ELMIRA HOUSING AUTHORITY
Elmira, New York

Management's Discussion and Analysis,
Financial Statements and
Supplemental Information

December 31, 2016

(With Independent Auditors' Report Thereon)

ELMIRA HOUSING AUTHORITY
Elmira, New York

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EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' REPORT

The Board of Commissioners
Elmira Housing Authority
Elmira, New York:

Report on the Financial Statements

We have audited the accompanying financial statements of Elmira Housing Authority (the Authority), which comprise the statement of net position as of December 31, 2016, and the related statement of revenues, expenses and changes in net position and cash flows for year then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority'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 Authority'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 financial position of Elmira Housing Authority as of December 31, 2016, and the changes in its net position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, and the information on pages 38 through 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information included in Schedules 2 through 4 is presented for purposes of additional analysis, and is not a required part of the financial statements. The electronically filed financial data schedule (Appendix A) is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development's Real Estate Assessment Center and is also not a required part of the financial statements. The accompanying schedule of expenditures of federal awards (Schedule 1), is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 1, 2017, 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.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 1, 2017

EFPR Group, CPAs, PLLC
Douglas E. Zimmerman
Certified Public Accountant
(716) 634-0700
Employer Identification Number: 47-4526160

Within this section of the annual financial report of the Elmira Housing Authority, the Authority's management provides narrative discussion and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2016. The Elmira Housing Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

The Authority's assets and deferred outflows exceeded its liabilities and deferred inflows by $6,819,962 (net position) at December 31, 2016. This compares to the previous year (December 31, 2015) when assets and deferred outflows exceeded liabilities and deferred inflows by $8,600,383.

Total net position was comprised of the following:

1. Net investment in capital assets, of $6,840,492, included property and equipment, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets.
2. Unrestricted net position of $(20,530) represented the portion available to maintain the Authority's continuing obligations to citizens and creditors.

At December 31, 2016, unrestricted net position for the Public Housing Program was $(47,085), unrestricted net position for the NYSDHCR program was $115,111, of which $426,942 is associated to long term debt which was defeased by the State of New York, and unrestricted net position for the Authority's Central Operations Cost Center was $(88,556).

Total liabilities of the Authority increased $1,043,687 to $6,321,604 as of December 31, 2016. Much of the increase is from the refinance of the long term capital debt and an increase in the net pension liability.

Revenues for the year ended December 31, 2016, totaled $3,175,235, of which $1,756,777 was from tenant revenue and tenant services provided by the Authority. In addition, the Authority received $257,258 in HUD Capital Grants; $989,567 in HUD operating grants, and $106,803 in other revenue and investments earnings. The balance of revenues, $64,830 derives from the NYSDHCR housing programs that are now non-existent. Included in the Public Housing Program operations is the Authority's Central Operations Cost Center, which imposed management and bookkeeping fees in the amount of $354,217.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the Authority's basic financial statements. The basic financial statements include: 1) Statement of Net Position, 2) Statement of Revenue, Expenses and Changes in Net Position, and 3) Statement of Cash Flows. The Authority also includes in this report additional information to supplement the basic financial statements.

These statements provide both long and short term information about the Authority's overall status. Financial reporting at this level uses a perspective found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

All financial statements distinguish activities of the Authority that are principally supported by grants and other revenues from business-type activities that are intended to recover all of a significant portion of their costs through uses fees and charges.

Statement of Net Position

The Statement of Net Position is an Authority-wide statement of position presenting information that includes all of the Authority's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority as a whole is improving or deteriorating. Evaluation of the overall health of the Authority would extend to other non-financial factors, such as diversification of the tenants base or the condition of Authority infrastructure, in addition to the financial information provided in this report.

Statement of Revenue, Expenses, and Changes in Net Position

The Statement of Revenue, Expenses and Changes in Net Position, reports how the Authority's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Authority's activities or functions on revenues provided by the Authority's grantors.

Statement of Cash Flows

The Statement of Cash Flows reports the sources and uses to operate and invest in activities. Particular emphasis is put on how current cash is able to pay for financing activities with or without use of restricted net position.

Notes to Financial Statements

The accompanying notes to financial statements provide information essential to a full understanding of the financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Authority's progress. Other supplemental information includes detailed regulatory basis schedules.

FINANCIAL ANALYSIS OF THE AUTHORITY AS A WHOLE

The Authority's net position at December 31, 2016 was $6,819,962. This is a $1,780,421 decrease over last year's stated net position of $8,600,383. The following tables provide a summary of the Authority's net position.

Summary of Net Position

	2016	2015	Increase (Decrease)
Assets:			
Current and restricted assets	$ 2,070,898	1,317,547	753,351
Capital assets and other assets	10,671,203	12,429,304	(1,758,101)
Total assets	12,742,101	13,746,851	(1,004,750)
Deferred outflows of resources	447,303	131,449	315,854
Liabilities:			
Long-term liabilities	5,509,418	4,448,412	1,061,006
Other liabilities	812,186	829,505	(17,319)
Total liabilities	6,321,604	5,277,917	1,043,687
Deferred inflows of resources	47,838	-	47,838
Net position:			
Net investment in capital assets	6,840,492	8,527,652	(1,687,160)
Unrestricted	(20,530)	72,731	(93,261)
Total net position	$ 6,819,962	8,600,383	(1,780,421)

The following table provides a summary of the Authority's changes in net position.

Summary of Changes in Net Position

	2016	2015	Increase (Decrease)
Revenue:			
Charges for services	$ 1,756,777	1,688,689	68,088
Operating grants	1,175,850	1,194,558	(18,708)
Capital contribution	135,805	435,724	(299,919)
General revenue	106,803	98,021	8,782
Total revenue	3,175,235	3,416,992	(241,757)

	2016	2015	Increase (Decrease)
Expenses:			
Administrative	$ 836,589	742,655	93,934
Tenant services	24,669	24,670	(1)
Utilities	421,293	448,296	(27,003)
Maintenance and operations	1,046,468	857,661	188,807
General expenses	359,373	482,193	(122,820)
Interest expense	359,319	179,414	179,905
Depreciation	1,907,945	1,867,484	40,461
Total expenses	4,955,656	4,602,373	353,283
Change in net position	$ (1,780,421)	(1,185,381)	(595,040)

As noted earlier, total assets decreased. The decrease in total assets has been a constant trend over the past eight years due to declining government appropriation funding, primarily to the operating subsidy and capital fund programs. During the middle of 2013, the Unites States Congress agreed to a spending plan that resulted in historically low appropriation funding for the 2013, 2014 and 2015 fiscal years along with the addition of "sequestration" cuts to avoid a government shutdown. It should be noted during the 2012 fiscal year, a "Subsidy Allocation Adjustment" was applied onto the Elmira Housing Authority's operating subsidy by the Department of Housing and Urban Development (HUD) through the 2012 Appropriations Act. The result was a significant reduction in the Authority's 2012 year operating subsidy funding.

HUD determined certain Housing Authorities had excessive operating reserves and therefore through the 2012 Appropriations Act, adjustments were made on certain individual housing authorities who exceeded HUD's calculating methodology. The Elmira Housing Authority along with 800+ other Housing Authorities filed a lawsuit seeking money damages for the loss of operating reserves in 2012. The lawsuit has been filed in the United States Supreme Court and continues to be fought vigorously.

The increase in current assets is a result of a higher cash account to meet year end operational costs and future capital improvements from the refinancing of the capital debt. Liabilities increased due to GASB Statement No. 68 pension adjustments and increased long-term debt obligations with the refinancing of the capital bonds.

Total expenses increased by $353,283 which was attributed to increases in employee benefits contributions, depreciation, general expenses and ordinary maintenance contracts and materials.

