

STATE OF MINNESOTA

Office of the State Auditor



Rebecca Otto
State Auditor

**METROPOLITAN COUNCIL
HOUSING AND REDEVELOPMENT AUTHORITY
SAINT PAUL, MINNESOTA**

YEAR ENDED DECEMBER 31, 2012

Description of the Office of the State Auditor

The mission of the Office of the State Auditor is to oversee local government finances for Minnesota taxpayers by helping to ensure financial integrity and accountability in local governmental financial activities.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 160 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office currently maintains five divisions:

Audit Practice - conducts financial and legal compliance audits of local governments;

Government Information - collects and analyzes financial information for cities, towns, counties, and special districts;

Legal/Special Investigations - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

Pension - monitors investment, financial, and actuarial reporting for approximately 730 public pension funds; and

Tax Increment Financing - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

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**METROPOLITAN COUNCIL
HOUSING AND REDEVELOPMENT AUTHORITY
SAINT PAUL, MINNESOTA**

Year Ended December 31, 2012



Financial Data Schedule

**Audit Practice Division
Office of the State Auditor
State of Minnesota**

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**METROPOLITAN COUNCIL
HOUSING AND REDEVELOPMENT AUTHORITY
SAINT PAUL, MINNESOTA**

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STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

Metropolitan Council of the Twin Cities Area
Saint Paul, Minnesota

Report on the Financial Data Schedule

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Metropolitan Council of the Twin Cities Area, a component unit of the State of Minnesota, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Metropolitan Council's basic financial statements. We have issued our report thereon dated June 27, 2013, which contained unmodified opinions on those financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Metropolitan Council's basic financial statements. The accompanying Financial Data Schedule is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development (HUD) and is not a required part of the basic financial statements.

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

This report is intended solely for the information and use of management and members of the Metropolitan Council and HUD and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 27, 2013

FINANCIAL DATA SCHEDULE

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Metropolitan Council
Housing and Redevelopment Authority
Financial Data Schedule
For the Year Ended December 31, 2012

	Project Total	14.871 Housing Choice Vouchers	14.241 Housing Opportunities for Persons with AIDS	14.238 Shelter Plus Care	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	Subtotal	ELIM	Total
111 Cash - Unrestricted		\$5,794,097	\$334	\$2,159		\$1,042,512	\$6,839,102		\$6,839,102
112 Cash - Restricted - Modernization and Development									
113 Cash - Other Restricted		\$567,355					\$567,355		\$567,355
114 Cash - Tenant Security Deposits									
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash		\$6,361,452	\$334	\$2,159	\$0	\$1,042,512	\$7,406,457	\$0	\$7,406,457
121 Accounts Receivable - PHA Projects		\$57,140					\$57,140		\$57,140
122 Accounts Receivable - HUD Other Projects				\$4,822			\$4,822		\$4,822
124 Accounts Receivable - Other Government			\$79,861			\$256,763	\$336,624		\$336,624
125 Accounts Receivable - Miscellaneous									
126 Accounts Receivable - Tenants									
126.1 Allowance for Doubtful Accounts - Tenants									
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current									
128 Fraud Recovery									
128.1 Allowance for Doubtful Accounts - Fraud									
129 Accrued Interest Receivable		\$31,958					\$31,958		\$31,958
120 Total Receivables, Net of Allowances for Doubtful Accounts		\$89,098	\$79,861	\$4,822	\$0	\$256,763	\$430,544	\$0	\$430,544
131 Investments - Unrestricted									
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets									
143 Inventories									
143.1 Allowance for Obsolete Inventories									
144 Inter Program Due From						\$79,000	\$79,000	-\$79,000	\$0
145 Assets Held for Sale									
150 Total Current Assets		\$6,450,550	\$80,195	\$6,981	\$0	\$1,378,275	\$7,916,001	-\$79,000	\$7,837,001
161 Land					\$480,000		\$480,000		\$480,000
162 Buildings									
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration									
165 Leasehold Improvements									
166 Accumulated Depreciation									
167 Construction in Progress									
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation		\$0	\$0	\$0	\$480,000	\$0	\$480,000	\$0	\$480,000

Metropolitan Council
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171 Notes, Loans and Mortgages Receivable - Non-Current									
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due									
173 Grants Receivable - Non Current									
174 Other Assets									
176 Investments in Joint Ventures									
180 Total Non-Current Assets		\$0	\$0	\$0	\$480,000	\$0	\$480,000	\$0	\$480,000
190 Total Assets		\$6,450,550	\$80,195	\$6,981	\$480,000	\$1,378,275	\$8,396,001	-\$79,000	\$8,317,001
311 Bank Overdraft									
312 Accounts Payable <= 90 Days		\$29,441	\$920	\$5,061		\$8,412	\$43,834		\$43,834
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable						\$179,557	\$179,557		\$179,557
322 Accrued Compensated Absences - Current Portion						\$52,097	\$52,097		\$52,097
324 Accrued Contingency Liability									
325 Accrued Interest Payable									
331 Accounts Payable - HUD PHA Programs									
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government									
341 Tenant Security Deposits									
342 Deferred Revenues				\$1			\$1		\$1
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds									
344 Current Portion of Long-term Debt - Operating Borrowings									
345 Other Current Liabilities									
346 Accrued Liabilities - Other									
347 Inter Program - Due To			\$79,000				\$79,000	-\$79,000	\$0
348 Loan Liability - Current									
310 Total Current Liabilities		\$29,441	\$79,920	\$5,062	\$0	\$240,066	\$354,489	-\$79,000	\$275,489
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue									
352 Long-term Debt, Net of Current - Operating Borrowings									
353 Non-current Liabilities - Other		\$227,198					\$227,198		\$227,198
354 Accrued Compensated Absences - Non Current						\$34,731	\$34,731		\$34,731
355 Loan Liability - Non Current									
356 FASB 5 Liabilities									
357 Accrued Pension and OPEB Liabilities									
350 Total Non-Current Liabilities		\$227,198	\$0	\$0	\$0	\$34,731	\$261,929	\$0	\$261,929
300 Total Liabilities		\$256,639	\$79,920	\$5,062	\$0	\$274,797	\$616,418	-\$79,000	\$537,418

