BROWARD COUNTY HOUSING AUTHORITY
LAUDERDALE LAKES, FLORIDA

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT THEREON AND REPORTS ON INTERNAL CONTROL AND COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

BROWARD
county · housing authority

BROWARD COUNTY HOUSING AUTHORITY

FINANCIAL STATEMENTS AND REPORTS REQUIRED BY OMB CIRCULAR A-133
FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Broward County Housing Authority
Lauderdale Lakes, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Broward County Housing Authority (the "Authority"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Partnerships included in the discrete component units, which statements represents 57%, 52%, and 7%, respectively, of the total assets, net position, and total revenues as of and for the year ended December 31, 2014. Those financials statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for the Partnerships included in the discrete component units, is based solely on the reports of the other auditors. 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 misstatement.

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

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

Opinion

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

Prior Period Financial Statements

The financial statements of the Authority, as of September 30, 2014, were audited by other auditors whose report dated March 9, 2015, expressed an unmodified opinion on those statements. In addition, the financial statements of the Authority's discrete component units, as of December 31, 2013, were audited by other auditors who expressed unmodified opinions on those statements.

Emphasis of Matter

As discussed in Note 1-q to the financial statements, in 2015 the Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's financial statements. The accompanying financial data schedule and schedule of actual program costs and advances are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development, and are not a required part of the financial statements. The accompanying combining financial schedules as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements of the Authority.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2016 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.

June 2, 2016
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BROWARD COUNTY HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015 AND 2014

As management of the Broward County Housing Authority (BCHA or Authority), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the years ended September 30, 2015 and 2014. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

The Broward County Housing Authority was founded in 1969 as a special district under the State of Florida statutes Section 421.27. Broward County Housing Authority has been aggressive in utilizing nontraditional Public Housing Strategies to increase the pool of units available, and to serve a range of demographic needs. The Authority has been aggressive in the replacement of older units using a variety of resources.

The Authority's financial statements for the fiscal years ended September 30, 2015 and 2014 are presented in accordance with the Governmental Accounting Standards Board, Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB 34).

Overview of the Financial Statements

The financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Position** - reports the Authority's current financial resources (short-term expendable resources) with capital assets and long-term debt obligations.

- **Statement of Revenues, Expenses and Changes in Net Position** - reports the Authority's operating and non-operating revenue, by major sources, along with operating and non-operating expenses and capital contributions.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authority's finances, "Is the Authority, as a whole, better or worse off as a result of the year's activities?" The attached analysis of entity-wide net position, revenue and expenses is provided to assist with providing an answer to this question.

The Authority presents its financial statements and results for the fiscal years ended September 30, 2015 and 2014 on an accrual basis and as a single governmental entity with blended component units on a single enterprise fund basis. The enterprise fund basis accounts for the operations of the Authority in a manner similar to a private business, where the determination of net income on a full accrual basis is made to determine sound financial administration. The full accrual method requires the recording of revenues when earned and expenses when incurred.

Our analysis also presents the Authority's net position and changes therein. The reader can think of the Authority's net position as the difference between what the Authority owns (assets) and deferred outflows and what the Authority owes (liabilities) and deferred inflows. The change in net position analysis will assist the reader with measuring the health or financial position of the Authority.

Overview of the Financial Statements (Continued)

Over time, significant changes in the Authority's net position are indicators of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other nonfinancial factors such as; changes in family composition, fluctuations in the local economy, U.S. Department of Housing and Urban Development (HUD) mandated program administrative changes, and the physical condition of the Authority's capital assets.

The Statement of Net Position provides information on the assets available to the Authority at the end of the fiscal year to support future operations and the liabilities owed by the Authority that have to be reduced or paid off by the liquidity of current or future assets. These Statements also identify the accumulated position of unrestricted net position and the impact of net operating results and non-operating transactions that has transpired since the inception of the Authority.

The Statement of Revenues, Expenses, and Changes in Net Position represents the results from normal operations of the activities managed by the Authority and the fiscal years' impact on the net position in the Authority's Statement of Net Position.

The Statement of Cash Flows contains the increases and decreases in the Authority's cash balances resulting from all of the financing, operating and investing activities of the Authority during the fiscal years. The combination of these three statements provides the reader with a comprehensive overview of the Authority's operational results for fiscal years 2015 and 2014, and its capabilities to support future operations and management of the Authority.

Enterprise Fund

The Broward County Housing Authority financial statements are presented as a single governmental entity on a single enterprise fund basis with discrete component units. The various primary governmental activities include: Public Housing; Multi-family, Housing Choice Voucher Program (Section 8); and Other Enterprise activities, consisting of discrete Affordable Housing affiliates, Housing Counseling, Development and the Central Office Cost Center. As of September 30, 2015, Multi-family converted 373 apartments through the Rental Assistance Demonstration program from Public Housing during fiscal years 2014 and 2015; Housing Choice Voucher Program served approximately 6,000 renters, Shelter Plus Care Program served 339 participants, and there were 118 Affordable Housing units.

In addition to providing housing services through the primary government, the BCHA has expanded affordable housing operations with low income housing tax credit financed limited partnerships. These limited partnerships have been included as discrete component units of the BCHA primary government because: the board of the affiliates may impose its will on the partnerships; the BCHA board and the affiliates' General Partner board consist of the same individuals; and, there is a financial benefit relationship between the Authority and the component units. The five tax credit limited partnerships consist of: Crystal Lakes, 190 units; Highland Gardens, 100 units; Progresso, 76 units; Tallman Pines I, 176 units; and Tallman Pines II, 24 units. Each of these properties is disclosed as discrete component units.

BROWARD COUNTY HOUSING AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015 AND 2014

FINANCIAL HIGHLIGHTS

Entity-wide

- As of September 30, 2015 and 2014, assets and deferred outflows of the Authority exceeded liabilities and deferred inflows by $50 million and $54 million, respectively.

- As of September 30, 2015 and 2014, the Authority's net current assets (current assets minus current liabilities) were $17 million and $21 million, respectively.

- As of September 30, 2015 and 2014, unrestricted net position representing unencumbered available funds were $13 million and $19 million, respectively.

PROGRAM HIGHLIGHTS

The Authority through its affiliates has utilized its real estate assets by leveraging these making deals with partners and private developers to create new and fully renovated homes to serve the housing needs of the County. Since 2003, the Authority has embarked on an ambitious development program where it has undertaken the replacement of older public housing that has approached or become physically and functionally obsolescent. This program so far has replaced 302 public housing units at sites located in two neighborhoods in Broward County with affordable housing units and added an additional 88 units to these sites for a total of 390 affordable housing units.

Additionally, the Authority through its affiliates has created 100 units of affordable housing on surplus land adjoining a public housing site providing housing for senior households. In addition to the replacement of existing obsolete public housing and the creation of additional housing units, the Authority has also received from HUD Housing Choice Vouchers to assist households as replacement for the public housing units demolished and disposed of as referenced above. The success of this effort is evidenced by the creation of the 490 units under the Low Income Housing Tax Credit (LIHTC) Program and the addition since 2003 of the 302 Housing Choice Vouchers. Each of the development projects generated fees which were used by the Authority to improve its financial condition as well as assist in successfully financing newly created housing units.

The Authority has undertaken a responsible and well executed business model for its development program which limits risk and exposure for the public, generates development and related fee income, and results in public control of affordable housing real estate assets following the completion of the project's development obligation period. Under this business model, a skilled development partner assumes the major guarantees required to finance and construct the housing. Once the project is completed, the developer co-general partner passes control and Managing General Partner responsibilities over to the Authority's affiliate management/ownership entity, subject to the approval of all private and public investors.

PROGRAM HIGHLIGHTS (Continued)

Once the Authority, through an Affiliate nonprofit or for-profit corporation instrumentality, assumes control as Managing General partner of the management ownership entity it receives the benefit of all cash flow and related proceeds permitted under the financing arrangements with the investors. This business model has resulted in the ongoing provision of cash proceeds to the Authority instrumentality which is then available for other development activities and related purposes consistent with the overall mission of the Authority.

This has enabled the Authority to more than double its portfolio of units:

As of December 31, 2014

	Units	Capital asset	Mortgage	Equity	Tax Credit Partner Equity
Tallman Pines I	176	$ 19,648,235	$ 4,025,011	$ 18,788,148	$ 25,113,425
Tallman Pines II	24	3,910,925	3,654,876	596,600	2,022,000
Highland Gardens	100	11,481,739	2,067,452	10,984,398	14,374,352
Progresso	76	18,752,465	1,488,019	13,432,441	13,925,351
Crystal Lakes	190	20,155,041	9,746,051	11,470,342	16,750,000
Totals	566	$ 73,948,405	$20,981,409	$55,271,929	$ 72,185,128

The Authority has been better able to serve the needs of the community through the provision of multi-family affordable housing which consists of sites with contemporary and energy efficient design more suitable to families and the elderly. All of the units created and mentioned above, while operating under the rules of the LIHTC Program, are income restricted and conform to the income restrictions of the public housing units they replaced.

In fiscal years 2015 and 2014, the Authority is reporting the revenue and expense associated with the Housing Choice Voucher (Section 8) families who move from another jurisdiction to Broward County. Revenues and expenses associated with that program were $627,641 for 2015 and $5,349,227 for 2014. In accordance with HUD regulations, those families who Port-in from another jurisdiction are eligible to have their rents subsidized by the Authority. In conjunction with the rent subsidy, the Authority earns a modest fee from the originating jurisdiction for assisting the family.

CURRENTLY KNOWN FACTS AND CONDITIONS

In fiscal year 2009, the Authority received approval from HUD for the demolition of the Ehlinger Apartments in the Town of Davie and an adjacent parcel of land was purchased with the goal of a new larger affordable housing development called East Village. Construction began in fiscal year 2010 with opening of the new property in 2012 and stabilization to occur after fiscal year end 2015. Consistent with the business model described above, the Authority replaced 100 units of obsolete public housing with 155 units of new housing in a contemporary multi-family setting using $17.8 million in tax credits. The Authority also completed construction of a new affordable housing development adjacent to the Crystal Lakes Apartments in the City of Hollywood called Crystal Lake Townhouses with opening of the property in 2013 consisting of ten units of multi-family housing using a $500,000 Affordable Housing Program Grant to defray costs.

CURRENTLY KNOWN FACTS AND CONDITIONS (Continued)

In partnership with the Reliance Housing Foundation, the Authority completed construction of a new workforce housing development in the City of Fort Lauderdale called Progresso Point with opening of the property in 2012 consisting of 76 units for small family and single person households using $15 million partnership equity. Stabilization of the property occurred during fiscal year 2014.

In further efforts to diversify its housing portfolio, the Authority obtained Commitments to enter into Housing Assistance Payments (CHAP) with HUD under the Rental Assistance Demonstration (RAD) program for two of its public housing properties; Highland Gardens and Griffin Gardens properties converted during fiscal year 2014 and Parkridge, Meyers and Everglades converted during fiscal year 2015 to 20 year long-term Section 8 rental assistance contracts. These properties are now under multi-family. RAD is part of HUD's rental housing preservation strategy to preserve the nation's stock of deeply affordable rental housing, promote efficiency within and among HUD programs, and build strong, stable communities. This program allows market financing tools to be applied to public and assisted housing units. The program is part of a national competition, limited to 60,000 units under the first phase. The second phase raised the cap to 159,000 units nationally.

FINANCIAL HIGHLIGHTS

Primary Government and Blended Affiliates

Assets and deferred outflows

Total assets at September 30, 2015, 2014 and 2013 were $56.5 million, $56.3 million and $54.9 million, respectively. Capital assets net of depreciation were $30.0 million, $28.3 million and $28.6 million, respectively; current assets totaled $17.7 million, $22.0 million, and $25.3 million, respectively, at September 30, 2015, 2014, and 2013. For fiscal year 2015, cash of $16.4 million accounted for the majority of the $17.7 million in current assets, with receivables, and prepaid expenses of $1.3 million accounting for the remaining balance. For fiscal year 2015, deferred outflows were $1.1 million. For fiscal year 2014, cash of $20.8 million accounted for the majority of the $22.2 million in current assets, with receivables, and prepaid expenses of $1.2 million accounting for the remaining balance. For fiscal year 2013, cash of $24.0 million accounted for the majority of the $25.3 million in current assets, with receivables, and prepaid expenses of $1.3 million accounting for the remaining balance.

Liabilities and deferred inflows

Total liabilities at September 30, 2015, 2014 and 2013 were $6.4 million, $2.6 million and $2.2 million, respectively; with current liabilities of $0.8 million, $0.8 million and $0.9 million, respectively; and long-term liabilities of $5.6 million, $1.7 million and $1.3 million, respectively, of which $471 thousand, $397 thousand and $393 thousand, respectively, related to the Family Self-Sufficiency Program, and $444 thousand related to Rehab escrow under the RAD conversion were reported as restricted liabilities in 2015. For fiscal year 2015, deferred inflows were $649 thousand.

FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Revenue

Total revenues for the years ended September 30, 2015, 2014 and 2013 were $85.7 million, $86.3 million and $87.8 million (before loss on disposal of capital assets), respectively.

For 2015, this is a decrease of $0.7 million, primarily due to:

- an increase in Management fees and subsidy of $560 thousand,
- an increase in Housing Choice Voucher Program Administrative fees of $611 thousand,
- an increase of $1.4 million in Capital Grants,
- an increase of $1.3 million in rent subsidy for Multi-family,
- an increase of $130 thousand in developer fees, reimbursement of expenses, and ground lease revenues from discrete component units,
- offset by an decrease in Port-in HAP revenue of $4.7 million due to absorbing tenants.

For 2014, this is a decrease of $1.5 million, primarily due to:

- a decrease in Management fees and subsidy of $760 thousand,
- a decrease in Housing Choice Voucher Program Administrative fees of $390 thousand,
- a decrease of $1.9 million in developer fees, reimbursement of expenses, and ground lease revenues from discrete component units,
- offset by an increase in capital grant revenue of $632 thousand due to the RAD conversion.

Expenses

Program expenditures for the years ended September 30, 2015, 2014 and 2013 were $85.5 million, $85.3 million and $88.1 million, respectively.

For 2015, this is an increase of $200 thousand, primarily due to:

- decreased expenditure of $624 thousand for Housing Assistance Payments (HAP),
- increased tenant services costs of $2 thousand,
- increased depreciation expense of $92 thousand as a result of capital asset additions,
- increased utilities expense of $30 thousand,
- increased administrative and maintenance and operations expenses of $628 thousand, and
- offset by a decrease in Port-in HAP expense of $4.7 million due to absorbing tenants.

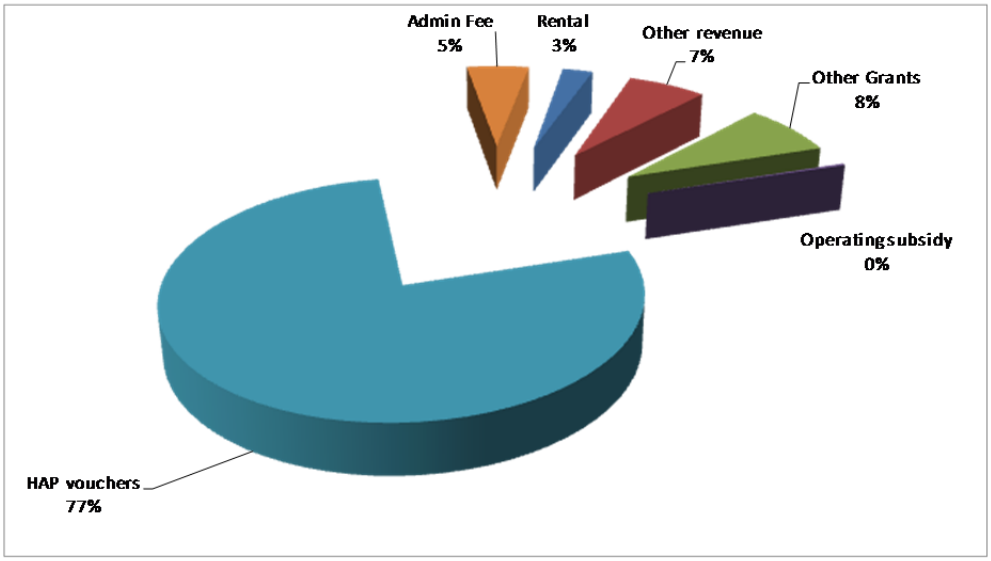
For 2014, this is a decrease of $2.8 million, primarily due to:

- decreased expenditure of $1.8 million for Housing Assistance Payments (HAP),
- increased tenant services costs of $21 thousand,
- increased depreciation expense of $122 thousand as a result of capital asset additions,
- decreased utilities expense of $15 thousand, and
- decreased administrative and maintenance and operations expenses of $1.2 million.

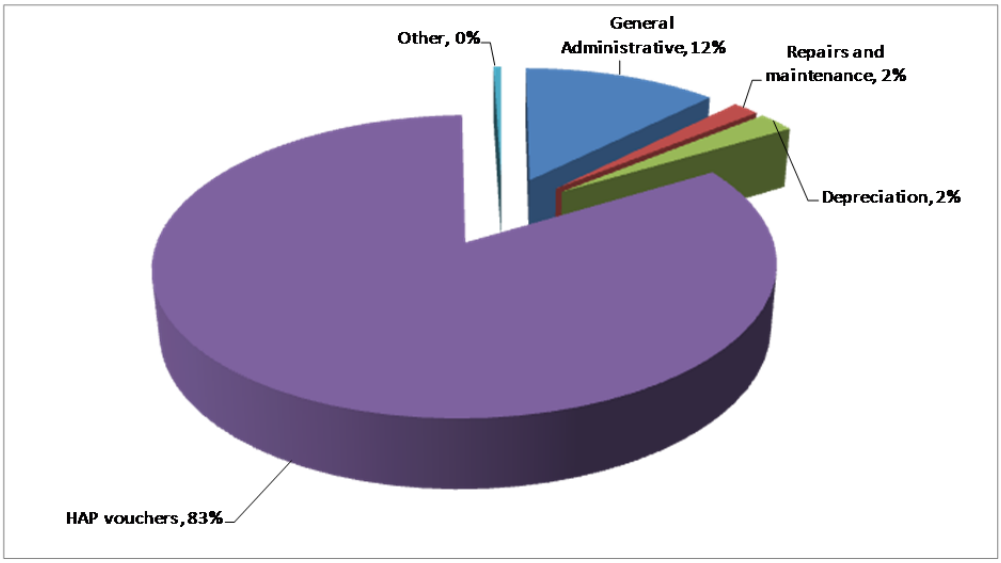
FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Broward County Housing Authority
2015 Revenue
Primary Government and Blended Affiliates



Broward County Housing Authority
2015 Expenses
Primary Government and Blended Affiliates



FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Statements of Revenues, Expenses, and Changes in Net Position
For The Years Ended September 30, 2015, 2014 and 2013

	2015	2014	2013	% 2015/2014	% 2014/2013
Revenues					
Rental income and other income	$ 2,161,233	$ 2,142,834	$ 1,890,660	1%	13%
Developer fees/ operating cash flows /ground lease	1,682,475	1,552,740	3,432,400	8%	-55%
Management fees	2,809,927	2,247,176	3,006,805	25%	-25%
Interest earnings	35,414	62,811	52,908	-44%	19%
Capital grants	2,710,097	1,323,539	691,291	105%	91%
Federal grants and subsidies	76,367,567	78,985,911	78,705,939	-3%	0%
Gain/(loss) on disposition of fixed assets	(33,697)	(276)	135	12109%	-304%
Total Revenues	85,733,016	86,314,735	87,780,138	1%	-2%
Expenses					
Administration	10,492,604	9,844,280	10,841,045	7%	-9%
Tenant services	99,226	97,114	76,939	2%	26%
Utilities	323,301	292,694	307,295	10%	-5%
Maintenance and operations	1,443,831	1,469,306	1,636,296	-2%	-10%
Housing assistance payments	71,057,695	71,682,782	73,452,470	-1%	-2%
Depreciation	1,986,199	1,894,170	1,772,537	5%	7%
Total Expenses	85,402,856	85,280,346	88,086,582	0%	1%
Increase/(Decrease) in Net Position	$ 201,160	$ 1,034,389	$ (306,444)	-81%	438%

FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Net Position

At September 30, 2015, 2014 and 2013 the Authority's net positions were $50.5 million, $53.7 million and $52.7 million, respectively, of which unrestricted net positions were $12.6 million (and restricted net position was $7.7 million), $19.4 million and $22.2 million, respectively. Unrestricted net position declined by $6.5 million due to $3.8 million of new pension liabilities under the new accounting standard and a restriction of $3.3 million of cash to construct a new town home development.

