



Comprehensive Annual Financial Report

For the Year Ended
March 31, 2010



Public Housing Agency
of the City of Saint Paul
Saint Paul, Minnesota
Prepared by:
Finance Department



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Introductory Section



August 4, 2010

To the Chairperson and Members of the Board of Commissioners of the Public Housing Agency of the City of Saint Paul and the Citizens of Saint Paul:

We are pleased to present to you the Public Housing Agency of the City of Saint Paul's (The Agency's) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended March 31, 2010. While this report is consistent with federal and state legal reporting requirements, it is also intended to supply additional information to interested readers.

This report reflects management's representations concerning the financial activity and condition of the Agency. The Agency's management is fully responsible for the content and reliability of this report. Management recognizes it must rely on its established daily internal control procedures to protect the Agency's assets from loss, theft or misuse. The Agency must also operate an information system that maintains adequate and appropriate financial data, such that the Agency's financial statements may be prepared in accordance with accounting principles generally accepted in the United States of America. Because cost versus the value to be achieved must be weighed in evaluating any procedure or system, the Agency's procedures and systems are designed to provide reasonable, not absolute, assurance that the financial statements will be free from material misstatements. We, as the Agency's management, state that to the best of our knowledge, this financial report is complete and reliable in all material respects.

McGladrey & Pullen, LLP has issued an unqualified opinion on the Agency's financial statements for the year ended March 31, 2010. Their independent auditor's report is located at the front of the financial section of this report on page 8.

Management's Discussion and Analysis (MD&A) provides a narrative summary of the year's financial activities, including comparisons and changes regarding the previous year. The MD&A immediately follows the auditor's opinion letter on pages 9 through 15. The MD&A is designed to be read in conjunction with this letter and the financial statements.

Profile of the Agency

The Agency has been an independent governmental unit since 1977. Its historical roots are in the Housing and Redevelopment Authority of the City of Saint Paul (HRA), a unit of the City of Saint Paul established by the Minnesota Legislature in 1947. The HRA's initial goal was to remove slums and construct low-income housing in Saint Paul.

The Housing Act of 1949 established a national policy and goal of "a decent home and suitable living environment for every American family." Under that goal, and with federal funding, the HRA began the construction of the first public housing in Saint Paul. Over the next 27 years, the HRA constructed four large family housing developments and constructed or purchased 16 hi-rise buildings for elderly and disabled people.

Unlike many public housing programs, Saint Paul has never used hi-rise buildings for family housing. During the 1950s and 1960s, family public housing in Saint Paul took the form of townhouse-style developments. All but a few units have direct, ground-level access, yards and nearby outdoor gathering space. Since the completion of the last townhouse development in 1966, the Agency bought or built over 400 scattered site units. These family housing units are located in all neighborhoods in the city and help residents integrate into the community. All 16 public housing hi-rises primarily house elderly people and people with disabilities. The Agency currently owns and manages 4,249 public housing units. Twenty-four of these units are used for Officers in Residence, ACOP, and ASI and ALP units.

In the early 1970s, the HRA began administering a federal rent subsidy program for eligible low-income households living in privately owned housing. The program evolved into the Section 8 Existing Housing Assistance Program. The program later became the Housing Choice Voucher program. In Saint Paul, that program, along with other related Section 8-type programs, serves more than 4,250 families.

The Agency was separated from the City of Saint Paul and was created by the Minnesota Legislature in 1977 to assume administration of subsidized housing programs and ownership of the public housing properties in Saint Paul. The Agency is funded by federal housing subsidies, rents paid by residents, special-purpose grants, and investment revenues. It receives no financial support from city or county taxes and makes a payment in lieu of taxes to defray the cost of city and county services.

A Board of Commissioners governs the Agency. The seven commissioners are appointed by the Mayor and approved by the City Council. Two commissioners represent public housing residents.

Financial Environment

Although the three major levels of government, federal, state and local, each impact Agency operations in their own way, only the federal government provides funding. The Agency receives neither state nor local government monies and has no taxing authority.

Federal funding and regulations: Since approximately 79 percent of the Agency's revenues comes from the federal government (Department of Housing and Urban Development, or HUD), the Agency is particularly subject to annual congressional changes in funding and regulations. The Housing Choice Voucher program saw an increase of 132 vouchers during Fiscal Year 2010, with a commensurate increase in funding. The Low Rent program has remained relatively flat as a result of HUD's budget requests. Regulations regarding reserve levels have been subject to Congressional and HUD activity as well.

State regulations: State regulations impact the Agency from the amount of rent collected from our residents who receive welfare assistance, to the limit on the amount of salary paid to the Agency's executive director, to the amount of sales tax the Agency is required to pay on most purchases.

Local regulations: The Agency is impacted by the PILOT (payment in lieu of taxes) agreement with the City of Saint Paul, which ensures that our residents continue to receive local government services in an equitable share, and the building code regulations, which impact every property the Agency owns.

The metro area housing rental market is of concern to the Agency as it strives to fulfill its mission to help families and individuals with low incomes achieve greater stability and self reliance by providing safe, affordable, quality housing and links to community services. The Agency operated its public housing units with a vacancy rate under 1 percent for the year.

Long-Term Financial Planning

The Agency publishes a Five-Year Plan, which is updated annually. The plan for 2010 is briefly summarized as follows:

The Agency plan describes the programs, policies and practices that the Agency is carrying out in its current fiscal year, which began April 1, 2009. In general, the Agency is continuing the same course of action described in the HUD-approved plan for the previous fiscal year. This plan has proven successful over several years in meeting the needs of residents and the community, within the limits of available resources. The Agency focuses on its mission and Agency goals, stressing sound property management, modernization and maintenance, and sound Section 8 administration. The Agency is also continuing its successful home ownership and jobs programs for residents, and is working with other community partners to address the critical shortage of affordable housing in the Minneapolis and Saint Paul metro area. The Agency's Five-Year and Annual Capital Fund Plans include continuing the major renovation of McDonough Homes. The Agency will continue to review other entrepreneurial activities as allowed under federal and state statutes.

Relevant Financial Policies

Cash management and investments: Cash balances are monitored daily. Investments are made when deemed advisable based on cash flows associated with anticipated expenses and revenues, as well as maintenance of a cash-on-hand reserve. Criteria for investment selection are security, liquidity and yield. The Agency invests in direct obligations of the U.S. government, obligations of federal government agencies and government-sponsored agencies, certificates of deposit, or other investments as allowed by HUD and the State of Minnesota (HUD Notice PIH 2002-13 Cash Management and Investment Policies and Procedures).

The goal of the Agency's investment strategy is to have cash available when needed and to safely maximize interest income.

Risk management: The Agency carries insurance in the areas of property damage, general liability, vehicle coverage, public officials liability and commercial crime coverage. An active safety and loss control program has resulted in limited claims, which allows the Agency to take advantage of higher deductibles, resulting in reduced premium costs.

Budgetary controls: The Agency adopts annual budgets for Low Rent Public Housing, Section 8 and their administrative building operations. Other grant program activities are budgeted based on the specific grant periods. Budgets are prepared by staff and reviewed, approved and presented by the Executive Director to the Board of Commissioners for approval.

During the past year the Agency achieved both a PHAS "High Performer" status and a SEMAP "High Performer" status recognition from the U.S. Department of Housing and Urban Development. PHAS is the Public Housing Assessment System for Low Income Public Housing, and SEMAP is the Section Eight Management Assessment Program.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Public Housing Agency of the City of Saint Paul for its comprehensive annual financial report for the fiscal year ended March 31, 2009. This was the fifth consecutive year that the Agency has received this prestigious award. In order to be awarded a Certificate of Achievement, the Agency must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

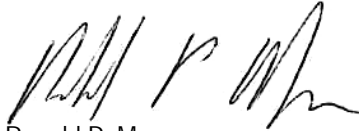
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to thank and honor the staff of the Finance Department for their dedicated efforts in preparing this report. Our appreciation extends to all Agency employees who have a part in upholding the very high standards that are reflected in this document. Finally, our thanks to our Board of Commissioners for their interest, concern and commitment to establishing policies that allow and encourage a successful public housing operation.

Respectfully submitted,



Jon M. Gutzmann
Executive Director



Ronald P. Moen
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Public Housing Agency
of the City of Saint Paul
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
March 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "J. H. H.", written over a white background.

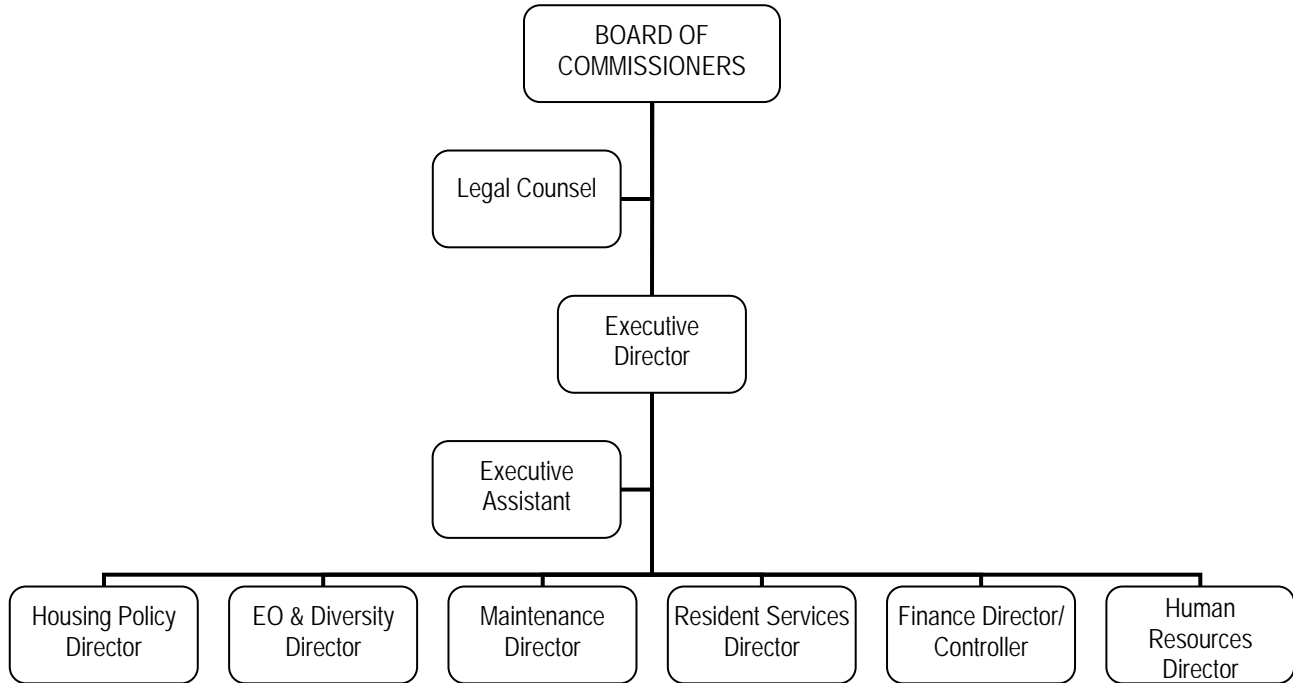
President

A handwritten signature in black ink, appearing to be "Jeffrey R. Enos", written over a white background.

Executive Director

Public Housing Agency of the City of Saint Paul

Board-Approved Organizational Chart March 31, 2010



Public Housing Agency of the City of Saint Paul

List of Appointed Officials March 31, 2010 Board of Commissioners

<u>Name</u>	<u>Term Expires</u>
W. Andrew Boss, Chair	September 1, 2010
Tom Reding, Vice Chair	September 1, 2011
Kevin Lindsey, Treasurer	September 1, 2013
Marty Strub, Secretary	September 1, 2014
Merry Xiong, Assistant Secretary	September 1, 2012
Harold Purtell, Commissioner	September 1, 2011
Maria Manzanares, Commissioner	September 1, 2010

Financial Section

Independent Auditor's Report

To the Board of Commissioners
Public Housing Agency of the City of Saint Paul

We have audited the accompanying financial statements of Public Housing Agency of the City of Saint Paul (the Agency) as of and for the years ended March 31, 2010 and 2009, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of March 31, 2010 and 2009, and the respective changes in its financial position and its cash flows, where applicable, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Agency. The introductory section, the supplementary financial information, and statistical schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary financial information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and the statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Minneapolis, Minnesota
August 4, 2010

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

The management of the Public Housing Agency of the City of Saint Paul (the Agency) presents this narrative overview and analysis to the readers of the financial report of the Agency for the fiscal years ended March 31, 2010 and 2009. This document should be read in conjunction with the audited financial statements.

Financial Highlights

The total assets of the Agency exceeded its liabilities at the close of fiscal years 2010 and 2009 by \$158,182,932 and \$157,045,189, respectively. These net assets consist of the following:

- The value of capital assets, reflecting the Agency's investments in land, structures and equipment, is \$138,923,062 and \$135,509,070 for 2010 and 2009, respectively. This amount is not available for expenditures.
- Restricted net assets of \$10,133,729 and \$13,059,293 for 2010 and 2009, respectively, are restricted by the Department of Housing and Urban Development (HUD). Such funds may only be used for specific purposes.
- Unrestricted net assets of \$9,126,141 and \$8,476,826 for 2010 and 2009, respectively, are available for use in meeting ongoing Agency obligations.

The Agency's total net equity increased by \$1,137,743 in 2010 and increased by \$2,325,077 in 2009. The increase in 2010 is primarily the result of a significant increase in HUD capital contributions in the Capital Fund program.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements of the Public Housing Agency of the City of Saint Paul. The Agency's basic financial statements consist of two parts: (1) balance sheets; statements of revenues, expenses and changes in fund net assets; and statements of cash flows and (2) notes to financial statements. The report also contains other supplemental financial data schedules (FDS), as required by HUD, and certain statistical information the Agency has chosen to include within this report.

Basic financial statements: These statements are designed to give the reader a broad overview of the Agency's finances. The Agency is supported primarily by intergovernmental revenues (HUD) and rental income. All of the Agency's activities are reported as one enterprise fund.

- The *balance sheet* presents information on all the Agency's assets and liabilities, with the difference between the two reported as total net assets. Over time, changes in total net assets may reflect changes in the financial position of the Agency.
- The *statement of revenues, expenses and changes in fund net assets* presents information showing how the Agency's assets changed during the year. All changes in total net assets are reported when the relevant event occurs, regardless of the timing of the cash flow. This means that revenues and expenses are reported in this statement for which the cash flow will occur in future periods. For example, unused paid leave time is reported as an expense of this period but will not actually be paid until some future fiscal period.
- The *statement of cash flows* reports cash receipts, cash payments and net changes in cash resulting from operating, investing and financing activities. It also provides insight into where cash came from, how it was used and what the change in cash balance was during the reporting period.

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the Agency's financial statements. The notes can be found beginning on page 19 of the basic financial statements.

Financial data schedules: These schedules contain detail by program, presented in the HUD-required format.

Statistical information: These schedules contain statistical data for certain Agency programs and activities.

Other information: The Agency adopts annual budgets for Low Rent Public Housing, Section 8, and the Building Program. Capital Grant Program and other special grants are budgeted on a project-length basis.

Agency Financial Net Assets Analysis

As noted earlier, total net assets over time may serve as a useful indicator of an organization's financial condition. As of March 31, 2010 and 2009, the Agency's total assets exceeded total liabilities by \$158,182,932 and \$157,045,189, respectively. This represents an increase in net assets of \$1,137,743 from the prior year. This increase is due to a significant increase of capital contributions, partially offset by drawdown of Section 8 reserves as required by HUD.

Condensed Statements of Net Assets

	As of March 31		
	2010	2009	2008
Current and other assets	\$ 27,629,164	\$ 29,463,958	\$ 26,326,121
Capital assets	138,923,062	135,509,070	135,010,603
Total assets	<u>\$ 166,552,226</u>	<u>\$ 164,973,028</u>	<u>\$ 161,336,724</u>
Long-term liabilities	\$ 1,842,722	\$ 1,447,065	\$ 1,404,027
Other liabilities	6,526,572	6,480,774	5,212,585
Total liabilities	<u>\$ 8,369,294</u>	<u>\$ 7,927,839</u>	<u>\$ 6,616,612</u>
Net assets:			
Invested in capital assets, net of related debt	\$ 138,923,062	\$ 135,509,070	\$ 135,010,603
Restricted by HUD	10,133,729	13,059,293	17,923,003
Unrestricted	9,126,141	8,476,826	1,786,506
Total net assets	<u>\$ 158,182,932</u>	<u>\$ 157,045,189</u>	<u>\$ 154,720,112</u>

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

2010: Analysis of Changes in Condensed Statement of Net Assets

The largest portion of the Agency's net assets, 88 percent and 86 percent for 2010 and 2009, respectively, is composed of its investment in capital assets, net of depreciation (land, buildings and equipment). Since the Agency uses those assets in its primary mission to provide safe, secure and sanitary housing to low-income families, those assets are not available for future spending.

