METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

NASHVILLE, TENNESSEE

ANNUAL FINANCIAL REPORT AND OTHER FINANCIAL INFORMATION

SEPTEMBER 30, 2016

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

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METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

INTRODUCTION

The Metropolitan Housing and Development Agency ("MDHA" or the "Agency") is pleased to present its Annual Financial Report and Other Financial Information for the year ended September 30, 2016.

Responsibility and Controls

MDHA has prepared and is responsible for the financial statements and related information included in this report. A system of internal accounting control is maintained to provide reasonable assurance that assets are safeguarded and that the books and records reflect only authorized transactions. Limitations exist in any system of internal control. However, based on recognition that the cost of the system should not exceed its benefits, management believes its system of internal accounting control maintains an appropriate cost/benefit relationship.

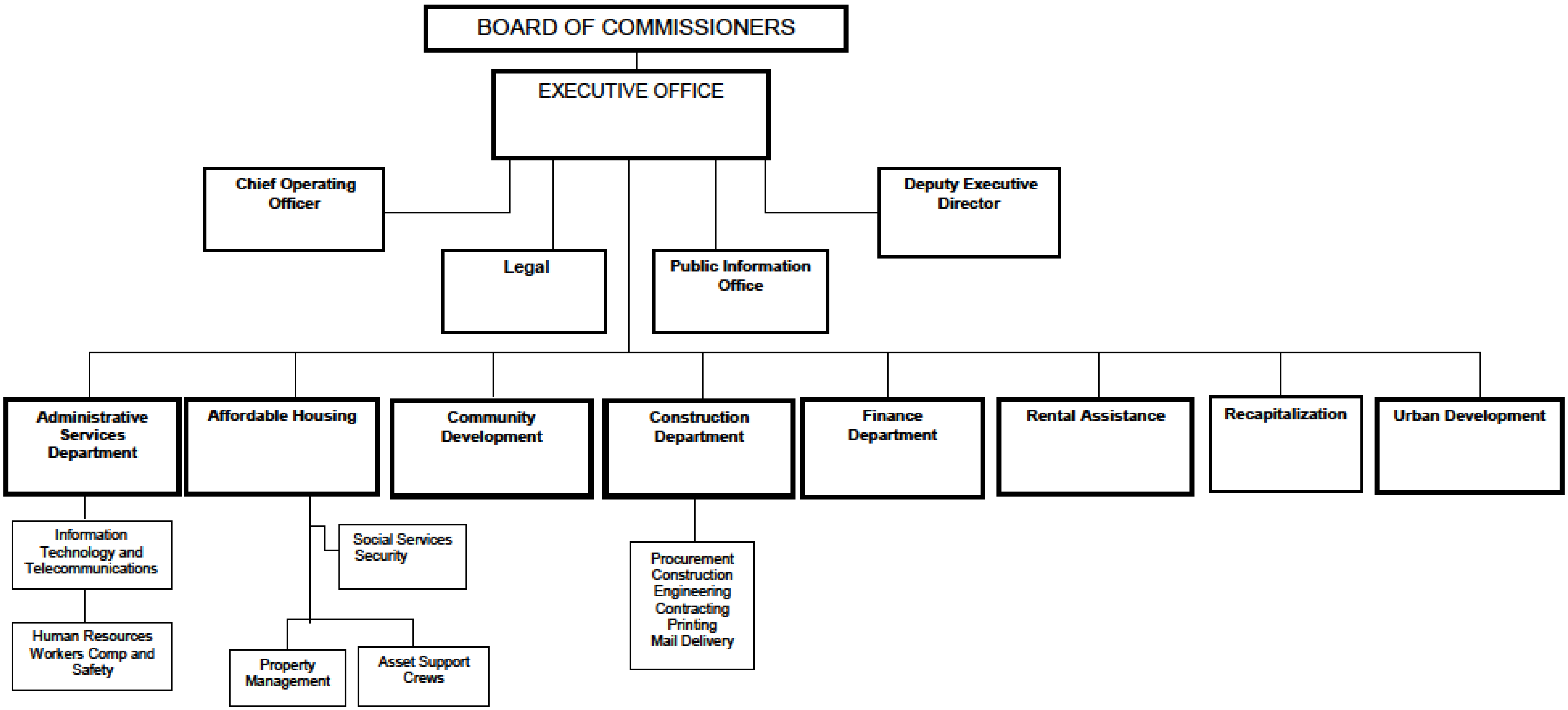
MDHA's system of internal accounting control is evaluated on an ongoing basis by internal financial staff. Mountjoy Chilton Medley LLP, external auditors, also consider certain elements of the internal control system in order to determine auditing procedures for the purpose of expressing an opinion on the financial statements.

Management believes that its policies and procedures provide guidance and reasonable assurance that MDHA's operations are conducted according to management's intentions and to a high standard of business ethics. In management's opinion, the financial statements present fairly, in all material respects, the financial position of MDHA as of September 30, 2016, and the changes in financial position and cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.

Audit Assurance

The unmodified opinion of the independent external auditors, Mountjoy Chilton Medley LLP, on the September 30, 2016, financial statements is included in this report.

ORGANIZATIONAL CHART
METROPOLITAN DEVELOPMENT AND HOUSING AGENCY



METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

BOARD OF COMMISSIONERS

September 30, 2016

Ralph Mosley, Chair
Jimmy Granbery Vice Chair for Development
Melvin C. Black, Vice Chair for Housing
Miniimah Basheer, Commissioner
Antoinette Batts, Commissioner
Charles Robert Bone, Commissioner
Gif Thornton, Commissioner

CPAs & ADVISORS

Independent Auditor's Report

Board of Commissioners
Metropolitan Development and Housing Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, and the aggregate discretely presented component units of Metropolitan Development and Housing Agency (the "Agency"), a component unit of Metropolitan Government of Nashville and Davidson County, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units. Those statements, which were prepared in accordance with the Accounting Standards Codification as issued by the Financial Accounting Standards Board were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors. No adjustments were necessary to convert the financial statements of the discretely presented component units to the financial reporting framework used by the Agency. The financial statements of the discretely presented component units were not audited in accordance with Government Auditing Standards. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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Independent Auditor's Report (Continued)