Statements of Net Position
September 30, 2015, 2014 and 2013

	2015	2014	2013	% 2015/2014	% 2014/2013
Current assets	$ 17,667,900	$ 21,968,025	$ 25,330,319	-20%	-13%
Restricted assets	8,739,455	6,016,506	978,826	45%	515%
Capital assets, net of accumulated depreciation	30,043,030	28,305,651	28,622,816	6%	-1%
Total Assets	56,450,385	56,290,182	54,931,961	0%	2%
Deferred outflows	1,068,973	-	-	100%	0%
Current liabilities	763,218	837,117	927,357	-9%	-10%
Non-current liabilities payable from restricted assets	914,410	840,615	393,240	9%	114%
Pension liabilities	3,774,260	-	-	100%	0%
Long-term liabilities	960,358	897,826	931,129	7%	-4%
Total Liabilities	6,412,246	2,575,558	2,251,726	149%	14%
Deferred inflows	649,130	-	-	100%	0%
Net investment in capital assets	30,043,028	28,305,651	28,622,816	6%	-1%
Restricted	7,769,116	6,016,506	1,894,712	26%	218%
Unrestricted	12,645,838	19,392,467	22,162,707	-34%	-12%
Total Net Position	$ 50,457,982	$ 53,714,624	$ 52,680,235	-6%	2%

FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Capital Assets

At September 30, 2015, 2014 and 2013 the Authority had $30.0 million, $28.3 million and $28.6 million, respectively, invested in a broad range of capital assets, net of accumulated depreciation, including land, buildings, furniture, equipment, and building improvements.

During the fiscal year 2015, the net value of capital assets increased by $1.7 million made up of the following:

- purchase of new assets totaling $3.7 million, including Disaster Recovery Initiative grant improvements to roofs for $1.3 million, a new affordable housing complex for $955 thousand, and $1.4 million in expenditures from the capital fund and replacement reserves and expenditures to improve recent affordable housing acquisitions,
- less current depreciation of $2.0 million.

During the fiscal year 2014, the net value of capital assets decreased by $317 thousand made up of the following:

- purchase of new assets from operations totaling $925 thousand,
- plus asset purchases from the capital fund of $276 thousand,
- less current depreciation of $1.9 million.

	2015	2014	2013	% 2015/2014	% 2014/2013
Land	$ 9,884,101	$ 9,705,802	$ 9,568,078	2%	1%
Buildings and Construction in Progress	34,018,770	32,409,810	31,986,163	5%	1%
Intangible Assets	324,404	323,239	323,239	0%	0%
Furniture and Equipment	3,586,247	1,514,361	1,432,539	137%	6%
Building Improvements	5,282,676	5,408,953	4,665,829	-2%	16%
Total Capital Assets	**53,096,198**	**49,362,165**	**47,975,848**	**8%**	**3%**
Accumulated Depreciation	(23,053,168)	(21,056,514)	(19,353,032)	9%	9%
Total Net Capital Assets	**$ 30,043,030**	**$ 28,305,651**	**$ 28,622,816**	**6%**	**-1%**

Additional information relative to capital assets can be found in Note 5 to the financial statements.

FINANCIAL HIGHLIGHTS (Continued)

Primary Government and Blended Affiliates (Continued)

Long Term Liabilities

Long-term liabilities activity as of September 30, 2015, 2014 and 2013 were as follows

	2015	2014	2013	% 2015/2014	% 2014/2013
Family Self-Sufficiency Program escrow	$ 470,647	$ 396,852	$ 393,240	19%	1%
Rehab Escrow	443,763	443,763	-	0%	100%
Capital Leases	58,120	-	-	100%	0%
Pension obligation	3,774,260	-	-	100%	0%
Tenant security deposit	219,299	219,030	207,676	0%	5%
Compensated absences	682,939	678,796	723,453	1%	-6%
Total long-term liabilities	$ 5,649,028	$ 1,738,441	$ 1,324,369	225%	31%

Additional information relative to long term liabilities can be found in Note 6 to the financial statements.

Financial Position

Revenues and program expenditures for the year ended September 30, 2015 show an decrease due to reduced funding for program operations from HUD and Broward County which was utilized to assist residents within the County. Due to market conditions, Authority investments earned lower interest during the year.

Economic Factors

The Authority is primarily dependent upon the U.S. Department of Housing and Urban Development for funding of its operations; therefore, the Authority is more affected by the Federal Budget than local economic conditions. The Authority, like many other housing authorities, will be required to utilize some of its operating reserves for the upcoming budget year due to federal funding shortfalls.

The Capital Fund Grant Programs have multiple year budgets and funding has remained relatively stable, though will decline in the upcoming budget year. These grants were used for the modernization of public housing properties.

FINANCIAL HIGHLIGHTS (Continued)

Discrete Partnerships

The Authority is required to include its partnerships, which the affiliates or the Authority serves as managing partner, as discrete component units. Component units are related but legally separate entities that are evaluated for possible inclusion within the Authority's reporting entity depending on financial accountability and the nature and significance of the relationship. During 2015, the Authority adopted a new accounting policy for its partnerships to assure uniformity and consistency in accounting for new tax credit properties complying with the Governmental Accounting Standards Board (GASB) Statement No. 14 *The Financial Reporting Entity*, *Statements No.39 Determining Whether Certain Organizations are Component Units* and Statement No. 61 *The Financial Reporting Entity: Omnibus*. GASB is a private non-governmental organization that has been issuing generally accepted accounting principles (GAAP) used by state and local governments in the U. S. since 1984.

This accounting policy states that as tax credit properties are developed and these projects meet the stabilization requirements as defined in the partnership agreements, the BCHA general partner affiliates become the managing partners. At this point, per the GASBs, the partnership entities become discrete component units of the BCHA primary government because they are legally separate and do not meet any of the blending criteria. Note that since the partnerships have different fiscal year ends than the primary government, per GASB, the latest audit reports that end during the current audit year are used for the component units.

Assets

Total assets of the partnership affiliates at December 31, 2014, 2013 and 2012 were $80.0 million, $83.3 million and $67.4 million, respectively. Capital assets net of depreciation were $72.6 million, $75.5 million and $60.1 million, respectively; current assets totaled $4.3, $4.8, million and $4.6 million, respectively. Other assets of $3.5 million, $3.5 million and $3.5 million, respectively, accounted for the majority of the current assets consisting of prepaid land leases and prepaid expenses. Restricted cash at December 31 2014, 2013 and 2012 was $2.4 million, $2.4 million and $1.8 million, respectively.

Liabilities

Total liabilities at December 31, 2014, 2013 and 2012 were $26.2 million, $26.8 million and $20.8 million, respectively, with current liabilities of $650 thousand, $737 thousand and $601 thousand and long-term liabilities of $25.6 million, $26.1 million and $20.2 million, respectively, of which $20.9 million, $21.2 million and $19.8 million were mortgages, respectively.

Revenue

Operating revenues for the years ended December 31, 2014, 2013 and 2012 were $6.2 million, $6.0 million and $5.2 million, respectively. Dwelling rentals at Tallman Pines I, Highland Gardens and Crystal Lakes reached stabilization in 2010 as occupancy increased; Progresso stabilized in 2013.

Expenses

Operating expenses for the years ended December 31, 2014, 2013 and 2012 were $6.2 million, $6.2 million and $5.3 million, respectively.

FINANCIAL HIGHLIGHTS (Continued)

Discrete Partnerships (Continued)

Net Position

At December 31, 2014, 2013 and 2012, the Discrete Component Units net position was $53.7 million, $56.5 million and $46.3 million, of which unrestricted net position was $424 thousand, $4.4 million and $4.3 million, respectively.

Discrete Partnerships
Statements of Combined Net Position
December 31, 2014, 2013 and 2012

	2014	2013	2012	% 2014/2013	% 2013/2012
Current assets	$ 4,929,871	$ 5,409,273	$ 5,473,363	-9%	-1%
Restricted assets	2,449,598	2,360,869	1,834,285	4%	29%
Capital assets, net of accumulated depreciation	72,613,739	75,505,629	60,136,159	-4%	26%
Total Assets	79,993,208	83,275,771	67,443,807	-4%	23%
Current liabilities	649,853	737,080	601,258	-12%	23%
Non-current liabilities payable from restricted assets	529,995	587,613	465,996	-10%	26%
Non-current liabilities	25,079,663	25,481,408	20,095,723	-2%	29%
Total Liabilities	26,259,511	26,806,101	21,162,977	-2%	29%
Net investment in capital assets	51,382,330	50,167,919	40,141,354	-5%	25%
Restricted	1,926,831	1,865,031	1,834,285	4%	29%
Unrestricted	424,536	4,436,720	4,305,191	-13%	-8%
Total Net Position	$ 53,733,697	$ 56,469,670	$ 46,280,830	-5%	22%

FINANCIAL HIGHLIGHTS (Continued)

Discrete Partnerships (Continued)

Statements of Combined Revenues, Expenses, and Changes in Net Position
For The Years Ended December 31, 2014, 2013 and 2012

	2014	2013	2012	% 2014/2013	% 2013/2012
Revenues					
Rental income	6,195,211	6,019,683	5,175,867	3%	16%
Total Revenues	6,195,211	6,019,683	5,175,867	3%	16%
Expenses					
General administrative	1,752,262	1,765,281	1,466,069	-1%	20%
Repairs and maintenance	714,312	619,485	612,979	15%	1%
Utilities	718,696	695,325	573,245	3%	21%
Interest and other non-operating expenses	2,002,951	1,917,673	1,277,363	4%	50%
Depreciation	2,972,502	3,151,485	2,643,011	-5%	19%
Total Expenses	8,160,723	8,149,249	6,572,667	0%	24%
(Decrease) in Net Position	(1,965,512)	(2,129,566)	(1,396,800)	-6%	52%

Capital Assets

At December 31, 2014, 2013 and 2012, the Component Units had $72.6 million, $75.5 million and $60.1 million, respectively, invested in a broad range of capital assets, net of accumulated depreciation, including land, buildings, furniture, equipment, and building improvements, respectively. During 2013, the net value of capital assets increased by $15.4 million due to the addition of Progresso as a component unit, offset by an increase in accumulated depreciation of $3.5 million.

	2014	2013	2012	% 2014/2013	% 2013/2012
Land	$ 2,280,000	$ 2,280,000	$ -	0%	100%
Building	77,410,058	77,410,058	62,359,177	0%	24%
Furniture and Equipment	5,547,196	5,547,196	4,744,045	0%	17%
Land Improvements	5,455,952	5,455,952	4,711,250	0%	16%
Total Capital Assets	90,693,206	90,693,206	71,814,472	0%	26%
Accumulated Depreciation	(18,079,467)	(15,187,577)	(11,678,313)	19%	30%
Total Net Capital Assets	$ 72,613,739	$ 75,505,629	$ 60,136,159	-4%	26%

FINANCIAL HIGHLIGHTS (Continued)

Discrete Partnerships (Continued)

Additional information relative to capital assets can be found in Note 5 to the financial statements.

Long Term Liabilities

Long-term liabilities as of December 31, 2014, 2013 and 2012 were as follows:

	2014	2013	2012	% 2014/2013	% 2013/2012
Fee payable to affiliate partners	$ 7,228	$ 91,775	$ 33,579	-21%	273%
Tenant security deposits	522,767	495,838	432,417	5%	15%
Asset management fee	3,939	3,504	-	12%	100%
Exchange income advanced	600,445	413,778	-	45%	100%
Tax credit exchange program loan	3,534,222	3,832,889	-	-8%	100%
Mortgages	20,941,057	21,231,237	19,751,239	-3%	7%
Total long-term liabilities	**$ 25,609,658**	**$ 26,069,021**	**$ 20,217,235**	**-2%**	**29%**

Additional information relative to long term liabilities can be found in Note 6 to the financial statements.

Contacting the Housing Authority

The Authority's financial report is designed to provide the public with a general overview of the Housing Authority's finances. If you have any questions about this report or wish to request additional financial information, please contact Mr. Steven A. Cortese, Chief Financial Officer, at (954) 739-1114, extension 1313.

BROWARD COUNTY HOUSING AUTHORITY
STATEMENTS OF NET POSITION
PRIMARY GOVERNMENT AND
BLENDED AFFILIATES
As of SEPTEMBER 30, 2015 and 2014

	Total 2015	Total 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$16,425,452	$20,765,468
Receivables:		
Accounts receivables	558,324	302,370
Intergovernmental	284,704	468,090
Tenants, net of allowance	27,537	26,636
Prepaid expenses	371,883	405,461
Total current assets	17,667,900	21,968,025
Noncurrent assets:		
Restricted cash equivalents	8,739,455	6,016,506
Capital assets:		
Land	9,884,101	9,705,802
Intangible assets	324,404	323,239
Buildings, CIP and equipment	42,887,693	39,333,124
Accumulated depreciation	(23,053,168)	(21,056,514)
Capital assets, net	30,043,030	28,305,651
Total assets	56,450,385	56,290,182
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension costs	1,068,973	-
LIABILITIES		
Current liabilities:		
Accounts payable	540,820	319,347
Accrued wages payable	178,085	148,617
Accrued compensated absences	30,000	30,000
HUD liability	14,313	339,153
Total current liabilities	763,218	837,117
Noncurrent liabilities:		
Liabilities from restricted assets		
Rehab escrow	443,763	443,763
Family Self-sufficiency program escrow	470,647	396,852
Total liabilities payable from restricted assets	914,410	840,615
Tenants' security deposits	219,299	219,030
Captitalized lease obligation	58,120	-
Net pension liability	3,774,260	-
Accrued compensated absences	682,939	678,796
Total noncurrent liabilities	5,649,028	1,738,441
Total liabilities	6,412,246	2,575,558
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension costs	649,130	-
NET POSITION		
Net investment in capital assets	30,043,028	28,305,651
Restricted- replacement reserves	7,768,396	2,775,906
Restricted-Housing Assistance Payments	720	3,240,600
Unrestricted	12,645,838	19,392,467
Total Net Position	$50,457,982	$53,714,624

See accompanying Notes to Financial Statements.

BROWARD COUNTY HOUSING AUTHORITY
STATEMENTS OF NET POSITION
DISCRETE COMPONENT UNITS
As of DECEMBER 30, 2014 and 2013

	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,454,453	$ 1,736,410
Tenants accounts receivable, net	15,303	18,516
Prepaid expenses	126,337	165,635
Prepaid land lease	2,693,751	2,733,334
Other assets	55,009	108,228
Total current assets	4,344,853	4,762,123
Noncurrent assets:		
Restricted cash equivalents	2,449,598	2,360,869
Tax credit monitoring fees, net	585,018	647,150
Capital assets:		
Land	2,280,000	2,280,000
Buildings and equipment	88,413,206	88,413,206
Accumulated depreciation	(18,079,467)	(15,187,577)
Capital assets, net	72,613,739	75,505,629
Total noncurrent assets	75,648,355	78,513,648
Total assets	79,993,208	83,275,771
LIABILITIES		
Current liabilities		
Accounts payable	359,501	463,496
Mortgages	290,352	273,584
Total current liabilities	649,853	737,080
Noncurrent liabilities:		
Liabilities from restricted assets		
Tenant security deposits	522,767	495,838
Fee payable to affiliate partners	7,228	91,775
Total liabilities payable from restricted assets	529,995	587,613
Asset management fee	3,939	3,504
Exchange income received in advance	600,445	413,778
Tax credit exchange program loan	3,534,222	3,832,889
Mortgages	20,941,057	21,231,237
Total noncurrent liabilities	25,609,658	26,069,021
Total liabilities	26,259,511	26,806,101
NET POSITION		
Net investment in capital assets	51,382,330	50,167,919
Restricted	1,926,831	1,865,031
Unrestricted	424,536	4,436,720
Total net position	$ 53,733,697	$ 56,469,670

See accompanying Notes to Financial Statements.

BROWARD COUNTY HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PRIMARY GOVERNMENT AND BLENDED AFFILIATES
FOR THE YEARS ENDED SEPTEMBER 30, 2015 and 2014

	Total 2015	Total 2014
OPERATING REVENUES		
Housing assistance payments	$ 67,836,545	$ 63,749,217
Housing choice voucher program administrative fees	4,449,763	3,838,546
Dwelling rental	2,161,233	2,142,834
Operating subsidy	1,547,818	895,392
Other revenue (Port-in)	627,641	5,349,227
Total operating revenues	76,623,000	75,975,216
OPERATING EXPENSES		
Housing assistance payments	70,430,054	66,333,555
General and administrative	10,472,631	9,844,280
Repairs and maintenance	1,443,831	1,469,306
Tenants' services	99,226	97,114
Utilities	323,301	292,694
Depreciation	1,986,199	1,894,170
Pension expense	19,973	-
Other expense (Port-in)	627,641	5,349,227
Total operating expenses	85,402,856	85,280,346
OPERATING (LOSS)	(8,779,856)	(9,305,130)
NON-OPERATING REVENUES (EXPENSES)		
Grants	693,396	3,780,870
Investment revenue/interest (expense)	35,414	62,811
Other revenue/(expense)	5,575,806	5,172,575
Gain/(loss) on disposal of capital assets	(33,697)	(276)
Total nonoperating revenues, net	6,270,919	9,015,980
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(2,508,937)	(289,150)
CAPITAL CONTRIBUTIONS		
Capital grants	2,710,097	1,323,539
Total capital contributions	2,710,097	1,323,539
OTHER FINANCING SOURCES AND USES		
Operating transfers in	8,783,722	1,112,078
Operating transfers out	(8,783,722)	(1,112,078)
Total other financing sources and uses	-	-
CHANGE IN NET POSITION	201,160	1,034,389
NET POSITION, Beginning		
As previously stated	53,714,624	52,680,235
Add (deduct) prior period adjustments net effect of GASB 68 (Note 10)	(3,457,802)	-
NET POSITION, Ending	$ 50,457,982	$ 53,714,624

See accompanying Notes to Financial Statements

BROWARD COUNTY HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
DISCRETE COMPONENT UNITS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
OPERATING REVENUES		
Dwelling rental and other income	$ 6,195,211	$ 6,019,683
OPERATING EXPENSES		
General and administrative	1,752,262	1,765,281
Repairs and maintenance	714,312	619,485
Utilities	718,696	695,325
Depreciation/Amortization	2,972,502	3,151,485
Total operating expenses	6,157,772	6,231,576
OPERATING INCOME (LOSS)	37,439	(211,893)
NON-OPERATING REVENUES (EXPENSES)		
Investment revenue/interest (expense)	(917,616)	(1,102,296)
Other revenue/(expense)	(1,085,335)	(815,377)
Total non-operating revenues, net	(2,002,951)	(1,917,673)
CAPITAL CONTRIBUTIONS		
Capital distributions	(741,362)	(730,531)
CHANGE IN NET POSITION	(2,706,874)	(2,860,097)
NET POSITION, BEGINNING	56,469,670	59,395,963
Add (deduct) net effect of GASB 65 (Note 1 p)	(29,099)	(66,196)
NET POSITION, ENDING	$ 53,733,697	$ 56,469,670

See accompanying Notes to Financial Statements.

