

State of New Mexico
Housing Authority of Region V, New Mexico

FINANCIAL STATEMENTS
With Independent Auditors' Report Thereon

For The Fiscal Year Ended June 30, 2009

Western Regional Housing Authority
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Housing Authority of Region V, New Mexico
DIRECTORY OF OFFICIALS
June 30, 2009

COMMISSIONERS

Sonia Arteche
Beverly Kostelnik
Robert Atwood
Vera Turner
Nina Altamirano
Janet Porter
Awish Baechtle

Chairman
Vice-Chairman
Commissioner
Commissioner
Commissioner
Commissioner
Commissioner

ADMINISTRATIVE STAFF

Cathy DeMarco
Sonia Flores

Executive Director
Deputy Director



MIKE STONE, C.P.A.
LINDA STONE MCGEE, C.P.A.
KAY STONE, C.P.A.
JARROD MASON, C.P.A.
KELLEY WYATT, C.P.A.

RYAN MONTOYA, C.P.A.

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INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor
and
Board of Commissioners
Western Regional Housing Authority
Silver City, New Mexico

We have audited the accompanying financial statements of the business-type activities and each major fund of the Western Regional Housing Authority as of and for the year ended June 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Authority's Enterprise funds presented as other supplementary information in the accompanying individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Western Regional Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Western Regional Housing Authority as of June 30, 2009, and the respective changes in financial position and cash flows and the respective budgetary comparisons presented as other supplementary information for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2009, on our consideration of the Western Regional Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively **comprise the** Authority's basic financial statements, and the budgetary comparisons presented as other supplementary information. 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 is not a required part of the financial statements of the Authority. In addition, the accompanying financial information listed as other supplemental data in the table of contents is also presented for purposes of additional analysis and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and the other supplemental data have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Stone, McGee & Co CPAs

September 28, 2009

Western Regional Housing Authority Management's Discussion and Analysis

As management of the Western Regional Housing Authority, we offer the readers of the Western Regional Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Western Regional Housing Authority for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the financial statements of the Western Regional Housing Authority and additional information provided. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the Western Regional Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$4,307 (net Assets). Of this amount, \$813 (unrestricted net assets) may be used to meet the Authority's obligations to residents and creditors.
- The Authority's total net assets decreased by \$238. Of this amount, \$351 decrease was attributable to Housing Choice Voucher activities, Low Rent Public Housing generated an increase of \$103, Southwest Housing Assistance activities generated an \$11 increase and State and Local decreased by \$1.
- At the end of the current fiscal year, unrestricted net assets for the Low-Rent Public Housing fund were \$320, or 98% of the total Low-Rent Public Housing fund expenses.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Western Regional Housing Authority's basic financial statements comprised of two components: 1) basic financial statements; and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Basic Financial Statements

The *basic financial statements* are designed to provide readers with a broad overview of the Western Regional Housing Authority's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Western Regional Housing Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Western Regional Housing Authority is improving or deteriorating.

The *statement of changes in net assets* presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Proprietary Funds

The Western Regional Housing Authority maintains four proprietary enterprise funds to account for: Low-Rent Public Housing, Housing Choice Voucher Program, Southwest Housing Assistance Program (SWHAP) and State Programs (Linkages and MFA Services). The proprietary fund financial statements provide separate information for all Authority activities and programs.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Western Regional Housing Authority, assets exceeded liabilities by \$4,307 at the close of the most recent fiscal year.

By far the largest portion of the Housing Authority's assets (68%) reflect its investment in capital assets (e.g., land, buildings, furnishings, equipment), less any related debt used to acquire those assets that is still outstanding. Western Regional Housing Authority uses these capital assets to provide services to residents; consequently, these assets are not available for future spending.

Western Regional Housing Authority
Condensed Statement of Net Assets
(In Thousands)

| | <u>June 30,</u> <u>2008</u> | <u>June 30,</u> <u>2009</u> |
|---|--------------------------------|--------------------------------|
| Assets | | |
| Current Assets | 796 | 870 |
| Restricted Assets | 981 | 578 |
| Capital Assets, Net | <u>2837</u> | <u>2928</u> |
| Total Assets | <u><u>4614</u></u> | <u><u>4376</u></u> |
| Liabilities | | |
| Current Liabilities | 35 | 35 |
| Noncurrent Liabilities | <u>34</u> | <u>34</u> |
| Total Liabilities | 69 | 69 |
| Net Assets | | |
| Invested in Capital Assets, Net of Related Debt | 2837 | 2928 |
| Restricted | 969 | 566 |
| Unrestricted | <u>739</u> | <u>813</u> |
| Total Net Assets | <u>4545</u> | <u>4307</u> |
| Total Liabilities and Net Assets | <u><u>4614</u></u> | <u><u>4376</u></u> |

An additional portion of the Western Regional Housing Authority's net assets (13%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$813) may be used to meet the Authority's ongoing obligations to residents and creditors.

At the end of the current fiscal year, the Western Regional Housing Authority is able to report positive balances on all three categories of net assets, both for the government as a whole as well as for its enterprise activities. The same situation held true for the prior fiscal year.

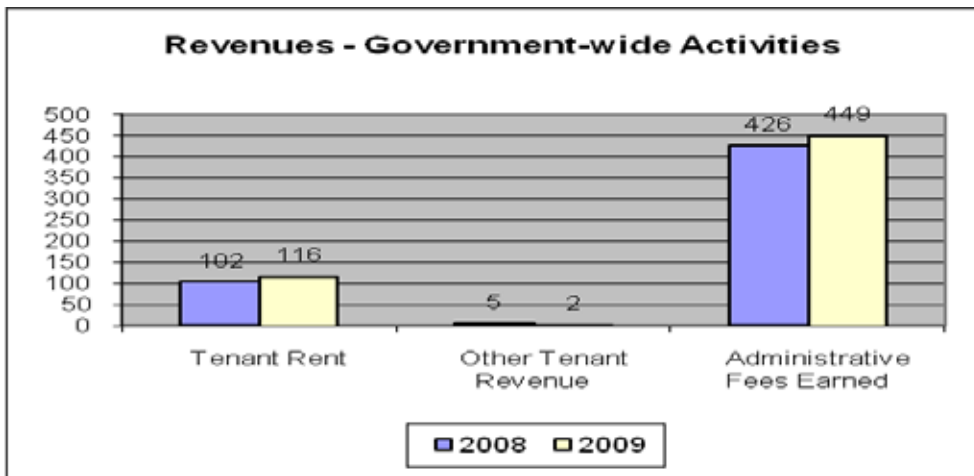
There was a decrease of \$403 in restricted net assets reported by the Housing Authority as compared to the prior year. A decrease of \$72 was a result of parking lot improvements at our Public Housing site through our Capital Fund Program and the remainder of the decrease was the result of HUD recapturing some of our HAP Equity as well as the Housing Authority using HAP Equity to try to lease up to 100% of budgeted families.

Western Regional Housing Authority
Condensed Statement of Changes in Net Assets
(In Thousands)

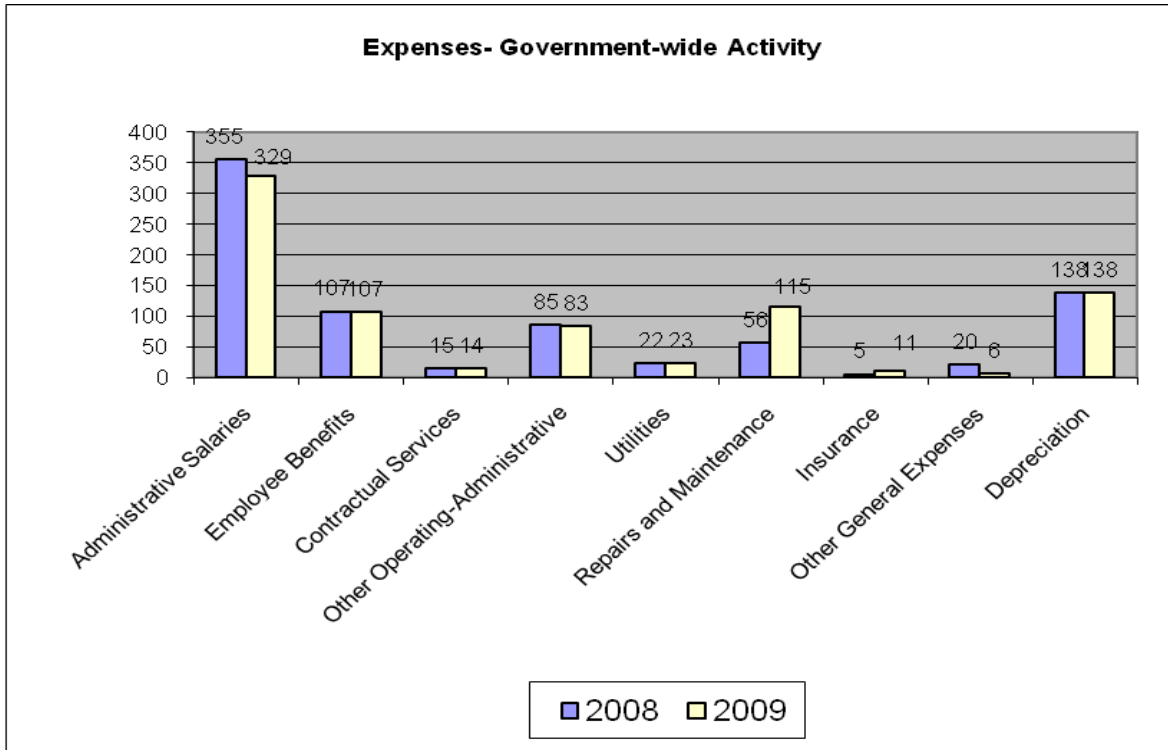
| | June 30, 2008 | June 30, 2009 |
|---|--------------------------|--------------------------|
| Revenues: | | |
| Tenant Rent | 102 | 116 |
| Other Tenant Revenue | 5 | 2 |
| Administrative Fees Earned | 426 | 449 |
| Total Revenue | 533 | 567 |
| Expenses: | | |
| Administrative Salaries | 355 | 329 |
| Employee Benefits | 107 | 107 |
| Contractual Services | 15 | 14 |
| Other Operating-Administrative | 85 | 83 |
| Utilities | 22 | 23 |
| Repairs and Maintenance | 56 | 115 |
| Insurance | 5 | 11 |
| Other General Expenses | 20 | 6 |
| Depreciation | 138 | 138 |
| Total Expenses | 803 | 826 |
| Operating Income (Loss) | (270) | (259) |
| Non-Operating Revenues (Expenses): | | |
| Intergovernmental Grants | 3268 | 3386 |
| Housing Assistance Payments | (3253) | (3580) |
| Other Non-Operating Revenue | 56 | 40 |
| Gain (Loss) on Sale of Fixed Assets | 0 | 1 |
| Total Non-Operating Revenue (Expenses) | 71 | 20 |

| | | |
|---|--------------|--------------|
| Income (Loss) before Capital Contributions & Transfers | (199) | (239) |
| Mod Grants | 3 | 173 |
| Change In Net Assets | (196) | (239) |

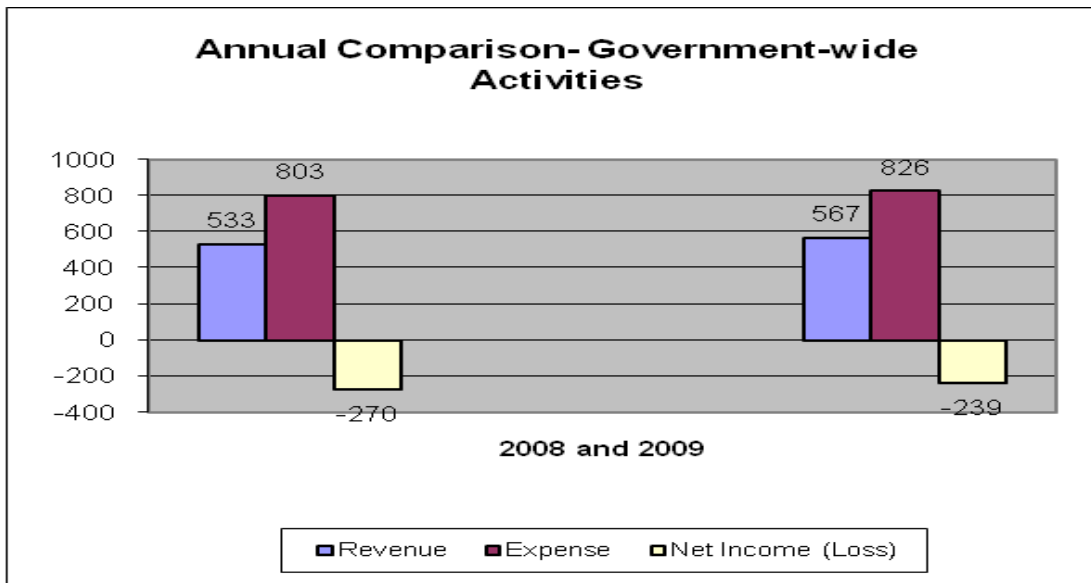
Total revenues increased \$34 or 6% during the year. This is the result of an increase in tenant rents and administrative fees earned.



