

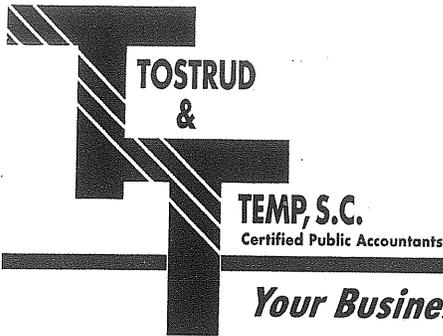
**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**EASTERN IOWA REGIONAL
HOUSING AUTHORITY
DUBUQUE, IOWA**

June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Eastern Iowa Regional Housing Authority
Dubuque, Iowa

We have audited the accompanying proprietary fund statement of net position of the Eastern Iowa Regional Housing Authority, Dubuque, Iowa ("Authority"), as of and for the year ended June 30, 2015, and the proprietary fund statements of revenues, expenses and changes in net position, cash flows and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Authority as of June 30, 2015, and the changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements as a whole. The combining financial statements and statement and certification of actual modernization costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the 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. Further, the financial data schedules are presented for purposes of additional analysis as required by Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development, and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above described supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 13, 2015, on our consideration of the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

Trotter & Temp, S.C.

October 13, 2015

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

This section of the Eastern Iowa Regional Housing Authority, Dubuque, Iowa's annual financial report presents our management's discussion and analysis of the Authority's financial performance during the fiscal year ended on June 30, 2015. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the financial statements as a whole.

For accounting purposes, the Housing Authority is classified as an enterprise fund. Enterprise funds account for activities similar to those found in the private business sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds are reported using the full accrual method of accounting in which all assets, all deferred outflows of resources, all liabilities, and all deferred inflows of resources, associated with the operation of these funds are included on the balance sheet. The focus of enterprise funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

FINANCIAL HIGHLIGHTS

- The term "net position" refers to the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The Authority's total net position as of June 30, 2015 was \$5,229,755. The net position decreased by \$422,846 from the prior year.
- The Authority had a net decrease of \$288,221 in the Low Rent Public Housing and Capital Fund Programs, \$125,474 net decrease in the Section 8 Housing Choice Voucher Program, \$4,387 net decrease in the Rural Rental Housing Loans Program, \$2,831 net decrease in Business Activities, \$13 net increase in Home Investment Partnership Program (Tenant Based Rental Assistance), and a \$1,946 net decrease in Component Units (Eastern Iowa Regional Housing Corporation - EIRHC).
- Revenues for the Authority were \$6,414,440 for the year ended June 30, 2015. This was an increase of \$906,237 or 16.5% over the prior year.
- Expenses for the Authority were \$6,837,286 for the year ended June 30, 2015. This was an increase of \$1,075,262 or 18.7% over the prior year.
- Rental revenue for the Authority was \$405,628 for the year ended June 30, 2015, an increase of \$28,955 or 7.7% over the prior year. Intergovernmental revenue for the Authority was \$5,768,566 for the year ended June 30, 2015, an increase of \$945,415 or 19.6% over the prior year. Revenue reported from HUD capital grants for the year ended June 30, 2015 was \$30,384, a decrease of \$436 or 1.4% from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes this *Management Discussion and Analysis* report, the *Basic Financial Statements* and the *Notes to the Financial Statements*. This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information Required by HUD*. The Authority's financial statements are presented as fund level financial statements because the Authority only has proprietary funds.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS - CONTINUED

Required Financial Statements

The financial statements of the Housing Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets and deferred outflows of resources) and obligations of the Authority creditors (liabilities and deferred inflows of resources). It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Notes to the Financial Statements

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

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information Required by HUD*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authority's to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2015 and is required to be included in the audit reporting package.

FINANCIAL ANALYSIS

Net position may serve, over time, as a useful indicator of a government's financial position. As stated in the table on the following page, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,229,755 at the close of the year ended June 30, 2015 down from \$5,652,601 in fiscal year 2014. The decrease in net position of \$422,846 was due to the reasons noted below.

- Current and other assets include cash, investments, receivables, prepaid expenses, and assets held for sale. Of the \$156,016 increase in this category, cash and investments decreased \$62,764, receivables increased \$36,609, prepaid expenses increased \$482, and assets held for sale increased \$181,689.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

FINANCIAL ANALYSIS - CONTINUED

- Non-current assets decreased \$472,436 mainly due to a decrease in capital assets. Capital assets decreased because current year depreciation expense exceeded current year capital asset additions. Change in capital assets is explained in section titled "Capital Asset and Debt Administration" of this analysis.
- Current liabilities include accounts payable, tenant security deposits, unearned revenue, and current portion of long-term debt. The decrease in this category of \$14,603 was mainly due to a decrease in accounts payable in other accrued liabilities of \$107,287, which was partially offset by an increase in unearned revenue of \$93,970. Other accrued liabilities decreased primarily due to FSS Escrow Payable being reported as a non-current liability in FY 2015.
- Non-current liabilities increased \$121,029 due to FSS Escrow Payable being reported as a non-current liability in FY 2015.

The unrestricted net position was \$1,211,452 as of June 30, 2015. This amount may be used to meet the Authority's ongoing obligations. The Authority has sufficient funds to meet requirements for cash outlays, excluding housing assistance payments, for seven months. Restricted net position was \$230,672 as of June 30, 2015. Of this amount, \$183,089 may only be used in the Housing Choice Voucher program for housing assistance payments and \$47,583 may only be used in the Rural Rental Housing program for replacement reserve expenses. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

CONDENSED STATEMENTS OF NET POSITION

	FY 2015	FY 2014	Dollar Change	Percent Change
Current and other assets	\$ 1,834,695	\$ 1,678,679	\$ 156,016	9.3%
Non-current assets	4,129,568	4,602,004	(472,436)	-10.3%
Total Assets	<u>5,964,263</u>	<u>6,280,683</u>	<u>(316,420)</u>	<u>-5.0%</u>
Current liabilities	341,599	356,202	(14,603)	-4.1%
Non-current liabilities	392,909	271,880	121,029	44.5%
Total Liabilities	<u>734,508</u>	<u>628,082</u>	<u>106,426</u>	<u>16.9%</u>
Net Position				
Net investment in capital assets	3,787,631	4,077,430	(289,799)	-7.1%
Restricted	230,672	309,541	(78,869)	-25.5%
Unrestricted	1,211,452	1,265,630	(54,178)	-4.3%
Total Net Position	<u>\$ 5,229,755</u>	<u>\$ 5,652,601</u>	<u>\$ (422,846)</u>	<u>-7.5%</u>

The largest portion of the Authority's net position reflects its investment in capital assets (e.g. land, buildings and equipment) less accumulated depreciation. The Authority uses these capital assets to provide service and consequently these assets are not available to liquidate liabilities or other spending.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

FINANCIAL ANALYSIS - CONTINUED

The 2014 approved capital grant (501-14) totals \$161,471 and was 100.0% expended as of June 30, 2015. The following is a summary of individual grant line items, budget amount, percent expended as of 6/30/15, and development account:

<u>Line No.</u>	<u>Amount</u>	<u>Percent</u>	<u>Development Account</u>
1406	\$128,273	100.0%	Operations
1410	\$ 10,000	100.0%	Administration
1460	\$ 12,496	100.0%	Dwelling Structures
1465	\$ 10,702	100.0%	Dwelling Equipment

While the Statement of Net Position shows the change in financial position of net position, the Statements of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

As can be seen in the table on the following page, total revenues increased \$906,237 due to the reasons noted below.

- Rental revenue increased \$28,955 or 7.7% mainly due to an increase in the average rent charge per unit under lease of \$12.12 or 6.6%.
- Intergovernmental revenue increased \$945,415 primarily due to a \$464,601 increase in funding for the housing choice voucher program and a \$424,846 increase in Home Investment Partnership Program (Tenant Based Rental Assistance).
- Other operating revenue decreased \$21,458 or 9.4% from FY 2014 mostly due to an \$88,502 decrease in other revenue from Component Units, which was partially offset by an \$80,356 increase in State/Local program income. The Authority also had an increase in other tenant charges besides rent of \$8,417.
- Interest income decreased \$2,103 from FY 2014.
- HUD capital grants decreased \$436 from FY 2014. The Agency is allocated capital fund grants each year as determined by HUD and the amount remains relatively consistent from year to year. Revenue from HUD capital grants during the year will depend upon timing of projects as outlined in the HUD approved capital grant budget.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