BROWARD COUNTY HOUSING AUTHORITY
STATEMENTS OF CASH FLOWS - PRIMARY GOVERNMENT AND BLENDED AFFILIATES
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from federal and local agencies	$ 73,834,126	$ 68,483,155
Housing assistance payments	(70,430,051)	(66,333,555)
Cash paid to suppliers and contractors	(5,816,358)	(5,953,060)
Payments to employees	(6,402,854)	(5,178,366)
Other payments-dwelling rental and receipts	2,161,233	2,142,834
Net cash used in operating activities	(6,653,904)	(6,838,992)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operational grants	693,396	3,780,870
Other revenues and receipts	5,573,974	5,198,414
Net cash provided by non-capital financing	6,267,370	8,979,284
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(3,209,912)	(191,676)
Capital grants	2,710,097	1,323,539
Net cash provided by (used in) capital and related financing	(499,815)	1,131,863
CASH FLOWS FROM INVESTING ACTIVITIES		
Net deposit in reserve for replacements	(766,132)	(1,482,253)
Interest income on investment	35,414	42,111
Net cash used in investing activities	(730,718)	(1,440,142)
Net (decrease) increase in cash and cash equivalents	(1,617,067)	1,832,013
Cash and cash equivalents, beginning of year	26,781,974	24,949,961
Cash and cash equivalents, end of year	$ 25,164,907	$ 26,781,974
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (8,779,856)	$ (9,305,130)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	1,986,199	1,894,170
(Increase) decrease in:		
Receivables	(162,695)	585,651
Prepaid expenses	33,578	(121,555)
Other assets	6,091	6,091
Increase (decrease) in:		
Accounts payable	358,646	(112,674)
Accrued expenses	8,439	28,962
HUD liability	(173,735)	43,815
Family Self-Sufficiency escrow	73,795	73,572
Tenants deposits	(4,366)	68,106
	$ (6,653,904)	$ (6,838,992)

See accompanying Notes to Financial Statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting entity

The Broward County Housing Authority (the "Authority") was formed in June 1969 under Chapter 421 of the Florida Statutes, as a dependent housing authority of Broward County, Florida. On December 17, 1990, the Authority became an independent special district.

The Authority was established to identify the social, economic and educational needs of low-income housing individuals. The Authority initiates economic expansion through community development, and promotes special programs and events in the fields of development and multi-ethnic cooperation. Geographic boundaries of the Authority correspond with those of Broward County, Florida. All the activities of the Authority are aimed towards the same purpose, for that reason the Authority considers all funds to be one fund. The Authority is governed by the Board of Commissioners (the "Board") which is composed of five members. The commissioners are appointed by the Governor of Florida for four-year terms. The Board of the Authority exercises all powers granted to the Authority pursuant to Chapter 421, Florida Statutes.

The Board has the final responsibility for:
1. Approving budgets
2. Exercising control over facilities and properties
3. Controlling the use of funds generated by the Authority
4. Approving the hiring and firing of key personnel
5. Financing improvements

The Authority receives no direct financial support from Broward County, Florida, (the "County"). Neither the State of Florida nor the County can impose its will over the Authority and the Authority does not provide a financial benefit to or impose a financial burden on either the State of Florida or the County. For these reasons, the Authority is not reported as a component unit of either the State of Florida or the County.

The accompanying financial statements comply with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity" (as amended by GASB Statements No. 39 and 61) in that the financial statements include all organizations, activities, functions and component units for which the Authority (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the Authority's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the Authority.

For entities which do not meet these criteria, in cases where the BCHA's general partner ownership interest does not constitute a majority general partnership interest, and they do not meet the requirements of blending, the Authority's accounting policy is to use the equity method of accounting.

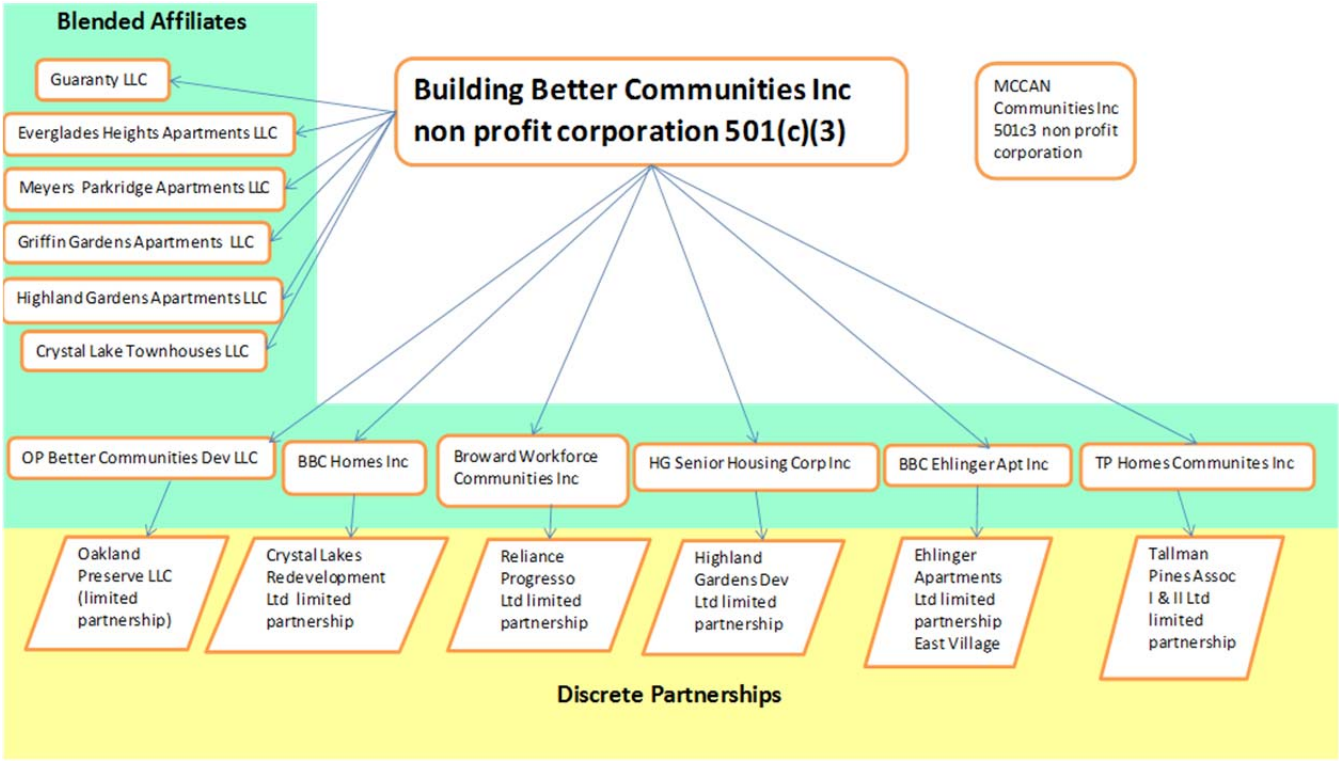
NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting entity (continued)

Based upon the application of the criteria in GASB Statement No. 14 (as amended by GASBs 39 and 61), the financial statements of the component units listed below have been included in the Authority's reporting entity as discrete component units. The Authority is required to include its investment in limited partnerships which qualify as discrete component units. Component units are related but legally separate entities that are evaluated for possible inclusion within the Authority's reporting entity depending on financial accountability and the nature and significance of the relationship. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations. Accordingly, data from these component units are included with data of the Authority's reporting entity.

The Authority follows GASB Statements 14, 39 and 61 accounting standards for its partnerships and for new tax credit properties. As tax credit properties are developed and these projects meet the stabilization requirements as defined in the partnership agreements, the general partner affiliates become the managing partners. At this point, per the GASBs, the partnership entities become discrete component units of the BCHA primary government because the discrete partnerships are legally separate and do not meet any of the blending criteria. Note that since the partnerships have different fiscal year ends than the primary government, per GASB, the latest audit reports dated December 31 that ended during the current audit year are used to report the component units. The first year of reporting Progresso as a component unit resulted in an adjustment of $13,115,133 to the beginning Net Position in 2014.

The Blended Affiliates and the Discrete Partnerships:



NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting entity (continued)

Building Better Communities, Inc. ("BBC, Inc.") - The BBC, Inc. was established as a nonprofit organization in March 2001 for charitable, education, and scientific purposes to aid disadvantaged families and individuals toward a life of self-sufficiency. The board of directors of BBC, Inc. approves the annual budget of BBC, Inc. The governing body of BBC, Inc. consists of the same members as that of the Authority and, therefore, BBC, Inc. is a blended component unit affiliate of BCHA.

BBC Homes, Inc. was established as a Subchapter S Corporation subsidiary in December 2005 to increase the housing, economic, educational, and community quality of life of the residents of Broward County, Florida, including members of the community with income below federal poverty guidelines and expand the opportunities available to those residents to develop financial and credit skills necessary for successful home ownership. BBC Homes, Inc. is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Crystal Lakes Redevelopment, Ltd. Crystal Lakes Redevelopment, Ltd., (the Partnership) was formed as a limited partnership on August 12, 2003 under the laws of the State of Florida for the purpose of acquiring, constructing, developing and operating a low-income housing project. The Project consists of 190 rental units with community facilities located in the City of Hollywood, Broward County, Florida and operates under the name Crystal Lakes Apartments (the Project). Effective May 19, 2008, PHG-Crystal, LLC executed an assignment of general partnership interest to assign its right as managing general partner to the administrative partner BBC Homes, Inc. making BBC Homes, Inc. the new managing partner. The special limited partner is MMA Special Limited Partner, Inc. and the investor limited partner is MMA Financial Housing Investments VIII. Crystal Lakes Redevelopment, Ltd. is a discrete component unit of BCHA.

HG Senior Housing, Inc. (HG) - HG was established in January 2006 as a Subchapter S Corporation subsidiary to raise the housing, economic, educational, and community quality of life of senior citizen residents of Broward County, Florida, including members of the community with income below federal poverty guidelines. The General Partner, HG, is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Highland Gardens, Ltd. Highland Gardens Development, Ltd. was formed as a limited partnership on January 26, 2006 under the laws of the State of Florida for the purpose of acquiring, constructing, developing and operating a low-income housing project. The property consists of 100 rental units with community facilities located in the City of Deerfield Beach, Broward County, Florida and operates under the name Highland Gardens Phase II. The managing general partner is HG Senior Housing Corporation. The investor limited partner is AHG Tax Credit Fund XVIII, LLC. Highland Gardens Development, Ltd. is a discrete component unit of BCHA.

OP-Better Communities, LLC was established in 2011 as a Subchapter S Corporation subsidiary to acquire, construct, rehabilitate, and develop housing in Broward County for persons of low-income. OP-Better Communities, Inc. is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting entity (continued)

Highland Gardens Apartments, LLC was established in 2013 as a disregarded entity to operate the RAD project at the site under the HUD multi-family program providing housing in Broward County for persons of low-income. Highland Gardens is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Griffin Gardens Apartments, LLC was established in 2013 as a disregarded entity to operate the RAD project at the site under the HUD multi-family program providing housing in Broward County for persons of low-income. Griffin Gardens is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Everglades Heights Apartments, LLC was established in 2014 as a disregarded entity to operate the RAD project at the site under the HUD multi-family program providing housing in Broward County for persons of low-income. Everglades Heights is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Meyers Parkridge Apartments, LLC was established in 2014 as a disregarded entity to operate the RAD project at the site under the HUD multi-family program providing housing in Broward County for persons of low-income. Meyers Parkridge is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Crystal Lake Townhouses, LLC was established in 2011 as a disregarded entity to expand low cost housing opportunities in Broward County by constructing, acquiring, and rehabilitating housing for persons of low-income. Crystal Lake Townhouses, Inc. is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Guaranty LLC was established in 2012 as a disregarded entity to engage in any or all lawful business for which corporations may be organized under the Florida Business Corporation Act. The Guaranty will be used as a guarantor for future developments using the appraised value of College Gardens as the secured asset. Guaranty became a key principal on a $1.5 million term note for Reliance Progresso in September 2012. Guaranty LLC is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Broward Workforce Communities, Inc. (BWC) – BWC was established in November 2007 as a Subchapter S Corporation subsidiary to raise the housing, economic, educational, and community quality of life of the residents of Broward County, Florida, including members of the community with income below federal poverty guidelines and expand the opportunities available to those residents to develop affordable housing opportunities designed, constructed, and equipped so as to improve and harmonize with the neighborhoods they occupy. The General Partner, BWC, is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA; the property under operation is Progresso.

Reliance Progresso, Ltd. Reliance Progresso, Ltd. was recognized by the State of Florida as a limited partnership as of November 30, 2005. The partnership's purpose is to invest in real estate and the construction, operation, and sale and/or leasing of the partnership property. The partnership property consists of a 76-unit apartment complex known as Progresso, Ltd. located in Fort Lauderdale, Florida. Reliance Progresso, Ltd. is a discrete component unit of the BCHA.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting entity (continued)

McCan Communities, Inc. ("MCI") - MCI was established in November 2002 as a nonprofit organization for the purpose of, among other things, raising the housing, economic, educational, and community quality of life of the residents of Broward County, Florida, including members of the community with income below poverty lines. The board of directors of MCI approves the annual budget of MCI. The governing body of MCI consists of the same members as that of the Authority and, therefore, MCI is a blended component unit of BCHA.

TP Homes and Communities, Inc. (TP)–TP was established in July 2006 as a Subchapter S Corporation subsidiary to raise the housing, economic, educational, and community quality of life of the residents of Broward County, Florida, including members of the community with income below federal poverty guidelines and expand the opportunities available to those residents to develop financial and credit skills necessary for successful home ownership. The General Partner, TP, is a wholly-owned subsidiary of BBC, Inc. and is a blended component unit affiliate of BCHA.

Tallman Pines I, Ltd. Tallman Pines Associates, Ltd. was recognized by the State of Florida as a limited partnership as of February 11, 2005. The partnership's purpose is to invest in real estate and the construction, operation, and sale and/or leasing of the partnership property. The partnership property consists of a 176-unit apartment complex known as Tallman Pines, Ltd. located in Deerfield Beach, Florida. The general partner is TCG Tallman Pines, LLC, the administrative general partner is TP Homes and Communities, Inc., the special limited partner is The Richman Group Capital Corporation and the investment limited partner is U.S.A. Institutional Tax Credit Fund LIV, L.P. Effective January 25, 2011, the general partner, TCG Tallman Pines, LLC, assigned 100% of its right, title and interest in the partnership to the Administrative General Partner, TP Homes and Communities, Inc. Pursuant to the assignment, TP Homes and Communities, Inc.'s ownership percentage increased to 0.01 percent.

Tallman Pines II, Ltd. Tallman Pines II Associates, Ltd was recognized by the State of Florida as a limited partnership as of December 20, 2005. The partnership's purpose is to invest in real estate and the construction, operation, and sale and/or leasing of the partnership property. The partnership property consists of a 24-unit apartment complex known as Tallman Pines II Apartments located in Deerfield Beach, Florida. The managing general partner is TCG Tallman Pines II, LLC and the administrative general partner is TP Homes and Communities. The special limited partner is The Richman Group Capital Corporation and the investment limited partner is U.S.A. Institutional Tax Credit Fund LVIII, LP.

The limited partnerships of Tallman Pines I and II are discrete component units of the BCHA.

Partnership Accounted for Under The Equity Method:

BBC Ehlinger Apartments, Inc. ("BBCEA") – BBCEA was established April 14, 2009 as a Subchapter S Corporation subsidiary to raise the housing, economic, educational, and community quality of life of residents of Broward County, Florida, including members of the community with income below federal poverty guidelines. The General Partner, BBCEA, is a wholly-owned subsidiary of BBC, Inc.; the property under operation is East Village.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation

The Broward County Housing Authority follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis - for State and Local Governments*, GASB Statement No. 37 *Basic Financial Statements-and Management's Discussion and Analysis - for State and Local Governments: Omnibus;* GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 Financial Accounting Standards Board ("FASB") and American Institute of Certified Public Accountants ("AICPA") Pronouncements*.

c. Measurement focus, basis of accounting

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America. The Authority maintains its accounts in accordance with the chart of accounts prescribed by the U.S. Department of Housing and Urban Development ("HUD"). For financial reporting purposes, the Authority reports all of its operations in a single enterprise fund.

Newly Adopted Accounting Principles: The Authority operates as an enterprise fund and adheres to the accounting standards set forth by GASB including: Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which became effective for financial statements for periods beginning after December 15, 2012; and Statement No. 67, *Financial Reporting for Pension Plans*, which became effective for financial statements for periods beginning after June 15, 2013. In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*, which requires a single or agent employer that does not have a special funding situation to recognize a liability equal to the net pension liability. The net pension liability is required to be measured as of a date no earlier than the end of the employer's prior fiscal year (the measurement date), consistently applied from period to period. The new standard is effective for the year ending September 30, 2015. The Authority does not anticipate that the implementation of the new standards will have any effect on its financial position, results of operations, and cash flows.

Newly Issued Accounting Principles but Not Yet Effective: In February, 2015 GASB issued Statement No. 72, *Fair Value Measurement and Application*, effective for periods beginning after June 15, 2015. In January, 2016 GASB issued Statement No. 80, *Blending Requirement for Certain Component Units*, which discontinued blending for component unit limited partnerships.

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*, which clarifies certain provisions of GASB No. 68, *Accounting and Financial Reporting for Pensions* and it establishes requirements for defined contribution pensions that was not within the scope of GASB Statement No. 68. This statement is effective for the Authority's September 30, 2017 fiscal year end. Management is currently evaluating the impact of the adoption of this statement on the Authority's financial statements.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* The new standard is effective for the periods beginning after June 15, 2015. The Authority does not anticipate that the implementation of the new standard will have any effect on its financial position, results of operations, and cash flows.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement focus, basis of accounting (continued)

The accompanying financial statements have been prepared using the accrual basis of accounting. Accordingly, revenue is recognized in the period in which it is earned and becomes measurable and expenses are recognized in the period in which they are incurred. The Authority distinguishes operating revenues and expenses from non-operating items in its statements of revenues, expenses, and changes in net position. In general, operating revenues result from charges to tenants for the purchase or use of the Authority's operations. Grants and subsidies used to cover operating expenses are considered operating revenue for matching purposes; except for capital grants which are reported under capital grants.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

d. Summary of HUD Programs

The accompanying financial statements include the activities of several Housing Programs subsidized by HUD at the Authority. A summary of each significant HUD program is provided below.

Low-Income Housing Programs

The purpose of the public program is to provide decent and affordable housing to low-income families at reduced rents. The developments are owned, maintained and managed by the Authority. The developments/units are acquired, developed and modernized under HUD's Capital Fund Program. Funding of the program operations and development is provided by federal annual contributions and operating subsidies and tenant rentals (determined as a percentage of family income, adjusted for family composition).

Rental Assistance Demonstration (RAD) Multi-Family

The RAD program converts existing public housing properties to multi-family rental housing units owned by affiliates of the Authority to provide decent and affordable housing to low-income families. Funding of the program is provided by federal housing assistance contributions from HUD for the difference between the approved contract rent and the rent paid by the tenants.

Housing Assistance Programs (HAP)

The housing assistance payments programs utilize existing privately owned family rental housing units to provide decent and affordable housing to low-income families. Funding of the program is provided by federal housing assistance contributions from HUD for the difference between the approved landlord contract rent and the rent paid by the tenants.

e. Deposits and investments

For purposes of the statement of cash flows, cash and cash equivalents are considered to be cash in banks, money market funds and all highly liquid investments with an original maturity date of three months or less when purchased. The Authority follows the provision of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Pools*, which establishes accounting and financial reporting standards for all investments including fair value standards. As the statement permits, nonparticipating investments are reported at amortized cost which approximates market. All other investments are carried at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Accounts receivable

The Authority provides an allowance for doubtful accounts, for accounts deemed not collectible, based on prior experience and account composition. Amounts due to the Authority by other governments or agencies are for grants or programs under which the services have been provided to the community by the Authority.

g. Inventories

In 2013, the Authority switched to the purchase method to reflect just in time inventory purchases which have led to insignificant on hand inventory balances.

h. Compensated absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provision of GASB Statement No. 16, *Accounting for Compensated Absences*, vacation and sick pay are accrued when incurred and reported as a liability.

i. Unrestricted net position

The Board has designated a portion of unrestricted net position for special allowable housing related projects.

j. Capital assets

The Authority capitalizes capital assets with a cost of more than $5,000 and a useful life of more than one year. Land, buildings and equipment are recorded at cost or estimated historical cost if actual historical cost is not available. Land, buildings, and equipment contributed by third parties are recorded at fair value (appraised value) at the date of contribution or the date of the exchange.