Total expenses increased \$23 or 3% as compared to the prior year. Administrative Salaries showed a decrease of \$26 as a result of transferring maintenance labor to the repairs and maintenance line item, which resulted in an increase of \$59 to the repairs and maintenance expense.



For the most part, the Authority’s operating revenues seldom exceed operating expenses on an ongoing basis. Typically, deficit or unfavorable results from operations are subsidized by intergovernmental HUD assistance and Capital Fund grant programs.



Budgetary Highlights

During the year, the Authority's operating revenues exceeded budgetary expectations by \$59; however, operating expenses remained under the budget plan by \$43 after adjusting for Depreciation Expenses of \$138, thereby eliminating the need to draw upon existing net assets.

Capital Asset and Debt Administration

The Western Regional Housing Authority's investment in capital assets as of June 30, 2009, amounts to \$2928 (net of accumulated depreciation). This investment in capital assets included land, land improvements, buildings, furnishings and equipment.

Western Regional Housing Authority Capital Assets (Net of Depreciation)

| | June 30, 2009 |
|---|--------------------------|
| Land and Improvements | 514,883 |
| Buildings, Systems and Improvements | 2,327,217 |
| Furniture, Fixtures and Equipment | 72,098 |
| Construction in Progress | 14,094 |
| | <hr/> |
| Total Fixed Assets, Net of Accumulated Depreciation | <u><u>2,928,292</u></u> |

Long Term Debt:

At the end of the current fiscal year, the Housing Authority had estimated long-term compensated absences outstanding in the amount of \$34.

Economic Factors:

- The unemployment rate in Grant County as of August 2009, reported by the New Mexico Department of Workforce Solutions, is 12.5%, which is an increase from a rate of about 6% a year ago. This is considerably higher than the state's average unemployment rate of 7.6%. The unemployment rate in Luna County as of August 2009 dropped from 13% last year to 12.8%. These factors should keep demand for affordable housing high in the foreseeable future.

Requests for Information:

This financial report is designed to provide a general overview of the Western Regional Housing Authority's finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, 2545 North Silver Street, P.O. Box 3015, Silver City, NM 88062.

Western Regional Housing Authority
STATEMENT OF NET ASSETS
June 30, 2009

| | Low Rent Public Housing | Housing Choice Vouchers | Southwest Housing Assistance | State and Local | Total |
|--|-------------------------------|-------------------------------|------------------------------------|-----------------------|---------------------|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash | \$ 329,658 | \$ 391,893 | \$ 122,828 | \$ 5,964 | \$ 850,343 |
| Interfund receivable | | 2,129 | 5,000 | | 7,129 |
| Prepaid expenses | 911 | 3,643 | | | 4,554 |
| Accounts receivable (net) | 1,073 | | | 1,402 | 2,475 |
| Inventory | 4,439 | | | | 4,439 |
| | <u>\$ 336,081</u> | <u>\$ 397,665</u> | <u>\$ 127,828</u> | <u>\$ 7,366</u> | <u>\$ 868,940</u> |
| Total current assets | | | | | |
| Noncurrent assets: | | | | | |
| Restricted: | | | | | |
| Cash | \$ 10,583 | \$ 566,122 | \$ 1,588 | \$ - | \$ 578,293 |
| Capital assets, net | 2,496,642 | 34,181 | 397,469 | | 2,928,292 |
| | <u>\$ 2,507,225</u> | <u>\$ 600,303</u> | <u>\$ 399,057</u> | <u>\$ -</u> | <u>\$ 3,506,585</u> |
| Total noncurrent assets | | | | | |
| | <u>\$ 2,843,306</u> | <u>\$ 997,968</u> | <u>\$ 526,885</u> | <u>\$ 7,366</u> | <u>\$ 4,375,525</u> |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Cash overdraft | \$ - | \$ - | \$ 59 | \$ - | \$ 59 |
| Accounts payable | 8,041 | 2,960 | 150 | 1,037 | 12,188 |
| Interfund payable | | | | 7,129 | 7,129 |
| Compensated absences | 507 | 2,038 | 4 | | 2,549 |
| Deferred revenue | 779 | | | | 779 |
| Tenant deposits (payable from restricted assets) | 10,583 | | 1,588 | | 12,171 |
| | <u>\$ 19,910</u> | <u>\$ 4,998</u> | <u>\$ 1,801</u> | <u>\$ 8,166</u> | <u>\$ 34,875</u> |
| Total current liabilities | | | | | |
| Noncurrent liabilities: | | | | | |
| Compensated absences | 6,735 | 27,070 | 52 | - | 33,857 |
| | <u>\$ 26,645</u> | <u>\$ 32,068</u> | <u>\$ 1,853</u> | <u>\$ 8,166</u> | <u>\$ 68,732</u> |
| Total liabilities | | | | | |
| NET ASSETS | | | | | |
| Invested in capital assets | \$ 2,496,642 | \$ 34,181 | \$ 397,469 | \$ - | \$ 2,928,292 |
| Restricted for housing assistance payments | | 566,122 | | | 566,122 |
| Unrestricted | 320,019 | 365,597 | 127,563 | (800) | 812,379 |
| | <u>\$ 2,816,661</u> | <u>\$ 965,900</u> | <u>\$ 525,032</u> | <u>\$ (800)</u> | <u>\$ 4,306,793</u> |
| Total net assets | | | | | |

Western Regional Housing Authority
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the Fiscal Year Ended June 30, 2009

| | Low Rent Public Housing | Housing Choice Vouchers | Southwest Housing Assistance | State and Local | Total |
|---|-------------------------------|-------------------------------|------------------------------------|-----------------------|---------------------|
| Operating revenues: | | | | | |
| Tenant rent | \$ 88,901 | \$ - | \$ 27,313 | \$ - | \$ 116,214 |
| Other tenant revenue | 2,304 | | 74 | | 2,378 |
| Administration fees | | 448,628 | | | 448,628 |
| Total operating revenues | \$ 91,205 | \$ 448,628 | \$ 27,387 | \$ - | \$ 567,220 |
| Operating expenses: | | | | | |
| Personnel services | \$ 49,048 | \$ 263,172 | \$ - | \$ 16,500 | \$ 328,720 |
| Employee benefits | 12,160 | 91,288 | | 3,525 | 106,973 |
| Contractual services | 6,500 | 8,000 | | | 14,500 |
| Other administrative | 13,014 | 63,519 | 3,010 | 3,415 | 82,958 |
| Utilities | 21,130 | 1,887 | 78 | | 23,095 |
| Repairs and maintenance | 100,897 | 13,443 | | 800 | 115,140 |
| Insurance | 3,308 | 5,016 | 2,985 | | 11,309 |
| Other general expenses | 2,193 | 2,302 | 494 | 717 | 5,706 |
| Depreciation | 117,612 | 9,804 | 10,261 | | 137,677 |
| Total operating expenses | \$ 325,862 | \$ 458,431 | \$ 16,828 | \$ 24,957 | \$ 826,078 |
| Operating income (loss) | \$ (234,657) | \$ (9,803) | \$ 10,559 | \$ (24,957) | \$ (258,858) |
| Nonoperating revenue (expense): | | | | | |
| Intergovernmental grants | \$ 162,878 | \$ 3,153,774 | \$ - | \$ 70,033 | \$ 3,386,685 |
| Housing assistance payments | | (3,534,111) | | (45,759) | (3,579,870) |
| Other nonoperating revenue | 472 | 39,341 | 224 | | 40,037 |
| Gain (loss) on disposition of assets | 900 | | | | 900 |
| Total nonoperating revenues (expenses) | \$ 164,250 | \$ (340,996) | \$ 224 | \$ 24,274 | \$ (152,248) |
| Income (loss) before capital contributions | \$ (70,407) | \$ (350,799) | \$ 10,783 | \$ (683) | \$ (411,106) |
| Capital contributions | 172,719 | - | - | - | 172,719 |
| Change in net assets | \$ 102,312 | \$ (350,799) | \$ 10,783 | \$ (683) | \$ (238,387) |
| Net assets, beginning of year | 2,714,349 | 1,316,699 | 514,249 | (117) | 4,545,180 |
| Net assets, end of year | \$ 2,816,661 | \$ 965,900 | \$ 525,032 | \$ (800) | \$ 4,306,793 |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2009

| | Low Rent Public Housing | Housing Choice Vouchers | Southwest Housing Assistance | State and Local | Total |
|---|-------------------------------|-------------------------------|------------------------------------|------------------------|----------------------------|
| Cash flows from operating activities: | | | | | |
| Receipts from tenants and fees | \$ 91,379 | \$ 449,586 | \$ 27,334 | \$ - | \$ 568,299 |
| Payments to vendors | (142,688) | (92,158) | (6,405) | (7,706) | (248,957) |
| Payments to employees | (60,424) | (356,203) | | (20,025) | (436,652) |
| Net cash provided (used) by operating activities | <u>\$ (111,733)</u> | <u>\$ 1,225</u> | <u>\$ 20,929</u> | <u>\$ (27,731)</u> | <u>\$ (117,310)</u> |
| Cash flows from noncapital and related financing activities: | | | | | |
| Intergovernmental grants | \$ 162,878 | \$ 3,153,774 | \$ - | \$ 68,631 | \$ 3,385,283 |
| Housing assistance payments | | (3,534,111) | | (45,759) | (3,579,870) |
| Interfund activities | | (2,129) | | 2,129 | - |
| Other nonoperating revenues | 1,372 | 39,341 | 224 | | 40,937 |
| Net cash provided (used) by noncapital and related financing activities | <u>\$ 164,250</u> | <u>\$ (343,125)</u> | <u>\$ 224</u> | <u>\$ 25,001</u> | <u>\$ (153,650)</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Intergovernmental grants | \$ 172,719 | \$ - | \$ - | \$ - | \$ 172,719 |
| Purchase of capital assets | (215,062) | | (14,093) | | (229,155) |
| Net cash provided (used) by capital and related financing activities | <u>\$ (42,343)</u> | <u>\$ -</u> | <u>\$ (14,093)</u> | <u>\$ -</u> | <u>\$ (56,436)</u> |
| Net increase (decrease) in cash | \$ 10,174 | \$ (341,900) | \$ 7,060 | \$ (2,730) | \$ (327,396) |
| Cash, beginning of year | <u>330,067</u> | <u>1,299,915</u> | <u>117,297</u> | <u>8,694</u> | <u>1,755,973</u> |
| Cash, end of year | <u><u>\$ 340,241</u></u> | <u><u>\$ 958,015</u></u> | <u><u>\$ 124,357</u></u> | <u><u>\$ 5,964</u></u> | <u><u>\$ 1,428,577</u></u> |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
STATEMENT OF CASH FLOWS (concluded)
For the Fiscal Year Ended June 30, 2009

| | <u>Low Rent Public Housing</u> | <u>Housing Choice Vouchers</u> | <u>Southwest Housing Assistance</u> | <u>Southwest Housing Assistance</u> | <u>Total</u> |
|---|--|--|---|---|---------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ (234,657) | \$ (9,803) | \$ 10,559 | \$ (24,957) | \$ (258,858) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation expense | 117,612 | 9,804 | 10,261 | | 137,677 |
| Provision for bad debts | (1,794) | | | | (1,794) |
| (Increase) decrease in: | | | | | |
| Accounts receivable | 1,261 | 958 | 436 | | 2,655 |
| Prepaid expenses | (911) | | | | (911) |
| Inventory | 702 | (268) | | | 434 |
| Increase (decrease) in: | | | | | |
| Accounts payable | 4,563 | 2,277 | 150 | (2,774) | 4,216 |
| Compensated absences | 784 | (1,743) | 12 | | (947) |
| Deferred revenue | 117 | | | | 117 |
| Tenant deposits | 590 | | (489) | | 101 |
| Net cash provided by operating activities | <u>\$ (111,733)</u> | <u>\$ 1,225</u> | <u>\$ 20,929</u> | <u>\$ (27,731)</u> | <u>\$ (117,310)</u> |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

Note 1 Summary of Significant Accounting Policies

A. GENERAL

The Western Regional Housing Authority was organized under New Mexico statutes, to provide a conduit for housing funds for disadvantaged New Mexicans. The Authority is a political subdivision of the State of New Mexico.