FINANCIAL ANALYSIS – CONTINUED

**CONDENSED STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION**

	<u>FY 2015</u>	<u>FY 2014</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Program revenues				
Rental income	\$ 405,628	\$ 376,673	\$ 28,955	7.7%
Intergovernmental revenue	5,768,566	4,823,151	945,415	19.6%
Other operating revenue	207,845	229,303	(21,458)	-9.4%
General revenues				
Interest income	2,017	4,120	(2,103)	-51.0%
HUD capital grants	30,384	30,820	(436)	-1.4%
Net proceeds from assets held for sale	-	6,000	(6,000)	-100.0%
Special items, net gain or loss	-	38,136	(38,136)	-100.0%
Total Revenues	<u>6,414,440</u>	<u>5,508,203</u>	<u>906,237</u>	<u>16.5%</u>
Expenses				
Administrative	1,086,862	908,274	178,588	19.7%
Tenant services	272,350	325,974	(53,624)	-16.5%
Utilities	107,289	101,357	5,932	5.9%
Ordinary maintenance & operations	421,894	441,846	(19,952)	-4.5%
General expense	156,173	85,560	70,613	82.5%
Interest expense	19,045	18,904	141	0.7%
Housing assistance payments	4,434,207	3,524,203	910,004	25.8%
Depreciation	339,366	355,906	(16,540)	-4.6%
Casualty losses, non-capitalized	100	-	100	100.0%
Total Expenses	<u>6,837,286</u>	<u>5,762,024</u>	<u>1,075,262</u>	<u>18.7%</u>
Excess (deficiency) before prior period adjustments	(422,846)	(253,821)	(169,025)	
Prior period adjustments	-	-	-	
Change in net position	<u>(422,846)</u>	<u>(253,821)</u>	<u>(169,025)</u>	
Beginning net position	<u>5,652,601</u>	<u>5,906,422</u>	<u>(253,821)</u>	
Ending net position \$	<u><u>5,229,755</u></u>	<u><u>5,652,601</u></u>	<u><u>(422,846)</u></u>	

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

FINANCIAL ANALYSIS – CONTINUED

Total expenses increased by \$1,075,262 due to the reasons noted below.

- Administrative expenses increased \$178,588 or 19.7% from FY 2014. This was primarily due to an increase in administrative salaries of \$114,687 or 17.7%. EIRHA also had an increase in other administrative expenses of \$62,860 primarily from the Home Investment Partnership Program (Tenant Based Rental Assistance).
- EIRHA had tenant service expenses of \$272,350 in FY 2015 for the Authority's FSS, ROSS and Housing Counseling Assistance programs. This represented a decrease of \$53,624 or 16.5% from FY 2014, primarily due to a decrease in tenant service salaries of \$38,844 or 12.5%.
- Of the \$5,932 increase in utilities, water increased \$1,218 or 6.4%, electricity decreased \$6 or 0.1%, gas increased \$5,340 or 15.1%, and sewer decreased \$620 or 2.2%.
- Ordinary maintenance & operations decreased \$19,952 or 4.5% due to a decrease in contracted maintenance services of \$31,849 or 27.1%. This was partially offset by an increase in maintenance labor of \$6,985 or 2.6% and an increase in maintenance materials of \$4,912 or 9.7%. Contracted maintenance services decreased in large part due to lower than anticipated snow removal costs.
- Of the \$70,613 increase in general expense, general insurance increased \$7,181 or 18.9%, other general expenses increased \$56,956, payments in lieu of taxes increased \$2,734, and bad debt expense increased \$3,742. Other general expenses were higher in FY 2015 for the Authority's State/Local Program and Component Units.
- Interest expense increased \$141 or 0.7% from FY 2014.
- Housing assistance payments increased \$910,004 or 25.8% primarily due to additional vouchers received from the HOME investments partnership program. Housing assistance for this program increased \$359,175 from FY 2014. EIRHA also had a 9.7% increase in number of Section 8 vouchers issued and outstanding during FY 2015 and an increase in average housing assistance payment per voucher leased of \$18.92 or 5.8%.
- The Authority had a \$16,540 or 4.6% decrease in Depreciation which is the write-off of capital assets over their estimated useful life.
- The Authority had a \$100 casualty loss in FY 2015.

EIRHA currently owns and manages 164 public housing units. These units are located in Dyersville, Bellevue, Manchester, Colesburg, Miles, Sabula, DeWitt, Holy Cross, Hopkinton, Worthington, Delmar, Preston, Peosta, and Wheatland. Overall, the projects maintain a 98.63% occupancy level. There are 85 units of elderly and 79 units of family. The family housing is scattered site single family homes and duplexes. Currently EIRHA has 4 four-bedroom units, 30 three-bedroom units, 46 two-bedroom units, and 84 one-bedroom units.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

FINANCIAL ANALYSIS – CONTINUED

EIRHA is authorized to assist 983 households with the Housing Choice Voucher Rental Assistance Program. Of the 983 vouchers, the City of Maquoketa is given priority to their original 156 vouchers under their Annual Contributions Contract that EIRHA assumed. From July 1, 2014 through June 30, 2015, EIRHA served 156 families in the City of Maquoketa. In July 2014 EIRHA received an additional 100 vouchers from the City of Bettendorf. From July 1, 2014 through June 30, 2015, EIRHA served 141 families in the City of Bettendorf. The Section 8 lease up rate for FY 2015 was 99.60%, up from 90.83% in the prior year. EIRHA expended \$4,073,471 or 100.0% of housing assistance received from HUD during FY 2015.

EIRHC owns 10 one-bedroom USDA units that are designed for the elderly/handicapped/disabled, located in Grand Mound (6 units) and Worthington (4 units). EIRHC is also the general partner/developer for the 24 tax credit units known as Evergreen Meadows. This project is located in Peosta, Iowa and has 3 four-bedroom units, 11 three-bedroom units and 10 two-bedroom units. In addition, EIRHC is general partner/developer for the 32 tax credit units known as Asbury Meadows. This project is located in Asbury, Iowa and has 6 four-bedroom units, 14 three-bedroom units and 12 two-bedroom units.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – The Eastern Iowa Regional Housing Authority, Dubuque, Iowa’s net investment in capital assets as of June 30, 2015 amounts to \$3,787,631. This investment in capital assets includes land, buildings, improvements, equipment and construction in progress, net of accumulated depreciation and related debt.

The total decrease in the Authority’s investment in capital assets for the current fiscal year was 10.3% in terms of net book value. Actual expenditures to purchase or construct capital assets were \$46,099 for the year. The Authority has various contract commitments with contractors for the implementation of the HUD capital grants as outlined by the HUD approved Capital Grant Budget. Depreciation charges for the year totaled \$339,366. Additional information on the Authority’s capital assets can be found in the notes to the financial statements of this report.

	Beginning	Additions	Depreciation	Ending
Capital assets	\$4,352,785	\$46,099	\$(339,366)	\$4,059,518

Debt Administration - The USDA project has several mortgages that were used to purchase land and buildings for the Rural Rental Housing Assistance Program. Total mortgage debt as of June 30, 2015 is \$271,887, down from \$275,355 in FY 2014. Additional information on the Authority’s long-term debt can be found in the notes to the financial statements of this report.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Commissioners and Management of the Housing Authority considered many factors when approving the fiscal year 2016 Public Housing budget. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. Operating subsidy is based on occupied units and approved vacancies, utility consumption and rates, approved add-ons, formula income, and transition funding. The amount of funding is also established and approved by HUD. Formula income is based on rental income from the Authority's rent roll records for the period specified by HUD. Operating expenses are expected to increase by the economy's inflation rate.

The Authority is eligible to receive \$1,859,009 for housing assistance payments for the months of July through December 2015 in the Housing Choice Voucher Program. The Authority also has \$183,089 available in HAP Reserves to be used for housing assistance payments. Based on the average housing assistance payment per unit of \$346.71 for FY 2015, the Authority will have sufficient funding and reserves to lease 99.9% of its authorized vouchers from July through December 2015. HUD has not established funding levels for the remaining six months of next fiscal year. Administrative fees for the Housing Choice Voucher program will be based on actual utilization in FY 2016 and adjusted for pro-rata which is currently at 81%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Michelle Schnier
Director of Housing and Support Services
Eastern Iowa Regional Housing Authority
7600 Commerce Park
Dubuque, Iowa 52002.