A portion of the Agency's total equity, 6.4 percent and 8.3 percent for 2010 and 2009, respectively, represents resources that are subject to external restrictions on how they may be used. Restricted net assets are \$10,133,729 and \$13,059,293 for 2010 and 2009, respectively. Unrestricted net assets total \$9,126,141 and \$8,476,826 for 2010 and 2009, respectively.

2009: Analysis of Changes in Condensed Statement of Net Assets

The largest portion of the Agency's net assets, 86 percent and 87 percent for 2009 and 2008, respectively, is composed of its investment in capital assets, net of depreciation (land, buildings and equipment). Since the Agency uses those assets in its primary mission to provide safe, secure and sanitary housing to low-income families, those assets are not available for future spending.

A portion of the Agency's total equity, 8.3 percent and 11.6 percent for 2009 and 2008, respectively, represents resources that are subject to external restrictions on how they may be used. Restricted net assets are \$13,059,293 and \$17,923,003 for 2009 and 2008, respectively. Unrestricted net assets total \$8,476,826 and \$1,786,506 for 2009 and 2008, respectively.

Financial Operational Analysis

The Agency uses fund accounting to reflect compliance with government requirements. Although HUD issues rules specific to public housing agencies, the Agency is subject to certain other federal, state and local financial reporting requirements.

The Agency is primarily supported by intergovernmental revenues (HUD) and rental income. The Agency has chosen to use a single enterprise fund, composed of several activities, which records the financial activity of the Agency. Enterprise funds, in general, focus on the determination of operating income, changes in total net assets, financial position and cash flows.

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis
Year Ended March 31, 2010

Condensed Statements of Revenues, Expenses and Changes in Net Assets

	Years Ended March 31		
	2010	2009	2008
Operating revenue:			
Tenant revenue	\$ 12,476,577	\$ 12,125,837	\$ 11,866,097
HUD grants/subsidy	50,162,380	49,449,073	51,128,226
Other revenue	3,228,969	3,588,715	2,712,485
Total operating revenue	<u>65,867,926</u>	<u>65,163,625</u>	<u>65,706,808</u>
Operating expenses:			
Administrative	11,177,284	10,356,982	11,575,768
Tenant services	2,665,786	2,600,300	2,663,119
Housing assistance payments	34,684,768	31,672,700	32,554,698
Utilities	5,233,211	5,465,475	5,344,344
Ordinary maintenance	8,691,565	8,405,911	8,086,777
General expenses and other	3,994,788	3,392,589	1,648,250
Extraordinary maintenance	722,340	535,321	544,421
Depreciation expense	7,661,892	7,457,298	7,257,922
Total operating expenses	<u>74,831,634</u>	<u>69,886,576</u>	<u>69,675,299</u>
Operating loss	<u>(8,963,708)</u>	<u>(4,722,951)</u>	<u>(3,968,491)</u>
Nonoperating revenues and capital contributions:			
Other, mainly investment income	130,991	517,198	853,321
Gain on disposition of capital assets	7,116	22,500	1,291,401
Capital contributions	9,963,344	6,508,330	3,897,192
Total nonoperating revenues and capital contributions	<u>10,101,451</u>	<u>7,048,028</u>	<u>6,041,914</u>
Change in net assets	1,137,743	2,325,077	2,073,423
Beginning net assets	157,045,189	154,720,112	152,646,689
Ending net assets	<u>\$ 158,182,932</u>	<u>\$ 157,045,189</u>	<u>\$ 154,720,112</u>

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

2010: Analysis of Changes in the Condensed Statement of Revenues, Expenses and Changes in Net Assets

The Low Rent Public Housing program rental income increased by 3.3 percent for a total increase of \$403,806 in 2010 and increased by 1.3 percent for a total increase of \$157,310 in 2009. This resulted in total rental income of \$12,529,643 and \$12,125,837 in 2010 and 2009, respectively. On a per unit month (PUM) basis, rental income of \$245.74 PUM in 2010 increased from \$237.82 PUM in 2009. HUD subsidy increased by \$1,765,490, or an average of \$34.63 PUM for 2010.

The Low Rent Public Housing program operating expenses increased, going from \$25,472,504 in 2009 to \$27,094,449 in 2010, or an increase of \$31.80 per unit month, making the current figure \$531.38 per unit month. Nonroutine expenditures (extraordinary maintenance and noncapitalized casualty losses) totaled \$702,410, compared to \$619,336 for 2009. This amounted to a 13.4 percent increase. Depreciation expense for 2010 is \$7,189,047, as compared to \$7,013,973 for 2009. Gain on sales of real property contributed \$6,308 and \$0- to revenues for 2010 and 2009, respectively.

The Section 8 Housing Choice Voucher program ended the year with average monthly lease-ups of 4,182 out of 3,994, or a 104.7 percent average lease-up rate that equated to 188 vouchers over-issued on a monthly basis. This over-issue resulted in a HUD-required transfer of \$243,441 from administrative fee reserves to HAP reserves to cover the costs of over-leasing. There were an average of 44 vouchers issued per month for the program. There were also an average of 198 "shoppers" each month. The program had an increase of 132 vouchers during 2010. This compares to 2009 when the average monthly lease-up rate was 97.9 percent based on 3,835 average monthly lease-ups for 3,918 approved vouchers, with an average of 45 vouchers issued and 286 "shoppers" per month. The program had an increase of 12 vouchers during 2009.

The Agency saw an increase of incoming vouchers from other housing agencies. There were 138 port-in vouchers at March 31, 2010, an increase from 28 in 2009. In those cases, the Agency billed the home entity the full amount of the housing assistance payments (HAP) for a particular participant as well as 80 percent of the home entity's associated administrative fee. This generated \$668,015 and \$834,420 in revenue, of which \$623,055 and \$788,400 was paid to landlords in the form of HAP for 2010 and 2009, respectively. For comparison purposes, the Agency supported 444 and 392 voucher port-outs for 2010 and 2009, respectively, with the HAP and 80 percent of its administrative fee paid to the receiving housing agency. In 2010, total HAP to landlords was \$33,635,915, or 102.7 percent of all revenue. In 2009, total HAP to landlords amounted to \$30,585,264, or 89.3 percent of all revenue.

The Section 8 program average HAP costs per voucher, \$670.19, increased by 0.8 percent in 2010, as compared to \$664.51 in 2009. Operating costs per unit month, \$60.00, decrease by 1.3 percent in 2010, as compared to \$60.77 in 2009.

The Capital Fund program receives HUD grant money on a reimbursement basis, while the grant accounts for construction in progress on the Agency's public housing properties. Funding is awarded in a series of overlapping four-year grants. For the most recent grants, Federal Fiscal Year 2009 was in the amount of \$7,870,804, Federal Fiscal Year 2008 was in the amount of \$7,905,110, Federal Fiscal Year 2007 was in the amount of \$7,502,911, Federal Fiscal Year 2006 was in the amount of \$7,718,438, Federal Fiscal Year 2005 was in the amount of \$8,079,514, and Federal Fiscal Year 2004 was in the amount of \$8,860,374. Fiscal years 2010 and 2009 ended with \$10,858,322 and \$6,407,182, respectively, in construction in progress.

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

In 2010 the Agency was awarded three grants under the American Reinvestment and Recovery Act totaling \$17,217,915. These grants are included in the Capital Fund program and are meant to be used for capital improvements only. These funds will be used for modernization work at McDonough Homes, as well as window replacement, boiler replacement, toilet replacement, and life safety improvements at several hi-rises.

The Agency's central administrative office building is primarily occupied by the Agency itself (65 percent). Leases are in place for the balance of the space. Individual financial arrangements were made for construction build-out with tenants sharing the cost over time. This will impact cash flow but will not impact revenue, since the capital improvements stay with the building.

2009: Analysis of Changes in the Condensed Statement of Revenues, Expenses and Changes in Net Assets

The Low Rent Public Housing program rental income increased by 1.3 percent for a total increase of \$157,310 in 2009 and increased by 1.9 percent for a total increase of \$219,707 in 2008. This resulted in total rental income of \$12,125,837 and \$11,968,527 in 2009 and 2008, respectively. On a per unit month (PUM) basis, rental income of \$237.82 PUM in 2009 increased from \$236.39 PUM in 2008. HUD subsidy increased by \$1,208,682, or an average of \$23.70 PUM for 2009.

The Low Rent Public Housing program operating expenses increased, going from \$22,240,937 in 2008 to \$25,472,504 in 2009, or an increase of \$63.13 per unit month, making the current figure \$499.33 per unit month. Nonroutine expenditures (extraordinary maintenance and noncapitalized casualty losses) totaled \$619,336, compared to \$611,644 for 2008. This amounted to a 1.3 percent increase. Depreciation expense for 2009 is \$7,013,973, as compared to \$6,815,696 for 2008. Gain on sales of real property contributed \$0- and \$1,291,401 to revenues for 2009 and 2008, respectively.

The Section 8 Housing Choice Voucher program (including disability vouchers) ended the year with average monthly lease-ups of 3,835 out of 3,918, or a 97.9 percent average lease-up rate that equated to 83 vouchers under-issued on a monthly basis. There were an average of 45 vouchers issued per month for the program. There were also an average of 286 "shoppers" each month. The program had an increase of 12 vouchers during 2009. This compares to 2008 when the average monthly lease-up rate was 102.0 percent based on 3,967 average monthly lease-ups for 3,911 approved vouchers, with an average of 60 vouchers issued and 239 "shoppers" per month. The program had no increase in vouchers during 2008.

The Agency saw a decrease of incoming vouchers from other housing agencies. There were 28 port-in vouchers at March 31, 2009, a decrease from 95 in 2008. In those cases, the Agency billed the home entity the full amount of the housing assistance payments (HAP) for a particular participant as well as 80 percent of the home entity's associated administrative fee. This generated \$834,420 and \$341,520 in revenue, of which \$788,400 and \$323,578 was paid to landlords in the form of HAP for 2009 and 2008, respectively. For comparison purposes, the Agency supported 392 and 314 voucher port-outs for 2009 and 2008, respectively, with the HAP and 80 percent of its administrative fee paid to the receiving housing agency. In 2009, total HAP to landlords was \$30,585,264, or 89.3 percent of all revenue. In 2008, total HAP to landlords amounted to \$31,448,284, or 86.2 percent of all revenue.

The Section 8 program average HAP costs per voucher, \$664.51, increased by 0.6 percent in 2009, as compared to \$660.51 in 2008. Operating costs per unit month, \$60.77, increased by 9.2 percent in 2009, as compared to \$55.65 in 2008.

Public Housing Agency of the City of Saint Paul

Management's Discussion and Analysis Year Ended March 31, 2010

The Capital Fund program receives HUD grant money on a reimbursement basis, while the grant accounts for construction in progress on the Agency's public housing properties. Funding is awarded in a series of overlapping three-year grants. For the most recent grants, Federal Fiscal Year 2008 was in the amount of \$7,905,110, Federal Fiscal Year 2007 was in the amount of \$7,502,911, Federal Fiscal Year 2006 was in the amount of \$7,718,438, Federal Fiscal Year 2005 was in the amount of \$8,079,514, and Federal Fiscal Year 2004 was in the amount of \$8,860,374. Fiscal years 2009 and 2008 ended with \$6,407,182 and \$5,590,529, respectively, in construction in progress.

The Agency's central administrative office building is primarily occupied by the Agency itself (76 percent). Leases are in place for the balance of the space. Individual financial arrangements were made for construction build-out with tenants sharing the cost over time. This will impact cash flow but will not impact revenue, since the capital improvements stay with the building.

2010 Capital Assets

The Agency had \$138,923,062 and \$135,509,070 for 2010 and 2009, respectively, invested in property and equipment, net of depreciation, as displayed in Note 4 (pages 26 and 27 of this report) to the financial statements. This is a net increase of \$3,413,992. In 2010, \$5,512,205 was reclassified from construction in progress to buildings when Capital Fund Program Grant 707 was closed. In 2009, \$5,191,671 was reclassified from construction in progress to buildings when Capital Fund Program Grant 706 was closed.

2009 Capital Assets

The Agency had \$135,509,070 and \$135,010,603 for 2009 and 2008, respectively, invested in property and equipment, net of depreciation, as displayed in Note 4 (pages 26 and 27 of this report) to the financial statements. This is a net decrease of \$498,467. In 2009, \$5,191,671 was reclassified from construction in progress to buildings when Capital Fund Program Grant 706 was closed. In 2008, \$12,382,510 was reclassified from construction in progress to buildings when Capital Fund Program Grants 704 and 705 were closed.

Requests for Information

This document is designed to provide an overview of the Agency's finances. Questions concerning any of the information provided in this document or requests for additional information should be addressed to the Finance Director, Public Housing Agency of the City of Saint Paul, 555 Wabasha St. N, Suite 400, Saint Paul, MN 55102.

Public Housing Agency of the City of Saint Paul

Balance Sheets

March 31, 2010 and 2009

Assets	2010	2009
Current Assets		
Cash and cash equivalents (Note 2)	\$ 969,174	\$ 1,834,927
Accounts and grants receivable, net	2,925,914	2,125,354
Investments (Note 2)	20,296,600	23,209,231
Investments — restricted (Notes 2 and 3)	2,441,651	1,506,178
Prepaid expenses and inventory	892,694	685,137
Total current assets	27,526,033	29,360,827
Noncurrent Assets		
Other assets	103,131	103,131
Capital assets, net (Note 4)	138,923,062	135,509,070
Total noncurrent assets	139,026,193	135,612,201
Total assets	\$ 166,552,226	\$ 164,973,028
Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable	\$ 2,179,603	\$ 2,416,369
Due to other governmental entities	173,477	176,287
Security deposits (Note 3)	916,524	903,839
Accrued expenses	2,622,725	2,220,112
Unearned revenues	634,243	568,070
Total current liabilities	6,526,572	6,284,677
Accrued compensated absences and other — long-term (Note 5)	1,842,722	1,643,162
Total liabilities	8,369,294	7,927,839
Commitments and Contingencies (Notes 6 and 7)		
Net Assets		
Invested in capital assets	138,923,062	135,509,070
Restricted by HUD	10,133,729	13,059,293
Unrestricted	9,126,141	8,476,826
Total net assets	158,182,932	157,045,189
Total liabilities and net assets	\$ 166,552,226	\$ 164,973,028

See Notes to Financial Statements.

Public Housing Agency of the City of Saint Paul

Statements of Revenues, Expenses and Changes in Fund Net Assets
For the Years Ended March 31, 2010 and 2009

	2010	2009
Revenues:		
Tenant rental revenue, net of bad-debt expense of \$53,066 and 105,966 for the years ended 2010 and 2009, respectively	\$ 12,398,031	\$ 12,045,041
Tenant revenue — other	78,546	80,796
Total tenant revenues	12,476,577	12,125,837
HUD operating grant revenue	50,162,380	49,449,073
Other revenues	3,228,969	3,588,715
Total revenues	65,867,926	65,163,625
Operating expenses:		
Administrative	11,177,284	10,356,982
Tenant services	2,665,786	2,600,300
Housing assistance payments	34,684,768	31,672,700
Utilities	5,233,211	5,465,475
Ordinary maintenance and operations	8,691,565	8,405,911
Protective services	27,833	31,626
General expenses	3,966,802	3,263,577
Extraordinary maintenance	722,340	535,321
Casualty losses — noncapitalized	153	97,386
Depreciation expense	7,661,892	7,457,298
Total operating expenses	74,831,634	69,886,576
Operating loss	(8,963,708)	(4,722,951)
Nonoperating revenues (expenses):		
Investment income	130,991	517,198
Gain on disposition of capital assets	7,116	22,500
Total nonoperating revenues (expenses)	138,107	539,698
Loss before capital contributions	(8,825,601)	(4,183,253)
HUD capital contributions	9,963,344	6,508,330
Change in net assets	1,137,743	2,325,077
Net assets, beginning	157,045,189	154,720,112
Net assets, ending	\$ 158,182,932	\$ 157,045,189

See Notes to Financial Statements.