The Authority complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statement No.'s 20 and 34 provide the Authority the option of electing to apply FASB pronouncements issued after November 30, 1989. The Authority has elected to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

B. FINANCIAL REPORTING ENTITY

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

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

Based on the aforementioned criteria, the Authority has no component units.

The Authority was formerly known as the Housing Authority of Region V, New Mexico. The name of the Authority was changed effective March 31, 2009, by Chapter 48 of the Laws of 2009.

C. BASIS OF PRESENTATION

Governmental-wide Financial Statements

The Statement of Net Assets and Statement of Revenues, Expenses and Changes in Net Assets display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. All Authority activities are accounted for as proprietary activities, in accordance with HUD UFRS Guidelines.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and operating revenues for each segment of the business-type activities of the Authority. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are not allocated, but are presented as separate functions. Operating revenues include charges paid by recipients of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational and capital requirements of a particular program. Revenues not classified as operating revenues are presented as non-operating revenues. The comparison of program revenues and expenses identifies the extent to which a program or business segment is self-financing or draws from the non-operating revenues of the Authority.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into one major category: proprietary. An emphasis is placed on major funds within the proprietary categories. A fund is considered major if it is the primary operating fund of the Authority or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type.

The funds of the financial reporting entity are described below:

Proprietary Fund

Enterprise Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

The Enterprise funds are as follows:

Major Funds

Low Rent Public Housing – To account for HUD’s Low Rent Public Housing and Capital Fund Program. Provides adequate living accommodations to qualified families through reduced rate rentals built and owned by the Housing Authority.

Housing Choice Vouchers – To account for HUD’s program which provides Housing Assistance payments for qualified low income residents in privately owned properties.

Southwest Housing Assistance – To account for non-subsidized housing owned and operated by the Housing Authority. Provides living accommodations to qualified families through reduced rate rentals.

State and Local - To account for State sources from the New Mexico Mortgage Finance Authority to provide intake, screening and placement into homes for disadvantaged New Mexicans.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Revenues, Expenses and Change in Net Assets business-like activities are presented using the economic resources measurement focus as defined in item “a” below.

- a. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Revenues, Expenses and Changes in Net Assets, business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

E. BUDGETS

The Housing Authority adopts budgets for its Proprietary funds in accordance with the Housing and Urban Development Program Agreements.

Budgets are prepared on the "Economic Resources" basis, excluding depreciation, and are utilized as a guide only. The budgets are not legally enforceable documents.

F. CASH AND INVESTMENTS

For the purpose of the Statement of Net Assets, "cash" includes all demand, savings accounts, and certificates of deposits of the Authority. For the purpose of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of six months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price.

State statutes authorize the government to invest in interest bearing accounts with local financial institutions, direct obligations of the U.S. Treasury or New Mexico political subdivisions, and the state treasurers investment pool.

New Mexico Statutes require that financial institutions with public monies on deposit pledge collateral, to the owner of such public monies, in an amount not less than 50% of the public monies held on deposit. Collateral pledged is held in

safekeeping by other financial institutions, with safekeeping receipts held by the Authority. The pledged securities remain in the name of the financial institution. Premiums (discounts) on investments are amortized by the interest method, or methods approximating the interest method.

G. INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “interfund receivables/payables”.

H. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Business-type activities report rents and interest earnings as their major receivables.

I. CAPITAL ASSETS

Government-wide Statements and Fund Statements

In the government-wide and fund financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Revenues, Expenses and Changes in Net Assets, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

- Buildings 40 years
- Improvements 40 years
- Machinery and Equipment 5-10 years
- Software and Library 5-10 years

Assets acquired with an original cost of \$5,000 or more are capitalized. Construction period interest is capitalized in proprietary funds.

J. RESTRICTED ASSETS

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to rent deposits, capital grants and housing payment advances.

K. LONG-TERM DEBT

All long-term debt to be repaid from business-type resources are reported as liabilities in the government-wide and fund statements. The long-term debt consists primarily of accrued compensated absences.

L. COMPENSATED ABSENCES

The Authority's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as both short and long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. Proprietary funds report the liability as it is incurred.

M. EQUITY CLASSIFICATIONS

Government-wide Statements and Fund Financial Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt- Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

N. REVENUES, EXPENDITURES, AND EXPENSES

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also

includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide and fund financial statements, expenses are classified as operating or nonoperating for business-type activities.

The Authority first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The Authority does not allocate indirect costs.

Inventories are carried at cost, valued by the first-in first-out method.

O. INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual funds have been eliminated. No interfund transfers were made during the year ended June 30, 2009.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 Custodial Credit Risk

Custodial credit risk is the risk in the event of a bank failure the Governments deposits may not be returned to it. The Authority does not have a deposit policy for credit risk beyond that disclosed in Note 1. As of June 30, 2009, \$277,076 of the Authority's bank balance of \$1,467,570 was exposed to custodial credit risk.

| | <u>Bank Balance</u> | <u>Carrying Amount</u> |
|---|-------------------------|----------------------------|
| Deposits by custodial risk | | |
| Category: | | |
| Insured | \$ 250,000 | \$ 250,000 |
| Collateral held by the pledging bank's agent in Authority's name | 940,494 | 940,494 |
| Uninsured | <u>277,076</u> | <u>237,833</u> |
| | <u>\$ 1,467,570</u> | <u>\$ 1,428,327</u> |

Note 3 Accounts Receivables

| | |
|--------------------------------------|-----------------|
| Due from tenants and others | \$ 3,897 |
| Less allowance for doubtful accounts | <u>(1,422)</u> |
| Net receivables | <u>\$ 2,475</u> |

Note 4 Capital Assets

Capital asset activity for the year ended June 30, 2009, was as follows:

| | <u>Balance</u> <u>July 1, 2008</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2009</u> |
|---------------------------------------|---------------------------------------|---------------------|------------------|--|
| Capital assets not being depreciated: | | | | |
| Land | \$ 514,883 | \$ -0- | \$ -0- | \$ 514,883 |
| Construction in progress | <u>12,562</u> | <u>14,094</u> | <u>12,562</u> | <u>14,094</u> |
| Total assets not being depreciated | <u>\$ 527,445</u> | <u>\$ 14,094</u> | <u>\$ 12,562</u> | <u>\$ 528,977</u> |
| Other capital assets: | | | | |
| Buildings/improvements | \$ 4,067,096 | \$ 227,626 | \$ -0- | \$ 4,294,722 |
| Equipment/furnishings | <u>246,523</u> | <u>-0-</u> | <u>10,519</u> | <u>236,004</u> |
| Total other assets at historical cost | <u>\$ 4,313,619</u> | <u>\$ 227,626</u> | <u>\$ 10,519</u> | <u>\$ 4,530,726</u> |
| Less accumulated depreciation for: | | | | |
| Buildings/improvements | \$(1,847,708) | \$ (119,797) | \$ -0- | \$(1,967,505) |
| Equipment/furnishings | <u>(156,543)</u> | <u>(17,882)</u> | <u>10,519</u> | <u>(163,906)</u> |
| Total accumulated depreciation | <u>\$(2,004,251)</u> | <u>\$ (137,679)</u> | <u>\$ 10,519</u> | <u>\$(2,131,411)</u> |
| Other capital assets (net) | <u>\$ 2,309,368</u> | <u>\$ 89,947</u> | <u>\$ -0-</u> | <u>\$ 2,399,315</u> |
| Capital assets, net | <u>\$ 2,836,813</u> | <u>\$ 104,041</u> | <u>\$ 12,562</u> | <u>\$ 2,928,292</u> |

Note 5 Compensated Absences

Changes in compensated absences were as follows for the year ended June 30, 2009:

| | <u>Balance</u> <u>July 1, 2008</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u> <u>June 30, 2009</u> |
|--------------|---------------------------------------|------------------|--------------------|--|
| | <u>\$ 37,352</u> | <u>\$ 24,141</u> | <u>\$ 25,087</u> | <u>\$ 36,406</u> |
| Amounts due: | | | | |
| Current | | | | \$ 2,549 |
| Long-term | | | | <u>33,857</u> |
| | | | | <u>\$ 36,406</u> |

Note 6 Retirement Plan

Plan Description

Substantially all of the Authority's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy

Plan members are required to contribute 9.15% of their gross salary. The Authority is required to contribute 9.15% of the gross covered salary. The contributor requirements of plan members and the Authority are established in State Statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Authority's contributions to PERA for the fiscal years ending June 30, 2009, 2008, and 2007 were \$64,089, \$61,336 and \$57,160 respectively, which equal the amount of the required contributions for each year.

Note 7 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Note 8 Risk Management

The Authority is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has joined together with other governments in the State and obtained insurance through the New Mexico Self Insurers Fund, a public risk pool currently operating as a common risk management and insurance program for local governments. The Authority pays an annual premium to New Mexico Self Insurers Fund for its general insurance coverage.

Limits of coverage are as follows:

- \$300,000 Medical and medically related expense per occurrence.
- \$400,000 Bodily Injury each person.
- \$750,000 Bodily Injury each occurrence.
- \$100,000 Property Damage each occurrence.

Note 9 Financial Data Schedule

The Authority is required to submit, and include with the audited financial statements, a financial data schedule, which should be presented as other supplemental data.

The financial data schedule is a hard copy of the Authority's electronic submission to the Real Estate Assessment Center. It is included as other supplemental data on pages 33-47.

Note 10 Interfund Activity

Interfund balances at June 30, 2009 consisted of the following:

| <u>Interfund Receivable</u> | <u>Interfund Payable</u> | |
|------------------------------|--------------------------|-----------------|
| | <u>State and Local</u> | <u>Total</u> |
| Housing choice vouchers | \$ 2,129 | \$ 2,129 |
| Southwest Housing Assistance | <u>5,000</u> | <u>5,000</u> |
| Total | <u>\$ 7,129</u> | <u>\$ 7,129</u> |

The loans were made to fund operating expenses and are expected to be paid within one year.

Note 11 Deficit Fund Balance

The Authority has a deficit fund balance in its State and Local Fund at June 30, 2009. This was caused by the accrual of employee benefits which were unfunded by the revenue source.

The Authority intends to transfer amounts sufficient to fund the deficit from the Southwest Housing Assistance Fund.