Metropolitan Council
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For the Year Ended December 31, 2012

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508.1 Invested In Capital Assets, Net of Related Debt					\$480,000		\$480,000		\$480,000
511.1 Restricted Net Assets		\$340,157					\$340,157		\$340,157
512.1 Unrestricted Net Assets		\$5,853,754	\$275	\$1,919	\$0	\$1,103,478	\$6,959,426		\$6,959,426
513 Total Equity/Net Assets		\$6,193,911	\$275	\$1,919	\$480,000	\$1,103,478	\$7,779,583	\$0	\$7,779,583
600 Total Liabilities and Equity/Net Assets		\$6,450,550	\$80,195	\$6,981	\$480,000	\$1,378,275	\$8,396,001	-\$79,000	\$8,317,001

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70300 Net Tenant Rental Revenue									
70400 Tenant Revenue - Other									
70500 Total Tenant Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$53,014,878	\$497,999	\$2,884,544			\$56,397,421		\$56,397,421
70610 Capital Grants									
70710 Management Fee									
70720 Asset Management Fee									
70730 Book Keeping Fee									
70740 Front Line Service Fee									
70750 Other Fees									
70700 Total Fee Revenue							\$0	\$0	\$0
70800 Other Government Grants						\$1,498,834	\$1,498,834		\$1,498,834
71100 Investment Income - Unrestricted		\$53,173				\$9,057	\$62,230		\$62,230
71200 Mortgage Interest Income									
71300 Proceeds from Disposition of Assets Held for Sale									
71310 Cost of Sale of Assets									
71400 Fraud Recovery		\$62,270					\$62,270		\$62,270
71500 Other Revenue		\$281,773				\$746	\$282,519		\$282,519
71600 Gain or Loss on Sale of Capital Assets									
72000 Investment Income - Restricted									
70000 Total Revenue		\$53,412,094	\$497,999	\$2,884,544	\$0	\$1,508,637	\$58,303,274	\$0	\$58,303,274

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95100 Protective Services - Labor									
95200 Protective Services - Other Contract Costs									
95300 Protective Services - Other									
95500 Employee Benefit Contributions - Protective Services									
95000 Total Protective Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance									
96120 Liability Insurance									
96130 Workmen's Compensation									
96140 All Other Insurance									
96100 Total insurance Premiums		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96200 Other General Expenses									
96210 Compensated Absences		\$107,578	\$2,264	\$18,880		\$87,905	\$216,627		\$216,627
96300 Payments in Lieu of Taxes									
96400 Bad debt - Tenant Rents									
96500 Bad debt - Mortgages									
96600 Bad debt - Other									
96800 Severance Expense									
96000 Total Other General Expenses		\$107,578	\$2,264	\$18,880	\$0	\$87,905	\$216,627	\$0	\$216,627
96710 Interest of Mortgage (or Bonds) Payable									
96720 Interest on Notes Payable (Short and Long Term)									
96730 Amortization of Bond Issue Costs									
96700 Total Interest Expense and Amortization Cost		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses		\$3,652,925	\$44,175	\$330,372	\$0	\$153,248	\$4,180,720	\$0	\$4,180,720
97000 Excess of Operating Revenue over Operating Expenses		\$49,759,169	\$453,824	\$2,554,172	\$0	\$1,355,389	\$54,122,554	\$0	\$54,122,554

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97100 Extraordinary Maintenance									
97200 Casualty Losses - Non-capitalized									
97300 Housing Assistance Payments		\$48,483,934	\$463,196	\$2,670,460		\$1,373,408	\$52,990,998		\$52,990,998
97350 HAP Portability-In									
97400 Depreciation Expense		\$0					\$0		\$0
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payment - Governmental Funds									
97800 Dwelling Units Rent Expense									
90000 Total Expenses		\$52,136,859	\$507,371	\$3,000,832	\$0	\$1,526,656	\$57,171,718	\$0	\$57,171,718
10010 Operating Transfer In			\$8,500	\$106,000		\$4,500	\$119,000	-\$119,000	\$0
10020 Operating transfer Out		-\$114,500				-\$4,500	-\$119,000	\$119,000	\$0
10030 Operating Transfers from/to Primary Government									
10040 Operating Transfers from/to Component Unit									
10050 Proceeds from Notes, Loans and Bonds									
10060 Proceeds from Property Sales									
10070 Extraordinary Items, Net Gain/Loss									
10080 Special Items (Net Gain/Loss)									
10091 Inter Project Excess Cash Transfer In									
10092 Inter Project Excess Cash Transfer Out									
10093 Transfers between Program and Project - In									
10094 Transfers between Project and Program - Out									
10100 Total Other financing Sources (Uses)		-\$114,500	\$8,500	\$106,000	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses		\$1,160,735	-\$872	-\$10,288	\$0	-\$18,019	\$1,131,556	\$0	\$1,131,556