Public Housing Agency of the City of Saint Paul

Statements of Cash Flows

For the Years Ended March 31, 2010 and 2009

	2010	2009
Cash Flows From Operating Activities		
Cash received from tenants	\$ 12,504,321	\$ 12,093,229
Cash received from HUD subsidies	49,293,114	49,187,521
Other revenues	3,258,258	3,676,747
Cash paid for operating expenses	(54,816,412)	(49,719,460)
Cash payments to employees	(12,172,498)	(11,328,642)
Net cash provided by (used in) operating activities	(1,933,217)	3,909,395
Cash Flows From Capital and Related Financing Activities		
Cash received from HUD — capital grants	9,963,344	6,508,330
Proceeds from sale of capital assets	7,116	22,500
Cash payments for capital assets	(11,075,888)	(7,955,765)
Net cash used in capital and related financing activities	(1,105,428)	(1,424,935)
Cash Flows From Investing Activities		
Purchases of investments	(37,105,943)	(27,695,014)
Sale and maturities of investments	39,083,105	24,349,538
Interest income received	195,730	705,906
Net cash provided by (used in) investing activities	2,172,892	(2,639,570)
Net decrease in cash and cash equivalents	(865,753)	(155,110)
Cash and Cash Equivalents, beginning of year	1,834,927	1,990,037
Cash and Cash Equivalents, end of year	\$ 969,174	\$ 1,834,927
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities		
Operating loss	\$ (8,963,708)	\$ (4,722,951)
Depreciation expense	7,661,892	7,457,298
Changes in operating assets and liabilities:		
Receivables	(865,299)	(206,128)
Prepaid expenses and inventory	(207,557)	69,949
Payables, security deposits, accrued expenses and unearned revenues	441,455	1,311,227
Net cash provided by (used in) operating activities	\$ (1,933,217)	\$ 3,909,395

See Notes to Financial Statements.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The basic financial statements of the Public Housing Agency of the City of Saint Paul have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. Descriptions of the significant accounting policies follow:

Reporting entity: The Public Housing Agency of the City of Saint Paul (the Agency) is a separate and independent agency, chartered as a political subdivision of the State of Minnesota (Laws of Minnesota, 1977, Chapter 228, Section 1).

Accounting principles generally accepted in the United States of America require that these financial statements present the Agency (the primary government) and its component units. The criteria provided in Governmental Accounting Standards Board Codification Section 2100 have been considered, and there are no agencies or entities that should be presented in these financial statements.

Basis of accounting and financial statement presentation: The Agency is a special-purpose government engaged only in business-type activities. The Agency has determined all its activities are classified and reported as required for enterprise funds and are therefore accounted for on the proprietary fund-type basis. The proprietary fund-type utilizes the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded when the liability has been incurred, regardless of the timing of the related cash flows.

As permitted by accounting principles generally accepted in the United States of America, the Agency has elected to apply only FASB statements and interpretations issued before November 30, 1989, in its accounting and reporting practices for its operations.

Fund accounting: For governmental accounting, a fund is used to report on the Agency's financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

An enterprise fund is used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

An enterprise fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the enterprise fund's principal ongoing operations. The principal operating revenues of the Agency's enterprise fund are charges to customers for services related to rental activity, including subsidies received from the Department of Housing and Urban Development (HUD) for administering these services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

As a general rule, the effect of intergrant activity has been eliminated from the statements of revenues, expenses and changes in fund net assets. In the balance sheet, amounts reported in the programs as intergrant receivables and payables have been eliminated.

The activities of the Agency are described as follows:

Low Rent (CACC No. C-4118, as amended): Low Rent records transactions relating to the 16 high-rises, four family developments and approximately 405 scattered site homes, for a total of 4,249 dwelling units owned by the Agency. The U.S. Department of Housing and Urban Development (HUD) provides operating subsidies for these units through a Consolidated Annual Contributions Contract (CACC) consisting of HUD project numbers MN 01-1, 2, 3, 4, 5, 6, 7, 8A, 8B, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 23, 24, 26, 27, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39 and 40. In accordance with the new Asset Management Reporting (AMP) as required by HUD beginning in 2009, the Low Rent program also includes activity of Capital Fund Program Grants (CFP), which are modernization funds received from HUD for capital improvements, major repairs, management improvements, operational costs and related planning costs to improve the physical quality of low-income housing units.

Section 8: The activities accounted for in Section 8 include Moderate Rehabilitation (Mary Hall — 75 authorized certificates and Booth Brown House Foyer — 6), Disability Voucher (117 authorized vouchers), Disaster Housing Assistance Program (0 authorized vouchers), and Housing Choice Voucher (4,052 authorized vouchers) programs. These activities were authorized by Section 8 of the National Housing Act and provide housing assistance payments to private, not-for-profit or public landlords to subsidize rent payments for low-income persons.

Moderate Rehabilitation (CACC No. MN001MR0006, as amended): Section 8 Moderate Rehabilitation funds rehabilitate low-income housing units over a contracted period of time. Both for-profit and not-for-profit developers may provide low-income housing under this program. The grant is designed to provide owners with sufficient rental income to pay for rehabilitation costs. Developers must obtain their own financing. HUD subsidizes rents once the units are accepted.

Disability Voucher (CACC No. MN001DV, as amended): Section 8 Disability Vouchers are the old mainstream program vouchers which enable families having a person with disabilities to lease affordable private housing of their choice. Disability Vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

Housing Choice Voucher (CACC No. MN001VO, as amended): Section 8 Housing Choice Voucher allows for non-Agency-owned housing units to be used for low-income housing. HUD provides a contracted dollar amount to the Agency, which is used to provide rental payment assistance to landlords.

The individual's subsidy is limited to the difference between 30 percent of the participant's adjusted household income and the fair market rent, as determined by HUD for specific unit sizes.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Congregate Housing Services Program Grant (CHSP): The National Affordable Housing Act (11-28-1990), Section 802, provides funding for CHSP, which operates in six high-rises. CHSP provides assistance in necessary daily living activities, which enables residents to maintain independent living status, as opposed to becoming dependent on institutionalized care. Meal service, housekeeping assistance, personal care assistance and case management are available to participants at six high-rise sites with funding from this grant and through the coordination of volunteers and other in-kind contributions. Participants pay a HUD-regulated fee for services received.

Business Activities: This accounts for the central administration office building (see Note 9). The Agency also leases space within this building to external parties (see Note 9).

State/Local Activities:

Wilder: The Wilder Foundation provides financial assistance to qualified residents who are in need of help with the cost of meals provided through the CHSP program. The surplus is the difference between the fees charged to Wilder for those residents' meals and the cost of those meals. The surplus is available for the administration of the CHSP grant.

Budgets: Budgets for Low Rent Public Housing and Section 8 are adopted and amended on a HUD-prescribed basis. In general, operating budgets are on an annual basis, while the budgets for grants supported by Capital Fund Program Grant funds cover up to three years. Expenditures may not exceed total allocations by the grant, although there is some flexibility on a line-item basis.

Cash equivalents: For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Investments: The Agency may utilize U.S. Treasury securities, U.S. agency securities, bankers' acceptances and certain other authorized investments as determined by HUD and the state of Minnesota. All investments are carried at fair value, with the unrealized gains and losses reported as a component of investment income.

Grants receivable: Grants receivable consist of amounts due from HUD for reimbursement of expenses or costs incurred by the Agency as of year-end.

Prepaid expenses and inventory: Prepaid expenses consist of certain deposits and prepayments. Inventories are stated at the lower of average cost or market and consist of expendable supplies and materials. Items are expensed when consumed, using a moving weighted-average cost method.

Capital assets: Land, structures and equipment are recorded at historical cost. Purchases over \$5,000 per unit and having a useful life of more than one year are capitalized. Depreciation, using the straight-line method, is calculated on structures, site improvements and equipment over estimated useful lives (see Note 4). Donated assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

HUD subsidies and contributions: Subsidies and contributions are recognized when eligibility requirements are met. These represent the most significant sources of revenue and contributed capital. The terms of these subsidies and contributions are defined in various Consolidated Annual Contributions Contracts. HUD subsidies for ongoing operations and housing assistance payments for each unit rented to qualified tenants are recorded as operating grant revenues. HUD contributions for project acquisition and development or modernization are recorded as capital contributions.

Tenant rental revenue: Revenue from rental charges to residents is recognized ratably over the terms of the lease agreements, which are generally on a month-to-month basis.

Portability revenue: Portability revenue, included in other revenue in the statements of revenues, expenses and changes in fund net assets, is recognized ratably based on housing assistance payments and administrative fees associated with incoming vouchers from other housing agencies.

Taxes: The Agency, as a political subdivision of the State of Minnesota, is exempt from state and federal income tax and city sales tax, but is subject to state sales tax.

Under a cooperation agreement with the City of Saint Paul, the Agency makes payments to the City in lieu of property taxes (PILOT) on its rental housing properties.

The Agency pays property tax on the portion of the central administrative office building rented by non-tax-exempt commercial entities.

Unearned revenues: The Agency reports unearned revenues on its balance sheets. Unearned revenues arise when resources arrive before the Agency has met the eligibility requirements, such as when grant money is received before the qualifying expenditure is made. In the subsequent period, when the Agency has met the eligibility requirements, the liability for unearned revenue is removed from the balance sheet, and the revenue is recognized.

Compensated absences: Employees earn vacation at rates from 12 to 30 days per year. Unused vacation is allowed to accumulate up to 280 hours. Under certain conditions, certain vacation hours may be surrendered for cash during active employment. Employees are paid for all accumulated vacation upon termination. Vacation is recorded as an expense and a liability during the fiscal year in which it is earned. The current portion of accrued compensated absences of \$792,778 and \$766,400 for 2010 and 2009, respectively, is included in accrued expenses on the balance sheets.

The Agency recognizes and compensates its employees for 10 traditional holidays and two personal floating holidays. Holiday pay is recorded as salary expense when paid.

Employees earn sick leave at the rate of 120 hours per year. Unused sick leave is allowed to accumulate up to 2,400 hours per employee. Under certain conditions, employees may convert unused sick leave to hourly paid time or vacation time on a graduated percentage scale (between 25 percent and 55 percent). Employees are compensated for unused sick leave according to the same graduated scale at the time of separation from the Agency. Vested sick leave pay is recorded as an expense and a liability at the time the sick leave is earned.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Additional accruals are recorded for severance and retirement pay eligibility when earned during employment. In 2009, the labor groups agreed to have retirement pay contributed to an IRS-approved health care savings plan, thereby allowing a tax savings to the employee and the Agency.

Compensated absences paid during employment are charged to salaries. Termination settlements are charged to severance expense.

Net assets: Net assets are classified in three components. *Net assets invested in capital assets*, consist of capital assets net of accumulated depreciation. *Restricted net assets* are noncapital net assets that must be used for a particular purpose, as specified by creditors, grantors or contributors external to the Agency. *Unrestricted net assets* are remaining net assets that do not meet the definition of *invested in capital assets* or *restricted*. HUD has changed its method of recording Section 8 housing assistance payment reserves to restricted net assets, also requiring an equal amount of cash and investments to be restricted to cover these reserves.

Estimates: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Risk management: The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The Agency has purchased commercial insurance, which provides for these various risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Reclassifications: Certain items in the 2009 financial statements have been reclassified to be consistent with the presentation in 2010. These reclassifications had no effect on net assets as previously reported.

Note 2. Cash and Investments

The Agency's deposits and investments consist of the following at March 31, 2010 and 2009:

	2010	2009
Deposits with financial institutions	\$ 969,174	\$ 1,834,927
Investments:		
Debt securities	14,649,766	9,827,800
Fixed-income certificates of deposit	3,985,684	8,420,855
Mortgage-backed securities	4,102,801	6,466,754
Total investments	22,738,251	24,715,409
	<u>\$ 23,707,425</u>	<u>\$ 26,550,336</u>

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

Deposits and investments are classified in the accompanying financial statements at March 31, 2010 and 2009, as follows:

	2010	2009
Cash	\$ 969,174	\$ 1,834,927
Investments — current	20,296,600	23,209,231
Investments — restricted	2,441,651	1,506,178
	<u>\$ 23,707,425</u>	<u>\$ 26,550,336</u>

Custodial credit risk — deposits: The Agency's investment policy requires the Agency to follow state statutes. The Agency maintains its deposits at depository banks and financial institutions authorized by the Board, and all Agency deposits must be protected by insurance, surety bond or collateral. The surety bonds and/or the market value of collateral pledged must equal or exceed 110 percent of the deposits not covered by insurance or bonds.

All Agency checking accounts were maintained at depositories approved by the Board.

Investments: Statutes authorize the Agency to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit, repurchase agreements, money market mutual funds, local government investment pools, and other forms as allowed by HUD and state law. The Agency's investment policy is limited to those investments authorized by statute.

Interest rate risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Agency's interest rate risk policy limits the Agency's investment portfolio to maturities of less than five years without Board approval. As of March 31, 2009, all of the Agency's investments had maturities of one year or less. The following table presents the estimated maturities of the Agency's investments as of March 31, 2010:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1 – 5	6 – 10	More Than 10
Debt securities	\$ 14,649,766	\$ 14,649,766	\$ -	\$ -	\$ -
Fixed-income CDs	3,985,684	3,985,684	-	-	-
Mortgage-backed securities	4,102,801	2,497,360	1,605,441	-	-
	<u>\$ 22,738,251</u>	<u>\$ 21,132,810</u>	<u>\$ 1,605,441</u>	<u>\$ -</u>	<u>\$ -</u>

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 2. Cash and Investments (Continued)

Credit risk: As a means of managing its exposure that an issuer of a debt security will not fulfill its obligations, the Agency's credit risk policy is to follow state law, which limits investments in its authorized securities to certain credit risk ratings and maturities. As of March 31, 2010, all certificates of deposit held were fully insured by the Federal Depository Insurance Company (FDIC). As of March 31, 2010, the Agency's remaining investments carried the following ratings:

Investment Type	Fair Value	Rating as of Year-End: Standard & Poor's/Moody's Investor Service			
		AAA/Aaa	A-1+/Aaa	A-1+/nr	nr/nr
Debt securities	\$ 14,649,766	\$ 7,668,154	\$ 998,800	\$ 2,990,700	\$ 2,992,112
Mortgage-backed securities	4,102,801	4,102,801	-	-	-
Total	18,752,567	\$ 11,770,955	\$ 998,800	\$ 2,990,700	\$ 2,992,112
Fixed-income certificates of deposit	3,985,684				
Total investments	\$ 22,738,251				

As of March 31, 2009, the Agency's remaining investments carried the following ratings:

Investment Type	Fair Value	Rating as of Year-End: Standard & Poor's/Moody's Investor Service			
		AAA/Aaa	A-1+/Aaa	A-1+/nr	nr/nr
Debt securities	\$ 9,827,800	\$ 9,827,800	\$ -	\$ -	\$ -
Mortgage-backed securities	6,466,754	6,466,754	-	-	-
Total	16,294,554	\$ 16,294,554	\$ -	\$ -	\$ -
Fixed-income certificates of deposit	8,420,855				
Total investments	\$ 24,715,409				

Custodial credit risk: For an investment, the custodial credit risk is that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Agency will not be able to recover the value of its investments that are in the possession of another party. The Agency's custodial credit risk policy is to require all securities purchased to be made in such a manner that the securities are at all times insured, registered in the Agency's name, or in the possession of the Agency.

Concentration of credit risk: The Agency's concentration of credit risk policy is to place no limit on the amounts that may be invested in any one issuer. At March 31, 2010 and 2009, more than 5 percent of the Agency's investments are in the following issuers:

Issuer	2010	2009
Federal Home Loan Mortgage notes	7%	0%
Federal National Mortgage notes	64%	40%
Federal Home Loan Bank notes	11%	26%

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 3. Tenant Security Deposits and FSS Escrow

Residents are required to pay a security deposit when moving into Agency property. That deposit, plus accrued interest, less any amounts due to the Agency, is refundable upon move-out. For the years ended March 31, 2010 and 2009, security deposits held by the Agency totaled \$916,524 and \$903,839, respectively, plus accrued interest, included in accrued expenses on the balance sheets, of \$112,492 and \$106,762, respectively.

An escrow account has been established for Section 8 and Low Rent Public Housing participants in the Family Self-Sufficiency program (FSS). A portion of rent paid by residents participating in this program is held for them until the participating family meets individually established self-sufficiency goals. The escrowed amount is turned over to the head of household upon completion of their specific work plan or when 30 percent of the family's monthly-adjusted income equals or exceeds the appropriate fair market rent. Escrows are nonrefundable if the family leaves the program. Interest is accrued on the account. At March 31, 2010 and 2009, FSS escrow amounts held by the Agency, included in accrued expenses on the balance sheets, totaled \$138,430 and \$190,734, respectively.