Western Regional Housing Authority
LOW RENT PUBLIC HOUSING
Statement of Revenues and Expenses - Budget and Actual
For the Fiscal Year Ended June 30, 2009

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|--|
| Operating revenues: | | | | |
| Tenant rent | \$ 44,388 | \$ 44,388 | \$ 88,901 | \$ 44,513 |
| Other tenant revenue | 1,500 | 1,500 | 2,304 | 804 |
| Total operating revenues | \$ 45,888 | \$ 45,888 | \$ 91,205 | \$ 45,317 |
| Operating expenses: | | | | |
| Personnel services | \$ 52,000 | \$ 50,000 | \$ 49,048 | \$ 952 |
| Employee benefits | 32,000 | 25,000 | 12,160 | 12,840 |
| Contractual services | 6,500 | 6,500 | 6,500 | |
| Other administrative | 17,000 | 18,068 | 13,014 | 5,054 |
| Utilities | 22,356 | 22,356 | 21,130 | 1,226 |
| Repairs and maintenance | 86,037 | 92,537 | 100,897 | (8,360) |
| Insurance | 3,300 | 3,300 | 3,308 | (8) |
| Other general | 3,200 | 3,220 | 2,193 | 1,027 |
| Property betterments | | 5,900 | | |
| Depreciation | | | 117,612 | (117,612) |
| Total operating expenses | \$ 222,393 | \$ 226,881 | \$ 325,862 | \$ (104,881) |
| Operating income (loss) | \$ (176,505) | \$ (180,993) | \$ (234,657) | \$ (59,564) |
| Nonoperating revenue (expense): | | | | |
| Intergovernmental grants | \$ 175,505 | \$ 179,993 | \$ 162,878 | \$ (17,115) |
| Other nonoperating revenue | 1,000 | 1,000 | 472 | (528) |
| Gain (loss) on disposition of assets | | | 900 | 900 |
| Total nonoperating revenues (expenses) | \$ 176,505 | \$ 180,993 | \$ 164,250 | \$ (16,743) |
| Income (loss) before capital contributions | \$ - | \$ - | \$ (70,407) | \$ (76,307) |
| Capital contributions | | | 172,719 | 172,719 |
| Change in net assets | \$ - | \$ - | \$ 102,312 | \$ 96,412 |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
HOUSING CHOICE VOUCHERS
Statement of Revenues and Expenses - Budget and Actual
For the Fiscal Year Ended June 30, 2009

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|------------------|--|
| Operating revenues: | | | | |
| Administrative fees | \$ 433,998 | \$ 435,838 | \$ 448,628 | \$ 12,790 |
| Total operating revenues | \$ 433,998 | \$ 435,838 | \$ 448,628 | \$ 12,790 |
| Operating expenses: | | | | |
| Personnel services | \$ 262,695 | \$ 264,250 | \$ 263,172 | \$ 1,078 |
| Employee benefits | 92,000 | 92,000 | 91,288 | 712 |
| Contract services | 8,000 | 8,000 | 8,000 | |
| Other administrative | 65,103 | 65,488 | 63,519 | 1,969 |
| Utilities | 1,900 | 2,000 | 1,887 | 113 |
| Repairs and maintenance | 14,300 | 13,400 | 13,443 | (43) |
| Insurance | 5,000 | 5,000 | 5,016 | (16) |
| Other general | 3,500 | 4,200 | 2,302 | 1,898 |
| Depreciation | | | 9,804 | (9,804) |
| Total operating expenses | \$ 452,498 | \$ 454,338 | \$ 458,431 | \$ (4,093) |
| Operating income (loss) | \$ (18,500) | \$ (18,500) | \$ (9,803) | \$ 8,697 |
| Nonoperating revenue (expense): | | | | |
| Intergovernmental grants | \$ 3,139,317 | \$ 3,153,774 | \$ 3,153,774 | \$ - |
| Housing assistance payments | (3,139,317) | (3,505,318) | (3,534,111) | (28,793) |
| Other nonoperating revenue | 18,500 | 18,500 | 39,341 | 20,841 |
| Gain (loss) on disposition of assets | | | | - |
| Total nonoperating revenues (expenses) | \$ 18,500 | \$ (333,044) | \$ (340,996) | \$ (7,952) |
| Beginning cash balance | \$ - | \$ 351,544 | \$ 350,799 | \$ (745) |
| Change in net assets | \$ - | \$ - | \$ - | \$ - |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
SOUTHWEST HOUSING ASSISTANCE
Statement of Revenues and Expenses - Budget and Actual
For the Fiscal Year Ended June 30, 2009

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|-------------------|------------------|--|
| Operating revenues: | | | | |
| Tenant rent | \$ 22,780 | \$ 22,780 | \$ 27,313 | \$ 4,533 |
| Other tenant revenue | | | 74 | 74 |
| Total operating revenues | \$ 22,780 | \$ 22,780 | \$ 27,387 | \$ 4,607 |
| Operating expenses: | | | | |
| Other administrative | \$ 5,360 | \$ 5,360 | \$ 3,504 | \$ 1,856 |
| Repairs and maintenance | 21,200 | 21,200 | | 21,200 |
| Utilities | | | 78 | (78) |
| Insurance | | | 2,985 | (2,985) |
| Depreciation | | | 10,261 | (10,261) |
| Total operating expenses | \$ 26,560 | \$ 26,560 | \$ 16,828 | \$ 9,732 |
| Operating income (loss) | \$ (3,780) | \$ (3,780) | \$ 10,559 | \$ 14,339 |
| Nonoperating revenue (expense): | | | | |
| Other nonoperating revenue | \$ 3,645 | \$ 3,645 | \$ 224 | \$ (3,421) |
| Total nonoperating revenues (expenses) | \$ 3,645 | \$ 3,645 | \$ 224 | \$ (3,421) |
| Beginning cash balance | \$ 122,680 | \$ 122,680 | - | \$ (122,680) |
| Change in net assets | \$ 122,545 | \$ 122,545 | \$ 10,783 | \$ (111,762) |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
STATE AND LOCAL
Statement of Revenues and Expenses - Budget and Actual
For the Fiscal Year Ended June 30, 2009

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|--------------------|--|
| Operating revenues: | | | | |
| Tenant rent | \$ - | \$ - | \$ - | \$ - |
| Other tenant revenue | - | - | - | - |
| Total operating revenues | \$ - | \$ - | \$ - | \$ - |
| Operating expenses: | | | | |
| Personnel services | \$ 18,000 | \$ 12,000 | \$ 16,500 | \$ (4,500) |
| Employee benefits | 4,500 | 2,400 | 3,525 | (1,125) |
| Contract services | - | - | - | - |
| Other administrative | 15,420 | 14,520 | 4,132 | 10,388 |
| Utilities | 1,000 | 1,000 | - | 1,000 |
| Repairs and maintenance | - | - | 800 | - |
| Depreciation | - | - | - | - |
| Total operating expenses | \$ 38,920 | \$ 29,920 | \$ 24,957 | \$ 5,763 |
| Operating income (loss) | \$ (38,920) | \$ (29,920) | \$ (24,957) | \$ 5,763 |
| Nonoperating revenue (expense): | | | | |
| Intergovernmental grants | \$ 79,680 | \$ 70,680 | \$ 70,033 | \$ (647) |
| Housing assistance payments | (40,760) | (40,760) | (45,759) | (4,999) |
| Other nonoperating revenue | - | - | - | - |
| Gain (loss) on disposition of assets | - | - | - | - |
| Total nonoperating revenues (expenses) | \$ 38,920 | \$ 29,920 | \$ 24,274 | \$ (5,646) |
| Income (loss) before capital contributions | \$ - | \$ - | \$ (683) | \$ 117 |
| Beginning cash balance | - | - | - | - |
| Change in net assets | \$ - | \$ - | \$ (683) | \$ 117 |

The accompanying notes are an integral part of these financial statements.

Western Regional Housing Authority
SCHEDULE OF INDIVIDUAL DEPOSIT ACCOUNTS AND INVESTMENTS
 June 30, 2009

| | <u>Type of Account</u> | <u>Bank Balance</u> | <u>Reconciled Balance</u> |
|---|----------------------------|--------------------------------|--------------------------------|
| <u>Wells Fargo Bank</u> | | | |
| Housing Assistance Payments | Checking | \$ 10,828 | \$ - |
| Voucher | Checking | 962,059 | 957,865 |
| Southwest Housing Assistance | Checking | - | (59) |
| Low Rent Public Housing | Checking | 300,000 | 283,582 |
| Linkages | Checking | 6,716 | 5,964 |
| Payroll | Checking | 9,938 | 3,049 |
| MFA | Checking | 103 | - |
| Repurchase agreement | Repurchase | <u>177,926</u> | <u>177,926</u> |
| Total bank deposits | | <u><u>\$ 1,467,570</u></u> | <u>\$ 1,428,327</u> |
| Petty cash | | | <u>250</u> |
| Total cash per financial statements | | | <u><u>\$ 1,428,577</u></u> |

Western Regional Housing Authority
SCHEDULE OF DEPOSITORY COLLATERAL
 June 30, 2009

| | Wells Fargo Bank |
|---|------------------------|
| Checking accounts | \$ 1,289,644 |
| Repurchase deposits | 177,926 |
| Total on deposit | \$ 1,467,570 |
| Less FDIC insurance | (250,000) |
| Total uninsured public funds | \$ 1,217,570 |
| 102% collateralization requirement | \$ 181,485 |
| 50% collateralization requirement (Section 6-10-17 NMSA) | 519,822 |
| Total collateralization requirement | \$ 701,307 |
| Pledged securities: | |
| FNCL, 31410FYT6 2-1-2037 | \$ 126,905 |
| FNCL 31371MHK6 11-01-2035 | 54,502 |
| WFBS 31409CWA9 5-1-2036 | 759,087 |
| Total pledged securities | \$ 940,494 |
| Pledged securities over (under) requirement | \$ 239,187 |

Securities pledged are held by the Wells Fargo Trust Department in Minneapolis, Minnesota.

Western Regional Housing Authority
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2009

| <u>Federal Grantor/Pass-through Grantor/ Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-through Grantor's Number</u> | <u>Total Awards Expended</u> |
|---|------------------------------------|--|--------------------------------------|
| <u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u> | | | |
| Direct programs: | | | |
| Public and Indian Housing | 14.850 | N/A | \$ 162,878 |
| Section 8 Housing Choice Vouchers | 14.871 | N/A | 3,982,739 |
| Public Housing Capital Fund | 14.872 | N/A | <u>172,719</u> |
| Total U.S. Department of Housing and Urban Development and total expenditures of federal awards | | | <u><u>\$ 4,318,336</u></u> |

See accompanying notes to schedule of expenditures of federal awards.

Western Regional Housing Authority
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Fiscal Year Ended June 30, 2009

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Western Regional Housing Authority, 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 2 Insurance

The Authority is a member of the New Mexico Public School Insurance Authority to which it pays an annual premium in exchange for insurance in varying amounts based on the type of risk, as follows:

| | |
|-------------------|------------|
| General liability | \$ 300,000 |
| Personal injury | 750,000 |
| Property damage | 100,000 |

Note 3 Sub-Recipients

The Authority had no Sub-recipients.

FINANCIAL DATA SCHEDULE

The financial data schedule is the internet submission of financial data required by the U.S. Department of Housing and Urban Development.

This financial data schedule, although prepared in accordance with accounting principles generally accepted in the United States of America, requires reporting of the various grants awarded the Authority as separate funds. These grants are combined by program in the financial statements.

The financial data schedule also requires classification and terminology which differ from those used in the financial statements. Therefore, the presentation may differ from that used in the financial statements.

The Financial Data Schedule is presented in the HUD required format on pages 33-47.