Total revenues decreased from last year by $241,757, however, tenant revenues increased by $68,088 as the Authority's occupancy percentage increased from 94.7% to 97.0%. Subsidies received from HUD's operating grants decreased by $18,708 due to changes in the utility calculation formula.

FINANCIAL ANALYSIS OF THE AUTHORITY'S FUNDS

The fund statements report short-term and long-term information about financial status.

Major Programs

- Public Housing Program - accounts for the Low Income Public Housing Program.
- Grants Program - accounts for the Capital Grant Fund.
- NYSDHCR - accounts for the NYSDHCR and related debt payments.

Budgetary Highlights

The total tenant rental revenue for the fiscal year 2016 increased by $68,088 mainly due to the Authority's occupancy percentage increasing by 2.3%. The projection for the 2017 fiscal year is a slight increase in total rental revenue as the "Smoke Free Housing Environment" that was put in place on January 1, 2015 has made a positive effect on new applicants.

The Capital Fund Program (CFP), which funds modernization activities, allows for 10% of the grant to be used in the Authority's operations. The allocation from the 2015 CFP to the Authority operations for the fiscal year 2016 was $51,608. The 2016 CFP allocation to the Authority's operation for the fiscal year 2017 will be $53,713. The 2017 CFP grant allocation to the Authority for the fiscal year 2018 has not been awarded as of this date by the United States Department of Housing and Urban Development.

The utility expense budget for the low rent program in the fiscal year 2016 projected an increase in expense over the fiscal year 2015 of approximately $16,800. The increase in the budget for utility expenses was in anticipation of a projected "harsh" winter with rising utility costs. Actual utility expenses spent for the 2016 fiscal year was $27,003 lower than the utility expenses budgeted. The projection of utility expenses for the fiscal year 2017 is budgeted at $476,000, a 2% decrease over the previous year's (2016) budget.

The HUD operating subsidy for the fiscal year 2016 amounted to $989,567. This reflects a 90.31% of full eligibility as determined by HUD Headquarters. The HUD operating subsidy for the fiscal year 2015 was $1,009,237 or 85% of full eligibility, and year 2014 was $823,055 or 78% of full eligibility. During the 2012 fiscal year, an adjustment was assessed by HUD's calculating methodology that amounted to a reduction of $263,239. The operating subsidy for the fiscal year 2017 is estimated to be at $783,837 or 82% of full eligibility.

The NYSDHCR loan term debt will amortize out to the year 2024. Although, the debt is defeased through the state legislature, the debt is still listed on the Authority's financial statements.

Capital Asset and Debt Administration

Capital Assets

The Authority's investment in capital assets, net of accumulated depreciation, for business-type activities as of December 31, 2016 was $10,641,908.

A comparison of the capital assets and related accumulated depreciation as of December 31, 2016 and 2015, as follows:

	2016	2015	Increase (Decrease)
Non-depreciable assets:			
Land	$ 283,475	283,475	-
Construction in progress	644,295	869,621	(225,326)
Depreciable assets:			
Buildings and improvements	26,637,466	26,400,707	236,759
Furniture and equipment	6,792,175	6,683,059	109,116
Accumulated depreciation	(23,715,503)	(21,807,558)	(1,907,945)
Total	$ 10,641,908	12,429,304	(1,787,396)

Significant items include the close-out of Capital Grant 501-13 from construction in progress in the amount of $246,131 to buildings and improvements and furniture and equipment.

Long Term Debt

At the end of the 2016 fiscal year, the Authority had total bonded debt outstanding, before eliminations, in the amount of $5,520,975. When taking in consideration compensated absences, the total debt amounts to $5,666,892. The Authority estimates the total and current portion of compensated absences based on past experience and employee contracts. The following schedule is of non-current liabilities:

	2016	2015	Increase (Decrease)
NYSERDA loan	$ 2,219,364	2,346,652	(127,288)
Due within one year, excluding current portion	(141,711)	(127,288)	(14,423)
Long-term loan	$ 2,077,653	2,219,364	(141,711)
Revenue bond	2,465,000	1,555,000	910,000
Due within one year, excluding current portion	(90,000)	(115,000)	25,000
Long-term bond	$ 2,375,000	1,440,000	935,000

		2016	2015	Increase (Decrease)
NYSDHCR	$	422,021	474,774	(52,753)
Due within one year, excluding current portion		(52,753)	(52,753)	-
Long-term NYSDHCR	$	369,268	422,021	(52,753)
Internal debt - Business Activities	$	414,590	466,414	(51,824)
Due within one year, excluding current portion		(51,824)	(51,824)	-
Long-term internal debt	$	362,766	414,590	(51,824)
Compensated absences	$	145,917	172,282	(26,365)
Due within one year, excluding current portion		(65,942)	(76,601)	10,659
Long-term compensated absences	$	79,975	95,681	(15,706)
Total loans	$	5,666,892	5,015,122	651,770

Economic Factors and Next Year's Budgets and Rates

The calculated amount of operating subsidy for the fiscal year ending December 31, 2017, computed at 100% eligibility was to be $911,429. However, the legislation in the 2011 Budget Control Act mandated Congressional action to address the federal debt and deficit and from that legislation large and balanced spending cuts would be made to control the federal debt or a "sequestration" for budgets would materialize.

The Authority continues to emphasize to the City of Elmira Community that its mission is to provide safe, clean and affordable housing. A strong component of that success is the provision and or coordination of social services to help our residents achieve self-sufficiency and economic independence. The Grants Management Department continues to seek new funding to support new Authority programs in order to meet its mission goals; however funding continues to be scarce.

The Authority continues to support elderly activities in space provided at Hoffman Plaza, George Bragg Towers and Edward Flannery Apartments, which serve the elderly and disabled residents at those locations. The Authority continues to receive funding for this program but through an "add-on" in its operating subsidy and not on a separate grant. The Authority continues to provide supplemental law enforcement security at all of the Authority developments. This contract with the City of Elmira is over and above the basic service as stated in its annual contributions contract. The funding for this contract comes directly from the Authority's operating subsidy.

Diversifying Elmira Housing Authority Funding Sources

Most of the Authority's funding has typically come from the federal government, particularly from HUD. The Grants Management Department secured funding by leveraging its Capital Fund Program on January 31, 2007 for $2,402,316 by issuing 20 year bonds to do large modernization projects throughout its developments. In October 2016, the Authority refinanced the bonds to obtain funds to modernize the elevators at Edward Flannery Apartments.

The Authority secured funding by using HUD's energy performance management system on April 30, 2008 through the Deutsche Bank of Nashville, Tennessee in the amount of $3,503,500 for 20 years to make certain energy performance improvements throughout the Authority.

Collaboration

As it was last year, the Authority incorporates significant collaborative efforts with local service providers and educational institutions. Most funding opportunities favor collaborations and require evaluation components with measurable outcomes. The Grants Management Department's efforts will continue to focus on partnerships with local organizations that have already demonstrated success and are willing to expand their services to meet the needs of our residents.

The Authority continues to leverage its good relationship with Elmira College, Corning Community College, SCT BOCES and other local education institutions.