Note 4. Capital Assets

The following is a summary by category of capital assets as of March 31, 2010:

	Assets — At Cost				Estimated Life in Years
	Balance, March 31, 2009	Reclassifications and Additions	Retirements	Balance, March 31, 2010	
Land	\$ 8,360,411	\$ -	\$ -	\$ 8,360,411	Not depreciable
Construction in progress	6,407,182	4,451,140	-	10,858,322	Not depreciable
Land improvements	26,260,436	-	-	26,260,436	15
Buildings	252,595,402	6,552,955	-	259,148,357	30
Furniture, equipment and machinery — dwellings and administrative	2,171,734	71,793	158,557	2,084,970	3 – 10
	<u>\$ 295,795,165</u>	<u>\$ 11,075,888</u>	<u>\$ 158,557</u>	<u>\$ 306,712,496</u>	
	Accumulated Depreciation				Net Book Value, March 31, 2010
	Balance, March 31, 2009	Additions	Retirements	Balance, March 31, 2010	
Land	\$ -	\$ -	\$ -	\$ -	\$ 8,360,411
Construction in progress	-	-	-	-	10,858,322
Land improvements	22,815,295	703,253	-	23,518,548	2,741,888
Buildings	135,486,297	6,838,703	-	142,325,000	116,823,357
Furniture, equipment and machinery — dwellings and administrative	1,984,503	119,940	158,557	1,945,886	139,084
	<u>\$ 160,286,095</u>	<u>\$ 7,661,896</u>	<u>\$ 158,557</u>	<u>\$ 167,789,434</u>	<u>\$ 138,923,062</u>

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 4. Capital Assets (Continued)

The following is a summary by category of capital assets as of March 31, 2009:

	Assets — At Cost				Estimated Life in Years
	Balance, March 31, 2008	Reclassifications and Additions	Retirements	Balance, March 31, 2009	
Land	\$ 8,325,837	\$ 34,574	\$ -	\$ 8,360,411	Not depreciable
Construction in progress	5,590,529	816,653	-	6,407,182	Not depreciable
Land improvements	25,811,117	449,319	-	26,260,436	15
Buildings	246,038,502	6,556,900	-	252,595,402	30
Furniture, equipment and machinery — dwellings and administrative	2,206,891	98,319	133,476	2,171,734	3 – 10
	<u>\$ 287,972,876</u>	<u>\$ 7,955,765</u>	<u>\$ 133,476</u>	<u>\$ 295,795,165</u>	

	Accumulated Depreciation			Balance, March 31, 2009	Net Book Value, March 31, 2009
	Balance, March 31, 2008	Additions	Retirements		
Land	\$ -	\$ -	\$ -	\$ -	\$ 8,360,411
Construction in progress	-	-	-	-	6,407,182
Land improvements	22,072,352	742,943	-	22,815,295	3,445,141
Buildings	128,905,464	6,580,833	-	135,486,297	117,109,105
Furniture, equipment and machinery — dwellings and administrative	1,984,457	133,522	133,476	1,984,503	187,231
	<u>\$ 152,962,273</u>	<u>\$ 7,457,298</u>	<u>\$ 133,476</u>	<u>\$ 160,286,095</u>	<u>\$ 135,509,070</u>

Note 5. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended March 31, 2010:

	Balance, March 31, 2009	Additions	Reductions	Balance, March 31, 2010	Due Within One Year
Compensated absences	\$ 2,213,465	\$ 1,390,859	\$ 1,209,064	\$ 2,395,260	\$ 792,778

The following is a summary of changes in long-term liabilities for the year ended March 31, 2009:

	Balance, March 31, 2008	Additions	Reductions	Balance, March 31, 2009	Due Within One Year
Compensated absences	\$ 2,131,665	\$ 1,347,612	\$ 1,265,812	\$ 2,213,465	\$ 766,400

Note 6. Pension Plan

The Agency requires all full-time employees to be part of a 401(a) defined-contribution plan. This plan was established before the Agency became an independent entity; consequently, 22 City of Saint Paul employees (eight employed and 14 retired) are still part of the plan. For all other intents and purposes, it is a single-employer plan. A Board of Trustees independent of the Agency administers the plan.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 6. Pension Plan (Continued)

Contributions are required of both the employer and employee participants equal to 7 percent and 5 percent of each employee's monthly base salary, respectively. Voluntary contributions and rollover contributions are also allowed. Employer contributions to the plan were approximately \$774,000 and \$735,000, and employee contributions amounted to approximately \$572,000 and \$541,000 for the years ended March 31, 2010 and 2009, respectively.

Employer and employee monthly contributions are invested by the participants in a selection of mutual fund shares. Vesting for employer contributions occurs on an incremental basis, with full vesting achieved at five years of service, attaining the age of 55, or termination of service due to disability. Employee contributions are fully vested at the time of contribution.

Note 7. Postemployment Health Care Plan

Plan description: Employees who have Agency-sponsored health coverage in force as of their termination date and who meet certain age and length of service requirements may be eligible for the Agency's retiree health care coverage. Eligible retirees may continue health coverage in the Agency's group health insurance program until they meet Medicare eligibility requirements.

From the date of retirement to the day the retiree meets Medicare eligibility, retirees may participate in the Agency's group health coverage program with access to the same health plan (and benefit levels) available to active employees. Retirees can qualify to receive an Agency contribution of \$560 a month toward health plan premium until they meet Medicare eligibility by meeting one of three specific age and length of service requirements.

The current retiree health care benefit plan is approved by the Agency's Board of Commissioners on a year-to-year basis. According to Minnesota Statute 179A.20, subdivision 2a, a contract may not obligate an employer to fund all or part of the cost of health care benefits for a former employee beyond the duration of the contract. The statute also states that a personnel policy may not obligate an employer to fund all or part of health care benefits for a former employee beyond the duration of the policy. Within the dictates of existing contracts, the Board of Commissioners may change the benefit structure at any time. The retiree health care plan does not issue a publicly available financial report.

Funding policy: Postemployment health care benefits are currently funded in relation to the annual required contribution (ARC) on a pay-as-you-go basis. The Board of Commissioners may change the funding policy at any time. In the years ended March 31, 2010 and 2009, the Agency paid \$560 and \$500 per month for the enrolled retirees described above, respectively, while these retirees contributed the excess of the cost of their plan per month to the Agency. In the years ended March 31, 2010 and 2009, member contributions totaled \$2,485 and \$1,703, respectively.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 7. Postemployment Health Care Plan (Continued)

Annual OPEB cost and net OPEB obligation: The Agency's annual other postemployment benefit (OPEB) expense is calculated based on the annual required contribution (ARC), which is actuarially determined in accordance with the parameters of GASB Statement No. 45. The Agency's ARC represents a level of funding that, if paid on an ongoing basis, would be projected to cover the normal cost each year and amortize the unfunded actuarial liabilities (UAL) over a 30-year period. During the year ended March 31, 2010, eight former employees received the postemployment health care benefit. Contributions in relation to the ARC totaled 86 percent of the March 31, 2010, ARC. During the year ended March 31, 2009, 12 former employees received the postemployment health care benefit. Contributions in relation to the ARC totaled 50 percent of the March 31, 2009, ARC. The table below shows the components of the Agency's annual OPEB cost, the amount actually contributed to the plan, and changes in the Agency's net OPEB obligation and the net OPEB obligation recorded by the Agency at the end of the year, included in accrued compensated absences and other — long-term on the balance sheet, relating to the postemployment health care plan:

	Years Ended March 31	
	2010	2009
Annual required contribution	\$ 256,000	\$ 251,000
Employer's contributions with interest	(221,000)	(139,000)
Increase in net OPEB obligation	35,000	112,000
Net OPEB obligation beginning of the year	112,000	-
Net OPEB obligation end of year	\$ 147,000	\$ 112,000

The table below shows the Agency's annual OPEB cost, employer contributions and the percentage of annual OPEB cost contributed to the plan, for the years ended March 31, 2010 and 2009:

	2010	2009
Annual OPEB cost	\$ 256,000	\$ 251,000
Employer contributions	221,000	139,000
Percentage contributed	86%	55%

Funded status and funding progress: As of April 1, 2008, the most recent actuarial valuation date, the plan was completely unfunded. The actuarial accrued liability for benefits was \$2,840,000. The covered payroll was \$11,850,000, and the ratio of the UAL to the covered payroll was 24 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial methods and assumptions: Projections of benefits for financial reporting purposes are based on the plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 7. Postemployment Health Care Plan (Continued)

In the April 1, 2009, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return, net of administrative expenses, which is a blended rate of the expected long-term investment returns on plan assets and on the Agency's own investments calculated based on the funded level of the plan at the valuation date, and an annual health care cost trend rate of 9 percent initially, reduced by decrements to an ultimate rate of 5 percent after nine years. Both rates included a 5 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at March 31, 2010, was 28 years.

Note 8. Commitments and Contingencies

Construction commitments: The Agency has entered into various contracts for construction projects, mainly relating to the Capital Fund programs, which are expected to be completed during fiscal year 2010 and beyond. As of March 31, 2010, the remaining commitment on these construction projects approximated \$14,626,566. The costs are being funded by the respective grants.

HUD-guaranteed debt: Certain Housing Authority bonds and Federal Financing Bank (FFB) notes were issued by the Agency for the purpose of financing the acquisition, development and modernization of public housing property. HUD is the primary obligor of these bonds and notes and has guaranteed the debt service payments through annual CACC contributions. The Agency is the secondary obligor and has pledged its financed projects and revenues as collateral on the debt service payments in the event that HUD terminates its annual CACC contributions. Accordingly, the bonds and notes are not reported as liabilities in the accompanying financial statements. Bonds and notes outstanding as of March 31, 2010 and 2009, were as follows:

	Original Issue	Amount Outstanding	
		2010	2009
5% 6th Issue (1970) Housing Authority Bonds due serially through 2010	\$ 15,970,000	\$ -	\$ 655,000
5% 7th Issue (1972) Housing Authority Bonds due serially through 2014	2,862,983	548,802	681,206
5.125% 8th Issue (1973) Housing Authority Bonds due serially through 2015	3,725,000	915,000	1,080,000
	<u>\$ 22,557,983</u>	<u>\$ 1,463,802</u>	<u>\$ 2,416,206</u>

Public Housing Agency of the City of Saint Paul

Notes to Financial Statements

Note 9. Rental Commitments Receivable

The Agency has entered into rental agreements with external parties for vacant space within the central administrative office building, of which approximately 35 percent is held for lease to external parties. The net book value of the office building was \$12,020,080 as of March 31, 2010, and related depreciation expense was \$433,824 for the year then ended. The rental agreements have varying terms with regard to the payment of costs incurred for making the space suitable for the specific tenant. The tenants of the central administrative office building share the costs of these renovations through either a period of rent abatement or direct repayment. One of the tenants has agreed to rent approximately 24 percent of the rentable square feet within the building. The agreement between the Agency and this tenant provides for equal sharing of the renovation costs to a limit of approximately \$800,000, which will be repaid to the tenant through rent abatements of approximately \$80,000 for each of the first five years of the 10-year lease. The rental commitments (net of rent abatement) for space are shown below:

Years ending March 31:

2010	\$	271,000
2011		239,000
2012		229,000
2013		229,000
2014		192,000
Thereafter		79,000
	\$	<u>1,239,000</u>

Supplementary Information Section

Public Housing Agency of the City of Saint Paul

Financial Data Schedule
 Combining Balance Sheet — All Programs
 March 31, 2010

Line Item No.	Account Description	Low Rent 14.850a	Section 8 Voucher Choice Program 14.871	Section 8 MOD Rehab. Program 14.856	Section 8 Disability Vouchers 14.181
Assets					
Current Assets					
Cash:					
111	Cash — unrestricted	\$ 359,193	\$ -	\$ 51,316	\$ 85,965
113	Cash — other restricted	2,836	-	-	-
100	Total cash	362,029	-	51,316	85,965
Accounts and notes receivable:					
121	Accounts receivable — PHA projects	-	40,244	-	-
122	Accounts receivable — HUD other projects	1,317,013	298,243	823	355
125	Accounts receivable — miscellaneous	82,974	-	-	-
126	Accounts receivable — tenants	284,440	-	-	-
129	Accrued interest receivable	-	-	-	-
120	Total receivables	1,684,427	338,487	823	355
Investments and Other Assets					
131	Investments — unrestricted	9,893,150	929,169	-	-
132	Investments — restricted	1,059,631	1,382,020	-	-
142	Prepaid expenses and other assets	267,582	17,221	325	505
143	Inventories	211,602	-	-	-
144	Interprogram due from	-	-	-	-
	Total investments and other assets	11,431,965	2,328,410	325	505
150	Total current assets and investments	13,478,421	2,666,897	52,464	86,825
Noncurrent Assets					
Capital assets:					
161	Land and land improvements	32,757,776	-	-	-
162	Buildings	246,214,818	-	-	-
164	Furniture, equipment and machinery — dwellings and administrative	1,273,031	-	-	-
166	Accumulated depreciation	(164,225,168)	-	-	-
167	Construction in progress	10,858,322	-	-	-
160	Total capital assets, net of accumulated depreciation	126,878,779	-	-	-
171	Notes and mortgages receivable — noncurrent	-	-	-	-
174	Other assets	-	-	-	-
180	Total noncurrent assets	126,878,779	-	-	-
190	Total assets	\$ 140,357,200	\$ 2,666,897	\$ 52,464	\$ 86,825

SRO 001 14.249	Veterans Affairs Supportive Housing 14.VSH	DHAP 97.109	CHSP 14.170	ROSS Neighborhood Networks 14.875	Capital Funds Recovery Grant Formula (ARRA) 14.885	Recovery Grant Competitive (ARRA) 14.884	Business Activities
\$ 23,155	\$ 109,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,794
-	-	46,178	-	-	-	-	-
23,155	109,749	46,178	-	-	-	-	132,794
-	-	-	-	-	-	-	-
-	-	-	81,632	12,280	703,998	6,450	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	81,632	12,280	703,998	6,450	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,548,988
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	3,377
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,552,365
23,155	109,749	46,178	81,632	12,280	703,998	6,450	1,685,159
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,863,071
-	-	-	-	-	-	-	12,933,539
-	-	-	-	-	-	-	74,574
-	-	-	-	-	-	-	(2,844,442)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	12,026,742
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	12,026,742
\$ 23,155	\$ 109,749	\$ 46,178	\$ 81,632	\$ 12,280	\$ 703,998	\$ 6,450	\$ 13,711,901

(Continued)

State/Local Wilder	Central Office Cost Center (COCC)	Eliminations	Total
\$ 157,988	\$ -	\$ -	\$ 920,160
-	-	-	49,014
157,988	-	-	969,174
-	-	-	40,244
-	-	-	2,420,794
-	97,462	-	180,436
-	-	-	284,440
-	-	-	-
-	97,462	-	2,925,914
-	7,925,293	-	20,296,600
-	-	-	2,441,651
-	90,359	-	379,369
-	301,723	-	513,325
-	804,360	(804,360)	-
-	9,121,735	(804,360)	23,630,945
157,988	9,219,197	(804,360)	27,526,033
-	-	-	34,620,847
-	-	-	259,148,357
-	737,365	-	2,084,970
-	(719,824)	-	(167,789,434)
-	-	-	10,858,322
-	17,541	-	138,923,062
-	-	-	-
-	103,131	-	103,131
-	120,672	-	139,026,193
\$ 157,988	\$ 9,339,869	\$ (804,360)	\$ 166,552,226

Public Housing Agency of the City of Saint Paul

Financial Data Schedule
 Combining Balance Sheet — All Programs (Continued)
 March 31, 2010

Line Item No.	Account Description	Low Rent 14.850a	Section 8 Voucher Choice Program 14.871	Section 8 MOD Rehab. Program 14.856	Section 8 Disability Vouchers 14.181
Liabilities and Net Assets					
Liabilities					
Current liabilities:					
312	Accounts payable	\$ -	\$ -	\$ -	\$ -
321	Accrued wage/payroll taxes payable	357,897	71,067	1,315	1,975
322	Accrued compensated absences — current portion	549,604	113,810	2,130	1,815
325	Accrued interest payable	112,493	-	-	-
333	Accounts payable — other government	173,477	-	-	-
341	Tenant security deposits	916,524	-	-	-
342	Unearned revenues	391,290	135,760	-	-
345	Other current liabilities	637,545	107,991	-	-
346	Accrued liabilities — other	329,151	2,950	-	-
347	Interprogram due to	-	-	-	-
310	Total current liabilities	3,467,981	431,578	3,445	3,790
Noncurrent liabilities:					
353	Noncurrent liabilities — other	93,092	-	-	-
354	Accrued compensated absences — noncurrent	1,110,682	226,878	3,224	-
357	Accrued pension and OPEB liabilities	103,070	19,718	360	564
300	Total liabilities	4,774,825	678,174	7,029	4,354
Net Assets					
508.1	Invested in capital assets	126,878,779	-	-	-
511.1	Restricted net assets	8,703,596	1,274,206	-	-
512.1	Unrestricted net assets	-	714,517	45,435	82,471
513	Total net assets	135,582,375	1,988,723	45,435	82,471
600	Total liabilities and net assets	\$ 140,357,200	\$ 2,666,897	\$ 52,464	\$ 86,825