Auditor's Responsibility (Continued)

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors of the discretely presented component units, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the aggregate discretely presented component units of the Agency, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 7 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. In addition, the accompanying schedule of actual costs for the specified project from inception of the project through completion and the financial data schedule are presented for purposes of additional analysis, and are 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Independent Auditor's Report (Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2017, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Monroe Chilton Mudley LLP

Jeffersonville, Indiana
March 30, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Metropolitan Development and Housing Agency's ("MDHA" or the "Agency") annual financial report presents management's discussion and analysis of the Agency's financial performance during the fiscal years ended September 30, 2016 and 2015. Please read this analysis in conjunction with the Agency's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

Fiscal year 2016:

The Agency's total net position decreased $2.0 million or -.6%, in part as a result of the following:

- Cash and Investments increased $11.3 million (+21.2%)
- Other Assets increased $8.9 million (+13.8%)
- Bonds, Notes and Other Liabilities increased $15.6 million (+17.7%)
- Operating Revenues increased $3.6 million (+3.3%)
- Operating Expenses decreased $1.5 million (-1.4%)
- Operating Income increased $5.1 million (+>100%)
- Governmental Capital Contributions increased $1.2 million (+29.9%)

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial report consists of two parts: management's discussion and analysis and the basic financial statements. The financial statements include a statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows and notes to the financial statements. The statement of net position provides a record or snapshot of the assets and liabilities at the close of the fiscal year. It presents the financial position of the Agency on a full accrual historical cost basis. The statement of revenues, expenses and changes in net position presents the results of the business activities over the course of the fiscal year. The statement of cash flows is related to the other financial statements by the way it links changes in assets and liabilities to the effects on cash and cash equivalents over the course of the fiscal year. The notes to the financial statements provide useful information regarding the Agency's significant accounting policies, significant account balances and activities, certain material risks, obligations, commitments, contingencies and subsequent events.

The Agency is supported by rentals, fees, and federal and state grants and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short-term and long-term financial information about the activities and operations of the Agency. While detailed sub-fund information is not presented, separate accounts are maintained for each program of the Agency to control and manage money for particular purposes or to demonstrate that the Agency is properly using specific grants.

FINANCIAL ANALYSIS OF THE AGENCY

Net Position

Fiscal year 2016 as compared to fiscal year 2015:

	2016	2015	% Increase (Decrease)
Current Assets	$ 72,837,978	$ 61,223,222	19.0 %
Noncurrent Assets			
Capital Assets	293,211,314	300,108,561	(2.3) %
Other Assets	73,226,942	64,331,598	13.8 %
Total Assets	439,276,234	425,663,381	3.2 %
Current Liabilities	25,001,841	20,128,240	24.2 %
Long Term Liabilities	78,448,415	67,750,461	15.8 %
Total Liabilities	103,450,256	87,878,701	17.7 %
Net investment in Capital Assets	243,225,594	258,719,344	(6.0) %
Restricted Net Position	1,493,361	1,096,070	36.2 %
Unrestricted Net Position	91,107,023	77,969,266	16.8 %
Total Net Position	$ 335,825,978	$ 337,784,680	(0.6) %

The Agency's total net position decreased $2 million, or -.6%, in part as a result of the following:

- Current assets increased due to restricted cash on hand for the Levy Place L.P. totaling $6 million and is offset by the increase in funds held for others. These funds are held by MDHA to complete rehab for the Low Income Housing Tax Credit (LIHTC) property.

  On November 14, 2014, the Agency closed a lease/leaseback financing arrangement with Gates/Parking Real Estate Fund II for $35,500,000 at a fixed interest rate of 4.839%. Loan proceeds of $16.3 million were used for construction of the parking garage at 505 Church Street.

  Additionally, on October 1, 2015, the Agency closed a HUD 221(d)4 loan to construct 54 new units at 10th & Jefferson. Loan proceeds of $2.1 million were used for construction of the project during 2016.

  Levy Place Apartments, a 226-unit property, previously owned and managed by MDHA, was sold to Levy Place, L.P. on July 28, 2016 for $12 million. The net book value of Levy Place at time of sale was $21.15 million; therefore a special item loss on sale of capital assets for $9.15 million is reported in 2016.

FINANCIAL ANALYSIS OF THE AGENCY (CONTINUED)

Revenues, Expenses and Changes in Net Position

Fiscal year 2016 as compared to fiscal year 2015:

	2016	2015	% Increase (Decrease)
Operating Revenues			
Rentals	$ 16,486,516	$ 15,240,129	8.2 %
Other tenant revenue	920,036	782,974	17.5 %
Governmental Operating Revenue	87,452,276	88,008,056	(0.6) %
Local Government Development Activities	5,332,885	778,132	>100 %
Other	2,252,617	4,048,179	(44.4) %
Total Operating Revenues	112,444,330	108,857,470	3.3 %
Operating Expenses:			
Administrative expenses	17,051,107	17,004,914	0.3 %
Other	92,993,719	94,556,581	(1.7) %
Total Operating Expenses	110,044,826	111,561,495	(1.4) %
Operating Gain (Loss)	2,399,504	(2,704,025)	(188.7) %
Nonoperating Revenues (Expenses)	(309,920)	(1,124,028)	(72.4) %
Capital Contributions	5,104,566	3,930,115	29.9 %
Other Changes	(9,152,852)	1,520,493	(>100) %
Change in Net Position	$ (1,958,702)	$ 1,622,555	(>100) %

The increase in rental income is due to the Agency assuming full ownership of Nance Place apartments and the purchase of CWA Apartments in December 2014.

Local Government Development Activities income increased due to funds allocated from the Metro Nashville Government to fund $3.4 million of affordable housing and infrastructure activities.

Other revenue decreased due to the transfer of assets from Nance Place Apartments L.P. in December 2014 to MDHA resulting in a cash increase of $1.5 million in 2015.

Levy Place Apartments, a 226-unit property, previously owned and managed by MDHA, was sold to Levy Place, L.P. on July 28, 2016 for $12 million. The net book value of Levy Place at time of sale was $21.15 million; therefore, a special item loss on sale of capital assets for $9.15 million is reported in 2016.

