	-	-	-	-	122,333
Other	-	-	-	-	-	-	-	68,149
Total operating expense	42,766	156	212,678	98,920	58,168	27,571	(307,904)	7,248,304
Operating Income (Loss)	(42,766)	(156)	39,065	4,216	(58,168)	(27,571)	70,496	(1,632,920)
Nonoperating Revenue								
Interest and investment income	-	-	132	-	-	56,380	(56,380)	5,684
Other income (expense)	619	-	841	(4,073)	58,000	-	(58,000)	25,384
Grant from City of Billings	-	-	-	-	-	-	-	1,001
Development grant-Homeword, Inc.	-	-	-	-	-	-	-	6,830
Interest expense	-	-	(56,380)	-	-	-	56,380	-
Total nonoperating revenue	619	-	(55,407)	(4,073)	58,000	56,380	(58,000)	38,899
Income (Loss) Before Contributions and Transfers	(42,147)	(156)	(16,342)	143	(168)	28,809	12,496	(1,594,021)
Capital Contributions								
HUD capital grants	-	-	-	-	-	-	-	550,825
Income (Loss) Before Transfers	(42,147)	(156)	(16,342)	143	(168)	28,809	12,496	(1,043,196)
Transfers in	22,000	-	-	-	-	5,388,594	-	5,893,270
Transfers out	(458,106)	-	-	-	-	(22,000)	-	(5,893,270)
Changes in Net Position	(478,253)	(156)	(16,342)	143	(168)	5,395,403	12,496	(1,043,196)
Net Position, Beginning Of Year	1,706,845	-	3,042,434	2,780	457,355	-	(487,344)	25,677,919
Net Position, End Of Year	\$ 1,228,592	\$ (156)	\$ 3,026,092	\$ 2,923	\$ 457,187	\$ 5,395,403	\$ (474,848)	\$ 24,634,723



Section II – Single Audit
June 30, 2014

Housing Authority of Billings, Montana

Housing Authority of Billings, Montana
 Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Award Amount	Program Receipts	Expenditures
U.S. Department of Housing and Urban Development Housing Choice Vouchers	14.871	N/A	\$ 3,678,123	\$ 3,678,123	\$ 3,714,030
U.S. Department of Housing and Urban Development/ Public and Indian Housing	14.850	N/A	673,160	673,160	673,160
U.S. Department of Housing and Urban Development/ Public Housing Capital Fund - 2011	14.872	N/A	12,318	12,318	12,318
Public Housing Capital Fund - 2012	14.872	N/A	97,739	97,739	97,739
Public Housing Capital Fund - 2013	14.872	N/A	46,156	46,156	46,156
Total Public Housing Capital Fund				156,213	156,213
U.S. Department of Housing and Urban Development/ Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	384,880	384,880	384,880
U.S. Department of Housing and Urban Development/ Shelter Plus Care	14.238	N/A	162,468	162,468	156,414
U.S. Department of Housing and Urban Development/ Home Investment Partnership Program	14.239	N/A	750,000	533,323	533,323
Total Federal Assistance				\$ 5,588,167	\$ 5,618,020

*The accompanying notes are an integral part of this schedule

Note A - Basis of Presentation

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

Note B – Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority of Billings, Montana's summary of significant accounting policies is presented in Note 1 in the Authority's basic financial statements.



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Directors
Housing Authority of Billings, Montana
Billings, Montana

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 the Housing Authority of Billings, Montana as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Housing Authority of Billings, Montana’s basic financial statements, and have issued our report thereon dated October 17, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Housing Authority of Billings, Montana'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 Billings, Montana’s internal control. Accordingly, we do not express an opinion on the effectiveness of Housing Authority of Billings, Montana’s internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014-A to be material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014-B to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Housing Authority of Billings, Montana'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*.