Balance Sheet

Cyan - Colored Cells are Self - Populating

Yellow - Colored Cells are Detail Links

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| Line Item No | Description | Fund | Project | Amount | Account | Amount |
|--------------|--|------|---------|-------------------|---------|-------------------|
| 111 | Cash-unrestricted | | | \$ 329,658 | | \$329,658 |
| 112 | Cash-restricted-modernization and development | | | \$ - | | |
| 113 | Cash-other restricted | | | \$ - | | |
| 114 | Cash-tenant security deposits | | | \$ 10,583 | | \$10,583 |
| 115 | Cash - Restricted for payment of current liability | | | \$ - | | |
| 100 | Total Cash | | | \$ 340,241 | | \$ 340,241 |

| | | | | | | |
|---------|--|--|--|-----------------|--|-----------------|
| 121 | Accounts receivable - PHA projects | | | \$ - | | |
| 122-010 | Accounts receivable - HUD other projects - Operating Subsidy | | | \$ - | | |
| 122-020 | Accounts receivable - HUD other projects - Capital fund | | | \$ - | | |
| 122-030 | Accounts receivable - HUD other projects - Other | | | \$ - | | |
| 122 | Accounts receivable - HUD other projects | | | \$ - | | \$ - |
| 124 | Account receivable - other government | | | \$ - | | |
| 125-010 | Account receivable - miscellaneous - Not For Profit | | | \$ - | | |
| 125-020 | Account receivable - miscellaneous - Partnership | | | \$ - | | |
| 125-030 | Account receivable - miscellaneous - Joint Venture | | | \$ - | | |
| 125-040 | Account receivable - miscellaneous - Tax Credit | | | \$ - | | |
| 125-050 | Account receivable - miscellaneous - Other | | | \$ 106 | | \$106 |
| 125-060 | Other - Comment | | | \$ - | | |
| 125 | Account receivable - miscellaneous | | | \$ 106 | | \$ 106 |
| 126 | Accounts receivable - tenants | | | \$ 2,389 | | \$2,389 |
| 126.1 | Allowance for doubtful accounts - tenants | | | \$ (1,422) | | -\$1,422 |
| 126.2 | Allowance for doubtful accounts - other | | | \$ - | | \$0 |
| 127 | Notes, Loans, & Mortgages Receivable - Current | | | \$ - | | |
| 128 | Fraud recovery | | | \$ - | | |
| 128.1 | Allowance for doubtful accounts - fraud | | | \$ - | | |
| 129 | Accrued interest receivable | | | \$ - | | |
| 120 | Total receivables, net of allowance for doubtful accounts | | | \$ 1,073 | | \$ 1,073 |

| | | | | | | |
|-----|----------------------------|--|--|------|--|--|
| 131 | Investments - unrestricted | | | \$ - | | |
| 132 | Investments - restricted | | | \$ - | | |

Cyan - Colored Cells are Self - Populating

Yellow - Colored Cells are Detail Links

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| Line Item No | Description | Total Projects | NY 1007000011 | Other Projects |
|--------------|---|-------------------|-------------------|----------------|
| 135 | Investments - Restricted for payment of current liability | \$ - | | |
| 142 | Prepaid expenses and other assets | \$ 911 | \$911 | |
| 143 | Inventories | \$ 4,439 | \$4,439 | |
| 143.1 | Allowance for obsolete inventories | \$ - | | |
| 144 | Inter program - due from | \$ - | | |
| 145 | Assets held for sale | \$ - | | |
| 150 | Total Current Assets | \$ 346,664 | \$ 346,664 | \$ - |

| | | | | |
|-----|--|---------------------|---------------------|-------------|
| 161 | Land | \$ 436,727 | \$436,727 | |
| 162 | Buildings | \$ 3,922,568 | \$3,922,568 | |
| 163 | Furniture, equipment and machinery - dwellings | \$ 53,759 | \$53,759 | |
| 164 | Furniture, equipment and machinery - administration | \$ 94,867 | \$94,867 | |
| 165 | Leasehold improvements | \$ - | | |
| 166 | Accumulated depreciation | \$ (2,011,279) | -\$2,011,279 | |
| 167 | Construction in progress | \$ - | | |
| 168 | Infrastructure | \$ - | | |
| 160 | Total capital assets, net of accumulated depreciation | \$ 2,496,642 | \$ 2,496,642 | \$ - |

| | | | | |
|---------|--|-------------|-------------|-------------|
| 171-010 | Notes, Loans, & mortgages receivable - Non-current - Not For Profit | \$ - | | |
| 171-020 | Notes, Loans, & mortgages receivable - Non-current - Partnership | \$ - | | |
| 171-030 | Notes, Loans, & mortgages receivable - Non-current - Joint Venture | \$ - | | |
| 171-040 | Notes, Loans, & mortgages receivable - Non-current - Tax Credit | \$ - | | |
| 171-050 | Notes, Loans, & mortgages receivable - Non-current - Other | \$ - | | |
| 171-060 | Other - Comment | \$ - | | |
| 171 | Notes, Loans, & mortgages receivable - Non-current | \$ - | \$ - | \$ - |
| 172-010 | Notes, Loans, & mortgages receivable - Non-current - past due - Not For Profit | \$ - | | |
| 172-020 | Notes, Loans, & mortgages receivable - Non-current - Partnership | \$ - | | |
| 172-030 | Notes, Loans, & mortgages receivable - Non-current - Joint Venture | \$ - | | |
| 172-040 | Notes, Loans, & mortgages receivable - Non-current - Tax Credit | \$ - | | |
| 172-050 | Notes, Loans, & mortgages receivable - Non-current - Other | \$ - | | |
| 172-060 | Other - Comment | \$ - | | |
| 172 | Notes, Loans, & mortgages receivable - Non-current - past due | \$ - | \$ - | \$ - |

Balance Sheet

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| Line Item No. | Description | Total Projects | NW06/000001 | Other Projects |
|---------------|--|----------------|--------------|----------------|
| 173 | Grants receivable - Non-current | \$ - | | |
| 174-010 | Other assets - Not For Profit | \$ - | | |
| 174-020 | Other assets - Partnership | \$ - | | |
| 174-030 | Other assets - Joint Venture | \$ - | | |
| 174-040 | Other assets - Tax Credit | \$ - | | |
| 174-050 | Other assets - Other | \$ - | | |
| 174-060 | Other - Comment | \$ - | | |
| 174 | Other assets | \$ - | \$ - | \$ - |
| 176-010 | Investment in Joint venture - Not For Profit | \$ - | | |
| 176-020 | Investment in Joint venture - Partnership | \$ - | | |
| 176-030 | Investment in Joint venture - Joint Venture | \$ - | | |
| 176-040 | Investment in Joint venture - Tax Credit | \$ - | | |
| 176-050 | Investment in Joint venture - Other | \$ - | | |
| 176-060 | Other - Comment | \$ - | | |
| 176 | Investment in joint venture | \$ - | \$ - | \$ - |
| 180 | Total Non-current Assets | \$ 2,496,642 | \$ 2,496,642 | \$ - |
| 190 | Total Assets | \$ 2,843,306 | \$ 2,843,306 | \$ - |

| | | | | |
|---------|---|----------|----------|------|
| 311 | Bank overdraft | \$ - | | |
| 312 | Accounts payable <= 90 days | \$ 4,992 | \$ 4,992 | |
| 313 | Accounts payable > 90 days past due | \$ - | | |
| 321 | Accrued wage/payroll taxes payable | \$ 3,049 | \$ 3,049 | |
| 322 | Accrued compensated absences - current portion | \$ 507 | \$ 507 | |
| 324 | Accrued contingency liability | \$ - | | |
| 325 | Accrued interest payable | \$ - | | |
| 331-010 | Accounts payable - HUD PHA Programs - Operating Subsidy | \$ - | | |
| 331-020 | Accounts payable - HUD PHA Programs - Capital fund | \$ - | | |
| 331-030 | Accounts payable - HUD PHA Programs - Other | \$ - | | |
| 331 | Accounts payable - HUD PHA Programs | \$ - | \$ - | \$ - |
| 332 | Accounts payable - PHA Projects | \$ - | | |
| 333 | Accounts payable - other government | \$ - | | |

Balance Sheet

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| Program No | Description | Total Projects | NY1067000001 | Other Projects |
|------------|---|----------------|--------------|----------------|
| 341 | Tenant security deposits | \$ 10,583 | \$10,583 | |
| 342-010 | Deferred revenue - Operating Subsidy | \$ - | | |
| 342-020 | Deferred revenue - Capital fund | \$ - | | |
| 342-030 | Deferred revenue - Other | \$ 779 | \$779 | |
| 342 | Deferred revenue | \$ 779 | \$ 779 | \$ - |
| 343-010 | CFPP | \$ - | | |
| 343-020 | Capital Projects/ Mortgage Revenue | \$ - | | |
| 343 | Current portion of long-term debt - capital projects/mortgage revenue bonds | \$ - | \$ - | \$ - |
| 344 | Current portion of long-term debt - operating borrowings | \$ - | | |
| 345 | Other current liabilities | \$ - | | |
| 346 | Accrued liabilities - other | \$ - | | |
| 347 | Inter program - due to | \$ - | | |
| 348-010 | Loan liability - current - Not For Profit | \$ - | | |
| 348-020 | Loan liability - current - Partnership | \$ - | | |
| 348-030 | Loan liability - current - Joint Venture | \$ - | | |
| 348-040 | Loan liability - current - Tax Credit | \$ - | | |
| 348-050 | Loan liability - current - Other | \$ - | | |
| 348-060 | Other - Comment | \$ - | | |
| 348 | Loan liability - current | \$ - | \$ - | \$ - |
| 310 | Total Current Liabilities | \$ 10,583 | \$ 10,583 | \$ - |
| 351-010 | Long-term debt - CFPP | \$ - | | |
| 351-020 | Long-term - Capital Projects/ Mortgage Revenue | \$ - | | |
| 351 | Capital Projects/ Mortgage Revenue Bonds | \$ - | \$ - | \$ - |
| 352 | Long-term debt, net of current - operating borrowings | \$ - | | |
| 353 | Non-current liabilities - other | \$ - | | |
| 354 | Accrued compensated absences- Non-current | \$ 6,735 | \$6,735 | |
| 355-010 | Loan liability - Non-current - Not For Profit | \$ - | | |
| 355-020 | Loan liability - Non-current - Partnership | \$ - | | |
| 355-030 | Loan liability - Non-current - Joint Venture | \$ - | | |
| 355-040 | Loan liability - Non-current - Tax Credit | \$ - | | |
| 355-050 | Loan liability - Non-current - Other | \$ - | | |

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| Account No | Description | Total Projects | NA1067000001 | Other Projects |
|------------|---|----------------|--------------|----------------|
| 355-060 | Other - Comment | | | |
| 355 | Loan liability - Non-current | \$ | \$ | \$ |
| 356 | FASB 5 Liabilities | \$ | | |
| 357 | Accrued Pension and OPEB Liability | \$ | | |
| 350 | Total Non-Current Liabilities | \$ 6,735 | \$ 6,735 | \$ |
| 300 | Total Liabilities | \$ 26,645 | \$ 26,645 | \$ |
| 508.1 | Invested in capital assets, net of related debt | \$ 2,496,643 | | \$2,496,643 |
| 511.1 | Restricted Net Assets | \$ | | |
| 512.1 | Unrestricted Net Assets | \$ 320,018 | | \$320,018 |
| 513 | Total Equity/Net Assets | \$ 2,816,661 | \$ 2,816,661 | \$ |
| 600 | Total Liabilities and Equity/Net assets | \$ 2,843,306 | \$ 2,843,306 | \$ |