CAPITAL ASSETS

Fiscal year 2016 as compared to fiscal year 2015:

	2016	2015	% Increase (Decrease)
Land	$ 90,634,778	$ 94,075,095	(3.7) %
Infrastructure	18,050,955	21,604,679	(16.4) %
Buildings	318,259,735	334,351,280	(4.8) %
Equipment	4,657,701	4,574,336	1.8 %
Construction in progress	32,959,882	13,745,862	>100 %
Total	464,563,051	468,351,252	(0.8) %
Less Accumulated Depreciation	(171,351,737)	(168,242,691)	1.8 %
Net Capital Assets	$ 293,211,314	$ 300,108,561	(2.3) %

Net capital assets decreased $6.9, or 2.3% during fiscal year 2016. During fiscal year 2016, the Agency expended $25.2 million on capital activities. The capital expenditures included $16.2 million for the construction of a downtown parking garage; $2 million for the 10th and Jefferson project; $1.3 million for improvements to Neighborhood Housing units; and $5.6 million for the construction of a mid-rise apartment complex at Cayce Place. Levy Place Apartments, a 226-unit property, previously owned and managed by MDHA, was sold to Levy Place, L.P. on July 28, 2016 for $12 million. The net book value of Levy Place at time of sale was $21.15 million; therefore a special item loss on sale of capital assets for $9.15 million is reported in 2016.

Capital asset acquisitions are capitalized at cost. Acquisitions are funded from federal grants and operating subsidy.

Depreciation expense on capital assets totaled $10.9 million during fiscal year 2016.

DEBT ADMINISTRATION

Fiscal year 2016 as compared to fiscal year 2015:

	2016	2015	% Increase (Decrease)
Total Notes Payable - other	$ 79,702,340	$ 69,487,073	14.7 %

DEBT ADMINISTRATION (CONTINUED)

As of September 30, 2016, the Agency's note principal and interest outstanding totaled $79.7 million - an increase of 14.7% from the prior year. The Agency incurred $18.4 million in new debt for the ongoing construction of a downtown parking garage and the construction of a 54 unit apartment complex at 10th and Jefferson. Additionally, the Pinnacle bank energy performance contracts and Levy Place loan and J Henry Hale Suntrust loan were paid off with excess reserves during 2016.

NEW BUSINESS

The Agency has included, as discretely presented component units, the activity for Vine Hill Homes, LLC, Preston Taylor Homes, LLC and Ryman Lofts at Rolling Mill Hill, L.P. These entities are shown as discretely presented component units because the Agency is financially accountable for them; however, they do not have full ownership over the entities. The MDHA Housing Trust Corporation, which is included in the Primary Government has a .01% general partner interest in Vine Hill, Preston Taylor and Ryman Lofts.

Requests for the full financial information of the Vine Hill Homes, LLC, Preston Taylor Homes, LLC and the Ryman Lofts at Rolling Mill Hill, LP (the Discretely Presented Component Units) should be addressed to The Metropolitan Development and Housing Agency, 701 South Sixth Street, Nashville, Tennessee, 37206.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide residents, customers, investors and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at MDHA, P.O. Box 846, Nashville, TN 37202.

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF NET POSITION

SEPTEMBER 30, 2016

ASSETS

	Primary Government	Discretely Presented Component Units
CURRENT ASSETS		
Cash and cash equivalents	$ 45,098,879	$ 1,559,401
Restricted cash and cash equivalents	16,122,933	1,054,760
Investments, at fair value	3,265,722	-
Receivables:		
Tenant, net of allowances	134,901	12,246
Amounts due from other governmental agencies	4,950,674	123,037
Current portion of notes receivable, net of allowances	284,308	-
Other	1,051,081	1,657
Inventory	1,598,284	-
Prepaid expenses	331,196	14,184
TOTAL CURRENT ASSETS	72,837,978	2,765,285
CAPITAL ASSETS, NET	293,211,314	28,220,899
Other Assets	30,346,317	464,742
Notes receivable, net of allowances	42,880,625	-
TOTAL NONCURRENT ASSETS	73,226,942	464,742
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS	$ 439,276,234	$ 31,450,926

See accompanying notes.

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF NET POSITION (CONTINUED)

SEPTEMBER 30, 2016

LIABILITIES

	Primary Government	Discretely Presented Component Units
CURRENT LIABILITIES		
Funds held for others	$ 12,279,488	$ -
Accounts payable	6,078,225	260,819
Contract retention payable	11,766	-
Compensated absences payable	868,921	30,110
Accrued liabilities	856,286	170,893
Due to tenants	1,190,503	105,200
Unearned revenue	184,146	315,165
Due to other governments	56,021	152,799
Current portion of long-term debt	3,476,485	34,560
TOTAL CURRENT LIABILITIES	25,001,841	1,069,546
NONCURRENT LIABILITIES		
Deposits	804,847	82,259
Long-term debt, less current maturities	76,225,855	35,635,383
Long-term compensated absences payable	1,417,713	81,410
TOTAL NONCURRENT LIABILITIES	78,448,415	35,799,052
TOTAL LIABILITIES	103,450,256	36,868,598
DEFERRED INFLOWS OF RESOURCES	-	-
NET POSITION		
Net investment in capital assets	243,225,594	-
Restricted for other purposes	1,493,361	957,501
Unrestricted net position (deficit)	91,107,023	(6,375,173)
TOTAL NET POSITION (DEFICIT)	335,825,978	(5,417,672)
TOTAL LIABILITIES AND NET POSITION	$ 439,276,234	$ 31,450,926