As explained in past audit reports, the Authority sold all of its state subsidized developments of Hathorn Court, Jones Court, and the Ernie Davis Community Center to private organizations to benefit the local community. The debts of these projects have either been paid or defeased, although the Authority continues to report the debt on the Ernie Davis Community Center on its financial statement. The bond debt is expected to mature in the year 2024.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances, comply with finance-related laws and regulations, and demonstrate the Authority's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Mr. James A. Mirando (the Authority's Executive Director) in the Authority's Administration Building at 737D Reservoir Street, Elmira, New York 14905.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Net Position
December 31, 2016

<u>Assets</u>	
Current assets:	
Cash and equivalents:	
Operating	$ 767,879
Restricted	1,169,964
Total	1,937,843
Receivables:	
Tenants, less allowance for doubtful accounts	6,597
Fraud recovery	4,274
Other	1
Total receivables	10,872
Certificate of deposit	2,538
Prepaid expenses	97,546
Inventory, less allowance for obsolescence	22,099
Total current assets	2,070,898
Property and equipment	34,357,411
Less accumulated depreciation	(23,715,503)
Net property and equipment	10,641,908
Other assets	29,295
Total assets	12,742,101
Deferred outflows of resources - pensions	447,303

(Continued)

See accompanying notes to financial statements.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Net Position, Continued

Liabilities and Net Position	
Current liabilities:	
Notes payable - current	$ 284,464
Accounts payable	195,348
Tenants' security deposits	196,024
Accrued compensated absences/wages/payroll taxes	83,387
Unearned revenue	30,795
Accrued interest payable	22,168
Total current liabilities	812,186
Accrued compensated absences - noncurrent	79,975
Notes payable - noncurrent	4,821,921
Net pension liability	403,581
Other postemployment benefits	203,941
Total liabilities	6,321,604
Deferred inflows of resources - pensions	47,838
Net position:	
Net investment in capital assets	6,840,492
Unrestricted (deficit)	(20,530)
Contingencies and commitments (note 11)	
Total net position	$ 6,819,962

See accompanying notes to financial statements.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Revenue, Expenses and Changes in Net Position
Year ended December 31, 2016

Revenue:	
Tenant rental revenue	$ 1,756,777
Program grants/subsidies	1,175,850
Other income	93,280
Total operating revenue	3,025,907
Expenses:	
Administrative	836,589
Tenant services	24,669
Utilities	421,293
Maintenance and operations	1,046,468
General expenses	359,373
Depreciation	1,907,945
Total operating expenses	4,596,337
Operating loss	(1,570,430)
Nonoperating revenue (expense):	
Interest income	13,523
Interest expense	(359,319)
Total nonoperating expenses	(345,796)
Decrease in net position before capital contribution	(1,916,226)
Capital contribution	135,805
Decrease in net position	(1,780,421)
Net position at beginning of year, as previously stated	8,490,994
Prior period adjustment (note 15)	109,389
Net position at beginning of year, as restated	8,600,383
Net position at end of year	$ 6,819,962

See accompanying notes to financial statements.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Cash Flows
Year ended December 31, 2016

Cash flows from operating activities:	
Tenant rental revenue	$ 1,749,722
Program grants/subsidies	1,253,503
Other income	91,681
	3,094,906
Administrative	811,127
Tenant services	24,669
Utilities	420,729
Maintenance and operation	1,002,811
General expenses	355,083
	2,614,419
Net cash provided by operating activities	480,487
Cash flows from investing activities:	
Purchase of investments	(2,056)
Interest income	13,523
Net cash provided by investing activities	11,467
Cash flows from noncapital financing activities - tenants' security deposits collected	1,408
Cash flows from capital and related financing activities:	
Capital contributions	135,805
Purchase of property and equipment	(120,549)
Proceeds from bonds payable	2,465,000
Payments on bonds payable	(1,682,288)
Payments on notes payable	(52,753)
Interest paid	(354,060)
Net cash provided by capital and related financing activities	391,155
Net increase in cash and equivalents	884,517
Cash and equivalents at beginning of year	1,053,326
Cash and equivalents at end of year	$ 1,937,843

(Continued)

See accompanying notes to financial statements.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Cash Flows, Continued

Cash flows from operating activities:	
Operating loss	$ (1,570,430)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,907,945
Changes in:	
Receivables	73,459
Prepaid expenses	25,438
Inventory	5,030
Deferred outflows of resources - pensions	(315,854)
Accounts payable	(1,907)
Accrued expenses and other liabilities	(5,256)
Unearned revenue	(4,460)
Net pension liability	318,684
Deferred inflows of resources - pensions	47,838
Net cash provided by operating activities	$ 480,487

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

(a) Nature of Activities

Elmira Housing Authority (the Authority) is a public corporation formed for the purpose of providing housing services in the City of Elmira, New York for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD). Elmira Housing Authority consists of Low Rent Public Housing, Public Housing Capital Fund and the New York State Department of Housing and Community Renewal Program (DHCR).

(b) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Authority has adopted GASB Statement No. 33 and, as such, grant revenues for both hard and soft costs accounted for in the comprehensive grant programs and capital fund programs are treated as revenues and flow through the statements of revenue, expenses and changes in net position.

The Authority has implemented 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,” required portions of GASB Statement No. 38 - “Certain Financial Statement Note Disclosures,” and Statement No. 45 - “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.”

The Authority has implemented GASB Statement No. 62 - “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.” This statement codifies all sources of accounting principles generally accepted in the United States of America into the GASB’s authoritative literature.

The Authority has implemented GASB Statement No. 63 - “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position” and GASB Statement No. 65 - “Items Previously Reported as Assets and Liabilities.” These statements provide guidance on presenting deferred outflows, deferred inflows and net position. The implementation of GASB Statement No. 63 incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. Statement No. 65 established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting, Continued

The Authority has implemented GASB Statement No. 66 - "Technical Corrections - 2012 - an Amendment of GASB Statements No. 10 and No. 62" improves accounting and financial reporting for a governmental entity by resolving conflicting guidance that resulted from the issuance of two pronouncements. Statements No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions" and No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." This statement amends Statement No. 10 by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This statement also amends Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate.

The Authority has implemented GASB Statement No. 67 - "Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 25" replaces existing standards for financial reporting and note disclosure for most pension plans that are administered through trusts or equivalent arrangements. The statement specifies the required approach for measuring the pension liability of all employers and nonemployer contributing entities participating in a pension plan and details required note disclosures for financial reporting.

The Authority has implemented GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27" replaces existing standards of accounting and financial reporting for pension plans that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. The statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources and deferred inflows of resources, and expense/expenditures.

The Authority has implemented GASB Statement No. 69 - "Government Combinations and Disposals of Government Operations" establishes accounting and financial reporting standards for government mergers, acquisitions and disposals. The statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effect of those transactions.

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting, Continued

The Authority has implemented GASB Statement No. 70 - "Accounting and Financial Reporting for Nonexchange Financial Guarantees" improves the accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The statement also requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities.

The Authority has implemented GASB Statement No. 71 - "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68" addresses an issue regarding application of the transition provisions of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions." This Statement amends paragraph 137 of GASB Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

The Authority has implemented GASB Statement No. 72 - "Fair Value Measurement and Application" establishes a hierarchy of inputs to valuation techniques to determine fair value measurement for financial statement purposes.

The Authority has implemented GASB Statement No. 73 - "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68." This Statement, issued in June 2015, establishes requirements for defined benefit pensions and defined contribution pensions that are not within the scope of Statement No. 68, "Accounting and Financial Reporting for Pension," as well as requirements for the assets accumulated for purposes of providing those pensions.

The Authority has implemented GASB Statement No. 76 - "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." This Statement, issued in June 2015, supersedes Statement No. 55, "Their Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," and reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

The Authority has implemented GASB Statement No. 77 - "Tax Abatement Disclosures." This Statement, issued in August 2015, requires governments that enter into tax abatement agreements to disclose taxes abated, the gross amount of such taxes abated during the period and any other commitments made by the government other than to abate taxes, as a part of the abatement agreement.