Entity's Response to Findings

The Housing Authority of Billings, Montana's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Housing Authority of Billings, Montana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Bismarck, North Dakota
October 17, 2014



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by OMB Circular A-133

Board of Directors
Housing Authority of Billings, Montana
Billings, Montana

Report on Compliance for Each Major Federal Program

We have audited Housing Authority of Billings, Montana's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Housing Authority of Billings, Montana's major federal programs for the year ended June 30, 2014. Housing Authority of Billings, Montana'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 the compliance for each of Housing Authority of Billings, Montana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the 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 Billings, Montana'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 Billings, Montana's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of Billings, Montana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect of each of its major Federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of the Housing Authority of Billings, Montana is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of Billings, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Billings, Montana'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 compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Bismarck, North Dakota
October 17, 2014

Housing Authority of Billings, Montana
Schedule of Prior Year Audit Findings and Questioned Costs
Year Ended June 30, 2013

There were no findings in the prior year in relation to the major federal award programs audit.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Section 8 Housing Choice Vouchers	14.871
Home Investment Partnership Program	14.239
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

2014-A - Adjusting Journal Entries

Material Weakness in Internal Control over Financial Reporting

Condition: As part of our audit we proposed a material audit adjustment to the financial statements in relation to the project currently in development stage.

Criteria: A good system of internal control contemplates an adequate system for recording and processing adjusting journal entries significant to the financial statements.

Effect: The control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Cause: An adjustment was not recorded to present all construction activity through the year end of the project currently in development.

Recommendation: We recommend that all necessary adjustments and transactions are recorded by management prior to our audit.

Management’s Response and Corrective Action Plan (CAP)

Actions Planned in Response to the Finding: The Authority will ensure all significant adjustments and transactions are recorded in the system prior to the audit.

Explanation of Disagreement: There is no disagreement with the audit finding.

Official Responsible for Ensuring Corrective Action: Lucy Brown, Executive Director, is responsible for ensuring corrective action plan of the significant deficiency

Planned Completion Date for the Corrective Action: June 30, 2015

Plan to Monitor Completion of Corrective Action: None. The Board of Directors will monitor the accounting function.

2014-B - Limited Size of Office Staff

Significant Deficiency in Internal Control over Financial Reporting

Condition: An effective internal control structure contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize that your office staff may not be large enough to permit an adequate segregation of duties in all respects for an effective internal control structure, it is important that you be aware of this condition. In situations like this, management's close supervision and review of accounting information is the best means of preventing and detecting errors and irregularities.

Criteria: The organization has a limited number of office personnel and, accordingly, does not have adequate internal controls in certain areas because of a lack of segregation of duties.

Effect: Inadequate segregation of duties could adversely affect the Housing Authority's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned task.

Cause: The Housing Authority has a limited number of staff.

Recommendation: This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost of other considerations. Under this condition, the most effective control is management's knowledge of matters relating to the Housing Authority's operations.

Management's Response and Corrective Action Plan (CAP)

Actions Planned in Response to the Finding: No action is planned on the finding. The Board of Directors feels that the additional costs to the Housing Authority would not be significantly beneficial. The Housing Authority of Billings will make sure the most effective control it can have will be of management's full knowledge of matters relating to the Housing Authority's daily operations. This will involve quality control checks, continued and ongoing training that keep staff informed and abreast of the systems they oversee.