SRO 001 14.249	Veterans Affairs Supportive Housing 14.VSH	DHAP 97.109	CHSP 14.170	ROSS Neighborhood Networks 14.875	Capital Funds Recovery Grant Formula (ARRA) 14.885	Recovery Grant Competitive (ARRA) 14.884	Business Activities
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8,850
119	-	-	-	-	-	-	3,252
53	-	-	-	-	-	-	5,130
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
20,404	-	-	-	-	-	-	86,789
-	-	-	-	-	-	-	2,152
-	-	-	-	-	-	-	-
-	-	-	81,632	12,280	703,998	6,450	-
20,576	-	-	81,632	12,280	703,998	6,450	106,173
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	18,891
-	-	-	-	-	-	-	903
20,576	-	-	81,632	12,280	703,998	6,450	125,967
-	-	-	-	-	-	-	12,026,742
-	109,749	46,178	-	-	-	-	-
2,579	-	-	-	-	-	-	1,559,192
2,579	109,749	46,178	-	-	-	-	13,585,934
\$ 23,155	\$ 109,749	\$ 46,178	\$ 81,632	\$ 12,280	\$ 703,998	\$ 6,450	\$ 13,711,901

(Continued)

State/Local Wilder	Central Office Cost Center (COCC)	Eliminations	Total
\$ -	\$ 2,170,753	\$ -	\$ 2,179,603
-	81,627	-	517,252
-	120,236	-	792,778
-	-	-	112,493
-	-	-	173,477
-	-	-	916,524
-	-	-	634,243
-	6,369	-	754,057
-	114,044	-	446,145
-	-	(804,360)	-
-	2,493,029	(804,360)	6,526,572
-	-	-	93,092
-	242,807	-	1,602,482
-	22,533	-	147,148
-	2,758,369	(804,360)	8,369,294
-	17,541	-	138,923,062
-	-	-	10,133,729
157,988	6,563,959	-	9,126,141
157,988	6,581,500	-	158,182,932
\$ 157,988	\$ 9,339,869	\$ (804,360)	\$ 166,552,226

Public Housing Agency of the City of Saint Paul

Financial Data Schedule

Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets — All Programs

For the Year Ended March 31, 2010

Line Item No.	Account Description	Low Rent 14.850a	Section 8 Voucher Choice Program 14.871	Section 8 MOD Rehab. Program 14.856	Section 8 Disability Vouchers 14.181
Revenues:					
70300	Tenant rental revenue	\$ 12,451,097	\$ -	\$ -	\$ -
70400	Tenant revenue — other	78,546	-	-	-
70500	Total tenant revenues	12,529,643	-	-	-
70600	HUD PHA grants	16,311,542	-	-	-
70600-010	Housing assistance payments	-	28,902,719	303,617	704,288
70600-020	Ongoing administrative fees earned	-	2,922,332	64,544	100,688
70600-031	FSS Coordinator	-	16,998	-	-
70610	Capital grants	3,934,005	-	-	-
70710	Management fee	-	-	-	-
70720	Asset management fee	-	-	-	-
70730	Bookkeeping fee	-	-	-	-
70800	Other government grants	-	-	-	-
71100	Investment income — unrestricted	-	-	-	-
71100-020	Investment income — unrestricted — admin. fees	-	29,520	628	861
71400	Fraud recovery — HAP	-	103,132	-	-
71400-020	Fraud recovery — admin.	-	103,132	-	-
71500	Other revenues	749,431	671,609	-	-
71600	Gain or loss on the sale of capital assets	6,308	-	-	-
72000	Investment income — restricted — HAP	-	16,299	-	292
70000	Total revenues	33,530,929	32,765,741	368,789	806,129
Expenses:					
Administrative:					
91100	Salaries	3,334,033	1,528,390	28,422	43,182
91200	Auditing fees	49,049	20,211	447	673
91300	Management fee	2,951,497	-	-	-
91310	Bookkeeping fee	381,060	-	-	-
91400	Advertising and marketing	12,419	408	8	12
91500	Employee benefit contributions	1,177,593	519,076	9,200	14,001
91600	Office expense	306,241	246,810	4,975	7,536
91700	Legal expense	709	36,997	724	1,121
91800	Travel	39,825	42,010	811	1,231
91900	Other	229,850	291,156	3,674	5,556
92000	Asset management fee	509,880	-	-	-
91000	Total administrative	8,992,156	2,685,058	48,261	73,312
Tenant services:					
92100	Salaries	537,981	-	-	-
92300	Employee benefit contributions	174,504	-	-	-
92400	Other	246,264	-	-	-
92500	Total tenant services	958,749	-	-	-
Utilities:					
93100	Water	2,174,327	-	-	-
93200	Electricity	1,282,631	-	-	-
93300	Gas	816,343	-	-	-
93400	Fuel	68,868	-	-	-
93500	Labor	64,773	-	-	-
93700	Employee benefit contributions	20,541	-	-	-
93800	Other	572,979	-	-	-
93000	Total utilities	5,000,462	-	-	-

SRO 001 14.249	Veterans Affairs Supportive Housing 14.VSH	DHAP 97.109	CHSP 14.170	ROSS Neighborhood Networks 14.875	Capital Funds Recovery Grant Formula (ARRA) 14.885	Recovery Grant Competitive (ARRA) 14.884	Business Activities
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	611,176	93,317	-	-	-
7,539	118,457	-	-	-	-	-	-
5,163	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,899,205	130,134	-
-	-	-	-	-	-	-	-
-	-	4,198	-	-	-	-	-
-	-	-	-	-	-	-	6,764
23	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,083,175	-	-	-	866,147
-	-	-	-	-	-	-	-
297	-	-	-	-	-	-	-
13,022	118,457	4,198	1,694,351	93,317	5,899,205	130,134	872,911
3,187	-	59	48,632	-	-	-	29,661
70	-	-	500	-	-	-	500
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,019	-	20	15,874	-	-	-	10,382
-	-	-	-	-	-	-	1,909
-	-	-	-	-	-	-	-
-	-	-	15,625	-	-	-	76,639
-	-	-	-	-	-	-	-
4,276	-	79	80,631	-	-	-	119,091
-	-	-	425,161	-	-	-	-
-	-	-	153,792	-	-	-	-
-	-	-	1,034,767	93,317	-	-	-
-	-	-	1,613,720	93,317	-	-	-
-	-	-	-	-	-	-	3,415
-	-	-	-	-	-	-	72,931
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	8,290
-	-	-	-	-	-	-	2,637
-	-	-	-	-	-	-	145,476
-	-	-	-	-	-	-	232,749

(Continued)

State/Local Wilder	Central Office Cost Center (COCC)	Eliminations	Total
\$ -	\$ -	\$ -	\$ 12,451,097
-	-	-	78,546
-	-	-	12,529,643
-	-	-	17,016,035
-	-	-	30,036,620
-	-	-	3,092,727
-	-	-	16,998
-	-	-	9,963,344
-	2,951,497	(2,951,497)	-
-	381,060	(381,060)	-
-	509,880	(509,880)	-
-	-	-	4,198
-	76,307	-	83,071
-	-	-	31,032
-	-	-	103,132
-	-	-	103,132
16,596	191,531	(559,982)	3,018,507
-	808	-	7,116
-	-	-	16,888
16,596	4,111,083	(4,402,419)	76,022,443
-	1,783,603	-	6,799,169
-	2,450	-	73,900
-	-	(2,951,497)	-
-	-	(381,060)	-
-	1,016	-	13,863
-	600,152	-	2,347,317
-	504,407	(550,627)	521,251
-	273,092	-	312,643
-	65,513	-	149,390
9,355	337,251	(9,355)	959,751
-	-	(509,880)	-
9,355	3,567,484	(4,402,419)	11,177,284
-	-	-	963,142
-	-	-	328,296
-	-	-	1,374,348
-	-	-	2,665,786
-	-	-	2,177,742
-	-	-	1,355,562
-	-	-	816,343
-	-	-	68,868
-	-	-	73,063
-	-	-	23,178
-	-	-	718,455
-	-	-	5,233,211

Public Housing Agency of the City of Saint Paul

Financial Data Schedule

Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets — All Programs (Continued)

For the Year Ended March 31, 2010

Line Item No.	Account Description	Low Rent 14.850a	Section 8 Voucher Choice Program 14.871	Section 8 MOD Rehab. Program 14.856	Section 8 Disability Vouchers 14.181
Expenses (continued):					
Ordinary maintenance and operation:					
94100	Labor	4,015,282	-	-	-
94200	Materials and other	861,718	-	-	-
94300	Contract costs	2,178,360	-	-	-
94500	Employee benefit contributions	1,501,439	-	-	-
94000	Total ordinary maintenance and operation	8,556,799	-	-	-
Protective services:					
95100	Other contract costs	-	-	-	-
95200	Protective services — other labor costs	-	-	-	-
95000	Total protective services	-	-	-	-
General expenses:					
96100	Insurance premiums	749,389	68,332	766	1,192
96200	Other general expenses	2,079,179	257,361	-	6,380
96300	Payments in lieu of taxes	664,152	-	-	-
96400	Bad debt — tenant rents	53,066	-	-	-
96800	Severance expense	40,497	207	-	-
96000	Total general expenses	3,586,283	325,900	766	7,572
96900	Total operating expenses	27,094,449	3,010,958	49,027	80,884
97000	Excess (deficit) of operating revenues over operating expenses	6,436,480	29,754,783	319,762	725,245
97100	Extraordinary maintenance	706,407	-	-	-
97200	Casualty losses — noncapitalized	(3,997)	-	-	-
97300	Housing assistance payments	-	33,635,915	326,122	703,935
97400	Depreciation expense	7,189,047	-	-	-
90000	Total expenses	34,985,906	36,646,873	375,149	784,819
10080	Gain on sale of fixed assets	-	-	-	-
10000	Excess (deficit) of revenues over expenses before transfers	(1,454,977)	(3,881,132)	(6,360)	21,310
11040	HUD recapture of prior-year settlements	-	-	-	-
11040	Program equity transfers	6,029,339	-	-	-
	Changes in net assets	4,574,362	(3,881,132)	(6,360)	21,310
11030	Net assets, beginning	131,008,013	5,869,855	51,795	61,161
	Net assets, ending	\$ 135,582,375	\$ 1,988,723	\$ 45,435	\$ 82,471
Other Financial Data					
11170	Administrative fee equity	\$ -	\$ 714,518	\$ -	\$ -
11180	Housing assistance payments equity	-	1,274,206	-	-
11190	Units months available	50,808	47,939	900	1,404
11210	Number of units months leased	50,756	50,189	873	1,383
11270	Excess cash	8,468,776	-	-	-
11620	Building purchases	3,934,004	-	-	-

SRO 001 14.249	Veterans Affairs Supportive Housing 14.VSH	DHAP 97.109	CHSP 14.170	ROSS Neighborhood Networks 14.875	Capital Funds Recovery Grant Formula (ARRA) 14.885	Recovery Grant Competitive (ARRA) 14.884	Business Activities
-	-	-	-	-	-	-	35,438
-	-	-	-	-	-	-	5,858
-	-	-	-	-	-	-	81,957
-	-	-	-	-	-	-	11,513
-	-	-	-	-	-	-	134,766
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	27,833
-	-	-	-	-	-	-	27,833
-	-	-	-	-	-	-	11,476
-	-	13,588	-	-	-	-	107
-	-	-	-	-	-	-	34,068
-	-	-	-	-	-	-	-
-	-	13,588	-	-	-	-	45,651
4,276	-	13,667	1,694,351	93,317	-	-	560,090
8,746	118,457	(9,469)	-	-	5,899,205	130,134	312,821
-	-	-	-	-	-	-	15,933
-	-	-	-	-	-	-	4,150
7,766	8,708	2,322	-	-	-	-	-
-	-	-	-	-	-	-	445,006
12,042	8,708	15,989	1,694,351	93,317	-	-	1,025,179
-	-	-	-	-	-	-	-
980	109,749	(11,791)	-	-	5,899,205	130,134	(152,268)
-	-	-	-	-	-	-	-
-	-	-	-	-	(5,899,205)	(130,134)	-
980	109,749	(11,791)	-	-	-	-	(152,268)
1,599	-	57,969	-	-	-	-	13,738,202
\$ 2,579	\$ 109,749	\$ 46,178	\$ -	\$ -	\$ -	\$ -	\$ 13,585,934
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
72	245	-	-	-	-	-	-
18	15	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,899,205	130,134	-

State/Local Wilder	Central Office Cost Center (COCC)	Eliminations	Total
-	-	-	4,050,720
-	-	-	867,576
-	-	-	2,260,317
-	-	-	1,512,952
-	-	-	8,691,565
-	-	-	-
-	-	-	27,833
-	-	-	27,833
-	40,108	-	871,263
-	-	-	2,356,615
-	-	-	698,220
-	-	-	53,066
-	-	-	40,704
-	40,108	-	4,019,868
9,355	3,607,592	(4,402,419)	31,815,547
7,241	503,491	-	44,206,896
-	-	-	722,340
-	-	-	153
-	-	-	34,684,768
-	27,839	-	7,661,892
9,355	3,635,431	(4,402,419)	74,884,700
-	-	-	-
7,241	475,652	-	1,137,743
-	-	-	-
-	-	-	-
7,241	475,652	-	1,137,743
150,747	6,105,848	-	157,045,189
\$ 157,988	\$ 6,581,500	\$ -	\$ 158,182,932
\$ -	\$ -	\$ -	\$ 714,518
-	-	-	1,274,206
-	-	-	101,368
-	-	-	103,234
-	-	-	8,468,776
-	-	-	9,963,343

Public Housing Agency of the City of Saint Paul

Financial Data Schedule
 Combining Balance Sheet — Low Rent
 March 31, 2010

Line Item No.	Account Description	AMP 1 14.850a	AMP 2 14.850a	AMP 3 14.850a	AMP 4 14.850a
Assets					
Current Assets					
Cash:					
111	Cash — unrestricted	\$ 125,931	\$ 24,803	\$ 29,821	\$ 31,103
113	Cash — other restricted	-	523	660	-
100	Total cash	125,931	25,326	30,481	31,103
Accounts and notes receivable:					
122	Accounts receivable — HUD other projects	122,780	37,774	423,203	32,228
125	Accounts receivable — miscellaneous	892	10,390	24,836	1,163
126	Accounts receivable — tenants	78,979	14,056	14,659	30,349
129	Accrued interest receivable	-	-	-	-
120	Total receivables	202,651	62,220	462,698	63,740
Investments and Other Assets					
131	Investments — unrestricted	3,024,257	741,264	753,852	799,791
132	Investments — restricted	155,234	118,088	127,255	88,653
142	Prepaid expenses and other assets	54,207	20,052	22,616	25,817
143	Inventories	-	35,312	51,150	-
144	Interprogram due from	-	-	-	-
	Total investments and other assets	3,233,698	914,716	954,873	914,261
150	Total current assets and investments	3,562,280	1,002,262	1,448,052	1,009,104
Noncurrent Assets					
Capital assets:					
161	Land and land improvements	5,092,028	1,717,716	2,145,684	1,666,089
162	Buildings	48,959,401	17,494,031	24,732,566	31,024,498
164	Furniture, equipment and machinery — administrative	275,759	91,522	79,241	118,762
166	Accumulated depreciation	(26,472,951)	(13,138,447)	(15,312,905)	(16,629,477)
167	Construction in progress	6,951,403	184,410	1,648,192	287,288
160	Total capital assets, net	34,805,640	6,349,232	13,292,778	16,467,160
171	Notes and mortgages receivable — noncurrent	-	-	-	-
174	Other assets	-	-	-	-
180	Total noncurrent assets	34,805,640	6,349,232	13,292,778	16,467,160
190	Total assets	\$ 38,367,920	\$ 7,351,494	\$ 14,740,830	\$ 17,476,264

(Continued)