Yellow - Colored Cells are Detail Links

Cyan - Colored Cells are Self - Populating

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| Account Number | Description | Total Revenue | Other Revenue | Operating Profit | Capital Profit | Operating Profit | Capital Profit | Operating Profit | Capital Profit |
|----------------|---|---------------|---------------|------------------|----------------|------------------|----------------|------------------|----------------|
| 70300 | Net tenant rental revenue | \$ 88,901 | \$ 88,901 | \$ 88,901 | \$ - | \$ 88,901 | \$ - | \$ 88,901 | \$ - |
| 70400 | Tenant revenue - other | \$ 2,304 | \$ 2,304 | \$ 2,304 | \$ - | \$ 2,304 | \$ - | \$ 2,304 | \$ - |
| 70500 | Total Tenant Revenue | \$ 91,205 | \$ 91,205 | \$ 91,205 | \$ - | \$ 91,205 | \$ - | \$ 91,205 | \$ - |
| 70600-010 | Housing assistance payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-020 | Ongoing administrative fees earned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-030 | Hard to house fee revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-031 | FSS Coordinator | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-040 | Actual independent public accountant audit costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-050 | Total preliminary fees earned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-060 | All other fees | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600-070 | Admin fee calculation description | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70600 | Total PHA operating grants | \$ 162,878 | \$ 162,878 | \$ 162,878 | \$ - | \$ 162,878 | \$ - | \$ 162,878 | \$ - |
| 70610 | Capital grants | \$ 172,719 | \$ 172,719 | \$ 172,719 | \$ - | \$ 172,719 | \$ - | \$ 172,719 | \$ - |
| 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71100-010 | Housing Assistance Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71100-020 | Administrative Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71100 | Investment income - unrestricted | \$ 472 | \$ 472 | \$ 472 | \$ - | \$ 472 | \$ - | \$ 472 | \$ - |
| 71200 | Mortgage interest income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71300 | Proceeds from disposition of assets held for sale | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71310 | Cost of sale of assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71400-010 | Housing Assistance Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71400-020 | Administrative Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71400 | Other revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71500 | Fraud recovery | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71600 | Gain or loss on sale of capital assets | \$ 900 | \$ 900 | \$ 900 | \$ - | \$ 900 | \$ - | \$ 900 | \$ - |
| 72000-010 | Housing Assistance Payment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72000-020 | Administrative Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72000 | Investment income - restricted | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70000 | Total Revenue | \$ 428,714 | \$ 428,714 | \$ 428,714 | \$ - | \$ 428,714 | \$ - | \$ 428,714 | \$ - |
| 91100 | Administrative salaries | \$ 49,048 | \$ 49,048 | \$ 49,048 | \$ - | \$ 49,048 | \$ - | \$ 49,048 | \$ - |
| 91200 | Auditing fees | \$ 6,500 | \$ 6,500 | \$ 6,500 | \$ - | \$ 6,500 | \$ - | \$ 6,500 | \$ - |
| 91300 | Management Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91310 | Book-Keeping Fee | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91400 | Advertising and Marketing | \$ 12,160 | \$ 12,160 | \$ 12,160 | \$ - | \$ 12,160 | \$ - | \$ 12,160 | \$ - |
| 91500 | Employee benefit contributions - administrative | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91600 | Office Expenses | \$ 2,277 | \$ 2,277 | \$ 2,277 | \$ - | \$ 2,277 | \$ - | \$ 2,277 | \$ - |
| 91700 | Legal Expense | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91800 | Travel | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91810 | Allocated Overhead | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | | | | |
|-----------|---|----|---------|----|---------|-----------|----|----|----|
| 91900 | Other | \$ | 10,737 | \$ | 10,737 | \$10,737 | \$ | \$ | \$ |
| 91900 | Total Operating-Administrative | \$ | 80,722 | \$ | 80,722 | 80,722 | \$ | \$ | \$ |
| 92000 | Asset Management Fee | \$ | - | \$ | - | - | \$ | \$ | \$ |
| 92100 | Tenant services - salaries | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 92200 | Relocation Costs | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 92300 | Employee benefit contributions - tenant services | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 92400 | Tenant services - other | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 92500 | Total Tenant Services | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93100 | Water | \$ | 13,184 | \$ | 13,184 | \$13,184 | \$ | \$ | \$ |
| 93200 | Electricity | \$ | 6,379 | \$ | 6,379 | \$6,379 | \$ | \$ | \$ |
| 93300 | Gas | \$ | 1,587 | \$ | 1,587 | \$1,587 | \$ | \$ | \$ |
| 93400 | Fuel | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93500 | Labor | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93600 | Sewer | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93700 | Employee benefit contributions - utilities | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93800 | Other utilities expense | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 93900 | Total Utilities | \$ | 21,130 | \$ | 21,130 | 21,130 | \$ | \$ | \$ |
| 94100 | Ordinary maintenance and operations - labor | \$ | 43,866 | \$ | 43,866 | \$43,866 | \$ | \$ | \$ |
| 94200 | Ordinary maintenance and operations - materials and other | \$ | 25,952 | \$ | 25,952 | \$25,952 | \$ | \$ | \$ |
| 94300-010 | Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts | \$ | 11,637 | \$ | 11,637 | \$11,637 | \$ | \$ | \$ |
| 94300-020 | Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-030 | Ordinary Maintenance and Operations Contracts - Snow Removal Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-040 | Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-050 | Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts | \$ | 1,930 | \$ | 1,930 | \$1,930 | \$ | \$ | \$ |
| 94300-060 | Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-070 | Ordinary Maintenance and Operations Contracts - Electrical Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-080 | Ordinary Maintenance and Operations Contracts - Plumbing Contracts | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 94300-090 | Ordinary Maintenance and Operations Contracts - Extermination Contracts | \$ | 2,004 | \$ | 2,004 | \$2,004 | \$ | \$ | \$ |
| 94300-100 | Ordinary Maintenance and Operations Contracts - Janitorial Contracts | \$ | 5896 | \$ | 5,896 | \$5,896 | \$ | \$ | \$ |
| 94300-110 | Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts | \$ | 1,013 | \$ | 1,013 | \$1,013 | \$ | \$ | \$ |
| 94300-120 | Ordinary Maintenance and Operations Contracts - Misc Contracts | \$ | 2,374 | \$ | 2,374 | \$2,374 | \$ | \$ | \$ |
| 94300 | Ordinary Maintenance and Operations Contracts | \$ | 18,854 | \$ | 18,854 | \$18,854 | \$ | \$ | \$ |
| 94500 | Employee benefit contribution - ordinary maintenance | \$ | 11,225 | \$ | 11,225 | \$11,225 | \$ | \$ | \$ |
| 94000 | Total Maintenance | \$ | 100,897 | \$ | 100,897 | \$100,897 | \$ | \$ | \$ |
| 95100 | Protective services - labor | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 95200 | Protective services - other contract costs | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 95300 | Protective services - other | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 95300 | Employee benefit contributions - protective services | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 95000 | Total Protective Services | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96110 | Property Insurance | \$ | 3,277 | \$ | 3,277 | \$3,277 | \$ | \$ | \$ |
| 96120 | Liability Insurance | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96130 | Workmen's Compensation | \$ | 531 | \$ | 531 | \$531 | \$ | \$ | \$ |
| 96140 | All other Insurance | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96100 | Total Insurance Premiums | \$ | 3,808 | \$ | 3,808 | \$3,808 | \$ | \$ | \$ |
| 96200 | Other general expenses | \$ | 3,202 | \$ | 3,202 | \$3,202 | \$ | \$ | \$ |
| 96210 | Compensated absences | \$ | 784 | \$ | 784 | \$784 | \$ | \$ | \$ |
| 96300 | Payments in lieu of taxes | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96400 | Bad debt - tenant rents | \$ | (1,795) | \$ | (1,795) | -\$1,795 | \$ | \$ | \$ |
| 96500 | Bad debt - mortgages | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96600 | Bad debt - other | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96800 | Severance expense | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96900 | Total Other General Expenses | \$ | 2,191 | \$ | 2,191 | \$2,191 | \$ | \$ | \$ |

| | | | | | | | | | |
|-------|---|----|----|----|----|----|----|----|----|
| 96700 | Interest on Mortgage (or Bonds) Payable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96720 | Interest on Notes Payable (Short and Long Term) | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96730 | Amortization of Bond Issue Costs | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 96790 | Total Interest Expense and Amortization Cost | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |

| | | | | | | | | | | | |
|-------|--|----|---------|----|---------|----|---------|----|---------|----|----|
| 96900 | Total Operating Expenses | \$ | 208,248 | \$ | 208,248 | \$ | 208,248 | \$ | 172,719 | \$ | \$ |
| 97000 | Excess Revenue Over Operating Expenses | \$ | 219,926 | \$ | 219,926 | \$ | 47,207 | \$ | 172,719 | \$ | \$ |

| | | | | | | | | | | | |
|-----------|----------------------------------|----|---------|----|---------|----|---------|----|---------|----|----|
| 97100 | Extraordinary maintenance | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97200 | Casualty losses- Non-capitalized | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-010 | Mainstream 1 & 5 Year | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-020 | Home-Ownership | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-025 | Litigation | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-030 | Hope IV | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-035 | Moving to Work | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-040 | Tenant Protection | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300-050 | All Other | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97300 | Housing assistance payments | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97350 | ELAP Portability-1a | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97400 | Depreciation expense | \$ | 117,612 | \$ | 117,612 | \$ | 117,612 | \$ | 117,612 | \$ | \$ |
| 97500 | Fraud losses | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 97800 | Dwelling units rent expense | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 90000 | Total Expenses | \$ | 325,860 | \$ | 325,860 | \$ | 325,860 | \$ | 325,860 | \$ | \$ |

| | | | | | | | | | | | |
|-----------|--|----|----------|----|----------|----|----------|----|----------|----|----|
| 10010 | Operating transfer in | \$ | 35,179 | \$ | 35,179 | \$ | 35,179 | \$ | 35,179 | \$ | \$ |
| 10020 | Operating transfer out | \$ | (35,179) | \$ | (35,179) | \$ | (35,179) | \$ | (35,179) | \$ | \$ |
| 10030-010 | Net For Profit | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030-020 | Partnership | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030-030 | Joint Venture | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030-040 | Tax Credit | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030-050 | Other | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030-060 | Other - Comment | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10030 | Operating transfers from / to primary government | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10040 | Operating transfers from / to component unit | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 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 Programs and Projects - in | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10094 | Transfers between Programs and Projects - out | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 10100 | Total other financing sources (uses) | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |

| | | | | | | | | | | | |
|-------|--|----|-----------|----|-----------|----|-----------|----|-----------|----|----|
| 10000 | Excess (Deficiency) of Revenue Over (Under) Expenses | \$ | 102,391 | \$ | 102,391 | \$ | 102,391 | \$ | 102,391 | \$ | \$ |
| 11020 | Required Annual Debt Principal Payments | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11030 | Beginning equity | \$ | 2,714,349 | \$ | 2,714,349 | \$ | 2,714,349 | \$ | 2,714,349 | \$ | \$ |

| | | | | | | | | | | | |
|-----------|--|----|----|----|----|----|----|----|----|----|----|
| 11040-010 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-020 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-030 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-040 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-050 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-060 | Prior period adjustments and correction of errors - Editable | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-070 | Equity Transfers | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-080 | Equity Transfers | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-090 | Equity Transfers | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-100 | Equity Transfers | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 11040-110 | Equity Transfers | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |

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| | | | | | | | |
|-----|---|----|--|--|--|--|--|
| 111 | Redeem restricted | \$ | | | | | |
| 112 | Capitalized - modernization and development | \$ | | | | | |
| 113 | Capitalized restricted | \$ | | | | | |
| 114 | California security deposits | \$ | | | | | |
| 115 | Check - Restricted for payment of current liability | \$ | | | | | |
| 116 | Total Cash | \$ | | | | | |

| | | | | | | | |
|---------|--|----|--|--|--|--|--|
| 121 | Account receivable - PHA projects | \$ | | | | | |
| 122-010 | Account receivable - HUD other projects - Operating Subsidy | \$ | | | | | |
| 122-020 | Account receivable - HUD other projects - Capital fund | \$ | | | | | |
| 122-030 | Account receivable - HUD other projects - Other | \$ | | | | | |
| 122 | Account receivable - HUD other projects | \$ | | | | | |
| 123 | Account receivable - other government | \$ | | | | | |
| 123-010 | Account receivable - miscellaneous - Not For Profit | \$ | | | | | |
| 123-020 | Account receivable - miscellaneous - Partnership | \$ | | | | | |
| 123-030 | Account receivable - miscellaneous - Joint Venture | \$ | | | | | |
| 123-040 | Account receivable - miscellaneous - Tax Credit | \$ | | | | | |
| 123-050 | Account receivable - miscellaneous - Other | \$ | | | | | |
| 123 | Other - Commercial | \$ | | | | | |
| 124 | Account receivable - miscellaneous | \$ | | | | | |
| 125 | Allowance for doubtful accounts - tenants | \$ | | | | | |
| 126 | Allowance for doubtful accounts - other | \$ | | | | | |
| 127 | Notes, Loans & Mortgages Receivable - Current | \$ | | | | | |
| 128 | Fraud recovery | \$ | | | | | |
| 128.1 | Allowance for doubtful accounts - fraud | \$ | | | | | |
| 129 | Accrual interest receivable | \$ | | | | | |
| 130 | Total receivables, net of allowance for doubtful accounts | \$ | | | | | |