Explanation of Disagreement: There is no disagreement with the audit finding

Official Responsible for Ensuring Corrective Action: See above

Planned Completion Date for the Corrective Action: Ongoing

Plan to Monitor Completion of Corrective Action: None. See above

Section III – Federal Award Findings and Questioned Costs

None



Financial Data Schedules (FDS)
June 30, 2014

Housing Authority of Billings, Montana

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
111 Cash - Unrestricted	\$441,862	\$223,695	\$138,292	\$70,571	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$92,169			
114 Cash - Tenant Security Deposits	\$89,845		\$28,542		
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$531,707	\$315,864	\$166,834	\$70,571	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$125,878				
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$8,993		\$468		
126.1 Allowance for Doubtful Accounts - Tenants	-\$570		\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery		\$10,638		\$18	
128.1 Allowance for Doubtful Accounts - Fraud		-\$112		\$0	
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$134,301	\$10,526	\$468	\$18	\$0
131 Investments - Unrestricted	\$156,125	\$279,894	\$625,031		\$79,305
132 Investments - Restricted		\$112,004			
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$2,100		\$75		
143 Inventories					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$105,231				
145 Assets Held for Sale					
150 Total Current Assets	\$929,464	\$718,288	\$792,408	\$70,589	\$79,305
161 Land	\$1,746,757		\$200,000		
162 Buildings	\$20,899,035		\$3,925,370		
163 Furniture, Equipment & Machinery - Dwellings	\$872,628		\$115,782		
164 Furniture, Equipment & Machinery - Administration		\$83,840			\$21,341
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$14,687,212	-\$67,423	-\$2,912,571		-\$13,451
167 Construction in Progress	\$5,699				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$8,836,907	\$16,417	\$1,328,581	\$0	\$7,890
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$8,836,907	\$16,417	\$1,328,581	\$0	\$7,890
190 Total Assets	\$9,766,371	\$734,705	\$2,120,989	\$70,589	\$87,195
200 Deferred Outflow of Resources					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
290 Total Assets and Deferred Outflow of Resources	\$9,766,371	\$734,705	\$2,120,989	\$70,589	\$87,195
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$15,740	\$30	\$1,346		
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$7,273				
322 Accrued Compensated Absences - Current Portion	\$46,260	\$30,939	\$22,022	\$414	\$8,716
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$89,845		\$28,542		
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$92,169			
346 Accrued Liabilities - Other	\$48,033				
347 Inter Program - Due To		\$48,388	\$22,562	\$61,149	\$9,568
348 Loan Liability - Current					
310 Total Current Liabilities	\$207,151	\$171,526	\$74,472	\$61,563	\$18,284
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$3,026	\$2,023	\$1,440	\$27	\$570

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$3,026	\$2,023	\$1,440	\$27	\$570
300 Total Liabilities	\$210,177	\$173,549	\$75,912	\$61,590	\$18,854
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$8,836,907	\$16,417	\$1,328,581		\$7,890
511.4 Restricted Net Position		\$112,004			
512.4 Unrestricted Net Position	\$719,287	\$432,735	\$716,496	\$8,999	\$60,451
513 Total Equity - Net Assets / Position	\$9,556,194	\$561,156	\$2,045,077	\$8,999	\$68,341
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$9,766,371	\$734,705	\$2,120,989	\$70,589	\$87,195

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
111 Cash - Unrestricted	\$1,363,927	\$109,065	\$131,322	\$2,478,734	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted				\$92,169	
114 Cash - Tenant Security Deposits	\$29,002			\$147,389	
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$1,392,929	\$109,065	\$131,322	\$2,718,292	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$0		\$125,878	
124 Accounts Receivable - Other Government		\$533,323		\$533,323	
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants	\$2,777			\$12,238	
126.1 Allowance for Doubtful Accounts -Tenants	\$0			-\$570	
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery				\$10,656	
128.1 Allowance for Doubtful Accounts - Fraud				-\$112	
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,777	\$533,323	\$0	\$681,413	\$0
131 Investments - Unrestricted	\$2,849,457			\$3,989,812	
132 Investments - Restricted				\$112,004	
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets				\$2,175	
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
144 Inter Program Due From	\$427,686			\$532,917	-\$532,917
145 Assets Held for Sale					
150 Total Current Assets	\$4,672,849	\$642,388	\$131,322	\$8,036,613	-\$532,917
161 Land	\$393,968			\$2,340,725	
162 Buildings	\$7,156,121			\$31,980,526	
163 Furniture, Equipment & Machinery - Dwellings	\$27,622			\$1,016,032	
164 Furniture, Equipment & Machinery - Administration	\$5,831		\$104,890	\$215,902	
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$1,658,940		-\$94,469	-\$19,434,066	
167 Construction in Progress	\$337,288	\$1,199,353		\$1,542,340	
168 Infrastructure	\$860,791			\$860,791	
160 Total Capital Assets, Net of Accumulated Depreciation	\$7,122,681	\$1,199,353	\$10,421	\$18,522,250	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$7,122,681	\$1,199,353	\$10,421	\$18,522,250	\$0
190 Total Assets	\$11,795,530	\$1,841,741	\$141,743	\$26,558,863	-\$532,917
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$11,795,530	\$1,841,741	\$141,743	\$26,558,863	-\$532,917