FINANCIAL SECTION

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
STATEMENT OF NET POSITION
June 30, 2015

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$	1,163,504
Cash and cash equivalents - restricted		355,419
Accounts receivable		
Tenants, net of allowance		11,521
Other, net of allowance		41,229
Due from other governments		50,907
Prepaid expense		28,498
Assets held for sale		<u>183,617</u>
Total current assets		<u>1,834,695</u>

NONCURRENT ASSETS

Capital assets, net of accumulated depreciation		4,059,518
Investment in joint ventures		<u>70,050</u>
Total noncurrent assets		<u>4,129,568</u>

TOTAL ASSETS

\$ 5,964,263

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts payable	\$	51,643
Accrued payroll and payroll taxes		83,466
Accrued liabilities - other		22,265
Accrued interest payable		183
Unearned revenues		104,574
Due to other governments		27,310
Tenant's security deposits		48,433
Current portion of notes payable		<u>3,725</u>
Total current liabilities		<u>341,599</u>

NONCURRENT LIABILITIES

Tenant's FSS escrow		124,747
Notes payable, net of current portion		<u>268,162</u>
Total noncurrent liabilities		<u>392,909</u>

Total liabilities

734,508

NET POSITION

Net investment in capital assets		3,787,631
Restricted		230,672
Unrestricted		<u>1,211,452</u>
Total net position		<u>5,229,755</u>

TOTAL LIABILITIES AND NET POSITION

\$ 5,964,263

The accompanying notes are an integral part of this statement.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended June 30, 2015

OPERATING REVENUE	
Rental income	\$ 405,628
Operating grants	5,757,542
Other operating revenue	207,845
Total operating revenue	<u>6,371,015</u>
OPERATING EXPENSE	
Administration	1,086,862
Tenant services	272,350
Utilities	107,289
Maintenance and operations	421,894
General expense	156,173
Housing assistance payments	4,434,207
Casualty loss	100
Depreciation	339,366
Total operating expense	<u>6,818,241</u>
Operating loss	(447,226)
NONOPERATING REVENUE (EXPENSE)	
Interest income	2,017
Interest subsidy	11,024
Interest expense	(19,045)
Net nonoperating expense	<u>(6,004)</u>
Change in net position before capital grants	(453,230)
CAPITAL GRANTS	<u>30,384</u>
Change in net position	(422,846)
NET POSITION AT BEGINNING OF YEAR	<u>5,652,601</u>
NET POSITION AT END OF YEAR	<u><u>\$ 5,229,755</u></u>

The accompanying notes are an integral part of this statement.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
STATEMENT OF CASH FLOWS
Year ended June 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from tenants	\$ 411,520
Cash received from operating grants	5,880,300
Other income received	144,609
Cash payments to vendors	(693,785)
Cash payments to employees	(1,354,420)
Cash payments for housing assistance	(4,426,061)
Net cash (used in) operating activities	<u>(37,837)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Aquisition of capital assets	(46,099)
Net cost of assets held for sale	181,689
Net change in notes receivable	(181,422)
HUD capital grants received	30,384
Principal paid	(3,468)
Interest paid	(8,028)
Net cash (used in) capital and related financing activities	<u>(26,944)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>2,017</u>
Net decrease in cash and cash equivalents	(62,764)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

1,581,687

CASH AND CASH EQUIVALENTS AT END OF YEAR

\$ 1,518,923

**RECONCILIATION OF CASH AND CASH EQUIVALENTS
PER STATEMENT OF CASH FLOWS TO THE
STATEMENT OF NET POSITION**

Cash and cash equivalents	1,163,504
Cash and cash equivalents - restricted	<u>355,419</u>
Cash and cash equivalents per the Statement of Net Position	<u><u>1,518,923</u></u>

The accompanying notes are an integral part of this statement.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
STATEMENT OF CASH FLOWS - CONTINUED
Year ended June 30, 2015

**RECONCILIATION OF OPERATING INCOME (LOSS)
TO NET CASH USED IN OPERATING ACTIVITIES**

Operating income (loss)	\$ (447,226)
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Depreciation	339,366
Changes in assets and liabilities	
(Increase) decrease in assets	
Accounts receivable	(12,105)
Due from other governments	(27,291)
Prepaid expense	(482)
Increase (decrease) in liabilities	
Accounts payable	(2,324)
Accrued liabilities	261
Unearned revenue	93,970
Due to other governments	1,764
Tenant's security deposits	1,573
Tenant's FSS escrow	<u>14,657</u>
Net cash (used in) operating activities	<u>\$ (37,837)</u>

The accompanying notes are an integral part of this statement.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

The Eastern Iowa Regional Housing Authority (EIRHA) is organized pursuant to the provisions of Chapter 403A and Chapter 28E of the Code of Iowa for the purposes of owning and providing affordable rental units and rent subsidies to low and moderate income individuals in Dubuque, Delaware, Jackson, Cedar, Clinton and Jones counties excluding the cities of Dubuque and Clinton. The Eastern Iowa Regional Housing Authority Board consists of elected directors and housing commissioners from those counties.

As required by generally accepted accounting principles, these financial statements present the Eastern Iowa Regional Housing Authority and its component unit, the Eastern Iowa Regional Housing Corporation (EIHRC). Although it is legally separate from EIRHA, EIHRC is reported as if it were part of the primary government because of the significance of its operational or financial relationship with Eastern Iowa Regional Housing Authority, including having the same Board of Directors.

EIRHC is a non-profit corporation which owns and operates ten one-bedroom USDA units. EIRHC is also the management agent and general partner/developer for two low-income housing tax credit projects: Evergreen Meadows and Asbury Meadows. EIRHC has entered into agreements with the Eastern Iowa Regional Housing Authority (EIRHA) and the East Central Intergovernmental Association (ECIA) for staffing services.

2. Basis of Presentation

The accounts of the Authority are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The Authority has the following proprietary fund:

Enterprise Fund - Enterprise funds are used to account for operations, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the government body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Measurement Focus and Basis of Accounting

Measurement Focus - Enterprise funds are accounted for on an economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Enterprise fund type operating statements present increases (revenue) and decreases (expenses) in total net position.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Enterprise funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The Authority has elected pursuant to GASB Statement 20 to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

A proprietary fund distinguishes operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Housing Authority is rents collected from tenants and operating grants. Operating expenses for a proprietary fund include the cost of operating properties owned, administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

4. Cash Equivalents

For purposes of the statements of cash flows, the Authority considers cash equivalents to include certificates of deposit having an original maturity of three months or less.

5. Investments

The Authority's investments are in time deposits (certificates of deposit) that are stated at fair value, which approximates cost.

6. Accounts Receivable

Accounts receivable-tenants have been shown at net of allowance for doubtful accounts of \$246 and accounts receivable - other has been shown at net of allowance for doubtful accounts of \$928.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

7. Property and Equipment

Property and equipment is stated at cost. The cost of maintenance and repairs that do not add value to assets or materially extend asset lives is not capitalized. The capitalization policy of the Authority is to capitalize fixed assets costing more than \$500 and expected to last more than one year. Depreciation of all exhaustible property and equipment is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Position. Depreciation is provided for over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings	40-50 years
Building and land improvements	5-20 years
Equipment	3-10 years

8. Budgetary Process

The Eastern Iowa Regional Housing Authority prepares an annual operating budget with formal Board approval prior to the start of its fiscal year. The United States Department of Housing and Urban Development (HUD) requests the Authority keep the budget on file and to submit to HUD the calculation for operating subsidy. The Authority must prepare a revised operating budget only when total expenditures exceed the amount originally budgeted. The revised budget, if needed, is also kept on file at the Authority's office.

9. Estimates

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

10. Concentration of Revenues

The Authority received approximately 90% of its total operating revenues from the federal government. This revenue is subject to federal government budget appropriations and potential funding reductions.

11. Subsequent Events

The Authority has evaluated subsequent events through October 13, 2015, the date which the financial statements were available to be issued.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2015

NOTE B - CASH AND INVESTMENTS

Cash and investments as of June 30, 2015, are classified in the accompanying financial statements as follows:

Statement of net position	
Cash and cash equivalents	\$ 1,163,504
Cash - restricted	355,419
	<u>\$ 1,518,923</u>

Cash and investments as of June 30, 2015 consist of the following:

	Carrying Amount	Bank Balance
	<u> </u>	<u> </u>
Business interest, savings and money market accounts	\$ 1,518,923	\$ 1,528,058
	<u>\$ 1,518,923</u>	<u>\$ 1,528,058</u>

Investments Authorized by the Authority's Investment Policy

The Authority is required to invest its funds in accordance with Iowa Statutes. The Authority may consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income is allocated to various funds based on their respective participation in accordance with generally accepted accounting principles. Safety of principal is the foremost objective of the Authority's investment policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Authority limits its exposure to interest rate risk by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio. The Authority also structures its investment portfolio so that securities mature to meet cash requirements, avoiding the need to sell securities in the open market prior to maturity.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority minimizes its credit risk by limiting investment types and pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Authority will do business.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2015

NOTE B - CASH AND INVESTMENTS - CONTINUED

Concentration of Credit Risk

SFAS 105 defines a concentration of credit risk as an exposure to a number of counterparties engaged in similar activities and having similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Authority diversifies its investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover collateral securities that are in the possession of an outside party. The Authority's deposits at June 30, 2015 were entirely covered by FDIC insurance, collateralized with securities or letters of credit held by the Authority or the Authority's agent in the Authority's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Iowa Code. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The custodial risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

NOTE C - INVESTMENT IN JOINT VENTURE

In September, 2003, Eastern Iowa Regional Housing Corporation (EIRHC) purchased .01% interest in a tax credit housing project, Eastern Iowa Regional Partnership, LLLP (Evergreen Meadows) for \$69,950. In October 2004, EIRHC purchased .01% interest in Asbury EIRP, LLLP (Asbury Meadows) for \$100. EIRHC is the general partner for both projects with a total investment of \$70,050.