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting, Continued

The Authority has implemented GASB Statement No. 78 - "Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans." This Statement, issued in December 2015 amends GASB Statement No. 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

The Authority has implemented GASB Statement No. 79 - "Certain External Investment Pools and Pool Participants." This Statement, issued in December 2015, addresses the accounting and financial reporting for certain external investment pools and pool participants. It establishes the criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

(c) Financial Reporting Entity

The financial reporting entity includes organizations, functions, and activities over which appointed officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

All governmental activities and functions performed for the Elmira Housing Authority are its direct responsibility.

The financial reporting entity consists of (a) the primary government which is the Elmira Housing Authority, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14.

The decision to include a potential unit in the Authority's reporting entity is based on several criteria set forth in GASB Statement No. 39, including legal standing, fiscal dependency, and financial accountability.

(1) Summary of Significant Accounting Policies, Continued

(d) Net Position

Net position represent the difference between assets and deferred outflows less liabilities and deferred inflows. GASB Statement No. 63 reports equity as "net position" rather than "net assets." Net position is classified into three categories according to external donor restrictions or availability of assets for satisfaction of Authority obligations. The Authority's net position is classified as follows:

(1) Net Investment in Capital Assets

This represents the Authority's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

(2) Restricted Net Position

This includes resources that are restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

(3) Unrestricted Net Position

This represents resources derived from operating revenue. These resources are used for transactions relating to the general operations of the Authority, and may be used at the discretion of the Authority's management to meet current expenses for any purpose.

(e) Summary of HUD Programs

The accompanying financial statements consist of the activities of the housing programs subsidized by HUD. A summary of each of these programs and the related contracts with HUD is provided below.

- Annual Contributions Contract NY-508

1) Low Rent Public Housing - This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.

2) Modernization - Substantially all additions to land, buildings, and equipment are accomplished through the capital fund program. This program adds to, replaces or materially upgrades deteriorated portions of the Authority's housing units. Funding is provided through programs established by HUD.

(f) Estimates

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

(1) Summary of Significant Accounting Policies, Continued

(g) Cash and Equivalents

For purposes of the statements of cash flows, the Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(h) Inventory

Inventories of supplies are stated at the lower of cost or market. Cost is determined by the first-in first-out method.

(i) Capitalization and Depreciation

Property and equipment are recorded at cost or fair market value at the date of the gift in the case of donated equipment. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenses for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statements of revenue, expenses and changes in net assets. The estimated useful lives for furniture, equipment and machinery is 3 to 7 years and for buildings is 15 to 40 years.

(j) Unearned Revenue and Revenue Recognition

Grant awards accounted for as exchange transactions are recorded as revenue when expenses have been incurred in compliance with the grant restrictions. Amounts unspent are recorded in the statements of net assets as unearned revenue.

Tenant rental revenue is recognized when services are rendered. Rents received in advance are recorded as unearned revenue.

(k) Expense Allocation

The costs of providing programs and other activities have been adequately detailed in the statements of revenue, expenses and changes in net assets. Allocation of management and general expenses among program and supporting services is not considered significant to the operations of the Authority, therefore, no such allocation has been provided. All expenses incurred by the Authority are related to the Authority's operations.

(l) Litigation Losses

The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable and the loss is reasonably estimable.

(m) Annual Contribution Contracts

Annual contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the annual contribution contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

(1) Summary of Significant Accounting Policies, Continued

(n) Subsequent Events

The Authority has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(o) Income Taxes

The Authority is a quasi-governmental organization and is not subject to federal or state income taxes, nor is it required to file federal or state income tax returns; therefore, no provision for income taxes is reflected in the financial statements.

(2) Cash and Equivalents

At December 31, 2016, the Authority's institution cash account balances amounted to $1,937,843. These balances included checking accounts, money market funds and certificates of deposits. Deposits are recorded at cost plus accrued interest and categorized as either:

(A) Insured by the FDIC or collateralized with securities held by the Authority or by its agent in the Authority's name, or
(B) Collateralized with securities held with by the pledging financial institution's trust department or agency in the Authority's name, or
(C) Uncollateralized

Deposits in bank accounts and investments in the Authority's name in financial institutions are covered by federal depository insurance and other collateral which has been assigned to funds over the FDIC coverage at December 31, 2016. Total financial institution (bank) balances at December 31, 2016 amounted to $2,035,995. Total deposits are categorized as follows:

A	B	C
$ 750,000	1,285,995	-

The cash and equivalents on the books of account of the Elmira Housing Authority at December 31, 2016 consist of the following:

Petty cash	$ 250
Checking accounts	169,013
Security deposits	195,925
Money market accounts	598,715
Federal treasury obligations	973,940
Total cash and equivalents	$ 1,937,843

(3) Investments

Custodial credit risk as it relates to investments is the risk that the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of a failed counterparty in the event of failure of that counterparty of a transaction. The Authority's certificates of deposit was not exposed to custodial credit risk as it was insured and/or collateralized.

A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

There have been no changes in the methodologies used at December 31, 2016.

At December 31, 2016, the Authority had the following investments:

Certificates of deposit	$ 2,538

(3) Investments, Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Authority believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of the investment or deposit. This risk would result if certificates of deposit were offered at rates substantially higher than rates on existing certificates of deposit held by the Authority. At December 31, 2016, the Authority directly held certificates of deposit amounting to $2,538 that were subject to this type of interest rate risk.

The following table set forth by level, within the fair value hierarchy, the Authority's assets at fair value as of December 31, 2016:

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ 2,538	-	-	2,538

(4) Property and Equipment

Property and equipment are recorded at cost. A summary of property and equipment at December 31, 2016 is as follows:

	Balance at 1/1/16	Additions	Deletions	Balance at 12/31/16
Non-depreciable assets:				
Land	$ 283,475	-	-	283,475
Construction in progress	869,621	20,805	(246,131)	644,295
Depreciable assets:				
Buildings and improvements	26,400,707	236,759	-	26,637,466
Furniture and equipment	6,683,059	109,116	-	6,792,175
Total	34,236,862	366,680	(246,131)	34,357,411
Accumulated depreciation	(21,807,558)	(1,907,945)	-	(23,715,503)
Net property and equipment	$ 12,429,304	(1,541,265)	(246,131)	10,641,908

(5) Other Assets

Other assets consist of insurance deposits with the Housing Authority Insurance Group of $29,295 at December 31, 2016.

(6) Tenants' Security Deposits

The Authority collects a security deposit from each tenant upon signing a lease. Such deposits are maintained in a separate cash account. The liability for security deposits at December 31, 2016 amounted to $196,024.

(7) Payment in Lieu of Taxes

The Authority, in connection with the Low Rent Public Housing Program and as part of the cooperation agreement with the City of Elmira, is required to make annual payments in lieu of property taxes based on 10% of the dwelling rents less utilities expense. The payment in lieu of taxes liability amounted to $131,341 at December 31, 2016.

(8) Retirement Benefits

The Authority participates in the New York State and Local Employees' Retirement System (the System). This System is a cost sharing multiple employer, public employee retirement system. The System offers a wide range of plans and benefits which is related to years of service and final average salary, vesting of retirement benefits, death and disability.

(a) Plan Description

The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of its funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

(8) Retirement Benefits, Continued

(b) Funding Policies

The System is non-contributory, except for employees who joined after July 27, 1976, and before January 1, 2010 who contribute three percent of their salary for the first ten years of employment. Employees who joined on or after January 1, 2010 through March 31, 2012 contributed three percent of their salary for all their years of public service. Participants hired on or after April 1, 2012 were required to contribute 3% of compensation through March 31, 2013. Beginning April 1, 2013, the required contribution changed to range from 3% to 6% each year, dependent on their compensation throughout their career. The Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund. The Authority is required to contribute at an actuarially determined rate. All full-time employees of the Authority are covered by the pension plan.