AMP 5 14.850a	AMP 6 14.850a	AMP 7 14.850a	AMP 8 14.850a	AMP 9 14.850a	Total
\$ 39,354	\$ 6,631	\$ 41,604	\$ 46,883	\$ 13,063	\$ 359,193
-	-	963	-	690	2,836
39,354	6,631	42,567	46,883	13,753	362,029
100,455	320,403	38,697	87,896	153,577	1,317,013
4,756	9,420	8,107	20,626	2,784	82,974
39,039	9,192	31,811	10,486	55,869	284,440
-	-	-	-	-	-
144,250	339,015	78,615	119,008	212,230	1,684,427
1,115,246	237,328	1,195,660	1,249,563	776,189	9,893,150
151,099	58,845	118,122	139,902	102,433	1,059,631
41,284	9,620	23,463	36,705	33,818	267,582
14,045	-	61,871	49,224	-	211,602
-	-	-	-	-	-
1,321,674	305,793	1,399,116	1,475,394	912,440	11,431,965
1,505,278	651,439	1,520,298	1,641,285	1,138,423	13,478,421
10,048,763	897,607	1,871,632	3,744,273	5,573,984	32,757,776
39,312,932	9,240,223	19,816,687	30,239,923	25,394,557	246,214,818
337,460	93,501	101,648	111,562	63,576	1,273,031
(34,028,052)	(6,893,984)	(14,164,752)	(21,368,961)	(16,215,639)	(164,225,168)
223,944	435,971	406,147	635,668	85,299	10,858,322
15,895,047	3,773,318	8,031,362	13,362,465	14,901,777	126,878,779
-	-	-	-	-	-
-	-	-	-	-	-
15,895,047	3,773,318	8,031,362	13,362,465	14,901,777	126,878,779
\$ 17,400,325	\$ 4,424,757	\$ 9,551,660	\$ 15,003,750	\$ 16,040,200	\$ 140,357,200

Public Housing Agency of the City of Saint Paul

Financial Data Schedule
 Combining Balance Sheet — Low Rent (Continued)
 March 31, 2010

Line Item No.	Account Description	AMP 1 14.850a	AMP 2 14.850a	AMP 3 14.850a	AMP 4 14.850a
Liabilities and Net Assets					
Liabilities					
Current liabilities:					
312	Accounts payable	\$ -	\$ -	\$ -	\$ -
321	Accrued wages/payroll taxes payable	68,753	28,483	38,085	20,364
322	Accrued compensated absences — current portion	74,352	60,353	55,530	54,994
325	Accrued interest payable	14,604	11,395	10,763	7,454
333	Accounts payable — other government	-	35,146	39,685	13,654
341	Tenant security deposits	130,370	105,838	116,489	66,225
342	Unearned revenues	19,139	46,037	111,970	2,807
345	Other current liabilities	340,585	161	256,794	110
346	Accrued liabilities — other	32,035	60,913	41,991	17,034
347	Interprogram due to	-	-	-	-
310	Total current liabilities	679,838	348,326	671,307	182,642
Noncurrent liabilities:					
353	Noncurrent liabilities — other	10,260	7,978	22,394	14,974
354	Accrued compensated absences — noncurrent portion	150,292	121,929	112,274	111,164
357	Accrued pension and OPEB liabilities	14,124	10,862	10,977	10,653
350	Total noncurrent liabilities	174,676	140,769	145,645	136,791
300	Total liabilities	854,514	489,095	816,952	319,433
Net Assets					
508.1	Invested in capital assets	34,805,640	6,349,232	13,292,778	16,467,160
511.1	Restricted net assets	2,707,766	513,167	631,100	689,671
512.1	Unrestricted net assets	-	-	-	-
513	Total net assets	37,513,406	6,862,399	13,923,878	17,156,831
600	Total liabilities and net assets	\$ 38,367,920	\$ 7,351,494	\$ 14,740,830	\$ 17,476,264

AMP 5 14.850a	AMP 6 14.850a	AMP 7 14.850a	AMP 8 14.850a	AMP 9 14.850a	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70,931	15,261	38,400	48,331	29,289	357,897
98,734	21,770	46,219	84,199	53,453	549,604
16,593	5,676	12,753	13,441	19,814	112,493
7,191	5,155	33,462	39,184	-	173,477
134,469	53,169	105,369	123,400	81,195	916,524
32,148	51,107	24,274	99,059	4,749	391,290
2,687	7,781	17,965	11,134	328	637,545
61,266	9,688	54,025	17,755	34,444	329,151
-	-	-	-	-	-
424,019	169,607	332,467	436,503	223,272	3,467,981
2,037	9,400	2,963	20,971	2,115	93,092
199,481	43,937	93,471	170,214	107,920	1,110,682
17,313	4,701	9,978	14,987	9,475	103,070
218,831	58,038	106,412	206,172	119,510	1,306,844
642,850	227,645	438,879	642,675	342,782	4,774,825
15,895,047	3,773,318	8,031,362	13,362,465	14,901,777	126,878,779
862,428	423,794	1,081,419	998,610	795,641	8,703,596
-	-	-	-	-	-
16,757,475	4,197,112	9,112,781	14,361,075	15,697,418	135,582,375
\$ 17,400,325	\$ 4,424,757	\$ 9,551,660	\$ 15,003,750	\$ 16,040,200	\$ 140,357,200

Public Housing Agency of the City of Saint Paul

Financial Data Schedule

Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets — Low Rent
For the Year Ended March 31, 2010

Line Item No.	Account Description	AMP 1 14.850a	AMP 2 14.850a	AMP 3 14.850a	AMP 4 14.850a
Revenues:					
70300	Tenant rental revenue	\$ 1,600,724	\$ 1,418,307	\$ 1,525,374	\$ 881,914
70400	Tenant revenue — other	-	14,982	15,684	-
70500	Total tenant revenues	1,600,724	1,433,289	1,541,058	881,914
70600	HUD PHA grants	2,724,654	1,366,173	1,514,201	1,230,669
70710	Property management fee	-	-	-	-
70720	Asset management fee	-	-	-	-
70730	Bookkeeping fee	-	-	-	-
70600-010	Housing assistance payments	-	-	-	-
70600-020	Ongoing administrative fees earned	-	-	-	-
70600-060	Excess interest earned on excess funds	-	-	-	-
70610	Capital grants	347,704	37,659	2,490,475	8,845
70800	Other government grants	-	-	-	-
71100	Investment income — unrestricted	-	-	-	-
71100-020	Investment income — unrestricted — admin. fees	-	-	-	-
71400	Fraud recovery — HAP	-	-	-	-
71400-020	Fraud recovery — admin.	-	-	-	-
71500	Other revenues	43,190	76,376	172,760	33,158
71600	Gain or loss on sale of capital assets	5,589	(3,832)	-	2,794
72000	Investment income — restricted — HAP	-	-	-	-
70000	Total revenues	4,721,861	2,909,665	5,718,494	2,157,380
Expenses:					
Administrative:					
91100	Salaries	487,748	305,157	363,631	295,760
91200	Auditing fees	6,695	5,552	6,396	3,625
91300	Management fee	404,467	332,541	384,375	218,886
91310	Bookkeeping fee	52,200	42,930	49,590	28,260
91400	Advertising and marketing	703	1,321	1,649	474
91500	Employee benefit contributions	191,438	101,308	120,891	107,863
91600	Other operating	42,048	26,541	33,243	22,678
91700	Legal	-	-	-	-
91800	Travel	2,533	4,671	7,232	2,139
91900	Other	22,110	21,762	24,062	23,103
92000	Asset management fee	69,600	57,720	66,480	37,680
91000	Total administrative	1,279,542	899,503	1,057,549	740,468
Tenant services:					
92100	Salaries	32,427	49,074	58,388	58,226
92300	Employee benefit contributions	10,337	15,881	18,915	18,897
92400	Other	29,730	27,001	32,364	24,045
92500	Total tenant services	72,494	91,956	109,667	101,168
Utilities:					
93100	Water	418,878	152,692	172,866	150,091
93200	Electricity	26,123	231,596	239,689	34,193
93300	Gas	12,096	199,649	176,107	23,363
93400	Fuel	-	18,555	16,503	-
93500	Labor	8,843	7,333	8,446	4,787
93700	Employee benefit contributions	2,867	2,376	2,737	1,552
93800	Other	2,675	3,732	2,493	2,069
93000	Total utilities	471,482	615,933	618,841	216,055

(Continued)

	AMP 5 14.850a	AMP 6 14.850a	AMP 7 14.850a	AMP 8 14.850a	AMP 9 14.850a	Total
\$	1,959,638	\$ 700,638	\$ 1,465,577	\$ 1,622,797	\$ 1,276,128	\$ 12,451,097
	14,472	5,286	10,410	17,712	-	78,546
	1,974,110	705,924	1,475,987	1,640,509	1,276,128	12,529,643
	2,625,504	824,270	1,967,189	2,191,655	1,867,227	16,311,542
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	175,206	454,466	63,233	345,286	11,131	3,934,005
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	75,027	76,262	81,073	152,081	39,504	749,431
	5,589	-	-	(3,832)	-	6,308
	-	-	-	-	-	-
	4,855,436	2,060,922	3,587,482	4,325,699	3,193,990	33,530,929
	567,297	158,293	290,044	500,716	365,387	3,334,033
	7,043	3,061	5,851	6,636	4,190	49,049
	424,100	184,053	351,982	398,709	252,384	2,951,497
	54,720	23,760	45,450	51,480	32,670	381,060
	2,036	830	2,623	2,346	437	12,419
	209,861	52,716	97,538	177,156	118,822	1,177,593
	64,107	24,844	33,122	40,276	19,382	306,241
	709	-	-	-	-	709
	3,153	3,935	3,405	6,273	6,484	39,825
	54,209	17,037	27,758	28,501	11,308	229,850
	73,200	31,800	60,840	69,000	43,560	509,880
	1,460,435	500,329	918,613	1,281,093	854,624	8,992,156
	73,298	27,864	110,530	51,137	77,037	537,981
	23,954	9,063	35,402	17,215	24,840	174,504
	35,524	16,828	27,511	38,322	14,939	246,264
	132,776	53,755	173,443	106,674	116,816	958,749
	406,640	164,884	196,234	212,579	299,463	2,174,327
	174,744	120,877	232,023	222,994	392	1,282,631
	85,020	1,605	190,698	127,805	-	816,343
	8,231	-	15,525	10,054	-	68,868
	9,300	4,040	7,730	8,766	5,528	64,773
	3,014	1,309	2,506	2,841	1,339	20,541
	234,124	180,187	3,991	139,302	4,406	572,979
	921,073	472,902	648,707	724,341	311,128	5,000,462

Public Housing Agency of the City of Saint Paul

Financial Data Schedule

Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets — Low Rent (Continued)

For the Year Ended March 31, 2010

Line Item No.	Account Description	AMP 1 14.850a	AMP 2 14.850a	AMP 3 14.850a	AMP 4 14.850a
Expenses (continued):					
Ordinary maintenance and operation:					
94100	Labor	972,056	316,937	396,667	164,103
94200	Materials and other	164,259	62,054	63,897	90,523
94300	Contract costs	303,102	218,660	241,660	158,607
94500	Employee benefit contributions	326,572	126,095	156,383	75,056
94000	Total ordinary maintenance and operation	1,765,989	723,746	858,607	488,289
Protective services:					
95100	Other contract costs	-	-	-	-
General expenses:					
96100	Insurance premiums	110,323	73,987	89,591	61,340
96200	Other general expenses	493,376	40,611	39,266	221,646
96300	Payments in lieu of taxes	115,191	58,930	63,175	55,220
96400	Bad debt — tenant rents	(6,722)	14,649	8,549	(25,159)
96800	Severance expense	59	8,317	8,397	37
96000	Total general expenses	712,227	196,494	208,978	313,084
96900	Total operating expenses	4,301,734	2,527,632	2,853,642	1,859,064
97000	Excess (deficit) of operating revenues over operating expenses	420,127	382,033	2,864,852	298,316
97100	Extraordinary maintenance	21,349	9,106	30,492	53,137
97200	Casualty losses — noncapitalized	820	2,634	(22,614)	13,846
97300	Housing assistance payments	-	-	-	-
97400	Depreciation expense	1,414,900	509,185	510,216	914,932
90000	Total expenses	5,738,803	3,048,557	3,371,736	2,840,979
10080	Gain on sale of fixed assets	-	-	-	-
10000	Excess (deficit) of revenues over expenses before transfers	(1,016,942)	(138,892)	2,346,758	(683,599)
11040	Program equity transfers	5,072,878	-	479,482	-
	Changes in net assets	4,055,936	(138,892)	2,826,240	(683,599)
11030	Net assets, beginning	33,457,470	7,001,291	11,097,638	17,840,430
	Net assets, ending	\$ 37,513,406	\$ 6,862,399	\$ 13,923,878	\$ 17,156,831
Other Financial Data					
11190	Unit months available	\$ 6,960	\$ 5,724	\$ 6,612	\$ 3,768
11210	Unit months leased	6,960	5,717	6,604	3,765
11270	Excess cash	2,672,997	479,953	575,064	711,994
11620	Building purchases	347,704	37,659	2,490,474	8,845

AMP 5 14.850a	AMP 6 14.850a	AMP 7 14.850a	AMP 8 14.850a	AMP 9 14.850a	Total
881,415	145,927	452,384	423,739	262,054	4,015,282
219,763	38,902	83,162	91,755	47,403	861,718
363,751	137,249	287,985	296,429	170,917	2,178,360
310,884	58,872	167,163	172,994	107,420	1,501,439
1,775,813	380,950	990,694	984,917	587,794	8,556,799
-	-	-	-	-	-
115,181	35,622	85,246	108,121	69,978	749,389
292,716	31,051	47,692	204,466	708,355	2,079,179
89,120	19,289	62,872	72,614	127,741	664,152
20,953	8,695	23,085	4,078	4,938	53,066
4,746	4,017	7,293	7,601	30	40,497
522,716	98,674	226,188	396,880	911,042	3,586,283
4,812,813	1,506,610	2,957,645	3,493,905	2,781,404	27,094,449
42,623	554,312	629,837	831,794	412,586	6,436,480
274,790	3,190	88,649	35,916	189,778	706,407
4,923	3,265	(8,207)	471	865	(3,997)
-	-	-	-	-	-
1,423,626	202,782	479,677	782,286	951,443	7,189,047
6,516,152	1,715,847	3,517,764	4,312,578	3,923,490	34,985,906
-	-	-	-	-	-
(1,660,716)	345,075	69,718	13,121	(729,500)	(1,454,977)
-	-	346,845	130,134	-	6,029,339
(1,660,716)	345,075	416,563	143,255	(729,500)	4,574,362
18,418,191	3,852,037	8,696,218	14,217,820	16,426,918	131,008,013
\$ 16,757,475	\$ 4,197,112	\$ 9,112,781	\$ 14,361,075	\$ 15,697,418	\$ 135,582,375
\$ 7,296	\$ 3,168	\$ 6,060	\$ 6,864	\$ 4,356	\$ 50,808
7,293	3,165	6,051	6,859	4,342	50,756
874,829	413,366	983,415	978,950	778,208	8,468,776
175,206	454,466	63,233	345,286	11,131	3,934,004

Statistical Section

Public Housing Agency of the City of Saint Paul

Summary of Statistical Section

The following tables have been prepared to summarize relevant financial and program data for the Public Housing Agency of the City of Saint Paul.

REVENUE TABLES

- Table 1 Agency Revenue by PHA/HUD Program
- Table 2 Low Rent Public Housing Revenue by HUD Classification
- Table 3 Section 8 Revenue by HUD Classification
- Table 4 Minnesota Revenue Recapture Program

EXPENSE TABLES

- Table 5 Agency Expenses by HUD Program
- Table 6 Low Rent Public Housing Expenses by HUD Classification
- Table 7 Section 8 Expenses by HUD Classification
- Table 8 Agency Salary Expense by Department
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EQUITY TABLES

- Table 10 Agencywide Changes in Net Assets
- Table 11 Agencywide Assets, Liabilities and Net Assets
- Table 12 Agencywide Net Assets by Type
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PROGRAM TABLES

- Table 14 Agencywide Full-Time Equivalent (FTE) by Department
- Table 15 Unit Type Composition
- Table 16 Unit Demographics
- Table 17 Low Rent Public Housing and Section 8 Utilization

Unless otherwise indicated, the tables show data for the last 10 fiscal years.