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2014

NOTE D - PROPERTY AND EQUIPMENT

A summary of changes in capital assets for the Housing Authority is as follows:

	Balance 06/30/14	Additions	Retirements	Balance 06/30/15
Public Housing/CFP				
Land	\$ 823,786	\$ -	\$ -	\$ 823,786
Depreciable capital assets:				
501-14 Capital Fund	-	30,384		30,384
Land improvements	93,028	-	-	93,028
Buildings and improvements	9,520,316	4,660	-	9,524,976
Furniture & Equipment				
Dwellings	43,129	-	-	43,129
Administration	271,059	2,337	-	273,396
	9,927,532	37,381	-	9,964,913
	10,751,318	37,381	-	10,788,699
Accumulated depreciation:				
501-14 Capital Fund	-	1,190	-	1,190
Land improvements	33,820	6,201	-	40,021
Buildings and improvements	6,341,842	296,985	-	6,638,827
Furniture & Equipment				
Dwellings	34,108	2,607	-	36,715
Administration	238,139	17,909	-	256,048
	6,647,909	324,892	-	6,972,801
Net capital assets	4,103,409	(287,511)	-	3,815,898
Section 8 Housing Choice Vouchers				
Depreciable capital assets:				
Furniture & Equipment	42,456	2,337	-	44,793
Accumulated depreciation:				
Furniture & Equipment	37,350	3,359	-	40,709
Net capital assets	5,106	(1,022)	-	4,084
EIRHC - USDA Housing				
Land	\$ 19,664	\$ -	\$ -	\$ 19,664
Depreciable capital assets:				
Land improvements	18,775	-	7,800	10,975
Buildings and improvements	324,561	7,800	-	332,361
Furniture & Equipment				
Dwellings	14,520	2,450	-	16,970
Administration	2,849	-	2,450	399
	360,705	10,250	10,250	360,705
	380,369	10,250	10,250	380,369
Accumulated depreciation:				
Land improvements	1,850	1,098	-	2,948
Buildings and improvements	131,997	7,603	-	139,600
Furniture & Equipment				
Dwellings	15,552	269	-	15,821
Administration	399	-	-	399
	149,798	8,970	-	158,768
Net capital assets	230,571	1,280	10,250	221,601
EIRHC - Tax Credit Programs				
Depreciable capital assets:				
Furniture & Equipment	25,145	6,381	4,572	26,954
Accumulated depreciation:				
Furniture & Equipment	11,446	2,145	4,572	9,019
Net capital assets	13,699	4,236	-	17,935
Total Net capital assets	\$ 4,352,785	\$ (283,017)	\$ 10,250	\$ 4,059,518

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2015

NOTE E - NOTES PAYABLE

Details of the Housing Authority's notes payable are set forth below:

	Balance at July 1, 2014	Additions	Reductions	Balance at June 30, 2015
Notes payable	\$ 275,355	\$ -	\$ 3,468	\$ 271,887

Notes payable for EIRHC are payable to United States Department of Agriculture, Rural Housing Services (USDA-RHS). The following mortgage notes payable to USDA-RHS at June 30, 2015 are as follows:

6.5% first mortgage note payable	\$ 166,329
7.25% first mortgage note payable	105,558
	271,887
Less current maturities	3,725
LONG-TERM OBLIGATIONS	\$ 268,162

The United States Department of Agriculture, Rural Housing Services (USDA-RHS) is subsidizing the interest payable on the first mortgage notes, thereby effectively reducing the interest rate to 1%. The USDA-RHS notes are secured by real property and rents and profits of the Authority's USDA Housing Program.

Principal and interest maturities on notes payable are as follows:

Year ended June 30,	EIRHC - Rural Development	
	Principal	Interest
2016	\$ 3,725	\$ 18,795
2017	3,994	18,526
2018	4,282	18,238
2019	4,591	17,929
2020	4,922	17,598
2021-2025	30,488	82,114
2026-2030	43,219	69,383
2031-2035	61,286	51,316
2036-2040	86,930	25,672
2041-2044	28,450	3,257
Totals	\$ 271,887	\$ 322,828

NOTE F - RELATED PARTY

The Eastern Iowa Regional Housing Authority, related to the East Central Intergovernmental Association through common management, is provided management services and office space. During the year ended June 30, 2015, the Eastern Iowa Regional Housing Authority paid East Central Intergovernmental Association \$1,525,885 for such services.

Eastern Iowa Regional Housing Authority
 Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2015

NOTE H - CONTINGENT LIABILITY

Eastern Iowa Regional Housing Corporation (EIRHC) includes Eastern Iowa Development Corporation (EIDC) a wholly-owned subsidiary of EIRHC. EIDC is a general partner in two limited partnerships which it manages and therefore receives a management fee. The partnerships that EIDC is a general partner in are as follows:

<u>Name</u>	<u>Ownership Percent</u>	<u>Outstanding Liabilities at 12-31-14</u>
Eastern Iowa Regional Partnership, L.L.L.P., Peosta, Iowa	.01%	\$ <u>1,333,328</u>
Asbury E.I.R.P., L.L.L.P., Asbury, Iowa	.01%	\$ <u>1,851,280</u>

NOTE I - DUE FROM/TO OTHER PROGRAMS

For the Statement of Net Assets, the following individual program interfund receivable and payable balances at June 30, 2015, which are within business-type activities, are netted and eliminated.

<u>Program</u>	<u>Due From</u>	<u>Due To</u>
Low Rent Public Housing	\$ 6,904	\$ -
ROSS FSS Program	-	6,132
Business Activities	-	772
Totals	<u>\$ 16,462</u>	<u>\$ 16,462</u>

NOTE J - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past four years.

NOTE K - OTHER POST-EMPLOYMENT BENEFITS

The Authority offers no material post-employment benefits to employees upon separation from service. Employees receive no payments at or after separation from service other than accrued vacation pay which is already accrued in this report. The only post-employment benefit an employee may receive is COBRA continuation of their health insurance, for which the separated employee must pay 100% of their premium.

NOTE L - RESTRICTED ASSETS

The Authority has restricted cash of \$355,419 and restricted net position of \$230,672 at June 30, 2015. Restricted net position represents excess Housing Choice Voucher HAP funding of \$183,089 that may only be used for housing assistance payments and USDA reserve accounts of \$47,583 for capital improvements. Restricted cash also includes Tenants' FSS escrow accounts totaling \$124,747.

SUPPLEMENTAL DATA

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF NET POSITION
June 30, 2015

ASSETS	Public Housing	Housing Choice Vouchers	ROSS FSS Program	Housing Counseling Assistance Program	Business Activities	EIRHC	Eliminations	Total
CURRENT ASSETS								
Cash and cash equivalents	\$ 210,619	\$ 110,068	\$ -	\$ -	\$ 125	\$ 842,692	\$ -	\$ 1,163,504
Cash and cash equivalents - restricted	25,859	281,977	-	-	-	47,583	-	355,419
Accounts receivable								
Tenants, net of allowance	11,521	-	-	-	-	-	-	11,521
Other, net of allowance	-	4,532	-	-	-	36,697	-	41,229
Due from other governments	-	27,607	6,132	-	-	17,168	-	50,907
Due from other programs	6,904	-	-	-	-	-	(6,904)	-
Prepaid expense	20,225	7,055	-	-	-	1,218	-	28,498
Assets held for sale	-	-	-	-	183,617	-	-	183,617
Total current assets	<u>275,128</u>	<u>431,239</u>	<u>6,132</u>	<u>-</u>	<u>183,742</u>	<u>945,358</u>	<u>(6,904)</u>	<u>1,834,695</u>
NONCURRENT ASSETS								
Capital assets, net	3,815,898	4,084	-	-	-	239,536	-	4,059,518
Investment in joint ventures	-	-	-	-	-	70,050	-	70,050
Total noncurrent assets	<u>3,815,898</u>	<u>4,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>309,586</u>	<u>-</u>	<u>4,129,568</u>
TOTAL ASSETS	<u>\$ 4,091,026</u>	<u>\$ 435,323</u>	<u>\$ 6,132</u>	<u>\$ -</u>	<u>\$ 183,742</u>	<u>\$ 1,254,944</u>	<u>\$ (6,904)</u>	<u>\$ 5,964,263</u>
LIABILITIES AND NET POSITION								
CURRENT LIABILITIES								
Accounts payable	\$ 16,553	\$ 6,898	\$ -	\$ -	\$ -	\$ 28,192	\$ -	\$ 51,643
Accrued payroll and payroll taxes	38,592	44,874	-	-	-	-	-	83,466
Accrued liabilities - other	14,119	-	-	-	-	8,146	-	22,265
Accrued interest payable	-	-	-	-	-	183	-	183
Unearned revenue	13,034	3,526	-	-	-	88,014	-	104,574
Due to other governments	27,310	-	-	-	-	-	-	27,310
Due to other programs	-	-	6,132	-	772	-	(6,904)	-
Tenants' security deposits	45,777	-	-	-	125	2,531	-	48,433
Notes payable - current	-	-	-	-	-	3,725	-	3,725
Total current liabilities	<u>155,385</u>	<u>55,298</u>	<u>6,132</u>	<u>-</u>	<u>897</u>	<u>130,791</u>	<u>(6,904)</u>	<u>341,599</u>
NONCURRENT LIABILITIES								
Tenants' FSS escrow	25,859	98,888	-	-	-	-	-	124,747
Notes payable	-	-	-	-	-	268,162	-	268,162
Total noncurrent liabilities	<u>25,859</u>	<u>98,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,162</u>	<u>-</u>	<u>392,909</u>
Total liabilities	<u>181,244</u>	<u>154,186</u>	<u>6,132</u>	<u>-</u>	<u>897</u>	<u>398,953</u>	<u>(6,904)</u>	<u>734,508</u>
NET POSITION								
Net investment in capital assets	3,815,898	4,084	-	-	-	(32,351)	-	3,787,631
Restricted	-	183,089	-	-	-	47,583	-	230,672
Unrestricted	93,884	93,964	-	-	182,845	840,759	-	1,211,452
Total net position	<u>3,909,782</u>	<u>281,137</u>	<u>-</u>	<u>-</u>	<u>182,845</u>	<u>855,991</u>	<u>-</u>	<u>5,229,755</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,091,026</u>	<u>\$ 435,323</u>	<u>\$ 6,132</u>	<u>\$ -</u>	<u>\$ 183,742</u>	<u>\$ 1,254,944</u>	<u>\$ (6,904)</u>	<u>\$ 5,964,263</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended June 30, 2015