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Primary Government	Discretely Presented Component Units
OPERATING REVENUES		
Rentals	$ 16,486,516	$ 2,184,746
Other tenant revenue	920,036	53,683
Governmental operating revenue	87,452,276	1,137,486
Program income	126,746	-
Local government development activities	5,332,885	-
Other income	2,125,871	67,186
TOTAL OPERATING REVENUES	112,444,330	3,443,101
OPERATING EXPENSES		
Cost of Services:		
Tenant services	851,650	71,957
Utilities	7,577,594	144,610
Ordinary maintenance and operations	13,915,461	1,477,801
Protective services	1,561,194	151,486
Other direct program costs	12,281,021	418,775
Housing assistance payments	45,864,273	-
Administration	17,051,107	890,797
Depreciation	10,942,526	1,233,454
TOTAL OPERATING EXPENSES	110,044,826	4,388,880
OPERATING INCOME (LOSS)	2,399,504	(945,779)
NONOPERATING REVENUES (EXPENSES)		
Interest income	203,176	11,144
Impairment allowance on notes receivable	(162,861)	-
Interest expense	(350,235)	(201,556)
TOTAL NONOPERATING EXPENSES - NET	(309,920)	(190,412)
INCREASE (DECREASE) IN NET POSITION BEFORE CONTRIBUTIONS AND OTHER LOSSES	2,089,584	(1,136,191)
Capital contributions	5,104,566	-
Other special item loss on sale	(9,152,852)	-
CHANGES IN NET POSITION	(1,958,702)	(1,136,191)
NET POSITION (DEFICIT) - BEGINNING OF YEAR	337,784,680	(4,281,481)
NET POSITION (DEFICIT) - END OF YEAR	$ 335,825,978	$ (5,417,672)

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from rental operations	$ 17,093,903
Receipts from program income	114,161
Receipts from government subsidy for operations	87,303,441
Receipts from local governmental development activities	5,012,744
Receipts from other sources	2,927,271
Payments to and on behalf of employees	(21,467,437)
Payments for other administrative expenses	(3,220,393)
Payments for other direct program costs, including housing assistance payments	(69,403,710)
Program loan activities:	
Cash expended for program loans	(8,085,493)
Principal collections on notes receivable	287,053
Interest income collections	39,908
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,601,448
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Receipts from governmental capital grants	5,104,566
Purchases of capital assets	(25,198,131)
Proceeds from capital debt	18,386,602
Principal paid on capital debt	(9,518,391)
Proceeds from Sale of Levy Place	12,000,000
Interest paid on capital debt	(298,412)
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	476,234
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of investments, including reinvested interest	(24,603)
Interest received	203,176
NET CASH PROVIDED BY INVESTING ACTIVITIES	178,573
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,256,255
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	49,965,557
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 61,221,812

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2016

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	$ 2,399,504
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	10,942,526
Bad debt expense	580,379
Changes in assets and liabilities:	
Accounts receivable	(1,295,724)
Inventories	156,515
Prepaid expenses and other assets	281,634
Due to tenants	(61,451)
Accounts payable and amounts due to other governments	6,309,969
Deferred revenue and other deposits	251,890
Accrued liabilities and compensated absences	(1,144,120)
Program loan activities:	
Cash expended for program loans	(8,106,726)
Principal collections on notes receivable	287,052
TOTAL ADJUSTMENTS	8,201,944
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 10,601,448

RECONCILIATION OF CASH TO THE STATEMENT OF NET POSITION:	
Cash and cash equivalents	$ 45,098,879
Restricted cash and cash equivalents	16,122,933
	$ 61,221,812

See accompanying notes.

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF THE AGENCY

The Metropolitan Development and Housing Agency of Nashville, Tennessee ("MDHA" or the "Agency"), a public corporate body, was organized in 1938 under the laws of the State of Tennessee and is a discretely presented component unit of the Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government"). The Agency was created for the purpose of providing affordable housing opportunities in a safe environment. MDHA has administrative responsibility for various other community development programs whose primary purpose is the development of viable urban communities including the administration of capital projects on behalf of the Metropolitan Government.

The governing body of the Agency is its Board of Commissioners, composed of seven members appointed by the Mayor and confirmed by the Metropolitan Council of Nashville and Davidson County, Tennessee.

See additional information in NOTE 2 for reporting entity regarding both the primary government and discretely presented component units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement focus, basis of accounting and basis of presentation

The financial statements are presented using the accrual basis of accounting with an economic resources measurement focus. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. As permitted by accounting principles generally accepted in the United States of America (GAAP), the Agency has elected to apply all relevant Government Accounting Standards Board (GASB) pronouncements.

The Agency distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from grant agreements, providing services, and producing and delivering goods in connection with the ongoing principal operations. The principal operating revenues of the Agency include program specific grants, rental income from tenants of the various single and multi-family housing projects and development fees for the administration of various community development programs and capital projects of the Metropolitan Government. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Reporting entity

As described in GASB Statement No. 34, paragraph 134, the Agency is considered a primary government and meets the definition of a special purpose government ("SPG"). MDHA is a legally separate entity that is engaged in only business-type activities. Business-type activities are defined as activities that are financed in whole or in part by fees charged to external parties for goods or services. SPGs engaged only in business-type activities are required to present only the financial statements required for proprietary funds, which includes Management's Discussion and Analysis ("MD&A"), basic financial statements, and Required Supplemental Information ("RSI"). All inter-program activities have been eliminated in these financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting entity (Continued)

The Agency has included, as discretely presented component units, the activity for Vine Hill Homes, LLC, Preston Taylor Homes, LLC and Ryman Lofts at Rolling Mill Hill, L.P. as of and for the year ended December 31, 2015. These entities are shown as discretely presented component units because the Agency is financially accountable for them; however, they do not have full ownership over the entities. The MDHA Housing Trust Corporation, which is included in the Primary Government has a .01% general partner interest in Vine Hill, Preston Taylor and Ryman Lofts and is considered a blended component unit. Total assets and net position of MDHA Housing Trust Corporation was approximately $4,000 at September 30, 2016. Total operating activity was approximately a loss of $100 for the year ended September 30, 2016. The accounting for these component units are such that they have elected to apply all relevant Accounting Standard Codification (ASC) pronouncements as issued by the Financial Accounting Standards Board.

Requests for the full financial information of Vine Hill Homes, LLC, Preston Taylor Homes, LLC and the Ryman Lofts at Rolling Mill Hill, L.P. (the Discretely Presented Component Units) should be addressed to The Metropolitan Development and Housing Agency, 701 South Sixth Street, Nashville, Tennessee, 37206.

Proprietary Fund Types- the funds are consolidated into a single fund for reporting purposes

CONVENTIONAL LOW RENT HOUSING PROGRAM

This fund is used to account for all Agency owned public housing properties, any mixed finance public housing properties (which are not owned by the Agency), and any Capital Funds costs. It is the largest and most active of the funds and is controlled through an annual operating budget, which is approved by the Board of Commissioners.