The Authority is required to contribute at an actuarially determined rate. The required contributions for the Authority for the current and two preceding years were:

2016	$ 94,681
2015	109,389
2014	128,706

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

At December 31, 2016, the Authority reported the following liability for its proportionate share of the net pension liability for the ERS System. The net pension liability was measured as of March 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Authority's proportionate share of the net pension liability was based on a projection of the Authority's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Authority.

Actuarial valuation date	4/1/2015
Net pension liability	$ 403,581
Authority's proportion of the Plan's net pension liability	0.0025145%

For the year ended December 31, 2016, the Authority recognized a pension expense of $145,349.

(8) Retirement Benefits, Continued

(c) Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

At December 31, 2016, the Authority's reported deferred outflows (inflows) of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,039	(47,838)
Changes of assumptions	107,623	-
Net difference between projected and actual earnings on pension plan investments	239,426	-
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	3,534	-
Authority's contributions subsequent to the measurement date	94,681	-
Total	$ 447,303	(47,838)

Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows and inflows of resources related to the pension will be recognized in pension expense as follows:

Year ended	
2017	$ 77,576
2018	77,576
2019	77,576
2020	72,056
2021	-
Thereafter	-

(d) Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

(8) Retirement Benefits, Continued

(d) Actuarial Assumptions, Continued

Significant actuarial assumptions used in the valuation was as follows:

Measurement date	March 31, 2016
Actuarial valuation date	April 1, 2015
Interest rate	7.0%
Salary scale	3.8% average
Decrement tables	April 1, 2010 - March 31, 2015 System's experience
Inflation rate	2.5%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Measurement date	March 31, 2016
Asset type:	
Domestic equity	7.30%
International equity	8.55%
Real estate	8.25%
Private equity	11.00%
Absolute return strategies	6.75%
Opportunities portfolio	8.60%
Real assets	8.65%
Bonds and mortgages	4.00%
Cash	2.25%
Inflation - indexed bonds	4.00%

(8) Retirement Benefits, Continued

(e) Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investment was applied to all periods of projected benefit payments to determine the total pension liability.

(f) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability (asset)	$ 910,045	403,581	(24,360)

(g) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the respective valuation dates, were as follows:

	(Dollars in Millions)
Valuation date	3/31/2016
Employers' total pension liability	$ 172,303
Plan net position	(156,253)
Employers' net pension liability	$ 16,050
Ratio of plan net position to the employers' total pension liability	90.70%

(h) Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of December 31, 2016 represent the projected employer contribution for the period of April 1, 2016 through December 31, 2016 based on paid ERS wages multiplied by the employer's contribution rate, by tier.

(9) Notes Payable and Other Debt

Bonds Payable - Elmira Housing Authority

The Authority was indebted under 4.24% Series 2007 Capital Fund Revenue Bonds maturing serially through October 2026. These bonds required semiannual interest payments. Annual principal payments began in October 2007. The Authority refinanced these bonds in October 2016 under 3.25% Series 2016 Capital Fund Revenue Bonds maturing serially through October 2036. Payment of the debt service is expected to be made from payments under the Capital Fund Program.	$ 2,465,000

The aggregate maturity of the bonds payable for the five years following December 31, 2016 and thereafter is as follows:

2017	$ 90,000
2018	90,000
2019	95,000
2020	100,000
2021	100,000
Thereafter	1,990,000
	$ 2,465,000

State of New York Payable

DHCR arranged the permanent financing of the Authority's State Public Housing Program. DHCR directly applies Public Housing State subsidies toward debt service payments which are provided by DHCR annually to the Authority. The Authority was indebted under 2.54% series 1996A Capital Fund Reserve Bonds maturing serially through July 2024. These bonds require semiannual payments.	$ 422,021

The aggregate maturity of the bonds payable for the five years following December 31, 2016 and thereafter is as follows:

2017	$ 52,753
2018	52,753
2019	52,753
2020	52,753
2021	52,753
Thereafter	158,256
	$ 422,021

(9) Notes Payable and Other Debt, Continued

Bank of America, N.A.

The Authority was indebted under a 3.96% master equipment lease/purchase agreement, requiring an initial payment of $780,000 on September 30, 2009 and quarterly payments thereafter in amounts varying from $41,960 to $59,630. Proceeds are being used to make energy improvements to the projects.	$ 2,219,364

The aggregate maturity for the five years following December 31, 2016 and thereafter is as follows:

2017	$ 141,711
2018	155,749
2019	164,938
2020	171,558
2021	178,444
Thereafter	1,406,964
	$ 2,219,364

(10) Compensated Absences

At December 31, 2016, a liability for accumulated sick time and vacation pay was recorded amounting to $145,917. The following is a summary of compensated absences for the year ended December 31, 2016:

Balance 12/31/15	Additions	Deletions	Balance 12/31/16	Current Portion
$ 172,282	42,400	(68,765)	145,917	65,942

(11) Contingencies and Commitments

Contingencies and commitments at December 31, 2016 consist of the following:

(a) Contingencies

The Authority is subject to possible examinations made by federal and state authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years. There were no such examinations for the year ended December 31, 2016.

(b) Other Insurance

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters; etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

(11) Contingencies and Commitments, Continued

(c) Unemployment Insurance

The Authority provides unemployment insurance through direct billings from the New York State Unemployment Insurance Fund. For the year ended December 31, 2016, the Authority paid no benefits from the unemployment reserve. At December 31, 2016, the Authority did not recognize a liability for unpaid, unasserted claims, if any, as these would be deemed immaterial.

(d) Litigation

The Authority has been named as a defendant in three separate actions arising from a Legionnaires outbreak in Flannery Towers in August of 2008. The Authority denies any liability with respect to the Legionnaires outbreak and has engaged legal counsel which is vigorously defending each action. Management feels that it has adequate resources to satisfy any adverse outcome arising from the actions. Accordingly, no provision for loss with regard to these claims has been recorded in the accompanying financial statements.

(12) Current Vulnerability Due to Certain Concentrations

The Authority's operations are concentrated in the low-income real estate market in Elmira, New York. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations and are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

(13) Postemployment Health Care Benefits

The Authority implemented the accounting and disclosure requirements of GASB Statement No. 45 - Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, during the year ended December 31, 2008. In addition to providing the retirement benefits described in note 8, the Authority provides postemployment health insurance coverage to its retired employees in accordance with the provisions of the employment contract negotiated between the Authority and its employee groups. Employees become eligible for benefits based on original hire date, completed years of service, and accumulated sick days. There are 15 retired employees who have health insurance premiums paid by the Authority. The premiums amounted to $61,655 for the year ended December 31, 2016. The net OPEB obligation amounted to $203,941 at December 31, 2016. The unfunded actuarial accrued liability amounted to $733,592 at December 31, 2016.

(13) Postemployment Health Care Benefits, Continued

The following table shows the component of the Authority's annual OPEB cost for the years ended December 31, 2016, 2015 and 2014, the amount actually contributed to the plan, and changes in the net OPEB obligation.