	Public Housing	Capital Fund	Housing Choice Vouchers	ROSS FSS Program	Housing Counseling Assistance Program	Business Activities	EIRHC	Total
OPERATING REVENUE								
Rental income	\$ 372,401	\$ -	\$ -	\$ -	\$ -	\$ 5,455	\$ 27,772	\$ 405,628
Operating grants	335,322	131,087	4,636,102	195,046	15,991	-	443,994	5,757,542
Other operating revenue	13,226	-	2,958	-	-	-	191,661	207,845
Total operating revenue	<u>720,949</u>	<u>131,087</u>	<u>4,639,060</u>	<u>195,046</u>	<u>15,991</u>	<u>5,455</u>	<u>663,427</u>	<u>6,371,015</u>
OPERATING EXPENSE								
Administration	300,812	-	601,051	-	-	-	184,999	1,086,862
Tenant services	575	-	60,738	195,046	15,991	-	-	272,350
Utilities	99,302	-	-	-	-	1,701	6,286	107,289
Maintenance and operations	405,103	-	3,385	-	-	1,667	11,739	421,894
General expense	64,219	-	22,644	-	-	5,180	64,130	156,173
Housing assistance payments	-	-	4,073,471	-	-	-	360,736	4,434,207
Casualty loss	100	-	-	-	-	-	-	100
Depreciation	323,702	1,190	3,359	-	-	-	11,115	339,366
Total operating expense	<u>1,193,813</u>	<u>1,190</u>	<u>4,764,648</u>	<u>195,046</u>	<u>15,991</u>	<u>8,548</u>	<u>639,005</u>	<u>6,818,241</u>
Operating income (loss)	(472,864)	129,897	(125,588)	-	-	(3,093)	24,422	(447,226)
NONOPERATING REVENUE (EXPENSE)								
Interest income	112	-	114	-	-	262	1,529	2,017
Interest subsidy	-	-	-	-	-	-	11,024	11,024
Interest expense	-	-	-	-	-	-	(19,045)	(19,045)
Operating transfers	155,337	(131,087)	-	-	-	-	(24,250)	-
Net nonoperating revenue (expense)	<u>155,449</u>	<u>(131,087)</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>262</u>	<u>(30,742)</u>	<u>(6,004)</u>
Change in net position before capital grants	(317,415)	(1,190)	(125,474)	-	-	(2,831)	(6,320)	(453,230)
CAPITAL GRANTS	<u>-</u>	<u>30,384</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,384</u>
Change in net position	(317,415)	29,194	(125,474)	-	-	(2,831)	(6,320)	(422,846)
NET POSITION AT BEGINNING OF YEAR	<u>4,198,003</u>	<u>-</u>	<u>406,611</u>	<u>-</u>	<u>-</u>	<u>185,676</u>	<u>862,311</u>	<u>5,652,601</u>
Equity transfer in (out)	29,194	(29,194)	-	-	-	-	-	-
	<u>29,194</u>	<u>(29,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION AT END OF YEAR	<u>\$ 3,909,782</u>	<u>\$ -</u>	<u>\$ 281,137</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182,845</u>	<u>\$ 855,991</u>	<u>\$ 5,229,755</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF CASH FLOWS
Year ended June 30, 2015

	Public Housing	Capital Fund	Housing Choice Vouchers	ROSS FSS Program	Housing Counseling Assistance Program	Business Activities	EIRHC	Eliminating Entries	Total
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from tenants	\$ 382,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,994	\$ -	\$ 411,520
Cash received from operating grants	335,322	131,087	4,618,726	195,376	15,991	-	583,798	-	5,880,300
Other income received	2,222	-	2,958	-	-	7,247	132,182	-	144,609
Cash payments to vendors	(406,740)	-	(152,095)	(10,081)	-	(7,651)	(117,218)	-	(693,785)
Cash payments to employees	(473,256)	-	(525,574)	(185,295)	(15,991)	-	(154,304)	-	(1,354,420)
Cash payments for housing assistance	-	-	(4,073,471)	-	-	-	(352,590)	-	(4,426,061)
Net cash provided by (used in) operating activities	(159,926)	131,087	(129,456)	-	-	(404)	120,862	-	(37,837)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Aquisition of capital assets	(6,997)	(30,384)	(2,337)	-	-	-	(6,381)	-	(46,099)
Net cost of assets held for sale	-	-	-	-	-	181,689	-	-	181,689
Net change in notes receivable	-	-	-	-	-	(181,422)	-	-	(181,422)
HUD capital grants received	-	30,384	-	-	-	-	-	-	30,384
Principal payments on notes payable	-	-	-	-	-	-	(3,468)	-	(3,468)
Interest paid	-	-	-	-	-	-	(8,028)	-	(8,028)
Net cash provided by (used in) capital and related financing activities	(6,997)	-	(2,337)	-	-	267	(17,877)	-	(26,944)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Operating transfers	155,337	(131,087)	-	-	-	-	(24,250)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest income received	112	-	114	-	-	262	1,529	-	2,017
Net increase (decrease) in cash and cash equivalents	(11,474)	-	(131,679)	-	-	125	80,264	-	(62,764)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>247,952</u>	<u>-</u>	<u>523,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>810,011</u>	<u>-</u>	<u>1,581,687</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 236,478</u>	<u>\$ -</u>	<u>\$ 392,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125</u>	<u>\$ 890,275</u>	<u>\$ -</u>	<u>\$ 1,518,923</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION									
Cash and cash equivalents	210,619	-	110,068	-	-	125	842,692	-	1,163,504
Cash and cash equivalents - restricted	25,859	-	281,977	-	-	-	47,583	-	355,419
Cash and cash equivalents per the Statement of Net Position	<u>236,478</u>	<u>-</u>	<u>392,045</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>890,275</u>	<u>-</u>	<u>1,518,923</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF CASH FLOWS - CONTINUED
Year ended June 30, 2015

	Public Housing	Capital Fund	Housing Choice Vouchers	ROSS Grant	Housing Counseling Assistance	Business Activities	EIRHC	Eliminations	Total
RECONCILIATION OF OPERATING INCOME (LOSS)									
TO NET CASH PROVIDED BY (USED IN)									
OPERATING ACTIVITIES									
Operating income (loss)	\$ (472,864)	\$ 129,897	\$ (125,588)	\$ -	\$ -	\$ (3,093)	\$ 24,422	\$ -	\$ (447,226)
Adjustments to reconcile operating income (loss) to net cash from operating activities:									
Depreciation	323,702	1,190	3,359	-	-	-	11,115	-	339,366
Changes in assets and liabilities									
(Increase) decrease in assets									
Accounts receivable	(5,624)	-	4,159	330	-	1,792	(12,762)	-	(12,105)
Due from other governments	-	-	(20,902)	-	-	-	(6,389)	-	(27,291)
Due from other programs	(442)	-	-	-	-	-	-	442	-
Prepaid expense	(86)	-	(369)	-	-	-	(27)	-	(482)
Increase (decrease) in liabilities									
Accounts payable	368	-	(11,902)	-	-	-	9,210	-	(2,324)
Accrued liabilities	(14,906)	-	7,021	-	-	-	8,146	-	261
Unearned revenue	2,430	-	3,526	-	-	-	88,014	-	93,970
Due to other governments	1,764	-	-	-	-	-	-	-	1,764
Due to other programs	-	-	-	(330)	-	772	-	(442)	-
Tenant's security deposits	2,315	-	-	-	-	125	(867)	-	1,573
Tenant's FSS escrow	3,417	-	11,240	-	-	-	-	-	14,657
Net cash provided by (used in) operating activities	<u>\$ (159,926)</u>	<u>\$ 131,087</u>	<u>\$ (129,456)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (404)</u>	<u>\$ 120,862</u>	<u>\$ -</u>	<u>\$ (37,837)</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF NET POSITION - EIRHC
June 30, 2015