CENTRAL OFFICE COST CENTER

This program contains all the income and expenses associated with the Agency's centralized functions (e.g. executive, finance, human resources, information technology, purchasing, central maintenance, etc.). The establishment of the program was required by HUD regulations relating to asset management.

SECTION 8 VOUCHER PROGRAM

This fund is used to account for the administration of the Agency's Section 8 voucher program. It is funded by HUD and seeks to provide prospective residents with greater choice in selection of assisted housing.

CONSOLIDATED ANNUAL ACTION PLAN PROGRAMS

This fund has been created to account for the administration of programs funded by HUD. The goals of these programs are to address the problems of affordable housing, homelessness, community development needs, and economic opportunities for all citizens, particularly for very low-income and low-income persons.

LOCAL PROGRAMS

This fund accounts for the state funded programs and grants and programs administered on behalf of the local government by the Agency.

BUSINESS ACTIVITIES

This fund accounts for all programs that are neither federal, state nor local that are administered by the Agency.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents are stated at fair value.

Allowance for Doubtful Accounts

The Agency uses the allowance for bad debts method of valuing doubtful receivables which is based on historical experience, coupled with a review of the status of existing receivables. As of September 30, 2016, an allowance for doubtful tenant receivables in the amount of $4,764,334 has been provided by management.

Investments

Investments consist primarily of certificates of deposit and are stated at cost, which approximates fair value given the nature of the investments.

Capital assets

Capital assets include property, plant, equipment, and infrastructure assets with an initial, individual cost of more than $5,000 and an estimated useful life of one year or more. Capital assets are stated at cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The costs of U. S. Department of Housing and Urban Development ("HUD") "Capital Fund" projects are reported as construction-in-progress until audited cost certification reports are approved by HUD, at which time such costs are transferred to appropriate fixed assets categories. Depreciation is provided by the straight-line method over the following estimated useful lives of the assets:

Building and improvements	10 to 40 years
Infrastructure	10 to 40 years
Furniture and Equipment	3 to 15 years

Additionally, the Agency holds certain capital assets under agreements with the Metropolitan Government. Under the agreements, the proceeds from the sale of such assets revert to the Metropolitan Government. The assets are recorded in capital assets at fair value at the date of transfer with a corresponding liability recorded for the expected amount owed to the Metropolitan Government upon sale.

Inventory

MDHA's inventory consists of vacant properties that have been purchased or received as contributions from the Metropolitan Government. Inventory also includes single-family homes that were constructed with federal or state funds and are available for sale to qualified agencies or individuals. Properties purchased or constructed are reported at historical cost. Properties contributed by the Metropolitan Government are recorded at fair value at the date of gift. These costs are reported as inventory until such time as the property is sold or used.

Provision for uncollectible notes

A note receivable is considered impaired when, based on current information, it is probable that all amounts of principal and interest due will not be collected according to the terms of the note agreement. Uncollectible notes are charged to the allowance account in the period such determination is made. The provision for uncollectible notes receivable was $17,941,987 at September 30, 2016.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated absences

Employees earn annual leave at a rate ranging from 12 days per year for the first five years of service, up to a maximum of 25½ days per year after 20 years. There is no requirement that annual leave be taken; however, the maximum permissible accumulation is 76½ days. Sick leave is accumulated at the rate of one work day per month. Unused sick leave may accumulate to an unlimited amount. At termination, employees are paid for any accumulated annual leave, and employees who have completed 15 years or more of service will be paid 20% of unused sick leave. All annual leave and vested sick leave are accrued in the period incurred.

Use of estimates in preparation of financial statements

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

Restricted Assets

Restricted assets consist of cash and certificate of deposits, which are legally restricted. The restricted assets primarily are to be used for purposes specified under the Housing Choice Voucher or Family Self Sufficiency programs. The restricted assets also include debt service escrow accounts for certain tax increment loans. When restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

Tenant Accounts Receivable Net of Bad Debt Expense

The State of Tennessee Comptroller's Office review of the 2004 audited financial statements cited that in accordance with Governmental Accounting Standards Board Statement No. 34, revenues in proprietary funds should be reported as net of all related allowances, which include amounts pertaining to uncollectible accounts. Therefore, the increase and decrease in the estimate of uncollectible accounts should be reported net of revenue instead of bad debt expense. The Agency's bad debt expense charged against revenue was $580,379 for the year ended September 30, 2016.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

In accordance with GASB Statement No. 40 "Deposits and Investment Risk Disclosures," information related to cash, cash equivalents and investments is as follows:

A. Custodial Credit Risk

Custodial credit risk for deposits and investments is the risk that, in the event of failure by a financial institution, the Agency may not be able to recover the value of its deposits and investments or collateral securities that are in the possession of the financial institution. The policy of the Agency is to invest, on a daily basis, all idle funds in financial institutions that are secured by collateral of identifiable United States government securities. All cash and investments are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company of depository financial institutions. The deposits exceeding the insured or registered limits are collateralized with securities held by the Agency's financial institution.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Interest Rate Risk
Interest rate risk is the risk that changes in interest rates of investments will adversely affect the fair value of an investment. The Agency's investment policy limits investments to provide the optimum return on the investment consistent with the cash management program of the Agency.

Investments are made based upon prevailing market conditions at the time of the transaction. The Agency reviews its cash and investment needs in order to maintain adequate liquidity to meet its cash flow needs. Investments will typically be limited to securities maturing in periods of up to one year, or such lesser period that coincides with expected disbursements by the Agency.

C. Credit Risk
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments are made under the 'prudent investor' standard to ensure that (a) due diligence is exercised in accordance with State law, (b) any negative deviations are reported timely and (c) reasonable action is taken to control any adverse developments. The Agency's investment policy requires investments to be made in accordance with HUD Financial Handbook, 7475.1 Chapter 4.

D. Concentration of Credit Risk
The Agency's investment policy does not limit the amount it may invest with one financial institution as long as all funds are secured by the FDIC or identifiable United States government securities.

E. Foreign Currency Risk
Foreign currency risk is the risk that changes in exchange rates will adversely affect fair value of an investment or a deposit. All of the Agency's deposits and investments are dominated in United States currency.