| | | | | | | | |
|-------|--|----|--|--|--|--|--|
| 131 | Investments - unretrieved | \$ | | | | | |
| 132 | Investments - restricted | \$ | | | | | |
| 133 | Investments - Restricted for payment of current liability | \$ | | | | | |
| 142 | Prepaid expenses and other assets | \$ | | | | | |
| 143 | Inventory | \$ | | | | | |
| 143.1 | Allowance for obsolete inventory | \$ | | | | | |
| 144 | Asset program - due from | \$ | | | | | |
| 145 | Assets held for sale | \$ | | | | | |
| 146 | Total Current Assets | \$ | | | | | |
| 147 | Land | \$ | | | | | |
| 148 | Buildings | \$ | | | | | |
| 149 | Furniture, equipment and machinery - depletions | \$ | | | | | |
| 150 | Furniture, equipment and machinery - acquisition | \$ | | | | | |
| 151 | Leasable improvements | \$ | | | | | |
| 152 | Accumulated depreciation | \$ | | | | | |
| 153 | Construction in progress | \$ | | | | | |
| 154 | Deferred income | \$ | | | | | |
| 155 | Total capital assets, net of accumulated depreciation | \$ | | | | | |

| | | | | | | | |
|---------|--|----|--|--|--|--|--|
| 171-010 | Notes, Loans & mortgages receivable - Non-current - Not For Profit | \$ | | | | | |
| 171-020 | Notes, Loans & mortgages receivable - Non-current - Partnership | \$ | | | | | |
| 171-030 | Notes, Loans & mortgages receivable - Non-current - Joint Venture | \$ | | | | | |
| 171-040 | Notes, Loans & mortgages receivable - Non-current - Tax Credit | \$ | | | | | |
| 171-050 | Notes, Loans & mortgages receivable - Non-current - Other | \$ | | | | | |
| 171-060 | Other - Commercial | \$ | | | | | |
| 172-010 | Notes, Loans, & mortgages receivable - Non-current - part due - Not For Profit | \$ | | | | | |
| 172-020 | Notes, Loans & mortgages receivable - Non-current - Partnership | \$ | | | | | |
| 172-030 | Notes, Loans & mortgages receivable - Non-current - Joint Venture | \$ | | | | | |
| 172-040 | Notes, Loans, & mortgages receivable - Non-current - Tax Credit | \$ | | | | | |
| 172-050 | Notes, Loans, & mortgages receivable - Non-current - Other | \$ | | | | | |
| 172-060 | Other - Commercial | \$ | | | | | |
| 173 | Notes, Loans, & mortgages receivable - Non-current - part due | \$ | | | | | |

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| | | | | | | | | | |
|---------|---|----|-----------|----|--------|----|---------|----|-------|
| 171 | Current receivable - Non-current | | | | | | | | |
| 171-010 | Other assets - Not For Profit | | | | | | | | |
| 171-020 | Other assets - Partnership | | | | | | | | |
| 171-030 | Other assets - Joint Venture | | | | | | | | |
| 171-040 | Other assets - Tax Credit | | | | | | | | |
| 171-050 | Other assets - Other | | | | | | | | |
| 171-060 | Other - Comment | | | | | | | | |
| 171 | Other assets | | | | | | | | |
| 176-010 | Investment in Joint venture - Not For Profit | | | | | | | | |
| 176-020 | Investment in Joint venture - Partnership | | | | | | | | |
| 176-030 | Investment in Joint venture - Joint Venture | | | | | | | | |
| 176-040 | Investment in Joint venture - Tax Credit | | | | | | | | |
| 176-050 | Investment in Joint venture - Other | | | | | | | | |
| 176-060 | Other - Comment | | | | | | | | |
| 176 | Investment in joint venture | | | | | | | | |
| 176 | Investment in joint venture | | | | | | | | |
| 180 | Total Non-current Assets | \$ | 1,522,219 | \$ | 27,685 | \$ | 997,968 | \$ | 7,366 |
| 190 | Total Assets | | | | | | | | |
| 311 | Bank overdraft | | | | | | | | |
| 312 | Accounts payable <= 90 days | | | | | | | | |
| 313 | Accounts payable > 90 days past due | | | | | | | | |
| 321 | Accrued wage/payroll taxes payable | | | | | | | | |
| 322 | Accrued compensated absences - current portion | | | | | | | | |
| 324 | Accrued contingency liability | | | | | | | | |
| 325 | Accrued interest payable | | | | | | | | |
| 331-010 | Accounts payable - HUD PMA Programs - Operating Subsidy | | | | | | | | |
| 331-020 | Accounts payable - HUD PMA Programs - Capital fund | | | | | | | | |
| 331-030 | Accounts payable - HUD PMA Programs - Other | | | | | | | | |
| 331 | Accounts payable - PHA Projects | | | | | | | | |
| 332 | Accounts payable - other government | | | | | | | | |
| 341 | Tenant security deposits | | | | | | | | |
| 342-010 | Deferred revenue - Operating Subsidy | | | | | | | | |
| 342-020 | Deferred revenue - Capital fund | | | | | | | | |
| 342-030 | Deferred revenue - Other | | | | | | | | |
| 342 | Deferred revenue | | | | | | | | |
| 443-010 | CFPP | | | | | | | | |
| 443-020 | Capital Projects/Mortgage Revenue | | | | | | | | |
| 443 | Current portion of long-term debt - capital projects/mortgage revenue bonds | | | | | | | | |
| 344 | Current portion of long-term debt - operating borrowings | | | | | | | | |
| 345 | Other current liabilities | | | | | | | | |
| 346 | Accrued liabilities - other | | | | | | | | |
| 347 | Finer program - due to | | | | | | | | |
| 348-010 | Loan liability - current - Not For Profit | | | | | | | | |
| 348-020 | Loan liability - current - Partnership | | | | | | | | |
| 348-030 | Loan liability - current - Joint Venture | | | | | | | | |
| 348-040 | Loan liability - current - Tax Credit | | | | | | | | |
| 348-050 | Loan liability - current - Other | | | | | | | | |
| 348-060 | Other - Comment | | | | | | | | |
| 348 | Loan liability - current | | | | | | | | |
| 348 | Loan liability - current | | | | | | | | |
| 351-010 | Long-term debt - CFPP | | | | | | | | |
| 351-020 | Long-term debt - Capital Projects/Mortgage Revenue | | | | | | | | |
| 351 | Capital Projects/Mortgage Revenue Bonds | | | | | | | | |
| 352 | Long-term debt, net of, current - operating borrowings | | | | | | | | |
| 353 | Non-current liabilities - other | | | | | | | | |
| 354 | Accrued compensated absences - Non-current | | | | | | | | |
| 355-010 | Loan liability - Non-current - Not For Profit | | | | | | | | |
| 355-020 | Loan liability - Non-current - Partnership | | | | | | | | |
| 355-030 | Loan liability - Non-current - Joint Venture | | | | | | | | |
| 355-040 | Loan liability - Non-current - Tax Credit | | | | | | | | |
| 355-050 | Loan liability - Non-current - Other | | | | | | | | |
| 355-060 | Other - Comment | | | | | | | | |

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| | | | | | | | | | |
|-----|---|----|-----------|----|-----------|----|---------|----|-------|
| 145 | Loan Liability - Non-current | | | | | | | | |
| 146 | FASB 5 Liabilities | | | | | | | | |
| 147 | Accrued Pension and Other Liability | | | | | | | | |
| 150 | Total Non-current Liabilities | \$ | 37,122 | \$ | 521 | \$ | 37,070 | \$ | |
| 150 | Total Liabilities | \$ | 42,007 | \$ | 1,053 | \$ | 37,463 | \$ | 3,167 |
| 508 | Invested in capital assets, net of related debt | \$ | 43,481 | \$ | 5,097,469 | \$ | 334,181 | \$ | |
| 511 | Restricted Net Assets | \$ | 266,122 | \$ | | \$ | 546,122 | \$ | |
| 512 | Unrestricted Net Assets | \$ | 497,200 | \$ | 1,127,563 | \$ | 346,597 | \$ | -890 |
| 513 | Total Equity/Net Assets | \$ | 1,190,122 | \$ | 5,245,132 | \$ | 695,900 | \$ | (890) |
| 603 | Total Liabilities and Equity/Net assets | \$ | 1,593,219 | \$ | 5,285,851 | \$ | 997,403 | \$ | 5,601 |

| | | | | | | | | | |
|-----------|---|----|-----------|----|-----------|----|-----------|----|--|
| 70300 | Net Grant/Fund revenue | \$ | 222,113 | \$ | 42,713 | \$ | | \$ | |
| 70310 | Total revenue - other | \$ | 2,971 | \$ | 2,971 | \$ | | \$ | |
| 70350 | Total Grant Revenue | \$ | 225,084 | \$ | 45,684 | \$ | | \$ | |
| 70600-116 | Housing assistance payments | \$ | 1,153,774 | \$ | | \$ | 3,151,774 | \$ | |
| 71000-120 | Ongoing administrative fees earned | \$ | 137,639 | \$ | | \$ | 448,628 | \$ | |
| 71000-120 | Hard to house fee revenue | \$ | | \$ | | \$ | | \$ | |
| 71000-111 | RSS Coordinator | \$ | | \$ | | \$ | | \$ | |
| 71000-140 | Actual independent public account audit costs | \$ | | \$ | | \$ | | \$ | |
| 71000-135 | Total preliminary fees earned | \$ | | \$ | | \$ | | \$ | |
| 71000-100 | All other fees | \$ | | \$ | | \$ | | \$ | |
| 71000-170 | Admin fee calculation description | \$ | | \$ | | \$ | | \$ | |
| 71000 | HUD PHA operating grants | \$ | 1,291,413 | \$ | 3,600,402 | \$ | | \$ | |
| 71000 | Capital grants | \$ | | \$ | | \$ | | \$ | |
| 70710 | Management Fee | \$ | | \$ | | \$ | | \$ | |
| 70720 | Asset Management Fee | \$ | | \$ | | \$ | | \$ | |
| 70730 | Book-Keeping Fee | \$ | | \$ | | \$ | | \$ | |
| 70740 | Front Line Service Fee | \$ | | \$ | | \$ | | \$ | |
| 70750 | Other Fees | \$ | | \$ | | \$ | | \$ | |
| 70750 | Total Fee Revenue | \$ | | \$ | | \$ | | \$ | |

| | | | | | | | | | |
|-----------|---|----|-----------|----|--------|----|-----------|----|-----------|
| 71000 | Other government grants | \$ | 2,971 | \$ | | \$ | | \$ | 470,033 |
| 71100-110 | Housing Assistance Payment | \$ | | \$ | | \$ | | \$ | |
| 71100-120 | Administrative Fee | \$ | | \$ | 5,497 | \$ | | \$ | |
| 71100 | Investment income - unvestified | \$ | 1,227 | \$ | | \$ | | \$ | |
| 71200 | Mortgage interest income | \$ | | \$ | | \$ | | \$ | |
| 71200 | Proceeds from disposition of asset, held for sale | \$ | | \$ | | \$ | | \$ | |
| 71310 | Cost of sale of assets | \$ | | \$ | | \$ | | \$ | |
| 71400-110 | Housing Assistance Payment | \$ | 1,811,616 | \$ | | \$ | | \$ | |
| 71400-120 | Administrative Fee | \$ | 18,916 | \$ | | \$ | | \$ | |
| 71400 | Fund recovery | \$ | 97,892 | \$ | | \$ | | \$ | |
| 71400 | Other revenue | \$ | 574 | \$ | | \$ | | \$ | |
| 71600 | Gain or loss on sale of capital assets | \$ | | \$ | | \$ | | \$ | |
| 72000-110 | Housing Assistance Payment | \$ | 4,861 | \$ | | \$ | | \$ | |
| 72000-120 | Administrative Fee | \$ | | \$ | | \$ | | \$ | |
| 72000 | Investment income - restricted | \$ | 52 | \$ | | \$ | | \$ | |
| 72000 | Total Revenue | \$ | 1,703,597 | \$ | 37,611 | \$ | 3,601,764 | \$ | 4,000,033 |
| 91100 | Administrative salaries | \$ | 2,079,826 | \$ | | \$ | 426,172 | \$ | 116,500 |
| 91200 | Auditing fees | \$ | 2,000 | \$ | | \$ | 1,000 | \$ | |
| 91700 | Management Fee | \$ | | \$ | | \$ | | \$ | |
| 91710 | Book-Keeping Fee | \$ | | \$ | | \$ | | \$ | |
| 91400 | Advertising and Marketing | \$ | | \$ | | \$ | | \$ | |
| 91500 | Employee benefit contributions - administrative | \$ | 64,813 | \$ | | \$ | 591,238 | \$ | 93,725 |
| 91600 | Office Expenses | \$ | 360 | \$ | | \$ | 516 | \$ | |
| 91700 | Legal Expense | \$ | | \$ | | \$ | | \$ | |