ASSETS	USDA Housing Program	Tax Credit Program	Home Investment Partnership Program (TBRA)	Housing Trust Fund	Total
CURRENT ASSETS					
Cash and cash equivalents	\$ 7,265	\$ 739,755	\$ 68,133	\$ 27,539	\$ 842,692
Cash and cash equivalents - restricted	47,583	-	-	-	47,583
Accounts receivable					
Other, net of allowance	-	36,697	-	-	36,697
Due from other governments	-	-	17,168	-	17,168
Prepaid expense	1,218	-	-	-	1,218
Total current assets	<u>56,066</u>	<u>776,452</u>	<u>85,301</u>	<u>27,539</u>	<u>945,358</u>
NONCURRENT ASSETS					
Capital assets, net	221,601	17,935	-	-	239,536
Investment in joint ventures	-	70,050	-	-	70,050
Total noncurrent assets	<u>221,601</u>	<u>87,985</u>	<u>-</u>	<u>-</u>	<u>309,586</u>
TOTAL ASSETS	<u>\$ 277,667</u>	<u>\$ 864,437</u>	<u>\$ 85,301</u>	<u>\$ 27,539</u>	<u>\$ 1,254,944</u>
 LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Accounts payable	\$ 1,216	\$ 10,232	\$ 12,955	\$ 3,789	\$ 28,192
Accrued liabilities - other	-	-	8,146	-	8,146
Accrued interest payable	183	-	-	-	183
Unearned revenue	78	-	64,186	23,750	88,014
Tenants' security deposits	2,531	-	-	-	2,531
Notes payable - current	3,725	-	-	-	3,725
Total current liabilities	<u>7,733</u>	<u>10,232</u>	<u>85,287</u>	<u>27,539</u>	<u>130,791</u>
NONCURRENT LIABILITIES					
Notes payable	268,162	-	-	-	268,162
Total liabilities	<u>275,895</u>	<u>10,232</u>	<u>85,287</u>	<u>27,539</u>	<u>398,953</u>
NET POSITION					
Net investment in capital assets	(50,286)	17,935	-	-	(32,351)
Restricted	47,583	-	-	-	47,583
Unrestricted	4,475	836,270	14	-	840,759
Total net position	<u>1,772</u>	<u>854,205</u>	<u>14</u>	<u>-</u>	<u>855,991</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 277,667</u>	<u>\$ 864,437</u>	<u>\$ 85,301</u>	<u>\$ 27,539</u>	<u>\$ 1,254,944</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - EIRHC
Year ended June 30, 2015

	USDA Housing Program	Tax Credit Program	Home Investment Partnership Program (TBRA)	Housing Trust Fund	Total
OPERATING REVENUE					
Rental income	\$ 27,772	\$ -	\$ -	\$ -	\$ 27,772
Operating grants	8,369	-	435,625	-	443,994
Other operating revenue	1,686	109,619	-	80,356	191,661
Total operating revenue	<u>37,827</u>	<u>109,619</u>	<u>435,625</u>	<u>80,356</u>	<u>663,427</u>
OPERATING EXPENSE					
Administration	4,815	83,788	74,889	21,507	184,999
Utilities	6,286	-	-	-	6,286
Maintenance and operations	11,739	-	-	-	11,739
General expense	2,432	27,099	-	34,599	64,130
Housing assistance payments	-	-	360,736	-	360,736
Depreciation	8,970	2,145	-	-	11,115
Total operating expense	<u>34,242</u>	<u>113,032</u>	<u>435,625</u>	<u>56,106</u>	<u>639,005</u>
Operating income (loss)	3,585	(3,413)	-	24,250	24,422
NONOPERATING REVENUE (EXPENSE)					
Interest income	49	1,467	13	-	1,529
Interest subsidy	11,024	-	-	-	11,024
Interest expense	(19,045)	-	-	-	(19,045)
Operating transfers	-	-	-	(24,250)	(24,250)
Net nonoperating revenue	<u>(7,972)</u>	<u>1,467</u>	<u>13</u>	<u>(24,250)</u>	<u>(30,742)</u>
Change in net position	(4,387)	(1,946)	13	-	(6,320)
NET POSITION AT BEGINNING OF YEAR	<u>6,159</u>	<u>856,151</u>	<u>1</u>	<u>-</u>	<u>862,311</u>
NET POSITION AT END OF YEAR	<u>\$ 1,772</u>	<u>\$ 854,205</u>	<u>\$ 14</u>	<u>\$ -</u>	<u>\$ 855,991</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF CASH FLOWS - EIRHC
Year ended June 30, 2015

	USDA Housing Program	Tax Credit Program	Home Investment Partnership Program (TBRA)	Housing Trust Fund	Eliminating Entry	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from tenants	\$ 28,994	\$ -	\$ -	\$ -	\$ -	\$ 28,994
Cash received from operating grants	8,369	-	493,422	82,007	-	583,798
Other income received	464	109,619	-	22,099	-	132,182
Cash payments to vendors	(27,315)	(44,521)	(9,929)	(35,453)	-	(117,218)
Cash payments to employees	(2,466)	(68,231)	(66,743)	(16,864)	-	(154,304)
Cash payments for housing assistance	-	-	(352,590)	-	-	(352,590)
Net cash provided by (used in) operating activities	8,046	(3,133)	64,160	51,789	-	120,862
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Aquisition of capital assets	-	(6,381)	-	-	-	(6,381)
Principal payments on notes payable	(3,468)	-	-	-	-	(3,468)
Interest paid	(8,028)	-	-	-	-	(8,028)
Net cash provided by (used in) capital and related financing activities	(11,496)	(6,381)	-	-	-	(17,877)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating transfers	-	-	-	(24,250)	-	(24,250)
Net cash provided by (used in) noncapital financing activities	-	-	-	(24,250)	-	(24,250)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income received	49	1,467	13	-	-	1,529
Net increase (decrease) in cash and cash equivalents	(3,401)	(8,047)	64,173	27,539	-	80,264
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>58,249</u>	<u>747,802</u>	<u>3,960</u>	<u>-</u>	<u>-</u>	<u>810,011</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 54,848</u>	<u>\$ 739,755</u>	<u>\$ 68,133</u>	<u>\$ 27,539</u>	<u>\$ -</u>	<u>\$ 890,275</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION						
Cash and cash equivalents	\$ 7,265	\$ 739,755	\$ 68,133	\$ 27,539	\$ -	\$ 842,692
Cash and cash equivalents - restricted	47,583	-	-	-	-	47,583
Cash and cash equivalents per the Statement of Net Position	<u>\$ 54,848</u>	<u>\$ 739,755</u>	<u>\$ 68,133</u>	<u>\$ 27,539</u>	<u>\$ -</u>	<u>\$ 890,275</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
COMBINING STATEMENT OF CASH FLOWS - EIRHC - CONTINUED
Year ended June 30, 2015

	USDA Housing Program	Tax Credit Program	Home Investment Partnership Program (TBRA)	Housing Trust Fund	Eliminating Entry	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating income (loss)	\$ 3,585	\$ (3,413)	\$ -	\$ 24,250	\$ -	\$ 24,422
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation	8,970	2,145	-	-	-	11,115
Changes in assets and liabilities						
(Increase) decrease in assets						
Accounts receivable	241	(13,003)	-	-	-	(12,762)
Due from other governments	-	-	(6,389)	-	-	(6,389)
Due from other programs	-	10,000	-	-	(10,000)	-
Prepaid expense	(27)	-	-	-	-	(27)
Increase (decrease) in liabilities						
Accounts payable	(3,934)	1,138	8,217	3,789	-	9,210
Accrued liabilities - other	-	-	8,146	-	-	8,146
Unearned revenue	78	-	64,186	23,750	-	88,014
Due to other programs	-	-	(10,000)	-	10,000	-
Tenant's security deposits	(867)	-	-	-	-	(867)
Net cash provided by (used in) operating activities	<u>\$ 8,046</u>	<u>\$ (3,133)</u>	<u>\$ 64,160</u>	<u>\$ 51,789</u>	<u>\$ -</u>	<u>\$ 120,862</u>

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2015

<u>Federal Grantor</u>	<u>Federal Catalog Number</u>	<u>Award Amount</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT - DIRECT PROGRAMS			
Housing Choice Vouchers	14.871	\$ 4,636,102	\$ 4,636,102
Public and Indian Housing	14.850	335,322	335,322
Public Housing Capital Fund	14.872	161,471	161,471
Resident Opportunity and Supportive Services - Service Coordinators	14.870	32,368	32,368
Public and Indian Housing Family Self-Sufficiency Program	14.877	66,746	66,746
Family Self-Sufficiency Program Coordinators	14.896	95,932	95,932
Housing Counseling Assistance Program	14.169	15,991	15,991
Home Investment Partnership Program	14.239	10,779	435,625
			<u>5,779,557</u>
U.S. DEPARTMENT OF AGRICULTURE - DIRECT PROGRAMS			
Rural Rental Assistance Payments	10.427	8,369	8,369
Rural Rental Housing Loans	(1) 10.415	11,024	11,024
			<u>19,393</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 5,798,950</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Eastern Iowa 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 presentation of, the financial statements.