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$5,234	\$377,396		\$399,746	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable				\$7,273	
322 Accrued Compensated Absences - Current Portion	\$8,457		\$25,791	\$142,599	
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$29,002			\$147,389	
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities				\$92,169	
346 Accrued Liabilities - Other				\$48,033	
347 Inter Program - Due To		\$370,000	\$21,250	\$532,917	-\$532,917
348 Loan Liability - Current					
310 Total Current Liabilities	\$42,693	\$747,396	\$47,041	\$1,370,126	-\$532,917
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$553		\$1,687	\$9,326	
355 Loan Liability - Non Current					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$553	\$0	\$1,687	\$9,326	\$0
300 Total Liabilities	\$43,246	\$747,396	\$48,728	\$1,379,452	-\$532,917
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$7,122,681	\$1,199,353	\$10,421	\$18,522,250	
511.4 Restricted Net Position				\$112,004	
512.4 Unrestricted Net Position	\$4,629,603	-\$105,008	\$82,594	\$6,545,157	
513 Total Equity - Net Assets / Position	\$11,752,284	\$1,094,345	\$93,015	\$25,179,411	\$0
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$11,795,530	\$1,841,741	\$141,743	\$26,558,863	-\$532,917

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
111 Cash - Unrestricted	\$2,478,734
112 Cash - Restricted - Modernization and Development	
113 Cash - Other Restricted	\$92,169
114 Cash - Tenant Security Deposits	\$147,389
115 Cash - Restricted for Payment of Current Liabilities	
100 Total Cash	\$2,718,292
121 Accounts Receivable - PHA Projects	
122 Accounts Receivable - HUD Other Projects	\$125,878
124 Accounts Receivable - Other Government	\$533,323
125 Accounts Receivable - Miscellaneous	
126 Accounts Receivable - Tenants	\$12,238
126.1 Allowance for Doubtful Accounts -Tenants	-\$570
126.2 Allowance for Doubtful Accounts - Other	\$0
127 Notes, Loans, & Mortgages Receivable - Current	
128 Fraud Recovery	\$10,656
128.1 Allowance for Doubtful Accounts - Fraud	-\$112
129 Accrued Interest Receivable	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$681,413
131 Investments - Unrestricted	\$3,989,812
132 Investments - Restricted	\$112,004
135 Investments - Restricted for Payment of Current Liability	
142 Prepaid Expenses and Other Assets	\$2,175
143 Inventories	
143.1 Allowance for Obsolete Inventories	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
144 Inter Program Due From	\$0
145 Assets Held for Sale	
150 Total Current Assets	\$7,503,696
161 Land	\$2,340,725
162 Buildings	\$31,980,526
163 Furniture, Equipment & Machinery - Dwellings	\$1,016,032
164 Furniture, Equipment & Machinery - Administration	\$215,902
165 Leasehold Improvements	
166 Accumulated Depreciation	-\$19,434,066
167 Construction in Progress	\$1,542,340
168 Infrastructure	\$860,791
160 Total Capital Assets, Net of Accumulated Depreciation	\$18,522,250
171 Notes, Loans and Mortgages Receivable - Non-Current	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	
173 Grants Receivable - Non Current	
174 Other Assets	
176 Investments in Joint Ventures	
180 Total Non-Current Assets	\$18,522,250
190 Total Assets	\$26,025,946
200 Deferred Outflow of Resources	
290 Total Assets and Deferred Outflow of Resources	\$26,025,946