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| | | | | | | |
|-----------|---|----|---------|--------|----------|---------|
| 91800 | Travel | \$ | 3,829 | \$497 | \$7,399 | \$717 |
| 91810 | Alcohol Overhead | \$ | | | | |
| 91820 | Other | \$ | 42,173 | 51,998 | \$5,760 | \$3,415 |
| 91800 | Total Operating-Administrative | \$ | 46,002 | 52,495 | \$12,159 | \$3,132 |
| 92000 | Asset Management Fee | \$ | | | | |
| 92100 | Tenant services - salaries | \$ | | | | |
| 92200 | Redemption Cost | \$ | | | | |
| 92300 | Employee benefit contributions - lease contract | \$ | | | | |
| 92400 | Tenant services - other | \$ | | | | |
| 92500 | Total Tenant Services | \$ | | | | |
| 93100 | Water | \$ | 273 | \$32 | \$441 | |
| 93200 | Electricity | \$ | 2,292 | \$14 | \$1,145 | |
| 93300 | Gas | \$ | 334 | \$33 | \$301 | |
| 93400 | Fuel | \$ | | | | |
| 93500 | Labor | \$ | | | | |
| 93600 | Sewer | \$ | | | | |
| 93700 | Employee benefit contributions - utility | \$ | | | | |
| 93800 | Other utilities expense | \$ | | | | |
| 93900 | Total Utilities | \$ | 3,069 | \$79 | \$1,887 | \$1,248 |
| 94100 | Ordinary maintenance and operations - floor | \$ | | | | |
| 94200 | Ordinary maintenance and operations - materials and other | \$ | 2,802 | \$263 | \$2,346 | |
| 94300-400 | Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts | \$ | | | | |
| 94300-420 | Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts | \$ | | | | |
| 94300-430 | Ordinary Maintenance and Operations Contracts - Snow Removal Contracts | \$ | | | | |
| 94300-440 | Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts | \$ | | | | |
| 94300-450 | Ordinary Maintenance and Operations Contracts - Landscaping & Grounds Contracts | \$ | | | | |
| 94300-460 | Ordinary Maintenance and Operations Contracts - Jan Turnaround Contract | \$ | | | | |
| 94300-470 | Ordinary Maintenance and Operations Contracts - Electrical Contracts | \$ | | | | |
| 94300-480 | Ordinary Maintenance and Operations Contracts - Plumbing Contracts | \$ | | | | |
| 94300-490 | Ordinary Maintenance and Operations Contracts - Exterior Maintenance Contracts | \$ | | | | |
| 94300-500 | Ordinary Maintenance and Operations Contracts - Janitorial Contracts | \$ | | | | |
| 94300-510 | Ordinary Maintenance and Operations Contracts - Routine Maintenance Contract | \$ | | | | |
| 94300-520 | Ordinary Maintenance and Operations Contracts - Misc Contracts | \$ | | | | |
| 94300 | Ordinary Maintenance and Operations Contracts | \$ | 2,802 | \$263 | \$2,346 | \$1,248 |
| 94500 | Employee benefit contributions - ordinary maintenance | \$ | | | | |
| 94600 | Total Maintenance | \$ | 2,802 | \$263 | \$2,346 | \$1,248 |
| 95100 | Protective services - labor | \$ | | | | |
| 95200 | Protective services - other contract costs | \$ | | | | |
| 95300 | Protective services - other | \$ | | | | |
| 95400 | Employee benefit contributions - protective services | \$ | | | | |
| 95500 | Total Protective Services | \$ | | | | |
| 96100 | Property Insurance | \$ | | | | |
| 96110 | Liability Insurance | \$ | | | | |
| 96120 | Workers' Compensation | \$ | | | | |
| 96130 | All Other Insurance | \$ | | | | |
| 96100 | Total Insurance Premiums | \$ | | | | |
| 96200 | Other general expenses | \$ | 3,815 | | \$4,045 | |
| 96210 | Compensated Absences | \$ | | | | |
| 96220 | Payroll to less of taxes | \$ | (1,927) | \$12 | \$1,745 | |
| 96230 | Bad debt - rental cars | \$ | | | | |
| 96240 | Bad debt - mortgages | \$ | | | | |
| 96250 | Bad debt - other | \$ | | | | |
| 96260 | Service expense | \$ | | | | |

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| | | | | | | |
|-------|------------------------------|----------|------|-------|----------|------|
| 96090 | Total Other General Expenses | \$ 3,317 | \$ - | \$ 12 | \$ 1,302 | \$ - |
|-------|------------------------------|----------|------|-------|----------|------|

| | | | | | | |
|-------|--|------|------|------|------|------|
| 96710 | Interest of Mortgage for Bonds Payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96720 | Interest on Notes (5Yr/5s Short and Long Term) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96730 | Amortization of Bond Issue Costs | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96790 | Total Interest Expense and Amortization Cost | \$ - | \$ - | \$ - | \$ - | \$ - |

| | | | | | | |
|-------|--------------------------|------------|------|----------|------------|-----------|
| 96900 | Total Operating Expenses | \$ 400,151 | \$ - | \$ 6,687 | \$ 448,622 | \$ 23,957 |
|-------|--------------------------|------------|------|----------|------------|-----------|

| | | | | | | |
|-------|--|--------------|------|-----------|--------------|-----------|
| 97000 | Excess Reserve Over Operating Expenses | \$ 2,259,236 | \$ - | \$ 21,044 | \$ 2,039,116 | \$ 45,076 |
|-------|--|--------------|------|-----------|--------------|-----------|

| | | | | | | |
|-----------|-----------------------------------|--------------|------|-----------|--------------|-----------|
| 97100 | Extraordinary Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97200 | Casualty Losses - Non-capitalized | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-010 | Mainstream 1 & 3 Year | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-020 | Home Ownership | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-030 | Liability | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-040 | Home IV | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-050 | Moving to Work | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-060 | Terrain Protection | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97300-070 | All Other | \$ 3,453,111 | \$ - | \$ - | \$ 3,534,111 | \$ - |
| 97390 | Reserve assistance payments | \$ 2,979,705 | \$ - | \$ - | \$ 3,024,817 | \$ 45,112 |
| 97400 | HAF Forfeiture-in | \$ - | \$ - | \$ 10,261 | \$ 9,804 | \$ - |
| 97500 | Disposal of expense | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97600 | Prand Forest | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97800 | Dwelling units real expense | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97900 | Total Expenses | \$ 6,687 | \$ - | \$ 21,044 | \$ 6,627 | \$ 45,112 |

| | | | | | | |
|-----------|--|--------------|------|-----------|--------------|-----------|
| 10010 | Operating transfer in | \$ 1,000,000 | \$ - | \$ - | \$ 1,000,000 | \$ - |
| 10020 | Operating transfer out | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-010 | Net For Profit | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-020 | Partnership | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-030 | Joint Venture | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-040 | Tax Credit | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-050 | Other | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10030-060 | Other Commitment | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10050 | Operating transfers from / to primary government | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10070 | Operating transfers from / to commercial unit | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10070 | Extrajurisdictional items, not general | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10080 | Special Home and purchase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10090 | Inter Project Excess Cash Transfer In | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10092 | Inter Project Excess Cash Transfer Out | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10095 | Transfers between Programs and Divisions - in | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10096 | Transfers between Programs and Divisions - out | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10100 | Total other financing sources (uses) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10000 | Excess (Deficiency) of Revenue Over (Under) Expenses | \$ 1,409,236 | \$ - | \$ 10,703 | \$ 1,398,533 | \$ 88,352 |

| | | | | | | |
|-------|---|------|------|------|------|------|
| 11000 | Required Annual Debt Principal Payments | \$ - | \$ - | \$ - | \$ - | \$ - |
|-------|---|------|------|------|------|------|

| | | | | | | |
|-------|------------------|--------------|------------|--------------|------|---------|
| 11050 | Beginning equity | \$ 1,800,321 | \$ 514,249 | \$ 1,310,699 | \$ - | \$ -117 |
|-------|------------------|--------------|------------|--------------|------|---------|

| | | | | | | |
|-----------|--|------------|------------|--------------|------------|------------|
| 11400-010 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-020 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-030 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-040 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-050 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-060 | Prior period adjustments and correction of errors - Etable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-070 | Equity Transfers | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-080 | Equity Transfers | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-090 | Equity Transfers | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-100 | Equity Transfers | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-110 | Equity Transfers | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11400-120 | Prior period adjustments, equity transfers, and correction of errors | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11120-001 | Administrative Fee Equity- Beginning Reserve | \$ 390,016 | \$ 716,313 | \$ 1,106,329 | \$ 390,016 | \$ 716,313 |

Western Regional Housing Authority
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For The Fiscal Year Ended June 30, 2009

Current Year
Status

Findings – Financial Statement Audit

07-1 The Authority's audit was not submitted by the State Auditor mandated deadline.

Resolved

Findings – Major Federal Award Programs

None

MIKE STONE, C.P.A.
LINDA STONE MCGEE, C.P.A.
KAY STONE, C.P.A.
JARROD MASON, C.P.A.
KELLEY WYATT, C.P.A.

RYAN MONTOYA, C.P.A.

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

Hector H. Balderas, State Auditor
and
Board of Commissioners
Western Regional Housing Authority
Silver City, New Mexico

We have audited the financial statements of the business-type activities and each major fund of the Western Regional Housing Authority as of and for the year ended June 30, 2009, which collectively comprise the Western Regional Housing Authority's basic financial statements and have issued our report thereon dated September 28, 2009. We have also audited the financial statements of each of the Authority's Enterprise fund budgetary comparisons presented as other supplementary information as of and for the year ended June 30, 2009, and have issued our report thereon dated September 28, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Western Regional Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Western Regional Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Western Regional Housing Authority's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Western Regional Housing Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally

accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Western Regional Housing Authority's financial statements that is more than inconsequential will not be prevented or detected by the Western Regional Housing Authority's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Western Regional Housing Authority's internal control.

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

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Western Regional Housing Authority's financial statements are free of 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*.

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

Stone, McGee & Co CPAs

September 28, 2009

MIKE STONE, C.P.A.
LINDA STONE MCGEE, C.P.A.
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Hector H. Balderas, State Auditor
and
Board of Commissioners
Western Regional Housing Authority
Silver City, New Mexico

Compliance

We have audited the compliance of the Western Regional Housing Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Western Regional Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Western Regional Housing Authority's management. Our responsibility is to express an opinion on the Western Regional Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Western Regional Housing Authority'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. Our audit does not provide a legal determination on the Western Regional Housing Authority's compliance with those requirements.

In our opinion, the Western Regional Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Western Regional Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Western Regional Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Western Regional Housing Authority's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify and deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above,

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

Stone, McGee & Co CPAs

September 28, 2009

Western Regional Housing Authority
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2009

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Western Regional Housing Authority.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *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*.
3. No instances of noncompliance material to the financial statements of the Western regional Housing Authority, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies related to the audit of the major federal award programs are reported in the *Report in Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133*.
5. The auditors' report on compliance for the major federal awards programs for the Western Regional Housing Authority expresses an unqualified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 were noted during the audit.
7. The programs tested as major programs included: Section 8 Housing Choice Vouchers, CFDA No. 14.871.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. The Housing Authority of Region V, New Mexico qualified as a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS PROGRAMS

None

OTHER – FINANCIAL STATEMENT PREPARATION

The financial statements were prepared by Stone, McGee & Co., C.P.A.'s with substantial assistance and approval from Authority personnel.

EXIT CONFERENCE

The contents of this report were discussed August 20, 2009. Present at this exit conference were:

| <u>Name</u> | <u>Title</u> | <u>Affiliation</u> |
|----------------|--------------------|-------------------------------------|
| Awish Baechtle | Commissioner | Housing Authority of Region V, N.M. |
| Cathy DeMarco | Executive Director | Housing Authority of Region V, N.M. |
| Sonia Flores | Deputy Director | Housing Authority of Region V, N.M. |
| Kay Stone | Shareholder | Stone, McGee & Co., C.P.A.'s |