Summary of Significant Accounting Policies

Expenditures presented on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

- (1) Outstanding loan balances owed to United States Department of Agriculture at December 31, 2015 are \$271,887.

Eastern Iowa Regional Housing Authority
 Dubuque, Iowa
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
 June 30, 2015

ANNUAL CONTRIBUTIONS CONTRACT

1. The Actual Modernization Costs for the Locally-Owned projects are as follows:

	Project IA05P126
	501-14
Funds approved	\$ 161,471
Funds expended	161,471
Excess (deficiency) of funds approved	\$ -
HUD grants	\$ 161,471
Funds expended	161,471
Excess (deficiency) of funds expended	\$ -

2. The distribution of costs as shown on the Final Statement of Modernization Costs dated August 2015, accompanying the Actual Modernization Cost Certificates submitted to HUD are in agreement with the Authority's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

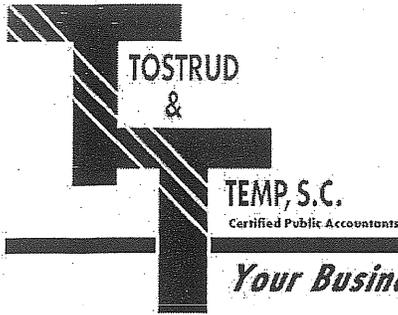
Eastern Iowa Regional Housing Authority
Dubuque, Iowa
FINANCIAL DATA SCHEDULE
June 30, 2015

Line Item Number	Account Description	Public Housing 14.850	Capital Funds 14.872	Public Housing FSS ROSS 14.877	ROSS FSS 14.896	Housing Counseling Assistance Program 14.169	Rural Rental Housing Loans 10.415	ROSS 14.870	Housing Choice Vouchers 14.871	6.2 Component Unit-Blended	Home Investment Partnership Program 14.239	State/Local (HTF)	Business Activities	Eliminating Entry	Total
111	Cash - unrestricted	162,780	-	-	-	-	4,735	-	106,542	739,755	68,133	27,539	-	-	1,109,484
113	Cash - other restricted	25,859	-	-	5,588	-	47,582	-	281,977	-	-	-	-	-	361,006
114	Cash - tenant security deposits	45,777	-	-	-	-	2,531	-	-	-	-	-	125	-	48,433
100	Total cash	234,416	-	-	5,588	-	54,848	-	388,519	739,755	68,133	27,539	125	-	1,518,923
122	Accounts receivable - HUD other projects	-	-	-	-	-	-	6,132	27,607	-	17,168	-	-	-	50,907
125	Accounts receivable - miscellaneous	-	-	-	-	-	-	-	-	36,697	-	-	-	-	36,697
126	Accounts receivable - tenants	9,047	-	-	-	-	-	-	-	-	-	-	-	-	9,047
126.1	Allowance for doubtful accounts - tenants	(246)	-	-	-	-	-	-	-	-	-	-	-	-	(246)
128	Fraud recovery	2,720	-	-	-	-	-	-	5,460	-	-	-	-	-	8,180
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	(928)	-	-	-	-	-	(928)
120	Total receivables, net of allowance for doubtful accounts	11,521	-	-	-	-	-	6,132	32,139	36,697	17,168	-	-	-	103,657
142	Prepaid expenses	20,225	-	-	-	-	1,218	-	7,055	-	-	-	-	-	28,498
144	Inter program due from	6,904	-	-	-	-	-	-	-	-	-	-	-	(6,904)	-
145	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	183,617	-	183,617
150	Total current assets	273,066	-	-	5,588	-	56,066	6,132	427,713	776,452	85,301	27,539	183,742	(6,904)	1,834,695
161	Land	823,786	-	-	-	-	19,664	-	-	-	-	-	-	-	843,450
162	Buildings	9,555,360	-	-	-	-	332,361	-	-	-	-	-	-	-	9,887,721
163	Furniture, equipment and machinery - dwellings	43,129	-	-	-	-	16,970	-	-	-	-	-	-	-	60,099
164	Furniture, equipment and machinery - administration	273,396	-	-	-	-	399	-	44,793	26,954	-	-	-	-	345,542
165	Leasehold improvements	93,028	-	-	-	-	10,975	-	-	-	-	-	-	-	104,003
166	Accumulated depreciation	(6,972,801)	-	-	-	-	(158,768)	-	(40,709)	(9,019)	-	-	-	-	(7,181,297)
160	Total fixed assets, net of accumulated depreciation	3,815,898	-	-	-	-	221,601	-	4,084	17,935	-	-	-	-	4,059,518
176	Investments in joint ventures	-	-	-	-	-	-	-	-	70,050	-	-	-	-	70,050
180	Total non-current assets	3,815,898	-	-	-	-	221,601	-	4,084	87,985	-	-	-	-	4,129,568
190	Total assets	4,088,964	-	-	5,588	-	277,667	6,132	431,797	864,437	85,301	27,539	183,742	(6,904)	5,964,263
312	Accounts payable <=90 days	16,553	-	-	-	-	1,216	-	6,898	10,232	12,955	3,789	-	-	51,643
321	Accrued wage/payroll taxes payable	38,592	-	-	-	-	-	-	44,874	-	-	-	-	-	83,466
325	Accrued interest payable	-	-	-	-	-	183	-	-	-	-	-	-	-	183
333	Accounts payable - other government	27,310	-	-	-	-	-	-	-	-	-	-	-	-	27,310
341	Tenant security deposits	45,777	-	-	-	-	2,531	-	-	-	-	-	125	-	48,433
342	Unearned revenue	10,972	-	-	5,588	-	78	-	-	-	64,186	23,750	-	-	104,574
343	Current portion of a long-term debt	14,119	-	-	-	-	3,725	-	-	-	-	-	-	-	17,844
346	Accrued liabilities other	-	-	-	-	-	-	-	-	-	8,146	-	-	-	8,146
347	Inter program due to	-	-	-	-	-	-	6,132	-	-	-	-	772	(6,904)	-
310	Total current liabilities	153,323	-	-	5,588	-	7,733	6,132	51,772	10,232	85,287	27,539	897	(6,904)	341,599
351	Long-term debt, net of current portion	-	-	-	-	-	268,162	-	-	-	-	-	-	-	268,162
353	Non-current liabilities - other	25,859	-	-	-	-	-	-	98,888	-	-	-	-	-	124,747
350	Total noncurrent liabilities	25,859	-	-	-	-	268,162	-	98,888	-	-	-	-	-	392,909
300	Total liabilities	179,182	-	-	5,588	-	275,895	6,132	150,660	10,232	85,287	27,539	897	(6,904)	734,508
508.1	Invested in capital assets, net of related debt	3,815,898	-	-	-	-	(50,287)	-	4,084	17,935	-	-	-	-	3,787,630
511.1	Restricted	-	-	-	-	-	47,583	-	183,089	-	-	-	-	-	230,672
512.1	Unrestricted net assets	93,884	-	-	-	-	4,476	-	93,964	836,270	14	-	182,845	-	1,211,453
513	Total equity/net assets	3,909,782	-	-	-	-	1,772	-	281,137	854,205	14	-	182,845	-	5,229,755
600	Total liabilities and equity/net assets	4,088,964	-	-	5,588	-	277,667	6,132	431,797	864,437	85,301	27,539	183,742	(6,904)	5,964,263
70300	Net tenant rental revenue	372,401	-	-	-	-	27,772	-	-	-	-	-	5,455	-	405,628
70400	Tenant revenue - other	11,004	-	-	-	-	1,222	-	-	-	-	-	-	-	12,226
70500	Total tenant revenue	383,405	-	-	-	-	28,994	-	-	-	-	-	5,455	-	417,854
70600	HUD PHA operating grants	335,322	131,087	66,746	95,932	15,991	-	32,368	4,636,102	-	435,625	-	-	-	5,749,173
70610	Capital grants	-	30,384	-	-	-	-	-	-	-	-	-	-	-	30,384
70800	Other government grants	-	-	-	-	-	19,393	-	-	-	-	58,257	-	-	77,650
71100	Investment income - unrestricted	112	-	-	-	-	49	-	114	1,467	13	-	262	-	2,017
71400	Fraud recovery	-	-	-	-	-	-	-	22	-	-	-	-	-	22
71500	Other revenue	2,222	-	-	-	-	464	-	2,936	109,619	-	22,099	-	-	137,340
70000	Total revenue	721,061	161,471	66,746	95,932	15,991	48,900	32,368	4,639,174	111,086	435,638	80,356	5,717	-	6,414,440