Depreciable assets are depreciated on the straight-line method over their estimated useful lives as follows:

	Years
Furniture and equipment	5-7
Building improvements	15
Structures	40

Upon disposition of a depreciable asset, the related costs and accumulated depreciation are removed from the accounts and gains and losses on dispositions are reflected in operations.

k. Payroll allocation

Payroll costs associated with compensation to officers of the Authority have been allocated among the various projects run by the Authority. The basis of the allocation is included in the annual budget.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Payments in lieu of taxes

The Authority incurs expenses for amounts due to other municipalities based on a formula tied to rental revenues for each project. These amounts are significantly less than normal property taxes. In addition, the Authority has agreements with certain municipalities to waive payments when due. The Authority records amounts as income when waived.

m. Grant revenue and operating activity

For financial reporting purposes, operating activity generally arises from providing services in connection with a proprietary fund's principal activity. Operating activity of the Authority consists primarily of rental charges to tenants and operating grants from the Housing and Urban Development (HUD) (Low Income Subsidy and Housing Assistance Payments) because these funds more closely represent revenues generated from operating activities than non-operating activities. The Authority classified operational grants received from various funding agencies relating primarily to the Shelter Care Program, Housing Counseling, Public Housing Capital Fund and Home Program as operating revenue as well. Operating expenses for the Authority include the cost of tenant services, utilities, protective services, general, administrative, maintenance, depreciation, and housing assistance payments. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses, except for capital contributions, which are presented separately.

n. HAP Port-in accounting

In fiscal years 2015 and 2014, the Authority is reporting the revenue and expense associated with the Housing Choice Voucher (Section 8) families who move from another jurisdiction to Broward County. Revenues and expenses associated with that program were $627,641 for 2015 and $5,349,227 for 2014. In accordance with HUD regulations, those families who Port-in from another jurisdiction are eligible to have their rents subsidized by the Authority.

o. Restricted Use of Resources

When restricted resources meet the criteria to be available for use and unrestricted resources are also available for use, it is the Authority's policy to use restricted resources first, and then unrestricted, as needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position has a section for deferred outflows of resources. This separate financial element represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until that time.

The Authority has one item that qualifies for reporting as deferred outflows of resources in the government-wide financial statements; the deferred outflow related to pensions. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net position liability in future reporting years. Details on the composition of deferred outflows related to pensions are reported in a subsequent note. In addition to liabilities, the statement of net position has a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The Authority has one item that qualifies for reporting as deferred inflows of resources in the government-wide statement of net position; the deferred inflow related to pensions. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.

q. Restatement of Net Position

The Authority adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27,* effective for years beginning after June 15, 2014. GASB 68 requires recognition of pension expenditures, deferred outflows and inflows, and pension obligations on the financial statements. The net effect on opening Net Position for 2015 for the Primary Government is a reduction of $3,457,802. See Note 10 for further pension disclosures.

The Authority adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective July 1, 2013. GASB 65 requires that (1) debt issuance costs be recognized as an expense in the period incurred, and not be deferred and amortized over the life of the debt and (2) loan origination fees, net of costs, be recognized in the period incurred and not be deferred and amortized over the life of the loan. The effect on opening Net Position for 2014 and 2013 for the discrete component units is a reduction of $0 and $66,196, respectively, the amount of deferred loan costs incurred prior to 2013; there is also a reduction in amortized loan costs in 2014 of $29,099.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. Restricted assets

The use of the assets of the Family Self-Sufficiency Program (the "FSS") is restricted to participants, upon acquiring certain goals, for the down payment of a house and other authorized program expenses. The FSS program funds include interest earned and invested in money market funds. The use of HAP funds is restricted to the program. The discrete component units have $2.4 million in escrow deposits and restricted balances.

s. Reclassification

Certain 2014 amounts have been reclassified in the accompanying financial statements to conform to the 2015 presentation.

t. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

u. Income taxes

The Authority is a governmental agency and is exempt from federal and state income taxes. Accordingly, no provision for federal or state income taxes has been made in the financial statements.

The Authority's discrete component units have adopted the provisions of Financial Accounting Standards Board Accounting Standards Codification Topic 740, Income Taxes, which clarifies the accounting and disclosure requirements for uncertainty in tax positions. It requires a two-step approach to evaluate tax positions and determine if they should be recognized in the financial statements. The two-step approach involves recognizing any tax positions that are "more likely than not" to occur and then measuring those positions to determine if they are recognizable in the financial statements. Management regularly reviews and analyzes all tax positions and has determined no aggressive tax positions have been taken.

The component units paid no federal and state income taxes for the year ended September 30, 2015. The Authority's component units open audit periods are 2011 through 2015.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

Primary Government and Blended Affiliates:

At September 30, 2015 and 2014 total cash and cash equivalents and investments were composed of the following:

	2015	2014
Deposits, unrestricted	$ 16,425,452	$ 20,765,468
Deposits, restricted	8,739,455	6,016,506
Total primary government and bleneded affiliates	$ 25,164,907	$ 26,781,974

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Primary Government and Blended Affiliates (continued):

Deposits

Florida Statutes require that all depositories holding public funds collateralize deposits in excess of federal deposit insurance provided by the Federal Deposit Insurance Corporation. Under Chapter 280 Florida Statutes, as amended, Florida Security for Public Deposits Act (the "Act"), all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits time the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. Any losses to public depositories are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Since the Authority uses only authorized public depositories for its primary government funds, all of the primary government funds deposited with financial institutions are FDIC insured and/or are fully collateralized and treated as insured.

Investments

Investments are made in accordance with the Authority's Resolution No. 98-38. The Authority is authorized to invest in the following investment securities for its primary government funds:

Repurchase agreements fully collateralized by United States Government obligations, negotiable direct obligations of the principal and interest which are guaranteed by the United States Government at the then prevailing market price for such securities (U.S. treasuries and agencies), Obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation (including Federal Home Loan Mortgage Corporations participation certificate); or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association (U.S. instrumentalities and agencies), Obligations of the Federal National Mortgage Association, saving accounts in state certified public depositories and certificates of deposits (CD's) in state certified public depositories.

Interest Rate Risk

The Authority's investment policy does not include a provision that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

Credit Risk

The Authority has no investment policy that further limits its investment choices, in terms of credit ratings, other than the authorized investment type discussed above. The investment in the Federal Home Loan Bank is rated AAA by Standard & Poor's.

Concentration of credit risk

The Authority places no limit on the amount the Authority may invest in one issuer. The Authority's total investment balance is held by a bank covered under the Act. Exposure is minimized, and as required by Florida Statute 280.17.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Discrete Partnerships:

At December 31, 2014 and 2013 total cash and cash equivalents and investments were composed of the following:

	2014	2013
Deposits, unrestricted	$ 1,454,453	$ 1,736,410
Deposits, restricted	2,449,598	2,360,869
Total primary government and bleneded affiliates	$ 3,904,051	$ 4,097,279

Concentration of Credit Risk

Financial instruments, which potentially subject the partnerships to significant concentrations of credit risk, consist principally of cash and cash equivalents, and investments. The partnership cash accounts may exceed federally insured limits from time to time. Management believes that partnerships are not exposed to any significant credit risk on its cash and cash equivalents. Furthermore, the partnerships have not experienced any losses on its cash equivalents.

Included in restricted cash and investments are the following:

Operating Reserves

The Crystal Lakes Redevelopment, Ltd. Partnership is required to establish a $200,000 operating reserve prior to or simultaneously with the payment of the investor limited partner's fourth capital contribution. The administrative general partners shall be solely responsible for funding $100,000 of the operating reserve and the Partnership shall fund the remaining balance of $100,000. Funds in the reserve may be withdrawn to pay operating expenses subject to the approval of the investor limited partner. After the third anniversary of the Development Obligation Date, the balance shall be reduced to $100,000. Any funds released shall be considered operating cash and distributed in accordance with the partnership agreement. Furthermore, the remaining balance of $100,000 may be partially or entirely released, provided the administrative general partner provides alternative collateral to the investor limited partner, and the investor limited partner approves the release. As of December 31, 2014 and 2013, the balance of the operating reserve was $205,601 and $205,293.

The Highland Gardens Development, Ltd. Partnership is required to establish a $150,000 operating reserve which was funded from funds remaining in the hard cost construction contingency and from available cash flows, as defined. The reserve requires approval of the general partners and investor limited partner before withdrawals can be made to pay any operating expenses, debt obligations or other expenses of the Partnership. As of December 31, 2014 and 2013, the balance of the operating reserve was $151,478 and $151,326, respectively, which is included in other reserves restricted assets in the balance sheet.

During the year ended December 31, 2010, the Tallman Pines Associates, Ltd. Partnership established an operating deficit reserve in the initial amount of $200,000. Upon expiration of the operating deficit loan period, the lesser of $200,000 or the remaining balance shall be used as a funded reserve account by the general partner for the remainder of the tax credit compliance period, for use as a source to fund other ongoing obligations of the general partner. The balance of the account as of December 31, 2014 and 2013 was $0 and $0, respectively.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Discrete Partnerships (continued):

The Tallman Pines Associates, Ltd. Partnership maintains a reserve with its lender pursuant to its mortgage loan agreement. The balance in the reserve at December 31, 2014 and 2013 was $198,520 and $154,328, respectively. In connection with the mortgage loan, the Tallman Pines II Associates, Ltd. Partnership was required to deposit the proceeds with U.S. Bank, N.A. (the trustee). The trustee maintains various funds for use in funding development and operating costs.

The Reliance-Progresso Associates, Ltd. Partnership is required to establish a $291,034 operating reserve. Approval from the loan servicer is required before funds from the operating reserve are released. As of December 31, 2014 and 2013, the operating reserve balance was $292,758 and $292,167, respectively.

Mortgage Escrows
In connection with the mortgage, the Crystal Lakes Redevelopment, Ltd. Partnership is required to make monthly payments to an escrow for the payment of insurance. As of December 31, 2014 and 2013, the balance in the escrow account was $112,823 and $89,427, respectively.

Tax and Insurance Escrows
The Highland Gardens Development, Ltd. Partnership is required to fund a tax and insurance reserve concurrently with each monthly installment of principal and interest upon commencement of the permanent financing phase. As of December 31, 2014 and 2013, tax and insurance reserves were required to be funded. The balance of tax and insurance escrow was $44,259 and $31,995 as of December 31, 2014 and 2013.

The Tallman Pines Associates, Ltd. Partnership is required to make monthly deposits to a tax and insurance reserve account for payment of property real estate taxes and insurance. The deposit amounts are reviewed by the lender annually to determine adequacy and are subject to adjustment. As of December 31, 2014 and 2013, the balance in the tax and insurance escrow was $111,919 and $96,601, respectively.

Repair and Replacement Reserves
The Crystal Lakes Redevelopment, Ltd. Partnership is required to fund a repair and replacement reserve of $200 per unit per year beginning on the Permanent Loan Commencement, as defined. As of December 31, 2014 and 2013, the replacement reserve balance was $254,040 and $215,936, respectively.

The Highland Gardens Development, Ltd. Partnership is required to fund a replacement reserve of $250 per unit per year upon commencement the earlier of A) 24 months after the closing date; or B) permanent loan conversion. Such amounts are to be increased 3 percent annually. As of December 31, 2014 and 2013, the balance of repair and replacement reserves was $123,075 and $98,028, respectively.

The Tallman Pines Associates, Ltd. Partnership will be required to make monthly deposits to a reserve for replacements account for use in funding future maintenance and replacement costs upon stabilization. Monthly payments will be required based on annual amounts of $250 per unit, or $44,000 in total. After the initial conversion year, the fee will be adjusted annually by an amount equal to 100 percent of the change in the consumer price index (CPI). As of December 31, 2014 and 2013, the balance in the reserve was $152,643 and $152,582, respectively.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Discrete Partnerships (continued):

The Tallman Pines II Associates, Ltd. Partnership is required to make monthly deposits to a reserve for replacements account for use in funding future maintenance and replacement costs upon stabilization.

Monthly payments will be required based on annual base amounts of $250 per unit. After the initial conversion year, the fee will be adjusted annually to reflect a 3 percent annual increase, as defined. As of December 31, 2014 and 2013 the balance in the Replacement Reserve account was $65,777 and $56,139, respectively.

The Reliance-Progresso Associates, Ltd. Partnership is required to make annual deposits of $250 per unit, increased by 3% annually, into a replacement reserve account for capital expenditures. As of December 31, 2014 and 2013, the replacement reserve balance was $74,198 and $26,613, respectively.

NOTE 3 – DUE FROM OTHER GOVERNMENTAL AGENCIES

The breakdown of total due from governmental agencies as of September 30, 2015 and 2014, collectible within one year, was as follows:

		2015		2014
Housing Counseling Program	$	15,363	$	19,481
HOME Investment Partnership Program		35,221		25,243
Broward County Disaster Recovery Initiative (DRI)		19,411		19,936
Portability		(259)		142,002
Shelter Plus Care Program		214,968		264,428
Total	$	284,704	$	468,090

NOTE 4 – OTHER ASSETS

The breakdown of total other assets as of December 30, 2014 and 2013, was as follows:

Discrete Partnerships

		2014		2013
Due from affiliates	$	3,325	$	82,289
Escrow Debt Service Reserve		32,000		-
Predevelopment Costs other		7,071		-
Other assets		12,613		25,939
Total	$	55,009	$	108,228

NOTE 5 – CAPITAL ASSETS

Capital assets activity by major classification as of September 30, 2015 and 2014 were as follows:

Primary Government and Blended Affiliates

	Beginning Balance October 1, 2014	Additions	Retirements	Ending Balance September 30, 2015
Capital assets not being depreciated:				
Land	**$ 9,705,802**	$ 178,299	$ -	**$ 9,884,101**
Construction in Progress	**60,011**	221,827	-	**281,838**
Total non-depreciable capital assets	**9,765,813**	400,126	-	**10,165,939**
Capital assets being depreciated:				
Buildings	**32,349,799**	1,289,745	-	**33,639,544**
Intangible - software	**323,239**	1,165	-	**324,404**
Capitalized leases	**-**	75,191	-	**75,191**
Furniture and fixtures - non-dwelling	**1,090,183**	2,118,047	-	**3,208,230**
Furniture and fixtures - dwelling	**424,178**	-	(46,161)	**378,017**
Building improvements	**5,408,953**	-	(104,080)	**5,304,873**
Total capital assets being depreciated	**39,596,352**	3,484,148	(150,241)	**42,930,259**
Total accumulated depreciation	**(21,056,514)**	(1,986,199)	(10,455)	**(23,053,168)**
Net depreciable capital assets	**18,539,838**	1,497,949	(160,696)	**19,877,091**
Net capital assets	**$ 28,305,651**	$ 1,898,075	$ (160,696)	**$ 30,043,030**

	Beginning Balance October 1, 2013	Additions	Retirements	Ending Balance September 30, 2014
Capital assets not being depreciated:				
Land	**$ 9,568,078**	$ 137,724	$ -	**$ 9,705,802**
Construction in Progress	**21,407**	38,604	-	**60,011**
Total non-depreciable capital assets	**9,589,485**	176,328	-	**9,765,813**
Capital assets being depreciated:				
Buildings	**31,370,008**	1,003,878	(24,087)	**32,349,799**
Intangible - software	**323,239**	-	-	**323,239**
Furniture and fixtures - non-dwelling	**1,071,981**	158,129	(139,927)	**1,090,183**
Furniture and fixtures - dwelling	**400,459**	23,719	-	**424,178**
Building improvements	**5,220,676**	252,508	(64,231)	**5,408,953**
Total capital assets being depreciated	**38,386,363**	1,438,234	(228,245)	**39,596,352**
Total accumulated depreciation	**(19,353,032)**	(1,894,170)	190,688	**(21,056,514)**
Net depreciable capital assets	**19,033,331**	(455,936)	(37,557)	**18,539,838**
Net capital assets	**$ 28,622,816**	$ (279,608)	$ (37,557)	**$ 28,305,651**

Depreciation expense for the years ended September 30, 2015 and 2014 was $1,986,199 and $1,894,170, respectively.

NOTE 5 – CAPITAL ASSETS (continued)

Discrete Partnerships

	Beginning Balance January 1, 2014	Additions	Retirements and Other Adjustments	Ending Balance December 31, 2014
Capital assets not being depreciated:				
Land	**$ 2,280,000**	$ -	$ -	**$ 2,280,000**
Total non-depreciable capital assets	**2,280,000**	-	-	**2,280,000**
Capital assets being depreciated:				
Buildings	**77,410,058**	80,612	(80,612)	**77,410,058**
Furniture and fixtures - non-dwelling	-	-	-	-
Furniture and fixtures - dwelling	**5,547,196**	-	-	**5,547,196**
Land improvements	**5,455,952**	-	-	**5,455,952**
Total capital assets being depreciated	**88,413,206**	80,612	(80,612)	**88,413,206**
Total accumulated depreciation	**(15,187,577)**	(2,972,502)	80,612	**(18,079,467)**
Net depreciable capital assets	**73,225,629**	(2,891,890)	-	**70,333,739**
Net capital assets	**$ 75,505,629**	$ (2,891,890)	$ -	**$ 72,613,739**

	Beginning Balance January 1, 2013	Additions	Retirements	Ending Balance December 31, 2013
Capital assets not being depreciated:				
Land	**$ -**	$ 2,280,000	$ -	**$ 2,280,000**
Total non-depreciable capital assets	-	2,280,000	-	**2,280,000**
Capital assets being depreciated:				
Buildings	**62,359,177**	15,050,881	-	**77,410,058**
Furniture and fixtures - non-dwelling	-	-	-	-
Furniture and fixtures - dwelling	**4,744,045**	803,151	-	**5,547,196**
Land improvements	**4,711,250**	744,702	-	**5,455,952**
Total capital assets being depreciated	**71,814,472**	16,598,734	-	**88,413,206**
Total accumulated depreciation	**(11,678,313)**	(3,151,485)	(357,779)	**(15,187,577)**
Net depreciable capital assets	**60,136,159**	13,447,249	(357,779)	**73,225,629**
Net capital assets	**$ 60,136,159**	$ 15,727,249	$ (357,779)	**$ 75,505,629**

Depreciation expense for the years ended December 31, 2014 and 2013 was $2,972,502 and $3,151,485, respectively.

NOTE 6 – LONG-TERM LIABILITIES

Long-term liabilities activity as of September 30, 2015 were as follows:

Primary Government and Blended Affiliates

	Beginning Balance October 1, 2014	Additions	Reductions	Ending Balance September 30, 2015	Amounts Due within One Year
Family Self-Sufficiency Program escrow	$ 396,852	$ 269,714	$ (195,919)	$ 470,647	$ -
Rehab escrow	443,763	-	-	443,763	-
Capital leases	-	58,120	-	58,120	-
Pension obligations	-	3,774,260	-	3,774,260	-
Tenants' security deposit	219,030	269	-	219,299	-
Compensated absences	708,796	439,610	(435,467)	712,939	30,000
Total long-term liabilities	$ 1,768,441	$ 4,346,054	$ (435,467)	$ 5,679,028	$ 30,000

Long-term liabilities activity as of September 30, 2014 was as follows:

	Beginning Balance October 1, 2013	Additions	Reductions	Ending Balance September 30, 2014	Amounts Due within One Year
Family Self-Sufficiency Program escrow	$ 393,240	$ 3,612	$ -	$ 396,852	$ -
Rehab escrow	-	443,763	-	443,763	-
Tenants' security deposit	207,676	11,354	-	219,030	-
Compensated absences	753,453	-	(44,657)	708,796	30,000
Total long-term liabilities	$ 1,354,369	$ 458,729	$ (44,657)	$ 1,768,441	$ 30,000

Long-term liabilities activity as of December 31, 2014 was as follows:

Discrete Partnerships

	Beginning Balance January 1, 2014	Additions	Reductions	Ending Balance December 31, 2014	Amounts Due within One Year
Fees payable to affiliate partners	$ 91,775	$ -	$ (84,547)	$ 7,228	$ -
Tenants' security deposit	495,838	26,929	-	522,767	-
Asset management fee	3,504	435	-	3,939	-
Exchange income advanced	413,778	186,667	-	600,445	-
Tax credit exchange program loan	3,832,889	-	(298,667)	3,534,222	-
Mortgages	21,504,821	-	(273,412)	21,231,409	290,352
Total long-term liabilities	$ 26,342,605	$ 214,031	$ (656,626)	$ 25,900,010	$ 290,352

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Discrete Partnerships (continued)

	Beginning Balance January 1, 2013	Additions	Reductions	Ending Balance December 31, 2013	Amounts Due within One Year
Fees payable to affiliate partners	$ 33,579	$ 58,196	$ -	$ 91,775	$ -
Tenants' security deposit	432,417	63,421	-	495,838	-
Asset management fee	-	3,504	-	3,504	-
Exchange income advanced	-	413,778	-	413,778	-
Tax credit exchange program loan	-	3,832,889	-	3,832,889	-
Mortgages	19,994,805	1,738,019	(228,003)	21,504,821	273,584
Total long-term liabilities	$ 20,460,801	$ 6,109,807	$ (228,003)	$ 26,342,605	$273,584

The Crystal Lakes Redevelopment, Ltd. Partnership

First Mortgage Loan

The Crystal Lakes Redevelopment, Ltd. Partnership entered into a loan agreement on December 28, 2005 with proceeds not to exceed $11,500,000 with Citicorp USA, Inc. The construction phase of the loan shall have a term of 30 months and bear a fixed interest rate equal to 6.40%. The construction phase of the loan may be extended to December 31, 2008 under certain conditions. Only interest is required to be paid on the construction loan commencing August 1, 2006. The loan converted to the permanent financing phase on March 23, 2008. Before conversion the principal balance was reduced to $9,255,000. During the permanent financing phase, the loan will bear interest at 6.40%. Payments of principal and interest are based on a 30 year amortization schedule. Any unpaid principal and interest is due on June 30, 2023. The loan is secured by a mortgage on certain real property and improvements of the Partnership. As of December 31, 2014 and 2013, the outstanding balance on the loan was $8,379,375 and $8,530,249, respectively. As of December 31, 2014 and 2013, interest expense was $540,757 and $550,136, and accrued interest payable was $44,690 and $45,495, respectively.