	2016	2015	2014
Annual required contribution	$ 86,107	21,142	117,503
Interest on net OPEB obligation	-	-	-
Adjustment to annual required contribution	(6,962)	(9,280)	-
Annual OPEB costs (expense)	79,145	11,862	117,503
Contributions made	(61,655)	(66,206)	(68,048)
Increase in net OPEB obligation	17,490	(54,344)	49,455
Net OPEB obligation at beginning of year	186,451	240,795	191,340
Net OPEB obligation at end of year	$ 203,941	186,451	240,795

Calculations are based on the types of benefits provided under the terms of the substantive plan, the plan as understood by the employer and the plan members, at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility. The plan has fewer than 100 participants and uses the alternative valuation method. Methods and assumptions include:

- Valuation Method - the method used is the Entry Age Normal Method.
- Valuation of Assets - no assets have been set aside to fund the liabilities. The plan is funded on a pay-as-you-go basis.
- Eligible Plan Participants - all active and retired employees who are participants in the medical plan as of the date the valuation was performed are included in the liability.
- Amortization Method - Level Percent of Pay, Open Group.
- Amortization Period for Actuarial Accrued Liability (AAL) - thirty years.
- Valuation Date - December 31, 2016.
- Claims Rate - combination of community rated and experience rated plans. For community rated plans premium rates are used as a proxy for claims, without age adjustment.
- Remaining amortization period - 22 years
- Healthcare cost trend rate - 4.8%

(14) Accounting Standards Issued But Not Yet Implemented

- GASB Statement No. 74 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." This Statement, issued in June 2015, replaces existing standards of accounting and financial reporting for postemployment benefit plans other than pension plans and also replaces existing requirements for defined contribution OPEB plans. The provisions of this Statement are effective for financial statements for fiscal years beginning after June 15, 2016, which is the fiscal year beginning January 1, 2017 for the Authority. Management is evaluating the potential impact of this Statement.
- GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This Statement, issued in June 2015, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. This Statement is effective for fiscal years beginning after June 15, 2017, which is the fiscal year beginning January 1, 2018 for the Authority. Management is evaluating the potential impact of this Statement.
- GASB Statement No. 80 - "Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14." This Statement, issued in January 2016, amends blending requirements established in paragraph 53 of GASB Statement No. 14 - "The Financial Reporting Entity, as Amended" for the financial statement presentation of component units of all state and local governments. An additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of GASB Statement No. 39 - "Determining Whether Certain Organizations are Component Units." The provisions of this Statement are effective for financial statements for years beginning after June 15, 2016, which is the fiscal year beginning January 1, 2017 for the Authority. This Statement is not expected to have a material effect on the financial statements of the Authority.
- GASB Statement No. 81 - "Irrevocable Split-Interest Agreements." This statement, issued in March 2016, establishes accounting and reporting standards for irrevocable split-interest agreements with characteristics that are equivalent to irrevocable split-interest agreements in which a donor irrevocably transfers resources to an intermediary who administers these resources for the unconditional benefit of a government and at least one other beneficiary. The provisions of this statement are effective for financial statements for years beginning after December 15, 2016, which is the fiscal year beginning January 1, 2017 for the Authority. Management is evaluating the potential impact of this Statement.

(14) Accounting Standards Issued But Not Yet Implemented, Continued

- GASB Statement No. 82 - "Pension Issues - an Amendment of GASB Statements No. 67, No. 68, and No. 73." This statement, issued in March 2016, addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this statement are effective for reporting periods beginning after June 15, 2016, which is the fiscal year beginning January 1, 2017 for the Authority, except for the requirements of this statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017, which is the fiscal year beginning January 1, 2018 for the Authority. Management evaluating the potential impact of this Statement.

- GASB Statement No. 83 - "Certain Asset Retirement Obligations." This Statement, issued in November 2016, addresses accounting and financial reporting for certain asset retirement obligations (AROs). Governments that have legal obligations to perform certain future asset retirement activities related to tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning January 1, 2019 for the Authority. This Statement is not expected to have a material effect on the financial statements of the Authority.

- GASB Statement No. 84 - "Fiduciary Activities." This Statement, issued in January 2017, established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement is effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning January 1, 2019 for the Authority. This Statement is not expected to have a material effect on the financial statements of the Authority.

- GASB Statement No. 85 - "Omnibus 2017." This Statement, issued in March 2017, addresses issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning January 1, 2018 for the Authority. Management is evaluating the potential impact of this Statement.

(14) Accounting Standards Issued But Not Yet Implemented, Continued

- GASB Statement No. 86 - "Certain Debt Extinguishment Issues." This Statement, issued in May 2017, addresses issues related to in-substance defeasances occurring through repayment of debt from existing resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning January 2018 for the Authority. Management is evaluating the potential impact of this Statement.

(15) Prior Period Adjustment

As part of the implementation of GASB 68, contributions subsequent to the measurement date are to be reported as deferred outflows of resources. Due to this implementation, adjustments were made to the 2016 beginning net position to account for payments made to the New York State Employee Retirement System on its annual pension invoice as deferred outflows and net pension liability rather than expenses. This resulted in an increase in deferred outflows and an increase in unrestricted net position of $109,389 at December 31, 2015. This restatement has been recorded in the statement of net position, revenue and expenses and changes in net position and cash flows for the year ended December 31, 2016.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Required Supplementary Information
Schedule of Funding Progress - Other Postemployment Benefits (OPEB)
December 31, 2016

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Actuarial Accrued Unfunded Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
December 31, 2016	$ -	733,592	733,592	0%	726,463	101.0%
December 31, 2015	-	634,258	634,258	0%	713,238	89.0%
December 31, 2014	-	1,483,640	1,483,640	0%	712,038	208.0%

ELMIRA HOUSING AUTHORITY
Elmira, New York
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability (Asset)
For the year ended December 31, 2016

NYSERS Pension Plan

		2016	2015
Authority's proportion of the net pension liability		0.0025145%	0.002513%
Authority's proportionate share of the net pension liability	$	403,581	84,897
Authority's covered payroll	$	711,318	716,837
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll		56.74%	11.84%
Plan fiduciary net position as a percentage of the total pension liability		90.70%	97.95%

ELMIRA HOUSING AUTHORITY
Elmira, New York
Required Supplementary Information
Schedule of Employer Pension Contributions
For the year ended December 31, 2016

NYSERS Pension Plan

	2016	2015	2014	2013	2012
Contractually required contribution	$ 94,681	109,389	128,706	78,695	143,579
Contributions in relation to the contractually required contribution	94,681	109,389	128,706	78,695	143,579
Contribution deficiency (excess)	$ -	-	-	-	-
Authority's covered employee payroll	$ 711,318	716,837	729,873	597,712	766,043
Contributions as a percentage of covered employee payroll	13.31%	15.26%	17.63%	13.17%	18.74%

Schedule 1

ELMIRA HOUSING AUTHORITY
Elmira, New York
Schedule of Expenditures of Federal Awards
Year ended December 31, 2016

Federal Grantor/Program Title	Federal CFDA Number	Federal ID Number	Federal Expenditures	Expenditures to Subrecipients
Department of Housing and Urban Development (1):				
Low Rent Housing Assistance Program	14.850	NY508	$ 989,567	-
Public Housing Capital Fund Cluster:				
Public Housing Capital Fund Program	14.872	NY06P030501-14	184,719	-
Public Housing Capital Fund Program	14.872	NY06P030501-15	51,608	-
Public Housing Capital Fund Program	14.872	NY06P030501-16	20,931	-
			$ 1,246,825	-

Basis of Presentation

The schedule of expenditures of federal awards includes the federal grant activity of Elmira Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

(1) These funds were received directly from the federal government.

(2) The Authority did not use the 10% de minimis rate.

ELMIRA HOUSING AUTHORITY
Elmira, New York
Certificate of Modernization Costs
December 31, 2016

	Public Housing Capital Fund Program NY06P030501-14
1. Funds approved	$ 500,264
2. Actual modernization costs	500,264
Cash advances - HUD	500,264
Excess of costs over funds provided	$ -
Date of Statements of Actual Modernization Costs	November 4, 2016

3. The distribution of costs by major accounts as shown on the statement of actual modernization costs accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the Elmira Housing Authority records.