Schedule of restricted cash with offsetting liability as of September 30, 2016:

Funds held for others	$ 12,279,488
Deposits	492,667
10th & Jefferson Letter of Credit	624,720
Due to resident councils	576,255
FSS Escrow Accounts	796,341
Property management company accounts	1,353,462
	$ 16,122,933

Funds held for others $12,279,488 are cash and cash equivalents held in MDHA's name and managed by the Agency under a 'Memorandum of Understanding' (MOU) for the benefit of certain not-for-profit organizations and affiliate entities and escrow funds held for certain tax increment financing loans.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Tenant security deposits of $492,667 for rental properties managed by MDHA.

Letter of Credit held at Pinnacle bank required by HUD for 10th and Jefferson 221(d)4 loan of $624,720.

Amounts due to resident councils of $576,255 are tenant participation funds from HUD which are held for use by the duly elected resident councils.

Deposits of $796,341 are held for participants in the HUD Family Self-Sufficiency program.

Tenant deposits and replacement reserves of $1,353,462 for market rate units managed by a separate management company.

Discretely Presented Component Unit Deposits
As of December 31, 2015, the carrying amount of deposits was $1,559,401. The bank balances held with financial institutions are entirely insured and are classified as cash and cash equivalents on the statement of net position.

Restricted Deposits - Regulations of HUD require that security deposits be segregated from cash. Accordingly, the discretely presented component units hold all security deposits in a separate account. At December 31, 2015, amounts held for security deposits totaled $15,000. Pursuant to various agreements, the discretely presented component units must hold amounts in reserves and escrow in separate cash accounts. The following is a summary of the restricted cash of the Discretely Presented Component Units as of December 31, 2015:

Replacement Reserves	$ 782,441
Operating Reserves	175,060
FSS Escrow Accounts	82,259
Deposits	15,000
	$ 1,054,760

Deposit and Investment Policy
MDHA's deposit and investment policy is governed by the laws of the State of Tennessee and HUD guidelines. Permissible investments include direct obligations of the U.S. Government and Agency securities, certificates of deposit, savings accounts, repurchase agreements and the State of Tennessee Local Government Investment Pool.

Deposits in financial institutions are required by State statute to be secured and collateralized by the institutions. The collateral must meet certain requirements and must have a total minimum market value of 105% of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its subdivisions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's bank collateral pool.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Deposit and Investment Policy (Continued)
As of September 30, 2016, the majority of MDHA's deposits were held by financial institutions that participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. Participating banks determine the aggregated balance of public fund accounts for MDHA.

The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect public fund accounts are pledged to the State Treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures.*

Investments
Certificates of deposit were covered by the State bank collateral pool, federal depository insurance or collateralized with securities held by the government's agent in the government's name.

The Agency has not established a limit on the amount it may invest in any one issuer. Citizens Bank has 100% of the Agency's investments as of September 30, 2016 consisting solely of certificates of deposit.

At September 30, 2016, the future maturities of MDHA's investments are as follows:

Type of Investment	Carrying Amount	Maturity Fiscal 2017	Not Subject to Maturity
Certificates of Deposit	$ 3,265,722	$ 3,265,722	$ -
TOTAL	$ 3,265,722	$ 3,265,722	$ -

NOTE 4 - CAPITAL ASSETS

A summary of changes in capital assets of the Agency for the year ended September 30, 2016 follows:

	September 30, 2015	Additions	Retirements	Transfers	September 30, 2016
Capital assets, not being depreciated:					
Land	$ 94,075,095	$ -	$ (3,896,226)	$ 455,909	$ 90,634,778
Construction in progress	13,745,862	25,052,450	-	(5,838,430)	32,959,882
Total capital assets, not being depreciated	107,820,957	25,052,450	(3,896,226)	(5,382,521)	123,594,660
Capital assets, being depreciated:					
Buildings	334,351,280	31,645	(21,295,794)	5,172,604	318,259,735
Infrastructure	21,604,679	-	(3,763,641)	209,917	18,050,955
Furniture, equipment, & machinery - dwellings	3,659,233	100,041	(14,276)	-	3,744,998
Furniture, equipment, & machinery - administrative	915,103	13,995	(16,395)	-	912,703
Total capital assets, being depreciated	360,530,295	145,681	(25,090,106)	5,382,521	340,968,391
Less accumulated depreciation for:					
Buildings	(148,878,003)	(9,948,529)	5,477,105		(153,349,427)
Infrastructure	(15,559,996)	(673,434)	2,325,705	-	(13,907,725)
Furniture, equipment, & machinery - dwellings	(3,014,606)	(225,267)	14,275	-	(3,225,598)
Furniture, equipment, & machinery - administrative	(790,086)	(95,296)	16,395	-	(868,987)
Total accumulated depreciation	(168,242,691)	(10,942,526)	7,833,480	-	(171,351,737)
Total capital assets, being depreciated, net	192,287,604	(10,796,845)	(17,256,626)	5,382,521	169,616,654
Total capital assets, net	$ 300,108,561	$ 14,255,605	$ (21,152,852)	$ -	$ 293,211,314

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in capital assets of the Discretely Presented Component Units for the year ended December 31, 2015 follows:

	December 31, 2014	Additions	Retirements	Transfers	December 31, 2015
Capital assets, not being depreciated:					
Land	$ 870,081	$ -	$ -	$ -	$ 870,081
Total capital assets, not being depreciated	870,081	-	-	-	870,081
Capital assets, being depreciated:					
Buildings	38,978,596	-	-	-	38,978,596
Infrastructure	4,354,434	-	-	-	4,354,434
Furniture, equipment, & machinery	1,496,069	-	-	-	1,496,069
Total capital assets, being depreciated	44,829,099	-	-	-	44,829,099
Less accumulated depreciation for:					
Buildings	(12,048,698)	(1,097,469)	-		(13,146,167)
Infrastructure	(2,951,091)	(104,596)	-	-	(3,055,687)
Furniture, equipment, & machinery	(1,245,038)	(31,389)	-	-	(1,276,427)
Total accumulated depreciation	(16,244,827)	(1,233,454)	-	-	(17,478,281)
Total capital assets, being depreciated, net	28,584,272	(1,233,454)	-	-	27,350,818
Total capital assets, net	$ 29,454,353	$ (1,233,454)	$ -	$ -	$ 28,220,899