The Revenue, Expense and Equity Tables display data for all agency programs. Two major programs, Low Rent Public Housing and Section 8 Rental Assistance, are further broken down by HUD classifications for both revenue and expense. HUD's Asset Management model requires the use of fees paid by the "projects" to the Central Office. These fees are omitted from the totals on both the Revenue and Expense Tables. Their net effect is zero, so are not considered to impact the Agency's position as a whole. Two significant expense lines, salaries and collection losses, are further detailed as well.

The Comprehensive Annual Financial Report, as the name implies, is financial in nature. However, it is important to understand some program components to place the financial data in the correct context. The Program Tables are included to give a background on the number of employees, Low Rent Public Housing unit information, and Low Rent and Section 8 utilization.

The Agency does not have the ability to tax, nor does it receive any tax revenues; therefore, statistics related to population, per capita income, and area employment are not relevant to the Agency.

Public Housing Agency of the City of Saint Paul

Agency Revenue by PHA/HUD Programs
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Section 8 Certs/Mod	\$ 2,102,564	\$ 641,391	\$ 298,292	\$ 269,574	\$ 278,237	\$ 306,563	\$ 322,789	\$ 352,731	\$ 363,724	\$ 368,789
Section 8 Vouchers	19,359,882	25,526,342	33,148,536	37,983,991	37,536,502	36,639,950	34,487,712	36,457,710	34,248,633	32,765,741
Section 8 Disability Vouchers	-	-	-	-	209,924	656,445	692,027	878,622	828,549	806,129
Section 8 Single Room Occupancy	-	-	-	-	-	-	-	-	8,398	13,022
DHAP	-	-	-	-	-	-	-	90,632	52,408	4,198
RAFS	376,938	437,961	375,136	212,150	126,894	56,681	13,198	-	-	-
Veterans Affairs Supportive Housing	-	-	-	-	-	-	-	-	-	118,457
Low Rent Housing (includes COCC)	19,792,865	20,590,322	20,694,887	20,840,301	23,183,266	21,990,243	23,425,957	25,659,469	28,084,814	26,941,873
Discretionary	89,991	59,979	23,122	-	-	-	-	-	-	-
Business Activities	935,999	7,052,061	301,090	143,380	759,823	1,228,918	886,995	861,105	890,275	872,911
CIAP/Comp Grant/Capital Fund (Annual)	8,366,007	9,385,504	8,825,561	11,125,724	7,324,221	7,371,910	9,979,958	6,349,252	6,508,330	6,857,702
Capital Fund Recovery Grant (Formula)	-	-	-	-	-	-	-	-	-	5,899,205
Capital Fund Recovery Grant (Competitive)	-	-	-	-	-	-	-	-	-	130,134
Congregate Housing Program	1,342,444	1,590,987	1,580,163	1,960,663	2,346,651	1,828,559	1,733,033	1,783,026	1,674,747	1,694,351
Wilder	114,503	112,110	139,715	155,018	148,506	146,965	124,468	115,638	43,316	16,596
Drug Elimination	971,597	850,161	1,031,899	-	-	-	-	-	-	-
Service Coordinators	78,364	174,607	313,017	445,653	160,054	-	-	-	-	-
Jobs Plus Research Grant	283,066	263,947	181,037	183,563	-	-	-	-	-	-
MDRC Jobs Plus	68,400	40,997	59,852	32,397	-	-	-	-	-	-
Resident Opportunity & Self-Sufficiency										
Grant (ROSS)	-	14,971	220,000	232,054	232,698	100,822	8,950	-	-	-
Neighborhood Networks	-	-	-	-	-	-	-	-	27,327	93,317
Economic Development	210,868	254,801	-	-	-	-	-	-	-	-
Weed and Seed	-	-	25	49,975	-	-	-	-	-	-
Youth Apprenticeship	24,418	-	-	-	-	-	-	-	-	-
Total Agency revenues	\$ 54,117,906	\$ 66,996,141	\$ 67,192,332	\$ 73,634,443	\$ 72,306,776	\$ 70,327,056	\$ 71,675,087	\$ 72,548,185	\$ 72,730,521	\$ 76,582,425

Note 1: Low Rent Housing revenue does not include internal fees.

Note 2: Does not include elimination entries.

Public Housing Agency of the City of Saint Paul

Low Rent Public Housing Revenue by HUD Classification
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Dwelling rental	\$ 9,957,155	\$ 10,337,156	\$ 10,699,671	\$ 10,542,487	\$ 10,588,726	\$ 11,078,857	\$ 11,680,840	\$ 11,887,433	\$ 12,045,042	\$ 12,451,097
Excess utilities	51,052	51,485	50,976	51,625	47,076	47,611	65,011	81,094	80,796	78,546
Nondwelling rental	2,105	1,905	2,395	2,030	990	1,980	2,970	2,640	2,860	660
Interest income	745,103	472,824	296,116	329,511	283,965	470,344	752,100	838,814	381,886	76,307
Other income	468,697	476,441	415,015	411,209	416,180	546,632	673,133	613,247	1,028,179	940,301
Gain (loss) from disposition of real property	(300,286)	(188,682)	6,218	462,814	1,814,379	122,677	15,316	1,291,401	22,500	7,116
HUD subsidy*	8,869,039	9,439,193	9,224,496	9,040,625	10,031,950	9,722,142	10,184,322	11,145,847	14,546,052	16,311,542
Total low rent public housing revenue	\$ 19,792,865	\$ 20,590,322	\$ 20,694,887	\$ 20,840,301	\$ 23,183,266	\$ 21,990,243	\$ 23,373,692	\$ 25,860,476	\$ 28,107,315	\$ 29,865,569
Average units leased	4,238	4,204	4,212	4,215	4,211	4,210	4,208	4,219	4,220	4,230
Revenue per average unit month	\$ 389.19	\$ 408.15	\$ 409.44	\$ 412.03	\$ 458.78	\$ 435.28	\$ 462.92	\$ 510.76	\$ 555.03	\$ 588.41
Subsidy per average unit month	174.40	187.11	182.50	178.74	198.53	192.44	201.70	220.14	287.24	321.37

Note 1: Beginning in fiscal year 2009, CFP Grant revenue is included.

Note 2: Does not include internal fee revenue.

Public Housing Agency of the City of Saint Paul

Section 8 Revenue by HUD Classification
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Housing assistance payments	\$ 18,383,343	\$ 23,495,998	\$ 29,153,108	\$ 33,294,134	\$ 32,192,311	\$ 33,316,813	\$ 32,144,373	\$ 34,285,644	\$ 31,274,014	\$ 30,036,620
Port-in housing assistance payments	829,232	115,399	1,515,233	2,032,834	2,696,391	1,391,218	455,999	323,560	786,246	625,830
Administration fees	1,828,321	2,223,046	2,376,634	2,532,915	2,558,357	2,573,816	2,558,916	2,683,070	3,003,653	3,109,725
Hard-to-house fees	25,035	34,950	35,550	48,600	56,025	-	-	-	-	-
Auditing fees	14,049	11,318	19,255	13,888	12,732	-	-	-	-	-
Interest on reserves/investments	132,982	69,716	34,555	2,597	6,064	86,177	132,918	187,548	109,962	47,920
Portability-in admin and other revenue	71,045	7,516	82,685	123,566	144,394	75,012	27,415	18,048	61,823	42,186
Fraud Recovery/Other revenue	178,438	209,790	229,808	205,031	358,389	159,922	180,403	191,192	213,606	209,857
Total Section 8 revenue	\$ 21,462,445	\$ 26,167,733	\$ 33,446,828	\$ 38,253,565	\$ 38,024,663	\$ 37,602,958	\$ 35,500,024	\$ 37,689,062	\$ 35,449,304	\$ 34,072,138
ACC authorized monthly unit count	3,710	3,763	3,965	4,059	4,059	4,066	4,103	4,103	4,121	4,286
Average monthly units leased	3,368	3,739	3,925	4,092	3,954	4,006	4,032	4,167	4,027	4,373
Average monthly revenue per unit	\$ 531.04	\$ 583.22	\$ 710.12	\$ 779.03	\$ 801.40	\$ 782.22	\$ 733.71	\$ 753.80	\$ 733.53	\$ 649.27

Note: Revenue per unit includes portability-in revenues.

Public Housing Agency of the City of Saint Paul

Minnesota Revenue Recapture Program

Last 10 Fiscal Years

(Unaudited)

FY	SECTION 8		PUBLIC HOUSING		TOTAL	
	\$ Amount	# of Recaptures	\$ Amount	# of Recaptures	\$ Amount	# of Recaptures
2001	\$ 82,974	264	\$ 55,456	265	\$ 138,430	529
2002	99,736	294	55,528	259	155,264	553
2003	119,205	285	53,828	174	173,033	459
2004	83,169	196	53,230	156	136,399	352
2005	52,177	120	50,369	141	102,546	261
2006	44,237	94	47,047	117	91,284	211
2007	50,762	103	57,539	137	108,301	240
2008	49,109	108	53,075	155	102,184	263
2009	70,932	142	80,356	211	151,288	353
2010	103,132	91	76,511	184	179,643	275
Totals	\$ 755,433	1,697	\$ 582,939	1,799	\$ 1,338,372	3,496

Note: The Agency began this program in 1997 to recover bad debts through property and income tax refunds and state lottery winnings.

Public Housing Agency of the City of Saint Paul

Agency Expenses by HUD Programs Last 10 Fiscal Years (Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Section 8 Certs/Mod	\$ 2,062,358	\$ 596,555	\$ 277,330	\$ 264,376	\$ 279,306	\$ 306,659	\$ 319,862	\$ 345,571	\$ 346,549	\$ 375,149
Section 8 Vouchers	19,310,889	25,256,928	32,750,540	37,964,189	37,120,743	35,454,263	33,387,929	34,098,089	33,382,374	36,646,873
Section 8 Disability Vouchers	-	-	-	-	213,239	657,199	685,583	851,919	807,499	784,819
Section 8 Single Room Occupancy	-	-	-	-	-	-	-	-	6,799	12,042
DHAP	-	-	-	-	-	-	-	29,394	55,677	15,989
RAFS	376,938	437,961	375,136	212,150	126,894	56,681	13,198	-	-	-
Veterans Affairs Supportive Housing	-	-	-	-	-	-	-	-	-	8,708
Low Rent Housing	18,729,151	19,790,481	20,124,125	20,277,568	21,298,444	21,968,703	22,286,843	22,852,582	24,087,586	24,638,317
Discretionary	77,962	116,114	109,021	-	-	-	-	-	-	-
Business Activities	642,104	575,471	258,268	209,616	551,507	461,189	580,236	555,621	558,082	580,173
CIAP/Comp Grant/Capital Fund	8,366,007	9,385,504	8,825,561	11,125,724	7,324,221	7,371,910	9,979,958	6,349,252	8,039,034	-
Capital Fund Recovery Grant (Formula)	-	-	-	-	-	-	-	-	-	5,899,205
Capital Fund Recovery Grant (Competitive)	-	-	-	-	-	-	-	-	-	130,134
Congregate Housing Program	1,342,444	1,590,987	1,580,163	1,960,663	2,346,651	1,828,559	1,733,033	1,783,032	1,674,747	1,694,351
Wilder	103,089	85,694	186,335	113,035	133,378	210,933	81,542	92,907	19,754	9,355
Drug Elimination	971,597	850,161	1,031,899	-	-	-	-	-	-	-
Service Coordinators	78,364	174,607	313,017	445,653	160,054	-	-	-	-	-
Jobs Plus Research Grant	283,066	263,947	181,037	183,563	-	-	-	-	-	-
MDRC Jobs Plus	68,400	40,997	59,852	32,397	-	-	-	-	-	-
Resident Opportunity & Self-Sufficiency Grant (ROSS)	-	14,971	220,000	232,054	232,698	100,822	8,950	-	-	-
Neighborhood Networks	-	-	-	-	-	-	-	-	27,327	93,317
Economic Development	210,868	254,801	-	-	-	-	-	-	-	-
Weed and Seed	-	-	25	49,975	-	-	-	-	-	-
Youth Apprenticeship	10,891	-	-	-	-	-	-	-	-	-
Total Agency Expenses	\$ 52,634,128	\$ 59,435,179	\$ 66,292,309	\$ 73,070,963	\$ 69,787,135	\$ 68,416,918	\$ 69,077,134	\$ 66,958,367	\$ 69,005,428	\$ 70,888,432

Note 1: Depreciation expense was not included in the Low Rent and Business Activities programs.

Note 2: The CIAP/Comp Grant/Capital Fund expense line includes capital expenses.

Note 3: Low Rent Public Housing expenses do not include internal fees.

Note 4: Does not include elimination entries.

Public Housing Agency of the City of Saint Paul

Low Rent Public Housing Expenses by HUD Classification
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Administrative	\$ 6,235,334	\$ 6,448,084	\$ 6,789,833	\$ 6,532,412	\$ 6,903,177	\$ 6,885,099	\$ 6,895,139	\$ 6,941,360	\$ 8,089,868	\$ 8,717,203
Tenant services	554,900	750,417	717,469	459,255	787,738	812,706	866,406	880,849	930,466	958,749
Utilities	4,117,830	3,811,913	4,001,094	4,140,517	4,362,505	4,625,108	5,047,291	5,122,787	5,238,233	5,000,462
Maintenance	7,103,738	7,425,761	7,113,793	7,230,827	7,171,252	7,435,838	7,538,458	7,935,683	8,266,912	8,556,799
Protective service	33,100	36,165	60,747	5,463	-	-	-	-	2,909	-
General expense	757,166	859,302	869,562	1,180,271	1,451,766	1,296,714	1,403,742	1,360,258	2,944,115	3,626,391
Nonroutine maintenance	210,149	722,786	752,664	912,386	622,006	913,238	535,807	531,547	619,337	702,410
Total low rent public housing expenses	\$ 19,012,217	\$ 20,054,428	\$ 20,305,162	\$ 20,461,131	\$ 21,298,444	\$ 21,968,703	\$ 22,286,843	\$ 22,772,484	\$ 26,091,840	\$ 27,562,014
Average monthly units leased	4,238	4,204	4,212	4,215	4,211	4,211	4,208	4,219	4,220	4,230
Average monthly expense per unit	\$ 373.84	\$ 397.53	\$ 401.73	\$ 404.53	\$ 421.48	\$ 434.75	\$ 441.39	\$ 449.77	\$ 515.23	\$ 543.03

Note 1: Depreciation expense was not included in this table.

Note 2: Fiscal years 2001 through 2004 include Job Plus Research Grant costs.

Note 3: Does not include CFP Grant expenses.

Note 4: Does not include internal fees.

Public Housing Agency of the City of Saint Paul

Section 8 Expenses by HUD Classification
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Administrative	\$ 2,156,653	\$ 2,215,235	\$ 2,323,192	\$ 2,864,473	\$ 2,603,635	\$ 2,749,016	\$ 2,494,057	\$ 2,551,396	\$ 2,656,212	\$ 2,810,907
General	19,060	26,696	36,337	37,124	41,470	65,136	219,336	212,811	264,664	334,238
Housing assistance payments	19,197,534	23,611,552	30,668,341	35,326,968	34,968,183	33,603,969	31,679,981	32,531,372	31,615,546	34,682,446
Total Section 8 expenses	\$ 21,373,247	\$ 25,853,483	\$ 33,027,870	\$ 38,228,565	\$ 37,613,288	\$ 36,418,121	\$ 34,393,374	\$ 35,295,579	\$ 34,536,422	\$ 37,827,591
ACC authorized monthly unit count	3,710	3,763	3,965	4,059	4,059	4,066	4,103	4,103	4,121	4,286
Average monthly units leased	3,368	3,739	3,925	4,092	3,954	4,006	4,032	4,167	4,027	4,373
Total expense per unit (average)	\$ 528.83	\$ 576.21	\$ 701.23	\$ 778.52	\$ 792.73	\$ 757.57	\$ 710.84	\$ 705.93	\$ 714.64	\$ 720.83
Total admin and general expense per unit (average)	53.83	49.97	50.10	59.09	55.75	58.54	56.08	55.29	60.44	59.93
Total HAP expense per unit (Average)	475.00	526.24	651.13	719.43	736.98	699.03	654.76	650.64	654.20	660.89

Note: Expense per unit includes portability-in expenses.