Eastern Iowa Regional Housing Authority
Dubuque, Iowa
FINANCIAL DATA SCHEDULE - CONTINUED
June 30, 2015

Line Item Number	Account Description	Public Housing 14.850	Capital Funds 14.872	Public Housing FSS ROSS 14.877	ROSS FSS 14.896	Housing Counseling Assistance Program 14.169	Rural Rental Housing Loans 10.415	ROSS 14.870	Housing Choice Vouchers 14.871	6.2 Component Unit-Blended	Home Investment Partnership Program 14.239	State/Local (HTF)	Business Activities	Eliminating Entry	Total
91100	Administrative salaries	182,136	-	-	-	-	1,296	-	471,857	68,232	24,071	16,865	-	-	764,457
91200	Auditing fees	4,200	-	-	-	-	500	-	4,200	-	-	-	-	-	8,900
91300	Management fee	-	-	-	-	-	2,773	-	-	-	-	-	-	-	2,773
91400	Advertising and marketing	784	-	-	-	-	212	-	199	-	-	-	-	-	1,195
91600	Office expenses	15,508	-	-	-	-	-	-	23,210	-	269	-	-	-	38,987
91700	Legal expense	896	-	-	-	-	-	-	-	-	-	425	-	-	1,321
91800	Travel	22,948	-	-	-	-	34	-	7,295	-	-	2,376	-	-	32,653
91900	Other	74,340	-	-	-	-	-	-	94,290	15,556	50,549	1,841	-	-	236,576
91000	Total operating - administration	300,812	-	-	-	-	4,815	-	601,051	83,788	74,889	21,507	-	-	1,086,862
92100	Tenant services salaries	-	-	66,746	95,932	15,991	-	32,368	60,738	-	-	-	-	-	271,775
92400	Tenant services - other	575	-	-	-	-	-	-	-	-	-	-	-	-	575
92500	Total tenant services	575	-	66,746	95,932	15,991	-	32,368	60,738	-	-	-	-	-	272,350
93100	Water	19,350	-	-	-	-	955	-	-	-	-	-	-	-	20,305
93200	Electricity	15,706	-	-	-	-	3,425	-	-	-	-	-	-	-	19,131
93300	Gas	40,734	-	-	-	-	-	-	-	-	-	-	-	-	40,734
93600	Sewer	23,512	-	-	-	-	1,906	-	-	-	-	-	-	-	25,418
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	-	-	1,701	-	1,701
93000	Total utilities	99,302	-	-	-	-	6,286	-	-	-	-	-	1,701	-	107,289
94100	Ordinary maintenance & operations - labor	279,234	-	-	-	-	1,170	-	-	-	-	-	-	-	280,404
94200	Ordinary maintenance & operations - materials	53,752	-	-	-	-	1,873	-	-	-	-	-	-	-	55,625
94300	Ordinary maintenance & operations - contracts	72,117	-	-	-	-	8,696	-	3,385	-	-	-	1,667	-	85,865
94000	Total maintenance	405,103	-	-	-	-	11,739	-	3,385	-	-	-	1,667	-	421,894
96110	Property insurance	23,187	-	-	-	-	2,432	-	-	-	-	-	4,210	-	29,829
96120	Liability insurance	4,883	-	-	-	-	-	-	4,633	-	-	-	-	-	9,516
96130	All other insurance	4,683	-	-	-	-	-	-	1,175	-	-	-	-	-	5,858
96100	Total insurance premiums	32,753	-	-	-	-	2,432	-	5,808	-	-	-	4,210	-	45,203
96200	Other general expenses	-	-	-	-	-	-	-	16,836	27,099	-	34,599	-	-	78,534
96300	Payments in lieu of taxes	27,310	-	-	-	-	-	-	-	-	-	-	970	-	28,280
96400	Bad debt - tenant rents	4,156	-	-	-	-	-	-	-	-	-	-	-	-	4,156
96000	Total other general expense	31,466	-	-	-	-	-	-	16,836	27,099	-	34,599	970	-	110,970
96710	Interest of mortgage payable	-	-	-	-	-	19,045	-	-	-	-	-	-	-	19,045
96900	Total operating expenses	870,011	-	66,746	95,932	15,991	44,317	32,368	687,818	110,887	74,889	56,106	8,548	-	2,063,613
97000	Excess operating revenue over operating expenses	(148,950)	161,471	-	-	-	4,583	-	3,951,356	199	360,749	24,250	(2,831)	-	4,350,827
97200	Casualty loss	100	-	-	-	-	-	-	-	-	-	-	-	-	100
97300	Housing assistance payments	-	-	-	-	-	-	-	4,073,471	-	360,736	-	-	-	4,434,207
97400	Depreciation expense	323,702	1,190	-	-	-	8,970	-	3,359	2,145	-	-	-	-	339,366
90000	Total expenses	1,193,813	1,190	66,746	95,932	15,991	53,287	32,368	4,764,648	113,032	435,625	56,106	8,548	-	6,837,286
10010	Operating transfers in	155,337	-	-	-	-	-	-	-	-	-	-	-	-	155,337
10020	Operating transfers out	-	(131,087)	-	-	-	-	-	-	-	-	(24,250)	-	-	(155,337)
10100	Total other financing sources (uses)	155,337	(131,087)	-	-	-	-	-	-	-	-	(24,250)	-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(317,415)	29,194	-	-	-	(4,387)	-	(125,474)	(1,946)	13	-	(2,831)	-	(422,846)
11020	Required annual debt principal payments	-	-	-	-	-	3,467	-	-	-	-	-	-	-	3,467
11030	Beginning equity	4,198,003	-	-	-	-	6,159	-	406,611	856,151	1	-	185,676	-	5,652,601
11040	Equity transfers	29,194	(29,194)	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	93,964	-	-	-	-	-	93,964
11180	Housing assistance payments equity	-	-	-	-	-	-	-	183,089	-	-	-	-	-	183,089
11190	Unit months available	1,968	-	-	-	-	120	-	11,796	-	1,320	-	10	-	15,214
11210	Number of unit months leased	1,941	-	-	-	-	120	-	11,749	-	590	-	9	-	14,409

OTHER REPORTS



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

Board of Directors
Eastern Iowa Regional Housing Authority
Dubuque, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the Eastern Iowa Regional Housing Authority ("Authority"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon October 13, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

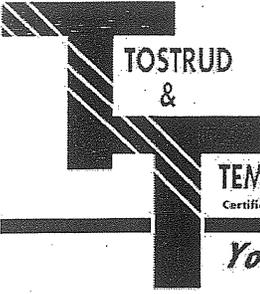
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on 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.

Purpose of this Report

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

Tostrud & Temp, S.L.

October 13, 2015



TOSTRUD
&

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors
Eastern Iowa Regional Housing Authority
Dubuque, Iowa 54773

Report on Compliance for Each Major Federal Program

We have audited the Eastern Iowa Regional Housing Authority's compliance with the types of compliance requirements described in the (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2015. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above.

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

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified above for the year ended June 30, 2015.

Report on Internal Control Over Compliance

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

A *deficiency in 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 and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

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

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

Tostlund & Temp, S.L.

October 13, 2015

Eastern Iowa Regional Housing Authority
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year ended June 30, 2015

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
 Significant deficiency(ies) identified? yes no
 Significant deficiency(ies) identified not
 considered to be material weaknesses? yes none reported

Noncompliance material to the financial statements? yes no

Federal Awards

Internal control over compliance:
 Significant deficiency(ies) identified? yes no
 Significant deficiency(ies) identified not
 considered to be material weaknesses? yes none reported

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

Any audit findings disclosed that are required
 to be reported in accordance with Circular A-133
 Section .510(1)? yes no

Identification of major federal programs:

CFDA Number	Name of Federal Program or Cluster
14.871	Section 8 Housing Choice Vouchers
14.239	Home Investment Partnerships Program

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

Auditee qualified as a low-risk auditee? yes no

Section II - Financial Statement Findings

NONE

Section III - Federal Findings and Questioned Costs

NONE

Status of Prior Audit Findings

There were no prior-year audit findings.