NOTE 5 - NOTES RECEIVABLE

Notes receivable, including related accrued interest, consisted of the following as of September 30, 2016:

	2016
Vine Hill Homes Loans	$ 13,682,574
Preston Taylor Homes Loans - Phase I	13,058,857
Preston Taylor Homes Loans - Phase II	7,796,219
Levy Place LP	7,927,783
Rehabilitation Loans	3,325,208
Business District Loans	53,704
Façade Loans	147,070
Neighborhood Stabilization Promissory Notes	14,514,864
Other	600,641
Allowance for doubtful accounts	(17,941,987)
Net notes receivable and accrued interest receivable	43,164,933
Less current portion	(284,308)
Net notes receivable and accrued interest receivable, less current portion	$ 42,880,625

Vine Hill Homes Loans were made to Vine Hill Homes, LLC for the construction and development of the Vine Hill project. The loans were funded by various federal and state grant programs, including HOPE VI, Comprehensive Grant, UDAG repayment funds, Refunding Agreement and the State of Tennessee House grant funds. The nonrecourse loans are secured by a leasehold deed of trust. Loans made from the UDAG repayment funds and the Refunding Agreement, total $942,000 and accrued interest at the rate of 10.8% per annum. These loans were repaid from the sale of federal low-income housing tax credits in November 2005. (See Note 13.) The loan funded from the State of Tennessee House grant funds, in the amount of $250,000, is non-interest bearing and payable in thirty years, November 2028. The remaining loans accrue interest at the rate of 1.5% per annum. Accrued but unpaid interest shall be due and payable within sixty days after the end of each calendar quarter to the extent of cash flow as defined in the Amended and Restated Operating Agreement. Cumulative accrued, unpaid interest earned totaled $2,575,184 at September 30, 2016, and has been added to the note receivable balance. Based upon a review of the collectability of the accrued interest, an allowance for the full accrued interest balance has been established by management at that date. The notes mature in November 2028. Under a certain Purchase Option Agreement entered into by MDHA and Vine Hill Homes, LLC, subsequent to the Tax Credit Compliance Period, on the maturity date, MDHA has the right of first refusal to acquire the Vine Hill project at the greater of the total outstanding debt on the property or the fair market value of the property.

NOTE 5- NOTES RECEIVABLE (CONTINUED)

Preston Taylor Homes Loans - Phase I were made to Preston Taylor Homes, LLC for the construction and development of the Preston Taylor project. The loans were funded by various federal grant programs, including HOPE VI, and UDAG repayment funds. The nonrecourse loans are secured by a leasehold deed of trust. The outstanding loan balance accrues interest at the rate of 0.1% per annum. Accrued but unpaid interest shall be due and payable within sixty days after the end of each calendar quarter to the extent of cash flow, as defined in the Amended and Restated Operating Agreement. Cumulative accrued, unpaid interest earned totaled $179,241 at September 30, 2016, and has been added to the note receivable balance. The notes mature on December 29, 2040. Under a certain Purchase Option Agreement entered into by MDHA and Preston Taylor Homes, LLC, subsequent to the Tax Credit Compliance Period, MDHA has the right of first refusal to acquire the Preston Taylor Phase I project at the greater of the total outstanding debt on the property or the fair market value of the property.

Preston Taylor Homes Loans - Phase II were made to Preston Taylor Homes, LLC for the construction and development of the Preston Taylor project. The loans were funded by various federal grant programs, including HOPE VI, Capital Fund Grant, and UDAG repayment funds. The nonrecourse loans are secured by a leasehold deed of trust. The outstanding loan balance accrues interest at the rate of .1% per annum. Accrued but unpaid interest shall be due and payable within sixty days after the end of each calendar quarter to the extent of cash flow, as defined in the Amended and Restated Operating Agreement. Cumulative accrued, unpaid interest earned totaled $99,417 at September 30, 2016, and has been added to the note receivable balance. The notes mature on January 4, 2042. Under a certain Purchase Option Agreement entered into by MDHA and Preston Taylor Homes, LLC, subsequent to the Tax Credit Compliance Period, MDHA has the right of first refusal to acquire the Preston Taylor Phase II project at the greater of the total outstanding debt on the property or the fair market value of the property.

Levy Place, L.P. Loans - On July 28, 2016, MDHA sold Levy Place Apartments, a 226-unit property, to Levy Place, L.P. Permanent financing was provided by MDHA under a loan commitment of $7,898,296. The nonrecourse loan is secured by an agency leasehold deed of trust and an assignment of rents and leases. Interest accrues at an annual rate 2.24% commencing July 28, 2016. Principal and accrued interest shall be due and payable within 90 days at the end of the calendar year to the extent of Available Cash Flow, as defined in the Amended and Restated Partnership Agreement. Cumulative accrued, unpaid interest earned totaled $29,487 at September 30, 2016, and has been added to the note receivable balance. The entire principal balance, as well as accrued and unpaid interest, is due and payable in July 2056.

Rehabilitation Loans are made from the Community Development Block Grant and Home Investment Trust programs to aid homeowners in rehabilitating substandard housing or historic homes. Loan repayments on rental properties are made monthly, for a maximum of 10 years, together with interest at 3% per annum, with a maximum loan amount set at $35,000 for projects rehabbing one to two units, $50,000 for three to four units, and $75,000 for five or more units. Effective March 2003, the Board of Commissioners approved 3% loans for new construction of rental properties; forgivable loans for rehabilitation of rental projects with five or more units; and forgivable loans for rehabilitation of rental projects with one-half or more of the total number of units containing four or more bedrooms. The four bedroom units must be rented for a low rental rate over the 10 year loan period. The loans are forgiven at the rate of 10% on each anniversary date. Management has provided an allowance for doubtful accounts totaling $726,786 related to these loans.

NOTE 5- NOTES RECEIVABLE (CONTINUED)

Business District Loans are made from the Community Development Block Grant program to promote small business and provide incentive for reinvestment in areas of general commercial deterioration. The loans are for a maximum of $20,000 at the prime interest rate for a term of five to ten years. Management has provided an allowance for doubtful accounts totaling $23,704 related to these loans.