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
311 Bank Overdraft	
312 Accounts Payable <= 90 Days	\$399,746
313 Accounts Payable >90 Days Past Due	
321 Accrued Wage/Payroll Taxes Payable	\$7,273
322 Accrued Compensated Absences - Current Portion	\$142,599
324 Accrued Contingency Liability	
325 Accrued Interest Payable	
331 Accounts Payable - HUD PHA Programs	
332 Account Payable - PHA Projects	
333 Accounts Payable - Other Government	
341 Tenant Security Deposits	\$147,389
342 Unearned Revenue	
343 Current Portion of Long-term Debt - Capital	
344 Current Portion of Long-term Debt - Operating Borrowings	
345 Other Current Liabilities	\$92,169
346 Accrued Liabilities - Other	\$48,033
347 Inter Program - Due To	\$0
348 Loan Liability - Current	
310 Total Current Liabilities	\$837,209
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	
352 Long-term Debt, Net of Current - Operating Borrowings	
353 Non-current Liabilities - Other	
354 Accrued Compensated Absences - Non Current	\$9,326
355 Loan Liability - Non Current	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
356 FASB 5 Liabilities	
357 Accrued Pension and OPEB Liabilities	
350 Total Non-Current Liabilities	\$9,326
300 Total Liabilities	\$846,535
400 Deferred Inflow of Resources	
508.4 Net Investment in Capital Assets	\$18,522,250
511.4 Restricted Net Position	\$112,004
512.4 Unrestricted Net Position	\$6,545,157
513 Total Equity - Net Assets / Position	\$25,179,411
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets /	\$26,025,946

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
70300 Net Tenant Rental Revenue	\$661,993		\$359,387		
70400 Tenant Revenue - Other	\$19,619		\$7,354		
70500 Total Tenant Revenue	\$681,612	\$0	\$366,741	\$0	\$0
70600 HUD PHA Operating Grants	\$123,277	\$3,678,123	\$384,880	\$162,468	
70610 Capital Grants	\$32,936				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$673,160				
71100 Investment Income - Unrestricted	\$197	\$540	\$192		\$99
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery		\$20,933		\$22	
71500 Other Revenue	\$62,707	\$30,542			\$163,510
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted		\$43			
70000 Total Revenue	\$1,573,889	\$3,730,181	\$751,813	\$162,490	\$163,609
91100 Administrative Salaries	\$132,397	\$194,984	\$45,705	\$2,013	\$72,555

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
91200 Auditing Fees	\$6,303	\$5,294	\$1,766	\$1,138	\$1,764
91300 Management Fee	\$176,695				
91310 Book-keeping Fee	\$22,530				
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$54,239	\$79,858	\$18,676	\$796	\$20,805
91600 Office Expenses	\$52,448	\$77,077	\$26,609	\$64	\$31,466
91700 Legal Expense					
91800 Travel	\$1,395	\$2,562	\$2,581		\$110
91810 Allocated Overhead					
91900 Other	\$4,563	\$2,787	\$1,622		\$1,302
91000 Total Operating - Administrative	\$450,570	\$362,562	\$96,959	\$4,011	\$128,002
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$30,450	\$36,062		
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$12,197	\$18,558		
92400 Tenant Services - Other	\$4,778	\$2,601	\$3,896		
92500 Total Tenant Services	\$4,778	\$45,248	\$58,516	\$0	\$0
93100 Water	\$183,701		\$13,593		
93200 Electricity	\$27,270		\$91,718		
93300 Gas	\$11,414		\$9,383		
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
93800 Other Utilities Expense					
93000 Total Utilities	\$222,385	\$0	\$114,694	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$154,427	\$23,186	\$46,757	\$762	\$12,572
94200 Ordinary Maintenance and Operations - Materials and	\$93,561	\$1,923	\$47,505		
94300 Ordinary Maintenance and Operations Contracts	\$70,851		\$23,016		
94500 Employee Benefit Contributions - Ordinary Maintenance	\$78,475	\$15,187	\$26,048	\$473	\$8,669
94000 Total Maintenance	\$397,314	\$40,296	\$143,326	\$1,235	\$21,241
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$3,115		\$262		
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$3,115	\$0	\$262	\$0	\$0
96110 Property Insurance	\$64,423	\$698	\$28,649		\$423
96120 Liability Insurance	\$9,250	\$2,793	\$2,482	\$113	\$1,694
96130 Workmen's Compensation	\$9,187	\$4,577	\$3,265	\$69	\$1,759
96140 All Other Insurance					
96100 Total insurance Premiums	\$82,860	\$8,068	\$34,396	\$182	\$3,876
96200 Other General Expenses	\$89,391	\$9,838			
96210 Compensated Absences	\$42,284	\$40,933	\$19,481	\$519	\$13,721
96300 Payments in Lieu of Taxes	\$41,004		\$3,347		
96400 Bad debt - Tenant Rents	\$29,132				
96500 Bad debt - Mortgages					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$201,811	\$50,771	\$22,828	\$519	\$13,721
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$1,362,833	\$506,945	\$470,981	\$5,947	\$166,840
97000 Excess of Operating Revenue over Operating Expenses	\$211,056	\$3,223,236	\$280,832	\$156,543	-\$3,231
97100 Extraordinary Maintenance	\$37,399	\$1,200	\$45,990		\$1,200
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$3,178,847		\$150,467	
97350 HAP Portability-In		\$16,281			
97400 Depreciation Expense	\$801,640	\$10,757	\$117,765		\$3,571
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$2,201,872	\$3,714,030	\$634,736	\$156,414	\$171,611
10010 Operating Transfer In					
10020 Operating transfer Out					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$627,983	\$16,151	\$117,077	\$6,076	-\$8,002
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$10,184,177	\$545,005	\$1,928,000	\$2,923	\$76,343
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0				
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity		\$449,152			
11180 Housing Assistance Payments Equity		\$112,004			