HOME Loans

The Crystal Lakes Redevelopment, Ltd. Partnership entered into a HOME loan agreement on December 20, 2005 with The City of Hollywood for an original amount of $500,000. Interest shall not accrue nor be payable on the loan. The outstanding principal balance shall be due and payable on December 20, 2037. The outstanding balance, if any, together with any accrued interest and penalties, if any, shall be immediately due. As of December 31, 2014 and 2013, the outstanding balance on the loan was $500,000 and $500,000, respectively.

Other Mortgages

The Crystal Lakes Redevelopment, Ltd. Partnership entered into a loan agreement on December 23, 2005 with BBC Homes, Inc. (BCHA) for an original amount of $621,550 consisting of $250,000 of SHIP and $371,550 of HOME funds loaned by Broward County to BCHA. Interest shall not accrue on the note. The outstanding principal balance shall be due and payable on December 1, 2037.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Discrete Partnerships (continued)

Any payment not paid when due taking into account applicable grace periods shall bear interest at the rate of 18.00% per annum, from the due date until paid. As of December 31, 2014 and 2013, the outstanding balance on the loan was $621,550 and $621,550, respectively.

The Crystal Lakes Redevelopment, Ltd. Partnership entered into a loan agreement on January 9, 2007 with BBC Homes, Inc. (BCHA) for an original amount of $245,126 (consisting of SHIP funds loaned by Broward County to BCHA). Interest shall not accrue on the note. The outstanding principal balance shall be due and payable on December 1, 2037. Any payment not paid when due taking into account applicable grace periods shall bear interest at the rate of 18.00% per annum, from the due date until paid. As of December 31, 2014 and 2013, the outstanding balance on the loan was $245,126 and $245,126, respectively.

The estimated future principal payments on the Crystal Lakes Redevelopment, Ltd. Partnership mortgage notes are as follows:

Year ending December 31,	Citicorp	BCHA - HOME	BCHA - SHIP	HOME - Hollywood	SHIP - BCHA	Total
2015	$ 160,818	$ -	$ -	$ -	$ -	$ 160,818
2016	171,418	-	-	-	-	171,418
2017	182,716	-	-	-	-	182,716
2018	194,759	-	-	-	-	194,759
2019	207,596	-	-	-	-	207,596
2020-2024	7,462,068	-	-	-	-	7,462,068
2025-2029	-	-	-	-	-	-
2030-2034	-	-	-	-	-	-
2035-2037	-	250,000	371,550	500,000	245,126	1,366,676
Total	$ 8,379,375	$ 250,000	$ 371,550	$ 500,000	$ 245,126	$ 9,746,051
Less current maturities						(160,818)
Net long-term portion						$ 9,585,233

The liability of the Crystal Lakes Redevelopment, Ltd. Partnership under the above loans is limited to the underlying value of the real estate collateral, improvements, easements of other interests, assignments of rents, assignments of leases and personal property. In addition, affiliates of the general partners have provided certain guarantees during the construction period, as defined.

The Highland Gardens Development, Ltd. Partnership

The Highland Gardens Development, Ltd. Partnership entered into a converting construction loan agreement on October 10, 2007, with Berkadia Commercial Mortgage, Inc. The loan converted to the permanent financing phase on December 15, 2009 with a principal balance of $2,200,000 at a fixed rate of 6.73 percent and will mature October 31, 2024. Monthly payments of principal and interest are $14,240 and due on a 30 year amortization schedule. As of December 31, 2014 and 2013, the outstanding balance on the loan was $2,067,452 and $2,098,064, respectively. As of December 31, 2014 and 2013, interest expense was $140,095 and $142,093, respectively.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Discrete Partnerships (continued)

The liability of the Partnership under the above loan is limited to the underlying value of the real estate collateral, improvements, easements of other interests, assignments of rents, assignments of leases and personal property.

The liability of the Highland Gardens Development, Ltd. Partnership under the above loan in each of the next five years is presented in the following table:

Year ending December 31,	
2015	$ 32,921
2016	35,206
2017	37,650
2018	40,263
2019	43,058
2020-2024	1,878,354
Total	2,067,452
Less current maturities	(32,921)
Net long-term portion	$2,034,531

The Tallman Pines I, Ltd. Partnership

Mortgage Payable
The Tallman Pines I, Ltd. Partnership has a construction mortgage in the amount of $3,400,000 with Bank of America, N.A. (BOA). The mortgage bears interest at 6.7 percent per annum through the conversion date. The mortgage is payable in monthly principal and interest payments in the amount of $18,983. The loan converted on April 1, 2010 and is now payable in monthly installments of principal and interest in the amount of $21,939 based on a 30-year amortization schedule. The mortgage will mature May 29, 2025. The mortgage is secured by a first trust deed on the Partnership's real property, as defined in the mortgage, assignment, security agreement and fixture filing. The loan converted during 2010. As a result, the loan is now payable in monthly installments of principal and interest. As of December 31, 2014 and 2013, the outstanding balance was $3,214,293 and $3,260,514, respectively, and accrued interest payable was $17,947 and $18,205, respectively.

Second Mortgage Payable
The Tallman Pines Associates, Ltd. Partnership has a second mortgage in the amount of $1,000,059 with Broward County Board of County Commissioners (BCBCC). The mortgage bears interest at 1 percent though maturity on November 30, 2038, as defined. The mortgage is payable in monthly principal and interest payments in the amount of $3,217. The mortgage is secured by a second trust deed on the Partnership's real property, as defined in the mortgage, assignment, security agreement and fixture filing. As of December 31, 2014 and 2013, there was an outstanding balance of $810,718 and $841,021, respectively.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Discrete Partnerships (continued)

Future principal payments on the above Tallman Pines I, Ltd. Partnership mortgages payable are as follows:

Year ending December 31,	Pacific Life	BCBCC	Total
2015	$ 49,415	$ 30,607	$ 80,022
2016	52,829	30,915	83,744
2017	56,480	31,225	87,705
2018	60,554	31,539	92,093
2019	64,554	31,856	96,410
2020-2024	402,844	164,146	566,990
2025-2029	2,527,617	172,558	2,700,175
2030-2034	-	181,802	181,802
2035-2038	-	135,430	135,430
Total	$3,214,293	$ 810,078	4,024,371
Less current maturities			(80,022)
Net long-term portion			$ 3,944,349

The Tallman Pines II, Ltd. Partnership

Mortgage Payable

The Tallman Pines II, Ltd. Partnership entered into a mortgage on September 11, 2007 in the amount of $3,654,876 with Florida Housing Finance Corporation (FHFC). Twenty-five percent of the base loan shall bear an annual interest rate of zero percent and seventy-five percent of the loan shall bear an annual interest rate of 1 percent. The maturity date of the Base Loan is September 11, 2057, providing for a fifty year permanent loan period, unless acceleration is made by Florida Housing pursuant to the terms of the loan agreement or the other documents evidencing or securing the loan, as defined. The supplemental loan of $260,000 bears no interest and matures on September 11, 2027 with an option for an automatic extension to September 11, 2057. The mortgage is secured by a second trust deed on the Partnership's real property. As of December 31, 2014 and 2013, there was an outstanding balance of $3,654,876 and $3,654,876, accrued interest payable of $28,619 and $28,619, and interest costs of $28,857 and $28,857, respectively. This mortgage payable of $3,654,876 is due in its entirety upon maturity.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Discrete Partnerships (continued)

The Reliance-Progresso Associates, Ltd. Partnership

On December 17, 2010, the Partnership obtained financing in the amount of $7,520,000 (the "Construction Loan"). The Construction Loan was to mature on December 17, 2012. On September 12, 2012, the Construction Loan was amended, restated, and converted in the amount of $1,520,000 (the "Mortgage"). The mortgage term is 18 years. The mortgage bears interest at 7.46% per annum. Interest and principal payments of $10,586 are paid monthly. The mortgage matures in October 2030 and is collateralized by the Project. As of December 31, 2014 ad 2013, the outstanding principal balance was $1,488,019 and $1,503,421, and interest of $111,636 and $112,743, respectively, was incurred and paid.

Year ending December 31:

2015	$ 16,591
2016	17,872
2017	19,252
2018	20,738
2019	22,339
2020-2024	140,389
2025-2029	156,624
2030	1,094,214
Total	1,488,019
Less current maturities	(16,591)
Net long-term portion	$ 1,471,428

NOTE 7 – LEASE OBLIGATION PAYABLE

The Authority leases certain vehicles under leases classified as capital leases. The leased vehicles are amortized on a straight line basis over 5 years. The total accumulated depreciation related to the leased vehicles is $11,275 at September 30, 2015. The following is a schedule showing the future minimum lease payments under capital leases by years and the present value of the minimum lease payments as of September 30, 2015. The interest rate related to the lease obligation is 5% and the maturity is January 2020.

Year ending September 30:

2016	$16,968
2017	16,968
2018	16,968
2019	16,968
Total minimum lease payments	67,872
Less: Amount representing interest	(7,133)
Present value of minimum lease payments	$60,739

At September 30, 2015, the present value of minimum lease payments due within one year is $14,063.

NOTE 8 – UNRESTRICTED NET POSITION

Unrestricted net position for the Primary Government and Blended Affiliates totaled $12,809,947 and $19,392,467 at September 30, 2015 and 2014, respectively. Unrestricted net position for the Discrete Partnerships totaled $3,958,758 and $4,436,720 at December 31, 2014 and 2013, respectively.

NOTE 9 – NET POSITION FOR HOUSING ASSISTANCE PAYMENTS

Effective January 1, 2005, the U.S. Department of Housing and Urban Development authorized for any budget authority that is not used during a fiscal year to pay Housing Assistance Payments (HAPs) to become part of restricted net position. This net position may only be used to assist additional families up to the number of vouchers approved in the Annual Contributions Contract (ACC). The restricted net position account will also include monies generated from interest income on HAP investments, Family Self Sufficiency (FSS) Escrow, forfeitures and fraud recoveries. The restricted net position related to the Housing Choice Voucher Program (Section 8) program are reported in the accompanying statements of net position.

NOTE 10 – RETIREMENT PLANS

FRS Plan

General Information - All of the Authority's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:
www.dms.myflorida.com/workforce_operations/retirement/publications

Plan Description
The Authority participates in the Florida Retirement System (the "System"), a cost-sharing, multi-employer public retirement system ("PERS") which covers substantially all of the Authority's full-time and part-time employees. The System was created in 1970 by consolidating several employee retirement systems. All eligible employees, as defined by the State, who were hired after 1970 and those employed prior to 1970 who elect to be enrolled are covered by the System. Benefits under the plan vest after six years of service. Employees who retire at or after age 62 with six years of credited service are entitled to an annual retirement benefit, payable monthly for life. The System also provides for death and disability benefits. These benefit provisions and all other requirements are established by State Statutes.

NOTE 10 – RETIREMENT PLANS (continued)

Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of- living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

NOTE 10 – RETIREMENT PLANS (continued)

Pension Plan (continued)

Benefits Provided (continued)
In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. Under the System, the Authority was required to contribute, effective July 1, 2015, 7.26% of the salary of regular members and 21.43% for senior management; effective July 1, 2014, 7.37% of the salary of regular members and 21.14% for senior management; and, effective July 1, 2013, 6.30% of the salary of regular members and 18.31% for senior management. The required contribution by the Authority to the System for the fiscal years ended September 30, 2015 and 2014 was $507,162 and $439,849, respectively. The Authority has met all contribution requirements each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the Authority reported a liability of $2,147,930 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The Authority's proportionate share of the net pension liability was based on the Authority's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the Authority's proportionate share was 0.0162 percent, which was an increase (decrease) of (.0004) percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the Authority recognized pension income of $ 40,912. In addition the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 10 – RETIREMENT PLANS (continued)

Pension Plan (continued)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 451,420	$ 10,127
Change of assumptions	(28,340)	-
Net difference between projected and actual earnings on Pension Plan investments	-	1,133,325
Changes in proportion and differences between Authority Pension Plan contributions and proportionate share of contributions	-	(405,443)
Authority Pension Plan contributions subsequent to the measurement date	102,625	-
Total	$ 525,705	$ 738,009

The deferred outflows of resources related to the Pension Plan, totaling $102,625 resulting from Authority contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2016	$ (40,912)
2017	$ (40,912)
2018	$ (40,912)
2019	$ 60,972
2020	$ 11,841
Thereafter	$ 3,091

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.65%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

NOTE 10 – RETIREMENT PLANS (continued)

Pension Plan (continued)

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Entities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds/Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	100.00%			
Assumed Inflation - Mean		2.60%		2.00%

(1) As outlined in the Pension Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 7.65%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65%) or one percentage point higher (8.65%) than the current rate:

NOTE 10 – RETIREMENT PLANS (continued)

Pension Plan (continued)

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
Authority's proportionate share of the net pension liability	$ 5,565,773	$ 2,147,930	$ (696,276)

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, the Authority reported a payable in the amount of $0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2015.

HIS Plan

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.20% and 1.26%, respectively. The Authority contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Authority's contributions to the HIS Plan totaled $60,959 for the fiscal year ended September 30, 2015.

NOTE 10 – RETIREMENT PLANS (continued)

HIS Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the Authority reported a liability of $1,626,330 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The Authority's proportionate share of the net pension liability was based on the Authority's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the Authority's proportionate share was 0.0163 percent, which was an increase (decrease) of .0004 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the Authority recognized pension expense of $60,885. In addition the Authority reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Change of assumptions	73,709	-
Net difference between projected and actual earnings on HIS Plan investments	148	-
Changes in proportion and differences between Authority HIS Plan contributions and proportionate share of contributions	-	(60,959)
Authority HIS Plan contributions subsequent to the measurement date	21,274	-
Total	$ 95,131	$ (60,959)

The deferred outflows of resources related to the HIS Plan, totaling $21,274 resulting from Authority contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

NOTE 10 – RETIREMENT PLANS (continued)

HIS Plan (continued)

September 30,	Amount
2016	$21,274
2017	$21,274
2018	$21,274
2019	$21,103
2020	$21,021
Thereafter	$17,055

Actuarial Assumptions – The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	4.29 %

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 4.29%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 3.80%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.80%) or one percentage point higher (4.80%) than the current rate:

NOTE 10 – RETIREMENT PLANS (continued)

HIS Plan (continued)

	1% Decrease 2.80%	Current Discount Rate 3.80%	1% Increase 4.80%
Authority's proportionate share of the net pension liability	$ 1,853,128	$ 1,626,330	$ 1,437,216

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, the Authority reported a payable in the amount of $0 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2015.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2014-15 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%.

NOTE 10 – RETIREMENT PLANS (continued)

Investment Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump- sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

NOTE 11 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Authority's risk management program encompasses obtaining property and liability insurance.

There has been no significant reduction in insurance coverage from coverage in the prior year. In addition, there has been no significant claims that have exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Authority's operations are concentrated in the real estate market. The Authority owns and manages various properties which consist of 373 Multi-family apartments distributed through Broward County, Florida. In addition, at September 30, 2015, the Authority subsidized approximately 6,000 apartment units through federally aided Housing Choice Voucher Program (Section 8) projects under annual contribution contracts throughout Broward County, Florida.

The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the year ended September 30, 2015, approximately 81% of revenues and 3% of receivables reflected in the basic financial statements are from HUD.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Legal

In the normal course of operations, the Authority may be party to various pending or threatened legal actions. As of the date of this report, management is not aware of any such instances.

Grants and contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. As of the date of this report, management is not aware of any such examinations.

The Authority has received cumulative funding in excess of housing assistance payments ("HAP") and earned administrative fees through the Housing Choice Voucher Program in accordance with current regulations. As of September 30, 2015, the remaining unspent Housing Choice Voucher HAP reserve of $64,841 is presented as restricted net position. As of September 30, 2015 BCHA has requested and received $1.4 thousand from HUD held NRA funds to offset monthly HAP increases. As of September 30, 2015 the Authority had $4.3 million in HUD held reserves.

Operating Deficit Guarantees

Pursuant to the Crystal Lakes Redevelopment, Ltd. partnership agreement, the general partners are required to advance funds to the Partnership to cover operating deficits of the Project beginning on the admission date and ending for eleven years after the Development Obligation Date, as defined. Advances prior to the Development Obligation Date are considered special capital contributions. Advances after the Development Obligation Date are considered loans. The maximum total advances are $200,000 through the third year after the Developer Obligation Date. After the third year, the maximum total advances are $100,000. Any advances shall not bear interest and are repayable from operating cash flow, as defined. Funds in the operating reserve may be used to satisfy the loan obligations, as defined. No operating deficits were funded during 2014 and 2013, respectively.

The general partners and affiliates of the general partners will provide funds to the Tallman Pines I, Ltd. Partnership necessary to pay any operating deficit in the form of a loan to the Partnership. The operating deficit loan shall be interest free and shall be repaid solely as provided in the partnership agreement. The maximum amount of operating deficit loans that the general partners shall be required to have outstanding at any one time is $400,000. The operating deficit guarantee period begins after achievement of the "break-even date", as defined in the partnership agreement, and ends on the third anniversary of the "break-even date". Break-even operations occurred during 2011. As of December 31, 2014 and 2013, no operating deficit advances are outstanding.

The general partner of Reliance-Progresso Associates, Ltd. is responsible for providing operating deficit loans up to $436,551 to the Partnership, beginning on the date of stabilization. As of December 31, 2014 and 2013, no operating deficit advances are outstanding.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (continued)

Ground Leases

On March 31, 2004, the Crystal Lakes Redevelopment, Ltd. Partnership entered into a ground lease with Broward County Housing Authority. The lease agreement required annual payments of $10 during the term, which is from Commencement Date of closing on the Partnership's construction financing of December 28, 2005 through December 28, 2055, the fiftieth anniversary of the Commencement Date. The Partnership is liable for all payments of insurance and utilities that are in connection with the development, construction, and operation of the Project during the term of the lease.

On January 27, 2006, the Highland Gardens, Ltd. Partnership entered into a ground lease with Broward County Housing Authority. The ground lease requires a $900,000 lump sum payment due 90 days after final amendment execution. The lease agreement requires an annual payment of $1 during the lease term, which is from the period beginning on the commencement date and ending on December 31, 2056. The Partnership is liable for all payments of utilities and real estate taxes in connection with the development, construction, and operation of the Project during the term of the lease. As of December 31, 2014 and 2013, $787,500 and $806,250, respectively, remained to be expensed on the ground lease.

On January 27, 2006, the Tallman Pines I, Ltd. Partnership entered into a ground lease with the Broward County Housing Authority (BCHA). In 2010, a one-time capitalized lease payment in the amount of $2,000,000 was paid BCHA pursuant to terms of the lease. Annual payments under the lease total $10 for each of the fifty years beginning at the closing of the construction loan. The total lease expense will be amortized over the term of the lease using the straight-line method. Upon expiration of the lease, all improvements to the property revert to the owner. The Partnership is responsible for all real estate taxes and maintenance of any improvement during the term of the lease. During 2014 and 2013, $20,833 and $20,833, respectively, of amortization expense was incurred and as of December 31, 2014 and 2013, $1,906,251 and $1,927,084 remains as prepaid.