Public Housing Agency of the City of Saint Paul

Agency Salary Expense by Department
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Executive	\$ 372,925	\$ 376,642	\$ 411,155	\$ 252,989	\$ 196,255	\$ 203,001	\$ 232,669	\$ 218,397	\$ 168,013	\$ 169,100
Human Resources	176,470	187,994	202,503	141,225	154,388	158,542	157,591	162,563	135,576	140,525
Section 8	776,455	812,570	825,863	924,482	944,559	923,431	968,607	1,002,901	1,530,749	1,603,181
Public Housing Policy	-	-	-	216,519	187,499	195,166	109,728	112,722	74,583	73,962
Equal Opportunity & Diversification	-	-	-	194,932	189,951	151,682	117,286	102,889	19,116	51,771
Finance	629,989	643,331	713,333	900,912	827,389	963,617	928,135	738,371	594,860	636,627
Technical Service	641,068	705,463	782,439	742,407	717,886	197,834	-	-	-	-
Maintenance	4,060,379	4,154,709	4,118,705	3,951,411	3,969,687	4,464,748	4,729,237	4,665,216	4,890,962	4,896,616
Resident Services	3,345,576	3,550,359	3,719,899	3,477,087	3,702,342	3,638,283	3,721,899	3,198,951	3,228,497	3,439,532
Total Agency salary expense	\$ 10,002,862	\$ 10,431,068	\$ 10,773,897	\$ 10,801,964	\$ 10,889,956	\$ 10,896,304	\$ 10,965,152	\$ 10,202,010	\$ 10,642,356	\$ 11,011,314
FTE	247.91	247.91	243.66	235.35	235.50	222.19	215.64	217.74	220.04	228.38
Salary cost per FTE	\$ 40,349	\$ 42,076	\$ 44,217	\$ 45,897	\$ 46,242	\$ 49,040	\$ 50,849	\$ 46,854	\$ 48,366	\$ 48,215

Note 1: This table reflects salaries only. It does not include terminal leave benefits, sick or vacation payouts.

Note 2: Technical Service was absorbed into Maintenance in fiscal year 2007.

Public Housing Agency of the City of Saint Paul

Low Rent Public Housing Collection Write-Offs
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Dwelling rental	\$ 9,957,155	\$ 10,337,156	\$ 10,699,671	\$ 10,542,487	\$ 10,588,726	\$ 11,078,857	\$ 11,680,840	\$ 11,887,433	\$ 12,045,042	\$ 12,451,097
Excess utilities	51,052	51,485	50,976	51,625	47,076	47,611	65,011	81,094	80,796	78,546
Nondwelling rental	2,105	1,905	2,395	2,030	990	1,980	2,970	2,640	2,860	660
Total rents charged	\$ 10,010,312	\$ 10,390,546	\$ 10,753,042	\$ 10,596,142	\$ 10,636,792	\$ 11,128,448	\$ 11,748,821	\$ 11,971,167	\$ 12,128,698	\$ 12,530,303
Write-offs as a % of rents charged	0.37%	0.38%	0.32%	0.79%	0.36%	1.07%	1.67%	0.86%	0.87%	0.42%
Net write-off amounts	\$ 37,258	\$ 39,305	\$ 34,694	\$ 83,855	\$ 37,809	\$ 118,972	\$ 196,157	\$ 102,431	\$ 105,966	\$ 53,066
prior year	11.58%	5.49%	(11.73)%	141.70%	(54.91)%	214.67%	64.88%	(47.48)%	3.45%	-49.92%
Average units leased	4,238	4,204	4,212	4,215	4,211	4,210	4,208	4,219	4,220	4,230
Write-offs per unit month	\$ 0.73	\$ 0.78	\$ 0.69	\$ 1.66	\$ 0.75	\$ 2.36	\$ 3.88	\$ 2.02	\$ 2.09	\$ 1.05

Public Housing Agency of the City of Saint Paul

Agencywide Changes in Net Assets
Last 8 Fiscal Years
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010
Operating revenue:								
Tenant revenue (net of bad debt)	\$ 10,829,706	\$ 10,596,142	\$ 10,598,983	\$ 11,009,476	\$ 11,552,665	\$ 11,866,097	\$ 12,125,838	\$ 12,476,577
HUD grants/subsidy	44,237,755	47,879,979	48,123,406	48,581,716	47,986,115	51,128,226	49,449,073	50,162,380
Other revenue	3,800,409	4,587,316	5,719,428	4,179,482	2,718,647	2,712,485	3,588,715	3,022,705
Total operating revenue	58,867,870	63,063,437	64,441,817	63,770,674	62,257,427	65,706,808	65,163,626	65,661,662
Operating expenses:								
Administrative	12,506,821	11,313,775	11,523,276	11,560,206	11,496,254	11,575,768	10,356,982	11,186,639
Tenant services	2,198,965	3,067,381	3,493,374	2,746,273	2,588,780	2,663,119	2,600,300	2,656,431
Housing assistance payments	30,980,237	35,509,198	35,077,117	33,652,690	31,691,339	32,554,698	31,672,700	34,684,768
Utilities	4,001,094	4,141,558	4,513,533	4,805,039	5,251,085	5,344,344	5,465,475	5,233,211
Ordinary maintenance	7,114,856	7,233,202	7,278,538	7,549,628	7,670,763	8,086,777	8,405,911	8,691,565
General expenses and other	1,065,484	1,261,164	1,660,674	1,344,796	1,266,225	1,648,250	3,392,589	3,994,635
Extraordinary maintenance	684,827	878,992	470,492	906,123	513,578	544,421	535,321	722,493
Depreciation expense	5,990,258	7,048,575	7,324,200	7,313,084	7,079,744	7,257,922	7,457,298	7,661,892
Total operating expenses	64,542,542	70,453,845	71,341,204	69,877,839	67,557,768	69,675,299	69,886,576	74,831,634
Operating loss	(5,674,672)	(7,390,408)	(6,899,387)	(6,107,165)	(5,300,341)	(3,968,491)	(4,722,950)	(9,169,972)
Nonoperating revenues and capital contributions:								
Capital contributions	7,660,878	9,661,647	5,171,832	5,060,732	7,586,119	3,897,192	6,508,330	9,963,344
Gain on disposition of capital assets	578,219	462,814	1,814,379	122,677	15,316	1,291,401	22,500	7,116
Other, mainly investment income	6,218	442,499	280,449	581,542	933,751	858,781	517,198	337,255
Total nonoperating revenues and capital contributions	8,245,315	10,566,960	7,266,660	5,764,951	8,535,186	6,047,374	7,048,028	10,307,715
Change in net assets	2,570,643	3,176,552	367,273	(342,214)	3,234,845	2,078,883	2,325,078	1,137,743
Beginning net assets	143,639,590	146,210,233	149,386,785	149,754,058	149,411,844	152,641,229	154,720,112	157,045,190
Ending net assets	\$ 146,210,233	\$ 149,386,785	\$ 149,754,058	\$ 149,411,844	\$ 152,646,689	\$ 154,720,112	\$ 157,045,190	\$ 158,182,933

Note: Data prior to 2003 is not available in this format due to a change in the reporting model in 2003.

Public Housing Agency of the City of Saint Paul

Agencywide Assets, Liabilities and Net Assets
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assets	\$ 144,575,030	\$ 153,832,327	\$ 154,451,655	\$ 158,622,381	\$ 158,660,621	\$ 156,376,581	\$ 160,884,353	\$ 161,336,724	\$ 164,973,028	\$ 166,552,226
Liabilities	9,894,104	10,192,737	8,241,422	9,235,596	8,906,563	6,964,247	8,367,397	6,616,612	7,927,839	8,369,294
Net assets	134,680,926	143,639,590	146,210,233	149,386,785	149,754,058	149,412,334	152,516,956	154,720,112	157,045,189	158,182,932
Agencywide increase/(decrease) as a % of prior year										
Assets	1.73%	6.40%	0.40%	2.70%	0.02%	(1.44)%	2.88%	0.28%	2.25%	0.96%
Liabilities	0.68%	3.02%	(19.14)%	12.06%	(3.56)%	(21.81)%	20.15%	(20.92)%	19.82%	5.57%
Net Assets	1.81%	6.65%	1.79%	2.17%	0.25%	(0.23)%	2.08%	1.44%	1.50%	0.72%

Public Housing Agency of the City of Saint Paul

Agencywide Net Assets by Type
 Last 8 Fiscal Years
 (Unaudited)

Fiscal Year	Invested in Capital Assets, Net of Related Debt	Restricted Assets	Unrestricted Assets	Total
2003	\$ 122,139,511	\$ 12,621,856	\$ 11,448,866	\$ 146,210,233
2004	135,794,983	13,233,355	358,447	149,386,785
2005	134,558,798	14,607,520	587,740	149,754,058
2006	135,311,831	11,938,272	2,161,741	149,411,844
2007	136,491,401	12,534,707	3,620,581	152,646,689
2008	135,010,603	17,923,003	1,791,966	154,725,572
2009	135,509,070	13,059,293	8,476,826	157,045,189
2010	138,923,062	10,133,729	9,126,141	158,182,932

Note: Data prior to 2003 is not available in this format due to a change in the reporting model in 2003.

Public Housing Agency of the City of Saint Paul

Agencywide Capital Assets Last 10 Fiscal Years (Unaudited)

Low Rent Capital Assets	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Land and land improvements	\$ 30,833,126	\$ 31,041,711	\$ 31,165,820	\$ 31,315,783	\$ 31,448,981	\$ 31,545,999	\$ 31,631,234	\$ 32,273,883	\$ 32,757,776	\$ 32,757,776
Buildings	179,659,758	188,135,048	196,149,373	204,493,125	211,708,657	219,653,777	220,144,038	233,125,768	239,670,627	246,214,818
Furniture, equipment and machinery	3,053,586	2,160,408	2,174,586	2,082,025	2,093,381	1,998,987	2,051,372	2,140,387	2,105,231	2,010,396
Accumulated depreciation	(106,890,002)	(112,714,674)	(118,595,940)	(125,254,237)	(131,501,336)	(138,165,064)	(144,721,552)	(151,006,162)	(157,886,661)	(164,944,992)
Low Rent total capital assets, net	\$ 106,656,468	\$ 108,622,493	\$ 110,893,839	\$ 112,636,696	\$ 113,749,683	\$ 115,033,699	\$ 109,105,092	\$ 116,533,876	\$ 116,646,973	\$ 116,037,998
Low Rent Increase/(Decrease) as a % of Prior Year										
Land and land improvements	1.51%	0.68%	0.40%	0.48%	0.43%	0.31%	0.27%	2.03%	1.50%	0.00%
Buildings	3.93%	4.72%	4.26%	4.25%	3.53%	3.75%	0.22%	5.90%	2.81%	2.73%
Furniture, equipment and machinery	0.40%	(29.25)%	0.66%	(4.6)%	0.55%	(4.51)%	2.62%	4.34%	(1.64)%	(4.50)%
Accumulated depreciation	5.90%	5.45%	5.22%	5.61%	4.99%	5.07%	4.75%	4.34%	4.56%	4.47%
	1.24%	1.84%	2.09%	1.57%	0.99%	1.13%	(5.15)%	6.81%	0.10%	(0.52)%
Business Activity Capital Assets										
Land and land improvements	\$ 2,062,418	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071	\$ 1,863,071
Buildings	2,016,738	-	-	11,601,850	12,033,652	12,894,772	12,894,772	12,912,734	12,924,774	12,933,539
Furniture, equipment and machinery	2,492	-	-	65,058	66,504	66,504	66,504	66,504	66,504	74,574
Accumulated depreciation	(480,486)	(3,898)	(19,349)	(237,459)	(643,785)	(1,071,659)	(1,513,885)	(1,956,111)	(2,399,436)	(2,844,442)
Business Activity total capital assets, net	\$ 3,601,162	\$ 1,859,173	\$ 1,843,722	\$ 13,292,520	\$ 13,319,442	\$ 13,752,688	\$ 13,310,462	\$ 12,886,198	\$ 12,454,913	\$ 12,026,742
BUSINESS ACTIVITY increase/ (decrease) as										
Land and land improvements	0.00%	(9.67)%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Buildings	7.53%	(100.00)%	N/A	N/A	3.72%	7.16%	0.00%	0.14%	0.09%	0.07%
Furniture, equipment and machinery	0.00%	(100.00)%	N/A	N/A	2.22%	0.00%	0.00%	0.00%	0.00%	12.13%
Accumulated depreciation	15.67%	(99.19)%	396.38%	1127.24%	171.11%	66.46%	41.27%	29.21%	22.66%	18.55%
	2.16%	(48.37)%	(0.83)%	620.96%	0.20%	3.25%	(3.22)%	(3.19)%	(3.35)%	(3.44)%

Note 1: Prior to fiscal year 1999, capital asset data was not kept in categories as shown above nor was depreciation calculated. N/A is placed in columns where this note applies.

Note 2: Business Activity — fiscal year 2000 purchased 10th Street property as future site for central administrative office building.

Note 3: Business Activity — fiscal year 2002 sold central administrative office building located at 480 Cedar Street to Minnesota Public Radio.

Note 4: Business Activity — late fiscal year 2004 moved into newly built central administrative office building located at 555 N. Wabasha Street.

Public Housing Agency of the City of Saint Paul

Agency Full-Time Equivalent (FTE) by Department
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Executive	6.00	6.00	6.00	4.00	3.00	3.00	3.50	3.25	3.50	3.00
Human Resources	3.50	3.50	4.00	2.50	2.50	2.50	2.00	3.00	3.00	3.00
Section 8	23.00	23.00	24.00	24.00	24.00	22.00	21.00	22.00	25.63	25.00
Public Housing Policy	-	-	-	3.50	3.00	3.00	1.50	1.25	1.00	1.00
Equal Opportunity & Diversification	-	-	-	3.00	2.50	2.50	1.80	0.90	0.38	0.75
Finance	14.33	14.33	14.50	14.50	15.50	14.50	13.50	13.50	14.50	15.50
Technical Service	14.00	14.00	14.00	13.00	12.00	-	-	-	-	-
Maintenance	96.00	96.00	92.00	87.00	88.00	95.00	95.00	97.00	97.00	100.00
Resident Services	91.08	91.08	89.16	83.85	85.00	79.69	77.34	76.84	75.03	80.13
Total Agency FTE	247.91	247.91	243.66	235.35	235.50	222.19	215.64	217.74	220.04	228.38

Note 1: Prior to fiscal year 2000, Human Resources was under Finance and Section 8 was under Resident Services.

Note 2: Prior to fiscal year 2004, Public Housing Policy and Equal Opportunity staff were under various departments.

Note 3: During fiscal year 2006, the Technical Service department was dissolved and merged into the Maintenance department.

Public Housing Agency of the City of Saint Paul

Unit Type Composition
Last 10 Fiscal Years
(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Family	1,733	1,729	1,728	1,728	1,710	1,710	1,710	1,701	1,701	1,701
Hi-rise	2,545	2,545	2,545	2,545	2,548	2,548	2,548	2,548	2,548	2,548
Total units	4,278	4,274	4,273	4,273	4,258	4,258	4,258	4,249	4,249	4,249

Public Housing Agency of the City of Saint Paul

Unit Demographics
 March 31, 2010
 (Unaudited)

Unit Inventory	Units
Major family developments:	
McDonouogh Homes	580
Roosevelt Homes	314
Mt. Airy Homes	298
Dunedin Homes	104
Major hi-rise developments:	
Mt. Airy	153
Central	141
Valley	159
Neill	104
Dunedin	142
Cleveland	144
Iowa	148
Wilson	187
Front	151
Ravoux	220
Wabasha	71
Montreal	185
Exchange	194
Edgerton	219
Hamline	186
Seal	144
Scattered family units	405
Total units	4,249
PHA units by bedroom size:	
0 bedrooms	124
1 bedrooms	2,453
2 bedrooms	569
3 bedrooms	719
4 bedrooms	272
5 bedrooms	107
6 bedrooms	5
Total units	4,249

Public Housing Agency of the City of Saint Paul

Low Rent and Section 8 Utilization
Last 10 Fiscal Years
(Unaudited)

Fiscal Year	Low Rent Public Housing			Section 8		
	Average Monthly Units	Average Monthly Vacancies	Average Monthly Utilization Rate	HUD * Average Monthly Units	Average Monthly Vouchers Utilized	Average Monthly Utilization Rate
2001	4,238	41	99.0%	3,710	3,368	90.8%
2002	4,204	42	99.0%	3,763	3,739	99.4%
2003	4,212	34	99.2%	3,965	3,925	99.0%
2004	4,215	32	99.2%	4,059	4,092	100.8%
2005	4,211	29	99.3%	4,059	3,954	97.4%
2006	4,210	25	99.4%	4,066	4,006	98.5%
2007	4,208	27	99.4%	4,095	4,032	98.5%
2008	4,220	20	99.5%	4,103	4,181	101.9%
2009	4,220	14	99.7%	4,121	4,027	97.7%
2010	4,230	4	99.9%	4,286	4,373	102.0%
10-year average	4,217	27	99.4%	4,023	3,970	98.7%