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Project Total	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.238 Shelter Plus Care	2 State/Local
11190 Unit Months Available	3288	7524	1224	326	
11210 Number of Unit Months Leased	3255	7172	1159	316	
11270 Excess Cash	\$616,917				
11610 Land Purchases	\$0				
11620 Building Purchases	\$32,936				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
70300 Net Tenant Rental Revenue	\$400,513		\$0	\$1,421,893	
70400 Tenant Revenue - Other	\$8,297			\$35,270	
70500 Total Tenant Revenue	\$408,810	\$0	\$0	\$1,457,163	\$0
70600 HUD PHA Operating Grants			\$0	\$4,348,748	
70610 Capital Grants			\$0	\$32,936	
70710 Management Fee			\$176,695	\$176,695	-\$176,695
70720 Asset Management Fee					
70730 Book Keeping Fee			\$22,530	\$22,530	-\$22,530
70740 Front Line Service Fee			\$25,652	\$25,652	-\$25,652
70750 Other Fees					
70700 Total Fee Revenue			\$224,877	\$224,877	-\$224,877
70800 Other Government Grants		\$533,323		\$1,206,483	
71100 Investment Income - Unrestricted	\$1,041	\$1	\$86	\$2,156	
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$20,955	
71500 Other Revenue	\$59,174	\$554,191		\$870,124	-\$105,087
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted				\$43	
70000 Total Revenue	\$469,025	\$1,087,515	\$224,963	\$8,163,485	-\$329,964
91100 Administrative Salaries	\$65,290		\$84,858	\$597,802	
91200 Auditing Fees	\$7,890		\$1,627	\$25,782	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
91300 Management Fee				\$176,695	-\$176,695
91310 Book-keeping Fee				\$22,530	-\$22,530
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$23,563		\$31,479	\$229,416	
91600 Office Expenses	\$30,452		\$13,246	\$231,362	-\$58,000
91700 Legal Expense	\$665			\$665	
91800 Travel	\$1,543		\$4,459	\$12,650	
91810 Allocated Overhead					
91900 Other	\$4,412		\$1,874	\$16,560	
91000 Total Operating - Administrative	\$133,815	\$0	\$137,543	\$1,313,462	-\$257,225
92000 Asset Management Fee					
92100 Tenant Services - Salaries				\$66,512	
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services				\$30,755	
92400 Tenant Services - Other				\$11,275	
92500 Total Tenant Services	\$0	\$0	\$0	\$108,542	\$0
93100 Water	\$20,463			\$217,757	
93200 Electricity	\$5,579			\$124,567	
93300 Gas	\$342			\$21,139	
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
93000 Total Utilities	\$26,384	\$0	\$0	\$363,463	\$0
94100 Ordinary Maintenance and Operations - Labor	\$42,913		\$21,540	\$302,157	
94200 Ordinary Maintenance and Operations - Materials and	\$24,423			\$167,412	-\$25,652
94300 Ordinary Maintenance and Operations Contracts	\$11,267			\$105,134	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$19,458		\$9,887	\$158,197	
94000 Total Maintenance	\$98,061	\$0	\$31,427	\$732,900	-\$25,652
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$644			\$4,021	
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$644	\$0	\$0	\$4,021	\$0
96110 Property Insurance	\$10,838		\$3,211	\$108,242	
96120 Liability Insurance	\$4,300		\$12,846	\$33,478	
96130 Workmen's Compensation	\$2,782		\$2,403	\$24,042	
96140 All Other Insurance					
96100 Total insurance Premiums	\$17,920	\$0	\$18,460	\$165,762	\$0
96200 Other General Expenses	\$9,123			\$108,352	-\$47,087
96210 Compensated Absences	\$7,982		\$19,959	\$144,879	
96300 Payments in Lieu of Taxes	\$12,341			\$56,692	
96400 Bad debt - Tenant Rents			\$0	\$29,132	
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
96800 Severance Expense					
96000 Total Other General Expenses	\$29,446	\$0	\$19,959	\$339,055	-\$47,087
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$306,270	\$0	\$207,389	\$3,027,205	-\$329,964
97000 Excess of Operating Revenue over Operating Expenses	\$162,755	\$1,087,515	\$17,574	\$5,136,280	\$0
97100 Extraordinary Maintenance	\$465			\$86,254	
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments				\$3,329,314	
97350 HAP Portability-In				\$16,281	
97400 Depreciation Expense	\$221,527		\$4,483	\$1,159,743	
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$528,262	\$0	\$211,872	\$7,618,797	-\$329,964
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$59,237	\$1,087,515	\$13,091	\$544,688	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	
11030 Beginning Equity	\$11,818,351	\$0	\$79,924	\$24,634,723	
11040 Prior Period Adjustments, Equity Transfers and Correction	-\$6,830	\$6,830		\$0	
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				\$449,152	
11180 Housing Assistance Payments Equity				\$112,004	
11190 Unit Months Available	708		0	13070	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	1 Business Activities	14.239 HOME Investment Partnerships Program	COCC	Subtotal	ELIM
11210 Number of Unit Months Leased	691		0	12593	
11270 Excess Cash				\$616,917	
11610 Land Purchases			\$0	\$0	
11620 Building Purchases			\$0	\$32,936	
11630 Furniture & Equipment - Dwelling Purchases			\$0	\$0	
11640 Furniture & Equipment - Administrative Purchases			\$0	\$0	
11650 Leasehold Improvements Purchases			\$0	\$0	
11660 Infrastructure Purchases			\$0	\$0	
13510 CFFP Debt Service Payments			\$0	\$0	
13901 Replacement Housing Factor Funds			\$0	\$0	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
70300 Net Tenant Rental Revenue	\$1,421,893
70400 Tenant Revenue - Other	\$35,270
70500 Total Tenant Revenue	\$1,457,163
70600 HUD PHA Operating Grants	\$4,348,748
70610 Capital Grants	\$32,936
70710 Management Fee	\$0
70720 Asset Management Fee	
70730 Book Keeping Fee	\$0
70740 Front Line Service Fee	\$0
70750 Other Fees	
70700 Total Fee Revenue	\$0
70800 Other Government Grants	\$1,206,483
71100 Investment Income - Unrestricted	\$2,156
71200 Mortgage Interest Income	
71300 Proceeds from Disposition of Assets Held for Sale	
71310 Cost of Sale of Assets	
71400 Fraud Recovery	\$20,955
71500 Other Revenue	\$765,037
71600 Gain or Loss on Sale of Capital Assets	
72000 Investment Income - Restricted	\$43
70000 Total Revenue	\$7,833,521
91100 Administrative Salaries	\$597,802
91200 Auditing Fees	\$25,782