Since these are 89 and 99 year leases and the initial payments were substantially equal to the market value of the land, the Authority recognized these leases as sales of land and recognized the cash received as revenue in the year of sale.

NOTE 14 – SUBSEQUENT DISCRETE PARTNERSHIP INFORMATION

As of December 31, 2015, significant unaudited information for the partnerships is presented below:

	Capital asset	Mortgage	Equity	Tax Credit Partner Equity
Tallman Pines I	$ 18,696,730	$ 3,944,989	$ 17,691,284	$ 25,113,425
Tallman Pines II	3,748,116	3,654,876	404,056	2,022,000
Highland Gardens	11,010,015	2,034,715	10,518,618	14,374,352
Progresso	16,933,671	1,471,428	13,432,441	19,450,850
Crystal Lakes	19,457,890	9,585,233	10,972,207	16,750,000
Totals	$ 69,846,422	$20,691,241	$53,018,606	$ 77,710,627

NOTE 15 – SUBSEQUENT EVENTS

The BCHA Management evaluated subsequent events through June 2, 2016, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2015, but prior to June 2, 2016, that provided additional evidence about conditions that existed at September 30, 2015, have been recognized in the financial statements for the year ended September 30, 2015.

OTHER SUPPLEMENTARY INFORMATION

Broward County Housing Authority
Combining Schedule of Net Position
Primary Government and Blended Affiliates
As of September 30, 2015
(with comparative totals for 2014)

	Public Housing	Multi-Family	Housing Choice Voucher Program	Other Enterprise	Total 2015	Total 2014
ASSETS						
Current assets:						
Cash and cash equivalents	$ -	$ 365,494	$ 5,488,181	$ 10,571,777	$ 16,425,452	$ 20,765,468
Receivables:						
Accounts receivables	-	9,060	102,606	446,658	558,324	302,370
Intergovernmental	-	18,146	249,405	17,153	284,704	468,090
Tenants, net of allowance	-	11,104	-	16,433	27,537	26,636
Prepaid expenses	-	88,105	244,860	38,918	371,883	405,461
Total current assets	-	491,909	6,085,052	11,090,939	17,667,900	21,968,025
Noncurrent assets:						
Restricted cash equivalents	-	3,743,833	447,895	4,547,727	8,739,455	6,016,506
Capital assets:						
Land	-	2,829,288	602,470	6,452,343	9,884,101	9,705,802
Intangible assets	-	-	324,404	-	324,404	323,239
Buildings, CIP and equipment	-	29,655,563	3,571,650	9,660,480	42,887,693	39,333,124
Accumulated depreciation	-	(19,618,652)	(1,701,599)	(1,732,917)	(23,053,168)	(21,056,514)
Capital assets, net	-	12,866,199	2,796,925	14,379,906	30,043,030	28,305,651
Total assets	-	17,101,941	9,329,872	30,018,572	56,450,385	56,290,182
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pension costs	-	96,208	459,658	513,107	1,068,973	-
LIABILITIES						
Current liabilities:						
Accounts payable	-	136,678	156,910	247,232	540,820	319,347
Accrued wages payable	-	28,130	70,585	79,370	178,085	148,617
Accrued compensated absences	-	15,000	15,000	-	30,000	30,000
HUD liability	-	-	14,313	-	14,313	339,153
Total current liabilities	-	179,808	256,808	326,602	763,218	837,117
Noncurrent liabilities:						
Liabilities from restricted assets						
Rehab escrow	-	-	-	443,763	443,763	443,763
Family Self-sufficiency program escrow	-	23,473	447,174	-	470,647	396,852
Total liabilities payable from restricted assets	-	23,473	447,174	443,763	914,410	840,615
Tenants' security deposits	-	119,349	-	99,950	219,299	219,030
Captitalized lease obligation	-	19,840	38,280	-	58,120	-
Net pension liability	-	339,683	1,622,932	1,811,645	3,774,260	-
Accrued compensated absences	-	96,563	190,643	395,733	682,939	678,796
Total noncurrent liabilities	-	598,908	2,299,029	2,751,091	5,649,028	1,738,441
Total liabilities	-	778,716	2,555,837	3,077,693	6,412,246	2,575,558
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pension costs	-	58,422	279,126	311,582	649,130	-
NET POSITION						
Net investment in capital assets	-	12,866,199	2,796,925	14,379,906	30,043,030	28,305,651
Restricted- replacement reserves	-	3,720,360	-	4,048,036	7,768,396	2,775,906
Restricted-Housing Assistance Payments	-	-	720	-	720	3,240,600
Unrestricted	-	(225,548)	4,156,922	8,714,462	12,645,836	19,392,467
Total net position	$ -	$ 16,361,011	$ 6,954,567	$ 27,142,404	$ 50,457,982	$ 53,714,624

Broward County Housing Authority
Combining Schedule of Revenues, Expenses and Changes in Net Position
Primary Government and Blended Affiliates
For the Year Ended September 30, 2015
(with comparative totals for 2014)

	Public Housing	Multi-Family	Housing Choice Voucher Program	Other Enterprise	Total 2015	Total 2014
OPERATING REVENUES						
Housing assistance payments	$ -	$ -	$ 67,836,545	$ -	$ 67,836,545	$ 63,749,217
Housing choice voucher program administrative fees	-	-	4,449,763	-	4,449,763	3,838,546
Dwelling rental	48,619	1,081,634	-	1,030,980	2,161,233	2,142,834
Operating subsidy	-	1,547,818	-	-	1,547,818	895,392
Other revenue (Port-in)	-	-	627,641	-	627,641	5,349,227
Total operating revenues	48,619	2,629,452	72,913,949	1,030,980	76,623,000	75,975,216
OPERATING EXPENSES						
Housing assistance payments	-	-	70,430,054	-	70,430,054	66,333,555
General and administrative	26,878	960,285	4,516,403	4,969,065	10,472,631	9,844,280
Repairs and maintenance	27,798	939,340	59,266	417,427	1,443,831	1,469,306
Tenants' services	1,128	81,175	-	16,923	99,226	97,114
Utilities	1,221	150,903	41,335	129,842	323,301	292,694
Depreciation	58,437	1,419,055	185,569	323,138	1,986,199	1,894,170
Pension expense	-	1,798	8,588	9,587	19,973	-
Other expense (Port-in)	-	-	627,641	-	627,641	5,349,227
Total operating expenses	115,462	3,552,556	75,868,856	5,865,982	85,402,856	85,280,346
OPERATING (LOSS)	(66,843)	(923,104)	(2,954,907)	(4,835,002)	(8,779,856)	(9,305,130)
NON-OPERATING REVENUES (EXPENSES)						
Grants	-	-	-	693,396	693,396	3,780,870
Investment revenue/interest (expense)	-	599	-	34,815	35,414	62,811
Other revenue/(expense)	1,832	461,825	332,186	4,779,963	5,575,806	5,172,575
Gain/(loss) on disposal of capital assets	(8,345,863)	8,345,863	(33,697)	-	(33,697)	(276)
Total nonoperating revenues, net	(8,344,031)	8,808,287	298,489	5,508,174	6,270,919	9,015,980
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTION	(8,410,874)	7,885,183	(2,656,418)	673,172	(2,508,937)	(289,150)
CAPITAL CONTRIBUTIONS						
Capital grants	-	2,710,097	-	-	2,710,097	1,323,539
Total capital contributions	-	2,710,097	-	-	2,710,097	1,323,539
OTHER FINANCING SOURCES AND USES						
Operating transfers in	-	4,008,816	29,490	4,745,416	8,783,722	1,112,078
Operating transfers out	-	(4,020,399)	(8,398)	(4,754,925)	(8,783,722)	(1,112,078)
Total other financing sources and uses	-	(11,583)	21,092	(9,509)	-	-
CHANGE IN NET POSITION	(8,410,874)	10,583,697	(2,635,326)	663,663	201,160	1,034,389
NET POSITION, Beginning						
As previously stated	8,410,874	6,088,516	11,076,748	28,138,486	53,714,624	52,680,235
Add (deduct) prior period adjustments net effect of GASB 68 (note 10)	-	(311,202)	(1,486,855)	(1,659,745)	(3,457,802)	-
As adjusted	8,410,874	5,777,314	9,589,893	26,478,741	50,256,822	52,680,235
NET POSITION, Ending	$ -	$ 16,361,011	$ 6,954,567	$ 27,142,404	$ 50,457,982	$ 53,714,624

Broward County Housing Authority
Combining Schedule of Cash Flows
Primary Government and Blended Affiliates
For the year ended September 30, 2015
(with comparative totals for 2014)

	Public Housing	Multi-Family	Housing Choice Voucher Program	Other Enterprise	Total 2015	Total 2014
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from federal and local agencies	$ -	$ 1,547,818	$ 72,286,308	$ -	$ 73,834,126	$ 68,483,155
Housing assistance payments	-	-	(70,430,051)	-	(70,430,051)	(66,333,555)
Cash paid to suppliers and contractors	(30,147)	(1,921,418)	(300,601)	(3,564,192)	(5,816,358)	(5,953,060)
Payments to employees	(26,878)	(232,971)	(4,105,219)	(2,037,786)	(6,402,854)	(5,178,366)
Other payments-dwelling rental and receipts	48,619	1,081,634	-	1,030,980	2,161,233	2,142,834
Net cash provided by (used in) operating activities	(8,406)	475,063	(2,549,563)	(4,570,998)	(6,653,904)	(6,838,992)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operational grants	-	-	-	693,396	693,396	3,780,870
Other revenues and receipts	-	461,825	332,186	4,779,963	5,573,974	5,198,414
Net cash provided by non-capital financing	-	461,825	332,186	5,473,359	6,267,370	8,979,284
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition (sale/reclassification) of capital assets	(874,346)	-	(78,997)	(2,256,569)	(3,209,912)	(191,676)
Capital grants	-	2,710,097	-	-	2,710,097	1,323,539
Net cash provided by (used in) capital and related financing	(874,346)	2,710,097	(78,997)	(2,256,569)	(499,815)	1,131,863
CASH FLOWS FROM INVESTING ACTIVITIES						
Net deposit in reserve for replacements	-	(746,606)	-	(19,526)	(766,132)	(1,482,253)
Interest income on investment	-	599	-	34,815	35,414	42,111
Net cash provided by (used in) investing activities	-	(746,007)	-	15,289	(730,718)	(1,440,142)
Net (decrease) increase in cash and cash equivalents	(882,752)	2,900,978	(2,296,374)	(1,338,919)	(1,617,067)	1,832,013
Cash and cash equivalents, beginning of year	882,752	1,208,349	8,232,450	16,458,423	26,781,974	24,949,961
Cash and cash equivalents, end of year	$ -	$ 4,109,327	$ 5,936,076	$ 15,119,504	$ 25,164,907	$ 26,781,974
Reconciliation of operating loss to net cash provided by (used in) operating activities:						
Operating loss	$ (66,843)	$ (934,688)	$ (2,933,814)	$ (4,844,511)	$ (8,779,856)	$ (9,305,130)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:						
Depreciation	58,437	1,419,055	185,569	323,138	1,986,199	1,894,170
(Increase) decrease in:						
Receivables	27,235	(2,074)	114,703	(302,559)	(162,695)	585,651
Prepaid expenses	45,367	(37,755)	25,105	861	33,578	(121,555)
Other assets	-	-	-	6,091	6,091	6,091
Increase (decrease) in:						
Accounts payable	(28,013)	173,172	(27,492)	240,979	358,646	(112,674)
Accrued expenses	(24,325)	3,802	27,578	1,384	8,439	28,962
HUD liability	-	(173,735)	-	-	(173,735)	43,815
Family Self-Sufficiency escrow	(8,466)	23,473	58,788	-	73,795	73,572
Tenants deposits	(11,798)	3,813	-	3,619	(4,366)	68,106
	$ (8,406)	$ 475,063	$ (2,549,563)	$ (4,570,998)	$ (6,653,904)	$ (6,838,992)

Broward County Housing Authority
Combining Schedule of Net Position
Blended Affiliates
As of September 30, 2015

	Building Better Communities, Inc.	McCan Communities, Inc.	Guaranty, LLC	Multi-Family	Other non-COCC Enterprise	Total 2015
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 1,650,585	$ 7,461,866	$ 595,039	$ 365,494	$ 267,191	$ 10,340,175
Receivables:						
Accounts receivables	77,040	3,283	-	9,060	307,596	396,979
Intergovernmental	-	-	1,790	18,146	-	19,936
Tenants, net of allowance	-	-	5,840	11,104	10,592	27,536
Prepaid expenses	4,514	-	14,407	88,105	11,105	118,131
Total current assets	1,732,139	7,465,149	617,076	491,909	596,484	10,902,757
Noncurrent assets:						
Restricted cash equivalents	201,572	-	706,663	3,743,833	3,359,100	8,011,168
Capital assets:						
Land	-	-	193,600	2,829,288	6,258,743	9,281,631
Buildings, CIP and equipment	-	12,884	4,086,328	29,655,563	4,896,825	38,651,600
Accumulated depreciation	-	-	(1,159,445)	(19,618,652)	(237,189)	(21,015,286)
Capital assets, net	-	12,884	3,120,483	12,866,199	10,918,379	26,917,945
Total assets	1,933,711	7,478,033	4,444,222	17,101,941	14,873,963	45,831,870
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pension costs	85,518	-	-	96,208	-	181,726
Total deferred outflows of resources	85,518	-	-	96,208	-	181,726
LIABILITIES						
Current liabilities:						
Accounts payable	81,316	-	23,891	136,678	68,932	310,817
Accrued wages payable	-	-	1,224	28,130	1,169	30,523
Accrued compensated absences	-	-	-	15,000	-	15,000
Total current liabilities	81,316	-	25,115	179,808	70,101	356,340
Noncurrent liabilities:						
Family Self-sufficiency Program escrow	-	-	-	23,473	-	23,473
Total liabilities payable from restricted assets	-	-	-	23,473	-	23,473
Mortgages	-	-	-	-	-	-
Tenants' security deposits	-	-	65,350	119,349	34,600	219,299
Captitalized lease obligation	-	-	-	19,840	-	19,840
Net pension liability	301,940	-	-	339,683	-	641,623
Accrued compensated absences	-	-	3,890	96,563	-	100,453
Total noncurrent liabilities	301,940	-	69,240	598,908	34,600	1,004,688
Total liabilities	383,256	-	94,355	778,716	104,701	1,361,028
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pension costs	51,888	-	-	58,422	-	110,310
Total deferred inflows of resources	51,888	-	-	58,422	-	110,310
NET POSITION						
Net investment in capital assets	-	12,884	3,120,483	12,866,199	10,918,379	26,917,945
Restricted- replacement reserves	201,572	-	641,313	3,720,360	3,205,151	7,768,396
Unrestricted	1,382,513	7,465,149	588,071	(225,548)	645,732	9,855,917
Total Net Position	$ 1,584,085	$ 7,478,033	$ 4,349,867	$ 16,361,011	$ 14,769,262	$ 44,542,258

Note: The total column on this schedule is presented differently for internal purposes than the schedule presented on page 61.

Broward County Housing Authority
Combining Schedule of Revenues, Expenses and Changes in Net Position
Blended Affiliates
For the Year Ended September 30, 2015

	Building Better Communities, Inc.	McCan Communities, Inc.	Guaranty, LLC	Multi-family	Other non-COCC Enterprise	Total 2015
OPERATING REVENUES						
Dwelling rental	$ -	$ -	$ 745,498	$ 1,081,634	$ 285,482	$ 2,112,614
Operating subsidy	-	-	-	1,547,818	-	1,547,818
Total Operating Revenues	-	-	745,498	2,629,452	285,482	3,660,432
OPERATING EXPENSES						
General and administrative	450,071	1,593,309	240,704	960,285	1,762,235	5,006,604
Repairs and maintenance	-	-	148,933	939,340	77,587	1,165,860
Tenants' services	-	-	-	81,175	-	81,175
Utilities	47	-	71,727	150,903	43,057	265,734
Depreciation	-	-	204,255	1,419,055	119,163	1,742,473
Pension expense	-	-	-	1,798	-	1,798
Total Operating Expenses	450,118	1,593,309	665,619	3,552,556	2,002,042	8,263,644
OPERATING (LOSS)	(450,118)	(1,593,309)	79,879	(923,104)	(1,716,560)	(4,603,212)
NON-OPERATING REVENUES (EXPENSES)						
Grants	-	-	571,549			571,549
Investment revenue/interest (expense)	7,289	27,252	248	599	32	35,420
Other revenue/(expense)	-	1,631,204	68,322	461,825	1,785,220	3,946,571
Gain/(loss) on disposal of capital assets	-	-	-	8,345,863	-	8,345,863
Total nonoperating Revenues, net	7,289	1,658,456	640,119	8,808,287	1,785,252	12,899,403
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTION	(442,829)	65,147	719,998	7,885,183	68,692	8,296,191
CAPITAL CONTRIBUTIONS						
Capital grants	-	-	-	2,710,097	-	2,710,097
Total Capital Contributions	-	-	-	2,710,097	-	2,710,097
OTHER FINANCING SOURCES AND USES						
Operating transfers in	-	-	-	4,008,816	4,715,543	8,724,359
Operating transfers out	(1,429,543)	(3,307,473)	(2,896)	(4,020,399)	-	(8,760,311)
Total Other Financing Sources and Uses	(1,429,543)	(3,307,473)	(2,896)	(11,583)	4,715,543	(35,952)
CHANGE IN NET POSITION	(1,872,372)	(3,242,326)	717,102	10,583,697	4,784,235	10,970,336
NET POSITION, Beginning						
As previously stated	3,733,081	10,720,359	3,632,765	6,088,516	9,985,027	34,159,748
Add (deduct) prior period adjustments net effect of GASB 68 (note 10)	(276,624)	-	-	(311,202)	-	(587,826)
As adjusted	3,456,457	10,720,359	3,632,765	5,777,314	9,985,027	33,571,922
NET POSITION, Ending	$ 1,584,085	$ 7,478,033	$ 4,349,867	$ 16,361,011	$ 14,769,262	$ 44,542,258

Note: The total column on this schedule is presented differently for internal purposes than the schedule presented on page 62.

Broward County Housing Authority
Combing Schedules of Cash Flows
Blended Affiliates
For the year ended September 30, 2015

	Building Better Communities, Inc.	McCan Communities, Inc.	Guaranty, LLC	Multi-family	Other non-COCC Enterprise	Total 2015
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from federal and local agencies	$ -	$ -	$ -	$ 1,547,818	$ -	$ 1,547,818
Cash paid to suppliers and contractors	(177,505)	(1,593,309)	(327,026)	(1,921,418)	(1,851,578)	(5,870,836)
Payments to employees	(272,613)	-	(134,338)	(232,971)	(31,301)	(671,223)
Other payments-dwelling rental and receipts	-	-	745,498	1,081,634	285,482	2,112,614
Net cash (used in) operating activities	(450,118)	(1,593,309)	284,134	475,063	(1,597,397)	(2,881,627)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operational grants	-	-	571,549	-	-	571,549
Other revenues and receipts	(1,429,543)	1,631,204	68,322	461,825	6,500,763	7,232,571
Net cash provided by non-capital financing	(1,429,543)	1,631,204	639,871	461,825	6,500,763	7,804,120
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition (sale/reclassification) of capital assets	-	(3,307,473)	(574,445)	-	(4,715,543)	(8,597,461)
Capital grants	-	-	-	2,710,097	-	2,710,097
Net cash (used in) capital and related financing	-	(3,307,473)	(574,445)	2,710,097	(4,715,543)	(5,887,364)
CASH FLOWS FROM INVESTING ACTIVITIES						
Net deposit in reserve for replacements	-	-	-	(746,606)	-	(746,606)
Interest income on investment	7,289	27,252	248	599	32	35,420
Net cash provided by (used in) investing activities	7,289	27,252	248	(746,007)	32	(711,186)
Net (decrease) increase in cash and cash equivalents	(1,872,372)	(3,242,326)	349,808	2,900,978	187,855	(1,676,057)
Cash and cash equivalents beginning of year	3,724,529	10,704,192	951,894	1,208,349	3,438,436	20,027,400
Cash and cash equivalents end of year	$ 1,852,157	$ 7,461,866	$ 1,301,702	$ 4,109,327	$ 3,626,291	$ 18,351,343
Reconciliation of operating loss to net cash used in operating activities:						
Operating loss	$ (450,118)	$ (1,593,309)	$ 79,879	$ (923,104)	$ (1,716,560)	$ (4,603,212)
Adjustments to reconcile operating loss to net cash used in operating activities:						
Depreciation	-	-	204,255	1,419,055	119,163	1,742,473
(Increase) decrease in:						
Receivables	-	-	-	(2,074)	-	(2,074)
Prepaid expenses	-	-	-	(37,755)	-	(37,755)
Increase (decrease) in:						
Accounts payable	-	-	-	161,588	-	161,588
Accrued expenses	-	-	-	3,802	-	3,802
HUD liability	-	-	-	(173,735)	-	(173,735)
Family Self-Sufficiency escrow	-	-	-	23,473	-	23,473
Tenants deposits	-	-	-	3,813	-	3,813
	$ (450,118)	$ (1,593,309)	$ 284,134	$ 475,063	$ (1,597,397)	$ (2,881,627)

Note: The total column on this schedule is presented differently for internal purposes than the schedule presented on page 63.