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

Schedule 3

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Public Housing Capital Funds
Advanced with Costs - Uncompleted (2015)
December 31, 2016

	Public Housing Capital Fund Program NY06P030501-15
Funds approved	$ 516,084
Funds expended (including retention)	330,964
Excess of funds approved	$ 185,120
Funds advanced	330,964
Funds expended (including retention)	330,964
Excess of funds advanced	$ -

Schedule 4

ELMIRA HOUSING AUTHORITY
Elmira, New York
Statement of Public Housing Capital Funds
Advanced with Costs - Uncompleted (2016)
December 31, 2016

	Public Housing Capital Fund Program NY06P030501-16
Funds approved	$ 537,128
Funds expended (including retention)	98,584
Excess of funds approved	$ 438,544
Funds advanced	98,584
Funds expended (including retention)	98,584
Excess of funds advanced	$ -

EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' 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

The Board of Commissioners
Elmira Housing Authority
Elmira, New York:

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 Elmira Housing Authority (the Authority), which comprise the statement of net position as of December 31, 2016, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated June 1, 2017.

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 the Authority's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free 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 Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 1, 2017

EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Commissioners
Elmira Housing Authority
Elmira, New York:

Report on Compliance for the Major Federal Program

We have audited Elmira Housing Authority's (the Authority) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2016. The Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the 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 the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, Elmira Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2016.

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 on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 be not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York
June 1, 2017

ELMIRA HOUSING AUTHORITY
Elmira, New York
Schedule of Findings and Questioned Costs
Year ended December 31, 2016

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
1. Material weakness(es) identified?	____	Yes	x	No
2. Significant deficiency(ies) identified?	____	Yes	x	None reported
3. Noncompliance material to financial statements noted?	____	Yes	x	No

Federal Awards:

Internal control over major programs:				
4. Material weakness(es) identified?	____	Yes	x	No
5. Significant deficiency(ies) identified?	____	Yes	x	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified			
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)?	____	Yes	x	No
7. The Authority's major program audited was Low Rent Housing Assistance Program, CFDA No. 14.850				
8. Dollar threshold used to distinguish between Type A and Type B programs was $750,000.				
9. Auditee qualified as low-risk auditee?	x	Yes	____	No

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

ELMIRA HOUSING AUTHORITY
Elmira, New York

Status of Prior Year Audit Findings

Year ended December 31, 2016

There were no audit findings or questioned costs with regard to the prior year financial statements (December 31, 2015).

Appendix A

ELMIRA HOUSING AUTHORITY
Elmira, New York

Electronically Filed Financial Data Schedule

Year ended December 31, 2016

Elmira Housing Authority (NY030)
ELMIRA, NY
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit   Fiscal Year End: 12/31/2016

	Project Total	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$619,082	$127,463	$21,334	$767,879		$767,879
112 Cash - Restricted - Modernization and Development	$882,949			$882,949		$882,949
113 Cash - Other Restricted						
114 Cash - Tenant Security Deposits	$196,023			$196,023		$196,023
115 Cash - Restricted for Payment of Current Liabilities	$90,992			$90,992		$90,992
100 Total Cash	$1,789,046	$127,463	$21,334	$1,937,843	$0	$1,937,843
121 Accounts Receivable - PHA Projects						
122 Accounts Receivable - HUD Other Projects						
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous						
126 Accounts Receivable - Tenants	$7,980			$7,980		$7,980
126.1 Allowance for Doubtful Accounts -Tenants	-$1,383			-$1,383		-$1,383
126.2 Allowance for Doubtful Accounts - Other						
127 Notes, Loans, & Mortgages Receivable - Current		$51,824		$51,824	-$51,824	$0
128 Fraud Recovery	$7,860			$7,860		$7,860
128.1 Allowance for Doubtful Accounts - Fraud	-$3,586			-$3,586		-$3,586
129 Accrued Interest Receivable						
120 Total Receivables, Net of Allowances for Doubtful Accounts	$10,871	$51,824	$0	$62,695	-$51,824	$10,871
131 Investments - Unrestricted			$2,538	$2,538		$2,538
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	$78,835		$48,003	$126,838		$126,838
143 Inventories	$22,099			$22,099		$22,099
143.1 Allowance for Obsolete Inventories	$0			$0		$0
144 Inter Program Due From						
145 Assets Held for Sale						

150 Total Current Assets	$1,900,851	$179,287	$71,875	$2,152,013	-$51,824	$2,100,189
161 Land	$283,474			$283,474		$283,474
162 Buildings	$26,637,466			$26,637,466		$26,637,466
163 Furniture, Equipment & Machinery - Dwellings	$2,499,935			$2,499,935		$2,499,935
164 Furniture, Equipment & Machinery - Administration	$4,203,397		$88,843	$4,292,240		$4,292,240
165 Leasehold Improvements						
166 Accumulated Depreciation	-$23,649,887		-$65,616	-$23,715,503		-$23,715,503
167 Construction in Progress	$644,295			$644,295		$644,295
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	$10,618,680	$0	$23,227	$10,641,907	$0	$10,641,907
171 Notes, Loans and Mortgages Receivable - Non-Current		$362,766		$362,766	-$362,766	$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets						
176 Investments in Joint Ventures						
180 Total Non-Current Assets	$10,618,680	$362,766	$23,227	$11,004,673	-$362,766	$10,641,907
200 Deferred Outflow of Resources	$332,757		$114,546	$447,303		$447,303
290 Total Assets and Deferred Outflow of Resources	$12,852,288	$542,053	$209,648	$13,603,989	-$414,590	$13,189,399
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	$5.250		$58,756	$64,006		$64,006
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable			$17,445	$17,445		$17,445
322 Accrued Compensated Absences - Current Portion	$40,812		$25,130	$65,942		$65,942
324 Accrued Contingency Liability						
325 Accrued Interest Payable	$17,247	$4,921		$22,168		$22,168
331 Accounts Payable - HUD PHA Programs						
332 Account Payable - PHA Projects						
333 Accounts Payable - Other Government	$131,340			$131,340		$131,340
341 Tenant Security Deposits	$196,023			$196,023		$196,023
342 Unearned Revenue	$30,794			$30,794		$30,794
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$231,711			$231,711		$231,711
344 Current Portion of Long-term Debt - Operating Borrowings	$51,824	$52,753		$104,577	-$51,824	$52,753

345 Other Current Liabilities	$1			$1		$1
346 Accrued Liabilities - Other						
347 Inter Program - Due To						
348 Loan Liability - Current						
310 Total Current Liabilities	$705,002	$57,674	$101,331	$864,007	-$51,824	$812,183
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$4,452,652	$0		$4,452,652		$4,452,652
352 Long-term Debt, Net of Current - Operating Borrowings	$362,766	$369,269		$732,035	-$362,766	$369,269
353 Non-current Liabilities - Other						
354 Accrued Compensated Absences - Non Current	$30,003		$49,971	$79,974		$79,974
355 Loan Liability - Non Current						
356 FASB 5 Liabilities						
357 Accrued Pension and OPEB Liabilities	$495,568	$0	$111,953	$607,521		$607,521
350 Total Non-Current Liabilities	$5,340,989	$369,269	$161,924	$5,872,182	-$362,766	$5,509,416
300 Total Liabilities	$6,045,991	$426,943	$263,255	$6,736,189	-$414,590	$6,321,599
400 Deferred Inflow of Resources	$36,113		$11,725	$47,838		$47,838
508.4 Net Investment in Capital Assets	$6,817,266		$23,227	$6,840,493		$6,840,493
511.4 Restricted Net Position						
512.4 Unrestricted Net Position	-$47,082	$115,110	-$88,559	-$20,531		-$20,531
513 Total Equity - Net Assets / Position	$6,770,184	$115,110	-$65,332	$6,819,962	$0	$6,819,962
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$12,852,288	$542,053	$209,648	$13,603,989	-$414,590	$13,189,399