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
91300 Management Fee	\$0
91310 Book-keeping Fee	\$0
91400 Advertising and Marketing	
91500 Employee Benefit contributions - Administrative	\$229,416
91600 Office Expenses	\$173,362
91700 Legal Expense	\$665
91800 Travel	\$12,650
91810 Allocated Overhead	
91900 Other	\$16,560
91000 Total Operating - Administrative	\$1,056,237
92000 Asset Management Fee	
92100 Tenant Services - Salaries	\$66,512
92200 Relocation Costs	
92300 Employee Benefit Contributions - Tenant Services	\$30,755
92400 Tenant Services - Other	\$11,275
92500 Total Tenant Services	\$108,542
93100 Water	\$217,757
93200 Electricity	\$124,567
93300 Gas	\$21,139
93400 Fuel	
93500 Labor	
93600 Sewer	
93700 Employee Benefit Contributions - Utilities	
93800 Other Utilities Expense	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
93000 Total Utilities	\$363,463
94100 Ordinary Maintenance and Operations - Labor	\$302,157
94200 Ordinary Maintenance and Operations - Materials and	\$141,760
94300 Ordinary Maintenance and Operations Contracts	\$105,134
94500 Employee Benefit Contributions - Ordinary Maintenance	\$158,197
94000 Total Maintenance	\$707,248
95100 Protective Services - Labor	
95200 Protective Services - Other Contract Costs	\$4,021
95300 Protective Services - Other	
95500 Employee Benefit Contributions - Protective Services	
95000 Total Protective Services	\$4,021
96110 Property Insurance	\$108,242
96120 Liability Insurance	\$33,478
96130 Workmen's Compensation	\$24,042
96140 All Other Insurance	
96100 Total insurance Premiums	\$165,762
96200 Other General Expenses	\$61,265
96210 Compensated Absences	\$144,879
96300 Payments in Lieu of Taxes	\$56,692
96400 Bad debt - Tenant Rents	\$29,132
96500 Bad debt - Mortgages	
96600 Bad debt - Other	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
96800 Severance Expense	
96000 Total Other General Expenses	\$291,968
96710 Interest of Mortgage (or Bonds) Payable	
96720 Interest on Notes Payable (Short and Long Term)	
96730 Amortization of Bond Issue Costs	
96700 Total Interest Expense and Amortization Cost	\$0
96900 Total Operating Expenses	\$2,697,241
97000 Excess of Operating Revenue over Operating Expenses	\$5,136,280
97100 Extraordinary Maintenance	\$86,254
97200 Casualty Losses - Non-capitalized	
97300 Housing Assistance Payments	\$3,329,314
97350 HAP Portability-In	\$16,281
97400 Depreciation Expense	\$1,159,743
97500 Fraud Losses	
97600 Capital Outlays - Governmental Funds	
97700 Debt Principal Payment - Governmental Funds	
97800 Dwelling Units Rent Expense	
90000 Total Expenses	\$7,288,833
10010 Operating Transfer In	
10020 Operating transfer Out	
10030 Operating Transfers from/to Primary Government	