Broward County Housing Authority
Combining Schedule of Net Position
Discrete Partnerships
As of December 31, 2014
(with comparative totals for 2013)

	Highland 2014	Crystal Lakes 2014	Progresso 2014	Tallman Pines I 2014	Tallman Pines II 2014	Total Discrete Partnerships 2014	Total Discrete Partnerships 2013
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 255,987	$ 371,327	$ 84,791	$ 625,985	$ 116,363	$ 1,454,453	$ 1,736,410
Tenants accounts receivable, net of allowance	-	27	7,090	4,116	4,070	15,303	18,516
Prepaid expenses	17,109	41,387	16,672	46,017	5,152	126,337	165,635
Prepaid land lease	787,500	-	-	1,906,251	-	2,693,751	2,733,334
Other assets	7,215	-	39,071	8,609	114	55,009	108,228
Total current assets	1,067,811	412,741	147,624	2,590,978	125,699	4,344,853	4,762,123
Noncurrent assets:							
Restricted cash equivalents	403,125	783,488	468,121	622,305	172,559	2,449,598	2,360,869
Tax credit monitoring fees, net	101,798	104,262	160,154	188,667	30,137	585,018	647,150
Capital assets:							
Land	-	-	2,280,000	-	-	2,280,000	2,280,000
Buildings and equipment	14,373,428	26,769,895	16,501,886	25,829,416	4,938,581	88,413,206	88,413,206
Accumulated depreciation	(2,891,689)	(6,614,854)	(1,364,087)	(6,181,181)	(1,027,656)	(18,079,467)	(15,187,577)
Capital assets, net	11,481,739	20,155,041	17,417,799	19,648,235	3,910,925	72,613,739	75,505,629
Total noncurrent assets	11,986,662	21,042,791	18,046,074	20,459,207	4,113,621	75,648,355	78,513,648
Total assets	13,054,473	21,455,532	18,193,698	23,050,185	4,239,320	79,993,208	83,275,771
LIABILITIES							
Current liabilities							
Accounts payable	45,892	124,483	50,524	94,801	43,801	359,501	463,496
Mortgages	32,921	160,818	16,591	80,022	-	290,352	273,584
Total current liabilities	78,813	285,301	67,115	174,823	43,801	649,853	737,080
Noncurrent liabilities:							
Liabilities from restricted assets							
Tenants' security deposits	84,313	211,024	45,738	159,223	22,469	522,767	495,838
Fee payable to affiliate partners	-	3,903	-	-	3,325	7,228	91,775
Total liability payable from restricted assets	84,313	214,927	45,738	159,223	25,794	529,995	587,613
Asset management fee	3,939	-	-	-	-	3,939	3,504
Exchange income received in advance	-	-	600,445	-	-	600,445	413,778
Tax credit exchange program loan	-	-	3,534,222	-	-	3,534,222	3,832,889
Mortgages	2,034,531	9,585,233	1,721,428	3,944,989	3,654,876	20,941,057	21,231,237
Total noncurrent liabilities	2,122,783	9,800,160	5,901,833	4,104,212	3,680,670	25,609,658	26,069,021
Total liabilities	2,201,596	10,085,461	5,968,948	4,279,035	3,724,471	26,259,511	26,806,101
NET POSITION							
Net investment in capital assets	9,414,287	10,408,990	15,679,780	15,623,224	256,049	51,382,330	50,167,919
Restricted- Replacement Reserves	318,812	572,464	422,383	463,082	150,090	1,926,831	1,865,031
Unrestricted	1,119,778	388,617	(3,877,413)	2,684,844	108,710	424,536	3,222,309
Total net position	$ 10,852,877	$ 11,370,071	$ 12,224,750	$ 18,771,150	$ 514,849	$ 53,733,697	$ 56,469,670

Broward County Housing Authority
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Discrete Partnerships
For the Year Ended December 31, 2014
(with comparative totals for 2013)

	Highland 2014	Crystal Lakes 2014	Progresso 2014	Tallman Pines I 2014	Tallman Pines II 2014	Total Discrete Partnerships 2014	Total Discrete Partnerships 2013
OPERATING REVENUES							
Dwelling rental and other income	$ 886,227	$ 2,326,284	$ 682,044	$ 2,015,248	$ 285,408	$ 6,195,211	$ 6,019,683
OPERATING EXPENSES							
General and administrative	246,824	548,622	270,609	564,973	121,234	1,752,262	1,765,281
Repairs and maintenance	135,724	228,598	105,147	221,902	22,941	714,312	619,485
Utilities	81,423	321,995	87,838	205,015	22,425	718,696	695,325
Depreciation/Amortization	509,608	841,656	425,868	1,022,672	172,698	2,972,502	3,151,485
Total operating expenses	973,579	1,940,871	889,462	2,014,562	339,298	6,157,772	6,231,576
OPERATING INCOME (LOSS)	(87,352)	385,413	(207,418)	686	(53,890)	37,439	(211,893)
NON-OPERATING REVENUES (EXPENSES)							
Investment revenue/interest (expense)	(128,725)	(529,638)	(8,404)	(223,419)	(27,430)	(917,616)	(1,102,296)
Other revenue/(expense)	(65,536)	(161,726)	(5,190)	(714,848)	(138,035)	(1,085,335)	(815,377)
Total non-operating revenues, net	(194,261)	(691,364)	(13,594)	(938,267)	(165,465)	(2,002,951)	(1,917,673)
CAPITAL CONTRIBUTIONS							
Capital contributions/(distributions)	(241,943)	(314,084)	-	(127,724)	(57,611)	(741,362)	(730,531)
CHANGE IN NET POSITION	(523,556)	(620,035)	(221,012)	(1,065,305)	(276,966)	(2,706,874)	(2,860,097)
NET POSITION, BEGINNING	11,387,605	12,001,077	12,449,902	19,837,872	793,214	56,469,670	59,395,963
Add (deduct) net effect of GASB 65 (note 1 p)	(11,172)	(10,971)	(4,140)	(1,417)	(1,399)	(29,099)	(66,196)
NET POSITION, ENDING	$ 10,852,877	$ 11,370,071	$ 12,224,750	$ 18,771,150	$ 514,849	$ 53,733,697	$ 56,469,670

Broward County Housing Authority
Combining Schedule of Cash Flows
Discrete Partnerships
For the Year Ended December 30, 2014
(with comparative totals for 2013)

	Highland Gardens	Crystal Lakes	Progresso	Tallman Pines I	Tallman Pines II	Total 2014	Total 2013
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash paid to suppliers and contractors	$ (343,199)	$ (862,711)	$ (602,740)	$ (747,991)	$ (92,710)	$ (2,649,351)	$ (2,413,062)
Payments to employees	(105,216)	(231,076)	(84,225)	(216,331)	(23,532)	(660,380)	(664,958)
Other payments-dwelling rental and receipts	886,227	2,326,284	682,044	2,015,248	285,408	6,195,211	6,019,683
Net cash provided by (used in) operating activities	437,812	1,232,497	(4,921)	1,050,926	169,166	2,885,480	2,941,663
CASH FLOWS FROM FINANCING ACTIVITIES							
Principal (payments) proceeds on mortgage	(30,612)	(150,874)	(1,542)	(76,524)	-	(259,552)	(257,703)
Distribution to partners	(214,439)	(314,084)	-	(127,724)	(57,611)	(713,858)	(905,589)
Net cash used in financing	(245,051)	(464,958)	(1,542)	(204,248)	(57,611)	(973,410)	(1,163,292)
CASH FLOWS FROM INVESTING ACTIVITIES							
Expenditures on rental properties	-	-	-	-	-	-	(96,848)
Change in reserve for replacements	(1,090)	5,848	(15,585)	(61)	2,130	(8,758)	(72,800)
Change in other reserves, net of withdrawals	(152)	(308)	18,107	(44,192)	(22)	(26,567)	148,835
Due from affiliates	-	-	-	(1,358)	-	(1,358)	128,794
Change in escrows	-	-	(32,000)	57,785	-	25,785	(185,890)
Other related party fees	(65,536)	(161,726)	(67,040)	(689,429)	(137,634)	(1,121,365)	(816,456)
Interest, net	(139,897)	(540,339)	(13,314)	(250,255)	(29,230)	(973,035)	(1,158,009)
Net cash used in investing activities	(206,675)	(696,525)	(109,832)	(927,510)	(164,756)	(2,105,298)	(2,052,374)
Net (decrease) increase in cash and cash equivalents	(13,914)	71,014	(116,295)	(80,832)	(53,201)	(193,228)	(274,003)
Cash and cash equivalents beginning of year	673,026	1,083,801	669,207	1,329,122	342,123	4,097,279	4,371,282
Cash and cash equivalents end of year	$ 659,112	$ 1,154,815	$ 552,912	$ 1,248,290	$ 288,922	$ 3,904,051	$ 4,097,279
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:							
Operating gain (loss)	$ (87,352)	$ 385,413	$ (207,418)	$ 686	$ (53,890)	$ 37,439	$ (211,893)
Adjustments to reconcile operating gain (loss) to net cash provided by (used in) operating activities:							
Depreciation/amortization	520,780	852,627	430,008	1,024,089	174,098	3,001,602	3,147,128
(Increase) decrease in:							
Receivables	(4,445)	2,820	(1,054)	629	(2,367)	(4,417)	(4,648)
Prepaid expenses	(1,080)	2,765	(3,565)	25,170	482	23,772	(5,116)
Other assets	313	(11,530)	(17,584)	(1,144)	(1,441)	(31,386)	84,555
Increase (decrease) in:							
Accounts payable	4,803	9,613	(134,703)	14,286	(1,744)	(107,745)	(10,283)
Accrued expenses	4,965	(7,847)	(3,565)	624	(1,148)	(6,971)	(45,319)
Accrued interest	(172)	(805)	-	(258)	-	(1,235)	(39,447)
Annual fee payable to/(from) affiliate of LP	-	(559)	(67,040)	(13,156)	55,176	(25,579)	26,686
Total	$ 437,812	$ 1,232,497	$ (4,921)	$ 1,050,926	$ 169,166	$ 2,885,480	$ 2,941,663

SUPPLEMENTAL INFORMATION

BROWARD COUNTY HOUSING AUTHORITY
LAUDERDALE LAKES, FLORIDA

CERTIFICATION OF ACTUAL CAPITAL FUND
MODERNIZATION COST
SEPTEMBER 30, 2015

PROGRAM

		FL14P079-501-13
Funds approved	$	412,428
Funds expended		412,428
Excess/(deficit)	$	-

Funds advanced	$	412,428
Funds expended		412,428
Excess/(deficit)	$	-

The distribution of costs as shown on the Actual Modernization Cost Certificate submitted to US HUD for approval is in agreement with the PHAs record.

All modernization costs have been paid and all liabilities have been discharged through payment.

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	AMP19 Meyers Estate Operating	AMP19 Meyers Estate Capital	AMP77 Scattered Sites Operating	AMP77 Scattered Sites Capital	Total AMPs 14.850 14.872	Community Development Block Grant - State's Program 14.228	Community Development Block Grant - Entitlement Grants 14.218	Resident Opportunity and Supportive Services 14.870	Section 8 - Housing Choice Voucher 14.871	Blended Component Unit
111	Cash - Unrestricted	-	-	-	-	-	-	7,572	9,685	5,487,702	10,340,175
113	Cash - Other restricted	-	-	-	-	-	-	-	-	447,895	7,791,869
114	Cash - Tenant Security Deposits	-	-	-	-	-	-	-	-	-	219,299
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-
100	Total Cash	-	-	-	-	-	-	7,572	9,685	5,935,597	18,351,343
122	Accounts Receivable - HUD Other Projects	-	-	-	-	-	-	-	-	-	-
124	Accounts Receivable - other government	-	-	-	-	-	-	-	-	328,480	19,936
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-	15,363	-	-	396,979
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	-	-	-	-	-	70,105
126.1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	-	-	(42,569)
120	Total Receivables, net of allowances for doubtful accounts	-	-	-	-	-	-	15,363	-	328,480	444,451
142	Prepaid Expenses and Other Assets	-	-	-	-	-	-	-	-	244,859	118,131
150	Total Current Assets	-	-	-	-	-	-	22,935	9,685	6,508,936	18,913,925
161	Land	-	-	-	-	-	-	-	-	602,470	9,281,631
162	Buildings	-	-	-	-	-	-	-	-	3,188,550	30,551,860
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-	-	-	378,017
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	-	-	383,100	2,500,597
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	5,101,990
166	Accumulated Depreciation	-	-	-	-	-	-	-	-	(1,701,599)	(21,015,286)
167	Construction In Progress	-	-	-	-	-	-	-	-	-	119,136
160	Total Fixed Assets, Net of Accumulated Depreciation	-	-	-	-	-	-	-	-	2,472,521	26,917,945
174	Other Assets	-	-	-	-	-	-	-	-	324,404	-
180	Total Non-Current Assets	-	-	-	-	-	-	-	-	2,796,925	26,917,945
190	**Total Assets**	**-**	**-**	**-**	**-**	**-**	**-**	**22,935**	**9,685**	**9,305,861**	**45,831,870**
200	Deferred Outflow of Resources	-	-	-	-	-	-	-	-	459,658	181,725
312	Accounts Payable <= 90 Days	-	-	-	-	-	-	2,754	-	139,456	310,815
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	-	-	4,308	-	70,585	30,523
322	Accrued Compensated Absences	-	-	-	-	-	-	-	-	15,000	15,000
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	-	-	-	-	-	-	-	-	7,757	-
341	Tenant Security Deposits	-	-	-	-	-	-	-	-	-	219,299
342	Unearned Revenues	-	-	-	-	-	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-	-	-
348	Loan liability - current	-	-	-	-	-	-	-	-	38,280	19,840
310	Total Current Liabilities	-	-	-	-	-	-	7,062	-	271,078	595,477
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	-	-
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	-	447,175	23,473
354	Accrued compensated Absences - Non Current	-	-	-	-	-	-	21,800	-	190,643	100,453
355	Loan liability - noncurrent	-	-	-	-	-	-	-	-	-	-
357	Pension liability	-	-	-	-	-	-	-	-	1,622,932	641,624
350	Total Noncurrent Liabilities	-	-	-	-	-	-	21,800	-	2,260,750	765,550
300	Total Liabilities	-	-	-	-	-	-	28,862	-	2,531,828	1,361,027
400	Deferred Inflow of Resources	-	-	-	-	-	-	-	-	279,126	110,310
508.4	Invested in capital assets, net of related debt	-	-	-	-	-	-	-	-	2,796,925	26,917,945
511.4	Restricted Net Assets	-	-	-	-	-	-	-	-	720	7,768,396
512.4	Unrestricted Net Assets	-	-	-	-	-	-	(5,927)	9,685	4,156,920	9,855,917
513	Total Equity	-	-	-	-	-	-	(5,927)	9,685	6,954,565	44,542,258
600	**Total Liabilities and Equity**	**-**	**-**	**-**	**-**	**-**	**-**	**22,935**	**9,685**	**9,486,393**	**45,903,285**

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	AMP19 Meyers Estate Operating	AMP19 Meyers Estate Capital	AMP77 Scattered Sites Operating	AMP77 Scattered Sites Capital	Total AMPs 14.850 14.872	Community Development Block Grant - State's Program 14.228	Community Development Block Grant - Entitlement Grants 14.218	Resident Opportunity and Supportive Services 14.870	Section 8 - Housing Choice Voucher 14.871	Blended Component Unit
70300	Net Tenant Rental Revenue	22,675	-	25,944	-	48,619	-	-	-	-	2,112,614
70500	Total Tenant Revenue	22,675	-	25,944	-	48,619	-	-	-	-	2,112,614
70600	HUD PHA Grants	-	-	-	-	-	-	116,372	-	66,163,795	423,617
70610	HUD PHA Capital Grants	-	-	-	-	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-
70730	Book-Keeping Fee	-	-	-	-	-	-	-	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	1,335,406	-	-	-	282,383
71100	Investment Income - Unrestricted	-	-	-	-	-	-	-	-	28,238	35,420
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	4,378	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	19,839	-
71500	Other revenue	824	-	1,008	-	1,832	-	1,059	29,797	913,129	4,081,648
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	209,295
70000	**Total Revenue**	**23,499**	**-**	**26,952**	**-**	**50,451**	**1,335,406**	**117,431**	**29,797**	**67,129,379**	**7,144,977**
91100	Administrative salaries	2,791	-	5,437	-	8,228	-	98,243	-	1,748,999	378,104
91200	Auditing fees	122	-	122	-	244	-	-	-	36,567	13,236
91300	Management Fee	3,318	-	3,048	-	6,366	-	-	-	444,976	-
91310	Book-Keeping Fee	-	-	-	-	-	-	-	-	504,007	-
91500	Employee benefit contributions - administrative	3,367	-	3,507	-	6,874	-	43,931	-	762,648	160,389
91600	Office Expenses	1,795	-	1,142	-	2,937	-	1,952	-	394,444	161,983
91700	Legal Expense	-	-	-	-	-	-	-	-	8,828	4,855
91810	Allocated Overhead	-	-	-	-	-	-	-	-	-	206,328
91900	Other	-	-	-	-	-	-	-	-	100,344	1,581,888
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-	207,472
92100	Tenant services - salaries	148	-	981	-	1,129	-	-	-	-	89,704
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	-	-	32,725
92400	Tenant Services - Other	-	-	-	-	-	-	-	-	-	1,205
93100	Water	377	-	133	-	510	-	-	-	10,170	190,708
93200	Electricity	469	-	242	-	711	-	-	-	31,165	70,566
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	-
94100	Ordinary Maintenance and Operations - Labor	2,284	-	2,937	-	5,221	-	28	-	-	377,314
94200	OMO - Materials and Other	12,454	-	10,122	-	22,576	-	-	-	-	342,499
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	-	-	-	-	-	59,266	533,503