Elmira Housing Authority (NY030)
ELMIRA, NY
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2016

	Project Total	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$1,711,910			$1,711,910		$1,711,910
70400 Tenant Revenue - Other	$44,867			$44,867		$44,867
70500 Total Tenant Revenue	$1,756,777	$0	$0	$1,756,777	$0	$1,756,777
70600 HUD PHA Operating Grants	$1,111,019			$1,111,019		$1,111,019
70610 Capital Grants	$135,806			$135,806		$135,806
70710 Management Fee			$312,397	$312,397	-$312,397	$0
70720 Asset Management Fee						
70730 Book Keeping Fee			$41,820	$41,820	-$41,820	$0
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue			$354,217	$354,217	-$354,217	$0
70800 Other Government Grants		$64,830		$64,830		$64,830
71100 Investment Income - Unrestricted	$1,258	$4,700	$7,562	$13,520		$13,520
71200 Mortgage Interest Income						
71300 Proceeds from Disposition of Assets Held for Sale						
71310 Cost of Sale of Assets						
71400 Fraud Recovery	$12,459			$12,459		$12,459
71500 Other Revenue	$80,371	$1	$449	$80,821		$80,821
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue	$3,097,690	$69,531	$362,228	$3,529,449	-$354,217	$3,175,232
91100 Administrative Salaries	$190,136		$176,461	$366,597		$366,597
91200 Auditing Fees	$8,505	$177	$177	$8,859		$8,859
91300 Management Fee	$312,397			$312,397	-$312,397	$0
91310 Book-keeping Fee	$41,820			$41,820	-$41,820	$0

91400 Advertising and Marketing	$720		$496	$1,216		$1,216
91500 Employee Benefit contributions - Administrative	$156,720		$110,964	$267,684		$267,684
91600 Office Expenses	$58,404		$89,652	$148,056		$148,056
91700 Legal Expense	$521		$30,085	$30,606		$30,606
91800 Travel	$1,220		$1,380	$2,600		$2,600
91810 Allocated Overhead						
91900 Other	$3,030		$7,943	$10,973		$10,973
91000 Total Operating - Administrative	$773,473	$177	$417,158	$1,190,808	-$354,217	$836,591
92000 Asset Management Fee						
92100 Tenant Services - Salaries						
92200 Relocation Costs						
92300 Employee Benefit Contributions - Tenant Services						
92400 Tenant Services - Other	$24,669			$24,669		$24,669
92500 Total Tenant Services	$24,669	$0	$0	$24,669	$0	$24,669
93100 Water	$43,656			$43,656		$43,656
93200 Electricity	$232,870			$232,870		$232,870
93300 Gas	$130,583			$130,583		$130,583
93400 Fuel						
93500 Labor						
93600 Sewer	$14,184			$14,184		$14,184
93700 Employee Benefit Contributions - Utilities						
93800 Other Utilities Expense						
93000 Total Utilities	$421,293	$0	$0	$421,293	$0	$421,293
94100 Ordinary Maintenance and Operations - Labor	$350,222			$350,222		$350,222
94200 Ordinary Maintenance and Operations - Materials and Other	$153,277		$1,511	$154,788		$154,788
94300 Ordinary Maintenance and Operations Contracts	$305,110		$2,671	$307,781		$307,781
94500 Employee Benefit Contributions - Ordinary Maintenance	$233,673			$233,673		$233,673
94000 Total Maintenance	$1,042,282	$0	$4,182	$1,046,464	$0	$1,046,464
95100 Protective Services - Labor						
95200 Protective Services - Other Contract Costs	$74,424		$1,344	$75,768		$75,768
95300 Protective Services - Other	$8,019			$8,019		$8,019
95500 Employee Benefit Contributions - Protective Services						
95000 Total Protective Services	$82,443	$0	$1,344	$83,787	$0	$83,787

96110 Property Insurance	$53,997			$53,997		$53,997
96120 Liability Insurance	$35,759		$3,234	$38,993		$38,993
96130 Workmen's Compensation	$13,730		$909	$14,639		$14,639
96140 All Other Insurance	$3,748		$1,683	$5,431		$5,431
96100 Total insurance Premiums	$107,234	$0	$5,826	$113,060	$0	$113,060
96200 Other General Expenses						
96210 Compensated Absences	$9,646			$9,646		$9,646
96300 Payments in Lieu of Taxes	$131,001			$131,001		$131,001
96400 Bad debt - Tenant Rents	$21,880			$21,880		$21,880
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96800 Severance Expense						
96000 Total Other General Expenses	$162,527	$0	$0	$162,527	$0	$162,527
96710 Interest of Mortgage (or Bonds) Payable	$76,911	$11,464		$88,375		$88,375
96720 Interest on Notes Payable (Short and Long Term)	$95,632			$95,632		$95,632
96730 Amortization of Bond Issue Costs	$175,311			$175,311		$175,311
96700 Total Interest Expense and Amortization Cost	$347,854	$11,464	$0	$359,318	$0	$359,318
96900 Total Operating Expenses	$2,961,775	$11,641	$428,510	$3,401,926	-$354,217	$3,047,709
97000 Excess of Operating Revenue over Operating Expenses	$135,915	$57,890	-$66,282	$127,523	$0	$127,523
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized						
97300 Housing Assistance Payments						
97350 HAP Portability-In						
97400 Depreciation Expense	$1,900,277		$7,668	$1,907,945		$1,907,945
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense						
90000 Total Expenses	$4,862,052	$11,641	$436,178	$5,309,871	-$354,217	$4,955,654
10010 Operating Transfer In	$51,609			$51,609	-$51,609	$0

10020 Operating transfer Out	-$51,609			-$51,609	$51,609	$0
10030 Operating Transfers from/to Primary Government						
10040 Operating Transfers from/to Component Unit						
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss						
10080 Special Items (Net Gain/Loss)						
10091 Inter Project Excess Cash Transfer In	$65,206			$65,206	-$65,206	$0
10092 Inter Project Excess Cash Transfer Out	-$65,206			-$65,206	$65,206	$0
10093 Transfers between Program and Project - In						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$1,764,362	$57,890	-$73,950	-$1,780,422	$0	-$1,780,422
11020 Required Annual Debt Principal Payments	$294,112	$52,753	$0	$346,865		$346,865
11030 Beginning Equity	$8,451,966	$57,220	-$18,192	$8,490,994		$8,490,994
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$82,580		$26,810	$109,390		$109,390
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						
11080 Changes in Special Term/Severance Benefits Liability						
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity						
11180 Housing Assistance Payments Equity						
11190 Unit Months Available	5736			5736		5736
11210 Number of Unit Months Leased	5564			5564		5564
11270 Excess Cash	-$13,819			-$13,819		-$13,819
11610 Land Purchases	$0		$0	$0		$0
11620 Building Purchases	$20,806		$0	$20,806		$20,806
11630 Furniture & Equipment - Dwelling Purchases	$0		$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0		$0	$0		$0
11650 Leasehold Improvements Purchases	$0		$0	$0		$0
11660 Infrastructure Purchases	$0		$0	$0		$0
13510 CFFP Debt Service Payments	$184,719		$0	$184,719		$184,719

13901 Replacement Housing Factor Funds	$0		$0	$0		$0