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
10040 Operating Transfers from/to Component Unit	
10050 Proceeds from Notes, Loans and Bonds	
10060 Proceeds from Property Sales	
10070 Extraordinary Items, Net Gain/Loss	
10080 Special Items (Net Gain/Loss)	
10091 Inter Project Excess Cash Transfer In	
10092 Inter Project Excess Cash Transfer Out	
10093 Transfers between Program and Project - In	
10094 Transfers between Project and Program - Out	
10100 Total Other financing Sources (Uses)	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$544,688
11020 Required Annual Debt Principal Payments	\$0
11030 Beginning Equity	\$24,634,723
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0
11050 Changes in Compensated Absence Balance	
11060 Changes in Contingent Liability Balance	
11070 Changes in Unrecognized Pension Transition Liability	
11080 Changes in Special Term/Severance Benefits Liability	
11090 Changes in Allowance for Doubtful Accounts - Dwelling	
11100 Changes in Allowance for Doubtful Accounts - Other	
11170 Administrative Fee Equity	\$449,152
11180 Housing Assistance Payments Equity	\$112,004
11190 Unit Months Available	13070

Housing Authority of Billings (MT001)

BILLINGS, MT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 06/30/2014

	Total
11210 Number of Unit Months Leased	12593
11270 Excess Cash	\$616,917
11610 Land Purchases	\$0
11620 Building Purchases	\$32,936
11630 Furniture & Equipment - Dwelling Purchases	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0
11650 Leasehold Improvements Purchases	\$0
11660 Infrastructure Purchases	\$0
13510 CFFP Debt Service Payments	\$0
13901 Replacement Housing Factor Funds	\$0