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	AMP19 Meyers Estate Operating	AMP19 Meyers Estate Capital	AMP77 Scattered Sites Operating	AMP77 Scattered Sites Capital	Total AMPs 14.850 14.872	Community Development Block Grant - State's Program 14.228	Community Development Block Grant - Entitlement Grants 14.218	Resident Opportunity and Supportive Services 14.870	Section 8 - Housing Choice Voucher 14.871	Blended Component Unit
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	-	-	138,348
95500	Employee benefit contributions - protective services	-	-	-	-	-	-	-	-	-	-
96110	Property Insurance	579	-	787	-	1,366	-	2,446	-	73,132	126,735
96120	Liability Insurance	-	-	-	-	-	-	-	-	24,334	42,245
96130	Workmen's Compensation	-	-	-	-	-	-	-	-	30,606	53,362
96200	Other General Expenses	-	-	-	-	-	-	-	-	232	141,509
96210	Compensated Absences	-	-	-	-	-	-	1,676	-	187,734	89,788
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	27,704	-	28,458	-	56,162	-	148,276	-	4,417,452	4,944,466
97000	Excess Operating Revenue over Operating Expenses	(4,205)	-	(1,506)	-	(5,711)	1,335,406	(30,845)	29,797	62,711,927	2,200,511
97300	Housing Assistance Payments	389	-	474	-	863	-	-	-	64,555,136	-
97350	HAP Portability In	-	-	-	-	-	-	-	-	627,641	-
97400	Depreciation Expense	30,129	-	28,308	-	58,437	-	-	-	185,569	1,681,274
90000	**Total Expenses**	**58,222**	**-**	**57,240**	**-**	**115,462**	**-**	**148,276**	**-**	**69,785,798**	**6,625,740**
10010	Operating transfers in	-	-	-	-	-	-	21,473	-	29,491	8,724,359
10020	Operating transfers out	-	-	-	-	-	-	-	-	(8,399)	(8,760,311)
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-	-	789,065
10050	Proceeds from notes, loans and bonds	-	-	-	-	-	-	-	-	-	-
10060	Proceeds from property sales	-	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items, net gain/loss	-	-	-	-	-	-	-	-	-	-
10080	Special items, net gain/loss	(4,205,458)	-	(4,157,074)	-	(8,362,532)	-	-	-	-	8,362,532
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	-	-
10093	Transfers between Program and Project - In	-	-	-	-	-	-	-	-	-	1,335,406
10094	Transfers between Project and Program - Out	-	-	-	-	-	(1,335,406)	-	-	-	-
10100	Total other financing sources (Uses)	(4,205,458)	-	(4,157,074)	-	(8,362,532)	(1,335,406)	21,473	-	21,092	10,451,051
10000	**Excess (deficiency) of total revenue over (under) total expenses**	**(4,240,181)**	**-**	**(4,187,362)**	**-**	**(8,427,543)**	**-**	**(9,372)**	**29,797**	**(2,635,327)**	**10,970,288**
11020	Required Annual Debt Principal Payments	-	-	-	-	-	-	-	-	-	-
11030	Beginning Equity	4,240,181	-	4,187,362	-	8,427,543	-	3,445	(20,112)	11,076,748	62,558,186
11040	Prior Period Adjustments and Equity transfers	-	-	-	-	-	-	-	-	(1,486,856)	(28,986,216)
11040.7	GASB 68 FRS Plan									(832,351)	(301,631)
11040.8	GASB 68 HIS Plan									(654,505)	(258,757)
11040.9	Equity transfers to discrete component unit presentation										(56,469,670)
11040.1	Equity transfers to blended component unit presentation from component units classified previously classified as business actives										28,043,842
11190	Unit Months Available	87	-	86	-	173	-	-	-	69,924	4,911
11210	Number of Unit Months Leased	87	-	86	-	173	-	-	-	67,201	4,810
11170	Administrative Fee Equity	-	-	-	-	-	-	-	-	6,953,845	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	720	-
11270	Excess Cash	(2,309)	-	(2,372)	-	(4,675)	-	-	-	-	-

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	Supportive Housing for Persons with Disabilities 14.181	Shelter Plus Care 14.238	HOME - Investment Partnerships Program 14.239	Business Activities	Central Office Cost Center	Lower Income Housing Assistance Program Section 8 Mod Rehab 14.856	ELIM	**Primary Government Subtotal**	Discrete Component Unit	**Total**
111	Cash - Unrestricted	-	-	-	-	579,839	479	-	16,425,452	1,454,453	17,879,905
113	Cash - Other restricted	-	-	-	280,393	-	-	-	8,520,157	1,926,831	10,446,988
114	Cash - Tenant Security Deposits	-	-	-	-	-	-	-	219,299	522,767	742,066
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-
100	Total Cash	-	-	-	280,393	579,839	479	-	25,164,908	3,904,051	29,068,959
122	Accounts Receivable - HUD Other Projects	-	-	-	-	-	23,531	-	23,531	-	23,531
124	Accounts Receivable - other government	-	-	-	-	-	-	-	348,416	-	348,416
125	Accounts Receivable - Miscellaneous	-	-	-	-	58,740	-	-	471,082	-	471,082
126	Accounts Receivable - Tenants - Dwelling Rents	-	-	-	-	-	-	-	70,105	15,303	85,408
126.1	Allowance for Doubtful Accounts - Dwelling Rents	-	-	-	-	-	-	-	(42,569)	-	(42,569)
120	Total Receivables, net of allowances for doubtful accounts	-	-	-	-	58,740	23,531	-	870,565	15,303	885,868
142	Prepaid Expenses and Other Assets	-	-	-	-	8,892	-	-	371,882	3,460,115	3,831,997
150	Total Current Assets	-	-	-	280,393	647,471	24,010	-	26,407,355	7,379,469	33,786,824
161	Land	-	-	-	-	-	-	-	9,884,101	2,280,000	12,164,101
162	Buildings	-	-	-	-	159,271	-	-	33,899,681	88,413,206	122,312,887
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	-	378,017	-	378,017
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	324,486	-	-	3,208,183	-	3,208,183
165	Leasehold Improvements	-	-	-	180,686	-	-	-	5,282,676	-	5,282,676
166	Accumulated Depreciation	-	-	-	(13,212)	(323,073)	-	-	(23,053,170)	(18,079,467)	(41,132,637)
167	Construction In Progress	-	-	-	-	-	-	-	119,136	-	119,136
160	Total Fixed Assets, Net of Accumulated Depreciation	-	-	-	167,474	160,684	-	-	29,718,624	72,613,739	102,332,363
174	Other Assets	-	-	-	-	-	-	-	324,404	-	324,404
180	Total Non-Current Assets	-	-	-	167,474	160,684	-	-	30,043,028	72,613,739	102,656,767
190	**Total Assets**	**-**	**-**	**-**	**447,867**	**808,155**	**24,010**	**-**	**56,450,383**	**79,993,208**	**136,443,591**
200	Deferred Outflow of Resources	-	-	-	-	427,589	-	-	1,068,972	-	1,068,972
312	Accounts Payable <= 90 Days	-	-	-	17,316	53,279	17,454	-	541,074	359,501	900,575
321	Accrued Wage/Payroll Taxes Payable	-	-	-	-	72,669	-	-	178,085	-	178,085
322	Accrued Compensated Absences	-	-	-	-	-	-	-	30,000	-	30,000
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	6,556	-	6,556	-	6,556
333	Accounts Payable - Other Government	-	-	-	-	-	-	-	7,757	-	7,757
341	Tenant Security Deposits	-	-	-	-	-	-	-	219,299	522,767	742,066
342	Unearned Revenues	-	-	-	-	-	-	-	-	600,445	600,445
343	Current portion of L-T debt - capital projects	-	-	-	-	-	-	-	-	290,352	290,352
345	Other current liabilities	-	-	-	443,763	-	-	-	443,763	11,167	454,930
348	Loan liability - current	-	-	-	-	-	-	-	58,120	-	58,120
310	Total Current Liabilities	-	-	-	461,079	125,948	24,010	-	1,484,654	1,784,232	3,268,886
351	Long-term debt, net of current - capital projects	-	-	-	-	-	-	-	-	20,941,057	20,941,057
352	Long-Term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	470,648	-	470,648
354	Accrued compensated Absences - Non Current	-	-	-	-	370,043	-	-	682,939	-	682,939
355	Loan liability - noncurrent	-	-	-	-	-	-	-	-	3,534,222	3,534,222
357	Pension liability	-	-	-	-	1,509,704	-	-	3,774,260	-	3,774,260
350	Total Noncurrent Liabilities	-	-	-	-	1,879,747	-	-	4,927,847	24,475,279	29,403,126
300	Total Liabilities	-	-	-	461,079	2,005,695	24,010	-	6,412,501	26,259,511	32,672,012
400	Deferred Inflow of Resources	-	-	-	-	259,436	-	-	648,872	-	648,872
508.4	Invested in capital assets, net of related debt	-	-	-	167,474	160,684	-	-	30,043,028	51,382,330	81,425,358
511.4	Restricted Net Assets	-	-	-	-	-	-	-	7,769,116	1,926,831	9,695,947
512.4	Unrestricted Net Assets	-	-	-	(180,686)	(1,190,071)	-	-	12,645,838	424,536	13,070,374
513	Total Equity	-	-	-	(13,212)	(1,029,387)	-	-	50,457,982	53,733,697	104,191,679
600	**Total Liabilities and Equity**	**-**	**-**	**-**	**447,867**	**976,308**	**24,010**	**-**	**56,870,483**	**79,993,208**	**136,863,691**

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	Supportive Housing for Persons with Disabilities 14.181	Shelter Plus Care 14.238	HOME - Investment Partnerships Program 14.239	Business Activities	Central Office Cost Center	Lower Income Housing Assistance Program Section 8 Mod Rehab 14.856	ELIM	**Primary Government Subtotal**	Discrete Component Unit	**Total**
70300	Net Tenant Rental Revenue	-	-	-	-	-	-	-	2,161,233	6,195,211	8,356,444
70500	Total Tenant Revenue	-	-	-	-	-	-	-	2,161,233	6,195,211	8,356,444
70600	HUD PHA Grants	-	3,752,355	84,435	-	-	2,285,491	-	72,826,065	-	72,826,065
70610	HUD PHA Capital Grants	-	-	-	-	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	451,342	-	(451,342)	-	-	-
70720	Asset Management Fee	-	-	-	-	207,472	-	(207,472)	-	-	-
70730	Book-Keeping Fee	-	-	-	-	562,913	-	(562,913)	-	-	-
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	1,642,656	-	(1,642,656)	-	-	-
70700	Total Fee Revenue	-	-	-	-	2,864,383	-	(2,864,383)	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	1,617,789	-	1,617,789
71100	Investment Income - Unrestricted	-	-	-	-	-	-	-	63,658	-	63,658
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	4,378	-	4,378
71400	Fraud recovery	-	-	-	-	-	-	-	19,839	-	19,839
71500	Other revenue	-	-	-	-	66,445	-	-	5,093,910	-	5,093,910
71600	Gain/Loss on Sale of Fixed Assets	-	-	-	-	-	-	-	209,295	-	209,295
70000	**Total Revenue**	**-**	**3,752,355**	**84,435**	**-**	**2,930,828**	**2,285,491**	**(2,864,383)**	**81,996,167**	**6,195,211**	**88,191,378**
91100	Administrative salaries	-	245,475	7,686	-	1,450,926	247,363	-	4,185,024	-	4,185,024
91200	Auditing fees	-	-	-	-	32,229	-	-	82,276	-	82,276
91300	Management Fee	-	-	-	-	-	-	(451,342)	-	-	-
91310	Book-Keeping Fee	-	-	-	-	-	-	(562,913)	(58,906)	-	(58,906)
91500	Employee benefit contributions - administrative	-	-	-	-	509,901	-	-	1,483,743	-	1,483,743
91600	Office Expenses	-	-	-	-	175,271	-	-	736,587	-	736,587
91700	Legal Expense	-	-	-	-	47,785	-	-	61,468	-	61,468
91810	Allocated Overhead	-	-	-	-	-	-	-	206,328	-	206,328
91900	Other	-	-	-	-	44,846	-	(1,642,656)	84,422	1,752,262	1,836,684
92000	Asset Management Fee	-	-	-	-	-	-	(207,472)	-	-	-
92100	Tenant services - salaries	-	-	-	-	-	-	-	90,833	-	90,833
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	32,725	-	32,725
92400	Tenant Services - Other	-	-	-	-	-	-	-	1,205	-	1,205
93100	Water	-	-	-	-	3,690	-	-	205,078	-	205,078
93200	Electricity	-	-	-	-	11,321	-	-	113,763	-	113,763
93800	Other utilities expense	-	-	-	-	-	-	-	-	718,696	718,696
94100	Ordinary Maintenance and Operations - Labor	-	-	-	-	65,282	-	-	447,845	-	447,845
94200	OMO - Materials and Other	-	-	-	-	14,057	-	-	379,132	714,312	1,093,444
94300	Ordinary Maintenance and Operations - Contract Costs	-	-	-	-	45,925	-	-	638,694	-	638,694

Broward County Housing Authority

FINANCIAL DATA SCHEDULE

Year ended September 30, 2015

PHA: FL079 FYED: 09/30/2015

Line Item No.	Account Description	Supportive Housing for Persons with Disabilities 14.181	Shelter Plus Care 14.238	HOME - Investment Partnerships Program 14.239	Business Activities	Central Office Cost Center	Lower Income Housing Assistance Program Section 8 Mod Rehab 14.856	ELIM	**Primary Government Subtotal**	Discrete Component Unit	**Total**
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-	138,348	-	138,348
95500	Employee benefit contributions - protective services	-	-	-	-	22,380	-	-	22,380	-	22,380
96110	Property Insurance	-	-	-	-	37,204	-	-	240,883	-	240,883
96120	Liability Insurance	-	-	-	-	12,401	-	-	78,980	-	78,980
96130	Workmen's Compensation	-	-	-	-	15,665	-	-	99,633	-	99,633
96200	Other General Expenses	-	-	-	-	207	-	-	141,948	1,855,796	1,997,744
96210	Compensated Absences	-	-	-	-	162,088	-	-	441,286	-	441,286
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	917,616	917,616
96900	Total Operating Expenses	-	245,475	7,686	-	2,651,178	247,363	(2,864,383)	9,853,675	5,958,682	15,812,357
97000	Excess Operating Revenue over Operating Expenses	-	3,506,880	76,749	-	279,650	2,038,128	-	72,142,492	236,529	72,379,021
97300	Housing Assistance Payments	-	3,506,880	76,749	-	-	2,038,128	-	70,177,756	-	70,177,756
97350	HAP Portability In	-	-	-	-	-	-	-	627,641	-	627,641
97400	Depreciation Expense	-	-	-	13,212	(13,492)	-	-	1,925,000	2,972,502	4,897,502
90000	**Total Expenses**	**-**	**3,752,355**	**84,435**	**13,212**	**2,637,686**	**2,285,491**	**(2,864,383)**	**82,584,072**	**8,931,184**	**91,515,256**
10010	Operating transfers in	-	-	-	-	8,400	-	(8,783,723)	-	-	-
10020	Operating transfers out	-	-	-	-	(15,013)	-	8,783,723	-	-	-
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	789,065	-	789,065
10050	Proceeds from notes, loans and bonds	-	-	-	-	-	-	-	-	-	-
10060	Proceeds from property sales	-	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items, net gain/loss	-	-	-	-	-	-	-	-	-	-
10080	Special items, net gain/loss	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	-	-
10093	Transfers between Program and Project - In	-	-	-	-	-	-	(1,335,406)	-	-	-
10094	Transfers between Project and Program - Out	-	-	-	-	-	-	1,335,406	-	-	-
10100	Total other financing sources (Uses)	-	-	-	-	(6,613)	-	-	789,065	-	789,065
10000	**Excess (deficiency) of total revenue over (under) total expenses**	**-**	**-**	**-**	**(13,212)**	**286,529**	**-**	**-**	**201,160**	**(2,735,973)**	**(2,534,813)**
11020	Required Annual Debt Principal Payments	-	-	-	-	-	-	-	-	290,352	290,352
11030	Beginning Equity	-	-	-	28,071,229	67,255	-	-	110,184,294	-	110,184,294
11040	Prior Period Adjustments and Equity transfers	-	-	-	(28,071,229)	(1,383,171)	-	-	(59,927,472)	56,469,670	(3,457,802)
11040.7	GASB 68 FRS Plan					(774,280)			1,908,262	-	-
11040.8	GASB 68 HIS Plan					(608,842)			1,522,104		-
11040.9	Equity transfers to discrete component unit presentation								-	56,469,670	-
11040.1	Equity transfers to blended component unit presentation from component units classified previously classified as business actives				(28,071,229)				27,387		-
11190	Unit Months Available	-	4,449	192	-		2,796		82,445	8,652	91,097
11210	Number of Unit Months Leased	-	4,418	124	-		2,790		79,516	8,652	88,168
11170	Administrative Fee Equity	-	-	-	-		-		6,953,845	-	6,953,845
11180	Housing Assistance Payments Equity	-	-	-	-		-		720	-	720
			-								
11270	Excess Cash	-	-	-	-		-		(4,675)	-	(4,675)

REPORTS REQUIRED BY OMB CIRCULAR A-133

Schedule of Expenditures of Federal Awards
For Year Ended September 30, 2015

Federal Grantor	Federal CFDA Number	Grant Number	Federal Expenditures
U. S. Department of HUD			
Section 8 Voucher Program	14.871	A2983-FL079VO	$ 66,163,795
Section 8 Moderate Rehab	14.856	A2983-FLO79-2	2,285,491
Public and Indian Housing	14.850	A4123-FLO79	229,147
Public Housing Capital Fund	14.872	FL14PO79-50114	*246,528
	14.872	FL14PO79-50113	218,686
			465,214
Community Dev. Block Grant			
Home Investment Partnership			
Contract #48	14.239	11-HFCDD-028	37,610
Contract #47	14.239	10-HFCDD-0040	42,835
	14.239	A Way Home	3,990
			84,435
Shelter Plus Care Program			
SPC	14.238	FL140259L4DO11407	258,493
SPC	14.238	10-CP-HIP-8264-HUD-8	404,911
SPC	14.238	FL140259L4DO11306	814,020
SPC	14.238	10-CP-HIP-8264-HUD-7	870,302
SPC	14.238	10-CP-HIP-8264-HUD-5	932,817
SPC	14.238	05-8264-HUD-5	249,501
SPC	14.238	07-8264-HUD-1	222,311
			3,752,355
Community Dev. Block Grant			
Housing Counseling-40th Year	14.218	NA	85,000
Hardest Hit Fund	14.218	NA	14,525
HUD Grant	14.218	NA	16,847
			116,372
Resident Opportunity and Supportive Services	14.870	FL079RFS054A013	11,639
Passed-through Broward County, Florida			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	050710-DG-IMPW-D	1,335,406
Total			**$ 74,443,854**

*** $194,470 was used for rent subsides in the Multi Family program**

See Notes to Schedule of Expenditures of Federal Awards.

BROWARD COUNTY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 1. GENERAL

The Schedule of Expenditures of Federal Awards included herein represents all Federal grant awards of Broward County Housing Authority (the "Authority") over which the Authority exercised direct operating control for the year ended September 30, 2015.

NOTE 2. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the 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, *Audit 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 financial statements.

NOTE 3. PORT-IN'S SECTION 8 HOUSING CHOICE VOUCHER PROGRAM (14.871)

Not included are $627,641 of Port-in expenses included in the statement of revenue and expenses based on a directive from HUD REAC.

NOTE 4. RAD CONVERSION OF LOW INCOME PUBLIC HOUSING (14.195)

The Authority has converted the existing Low Income Public Housing utilizing the RAD program and those associated expenditures are not reflect in the above Schedule of Expenditures of Federal Awards as those expenditures are being subsidized by HUD under separate legal entities, in the amount of $1,124,201 under CFDA No. 14.195.

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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 Commissioners
Broward County Housing Authority
Fort Lauderdale, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Broward County Housing Authority (the "Authority"), as of and for the year ended September 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 dated June 2, 2016.

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 opinion on the 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 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

PrimeGlobal

Compliance and Other Matters

As part of obtaining reasonable assurance about whether BCHA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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

June 2, 2016
Melbourne, Florida

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Commissioners
Broward County Housing Authority
Fort Lauderdale, Florida

Report on Compliance for Each Major Federal Program

We have audited the Broward County Housing Authority (the "Authority") 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 September 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 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 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 for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

PrimeGlobal

Opinion on Each Major Federal Program

In our opinion, the Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 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 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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

June 2, 2016
Melbourne, Florida

BROWARD COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED SEPTEMBER 30, 2015

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Internal control over financial reporting:
Material weaknesses identified? **No**
Significant deficiencies identified? **None Reported**

Noncompliance material to financial statements noted? **No**

Federal Awards

Internal control over major program:

Material weaknesses identified? **No**
Significant deficiencies identified? **None Reported**

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? **No**

The programs tested as major programs are as follows:

Section 8 Voucher Program

The threshold for distinguishing types A and B programs was **$2,233,315**

Did the auditee qualify as a low-risk auditee? **Yes**

BROWARD COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS
FISCAL YEAR ENDED SEPTEMBER 30, 2015

SECTION II FINDINGS FINANCIAL STATEMENTS AUDIT

None.

SECTION III FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS PROGRAMS

None.

SECTION IV SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None