Facade Loans are made from the Community Development Block Grant program to aid businesses in repairing and renovating the exterior of buildings in the commercial neighborhood strategy areas. The non-interest bearing loans are for a maximum of $35,000 per building with a five year repayment term. Management has provided an allowance for doubtful accounts totaling $102,068 related to these loans.

Neighborhood Stabilization Promissory Notes were executed between MDHA and non-profit entities that received NSP funds for the acquisition, rehabilitation and redevelopment of foreclosed or vacant properties. The properties have an affordability period per the grant agreements of 25 years. If the borrower complies with all of the terms and requirements of the restrictions, the entire balance of the Note will be forgiven at the end of the affordability period. No interest shall be due or payable on this Note. The provision for uncollectible notes includes 100% of the NSP notes which total $14,514,864 as of September 30, 2016.

Other notes receivable consist of business loans to local development agencies for affordable housing development and loans made from the Technical Assistance Program Fund to promote privately owned small businesses in low-income areas and loans related to the sale of properties. Of the $600,641 balance, $531,607 is due from Ryman Lofts at Rolling Mill Hill, L.P. The loan bears interest at 5% and matures on September 1, 2041. Principal and interest is payable from the cash flow of Ryman Lofts at Rolling Mill Hill, L.P on an annual basis, on or before the 90th day following the end of each calendar year.

NOTE 6 - LONG-TERM DEBT

A summary of changes in MDHA's long-term debt for the year ended September 30, 2016 is presented below:

	9/30/2015	Additions	Retirements	Balance 9/30/2016	Due within one year
Notes Payable	$ 69,487,103	$ 19,733,628	$ (9,518,391)	$ 79,702,340	$ 3,476,485

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Primary Government

$1,400,000 promissory note with Bank of Tennessee, dated May 24, 2012, payable in monthly installments of principal of $7,780 plus accrued interest through the maturity date of June 25, 2024. Interest accrues at the variable rate of the Prime Rate minus two percentage points, but not less than zero. The note is collateralized by a 76-unit apartment complex and assignment of rents and leases.	$ 727,118
$7,875,600 HUD 221(d)4 Substantial Rehabilitation construction note with Walker & Dunlop, LLC, for the construction of a 54 unit apartment building. Interest only payments shall be due monthly beginning November 1, 2015 up to April 1, 2017, thereafter monthly principal and interest payments total $34,150 are due. The loan bears an interest rate of 4.25%. The loan is collateralized by the 10th & Jefferson apartment complex and assignment of rents and will mature in April of 2057.	2,108,895
$28,000,000 promissory loan with The Sports Authority of the Metropolitan Government of Nashville and Davidson County for TIF eligible expenses related to the property acquisition and construction of the new ballpark facility on the "Sulphur Dell" site. The loan bears an interest rate of 4.55% per annum and interest payments will begin on July 1, 2014 and principal payments on July 1, 2017. The loan is securitized by revenues from tax increment revenue generated by certain properties in the Phillips Jackson Redevelopment District. The loan will mature on July 1, 2043. As of September 30, 2016 interest accrued on the loan totaled $1,716,620. (Included in other noncurrent assets is a corresponding amount totaling $29,716,620.)	29,716,620
$2,300,000 promissory note with the Bank of Tennessee, for the construction of a 109 unit apartment building. This loan was previously a construction loan that converted to permanent financing on December 1, 2011. Monthly principal payments total $6,390 and interest accrues at a variable rate of the Prime Rate each month minus 4%, however the interest rate shall not fall below 0% (Prime Rate at September 30, 2016 was 3.50%). The note is collateralized by the Nance Place apartment complex and assignment of rents and will mature in December of 2026.	1,929,389
$9,076,327 loan commitment with the Tennessee Housing & Development Agency (THDA)through the TCR Program, pursuant to Section 1602 of the American Recovery and Reinvestment Act of 2009, for the construction of a 109 unit apartment building. The note is noninterest bearing and forgivable over the term of the loan provided all covenants and agreements set forth in the loan agreement are met. The note is collateralized by the Nance Place apartment complex and assignment of rents and will mature in November of 2024.	8,111,968
$3,508,629 Flexible Subsidy Operating Assistance loan with the Secretary of Housing and Urban Development assumed by MDHA at the purchase of CWA apartments December 19, 2014. The note has an interest rate of 1% with monthly principal and interest payments totaling $19,029 for a twenty year term. The loan is collateralized by CWA I Apartments, a 178 unit apartment complex and assignment of rents. Accrued interest as of September 30, 2016 totaled $322,320.	3,830,949

NOTE 6 - LONG-TERM DEBT (CONTINUED)

$1,659,585 Flexible Subsidy Operating Assistance loan with the Secretary of Housing and Urban Development assumed by MDHA at the purchase of CWA apartments December 19, 2015. The note has an interest rate of 1% with monthly principal and interest payments totaling $9,059 for a twenty year term. The loan is collateralized by CWA II Apartments, a 76 unit apartment complex and assignment of rents. Accrued interest as of September 30, 2016 totaled $164,444.	1,824,029
$35,500,000 Lease Financing Contract with Gates/Parking Real Estate II dated November 14, 2014, for the purchase of 505 Church Street and construction of a parking garage. Monthly payments are required beginning December 2016 through November 2044 and interest accrues at a rate equal to 4.839%.	29,105,678
$2,945,072 promissory note with the Bank of Tennessee dated April 19, 2014, for the construction of a 72 unit apartment building. This loan was previously an interest only loan that converted to permanent financing on April 19, 2014. Monthly principal and interest payments total $24,202 and interest accrues at a rate equal of 5.51%. The note is collateralized by the Uptown Flats apartment complex and assignment of rents and will mature in January of 2024.	2,347,694
	$ 79,702,340

A schedule of principal maturities of the Agency's long-term debt at September 30, 2016 is as follows:

Year Ending September 30	Principal	Interest	Total
2017	$ 3,476,485	$ 276,294	$ 3,752,779
2018	5,532,792	561,782	6,094,574
2019	4,793,574	1,370,239	6,163,813
2020	4,503,201	1,665,092	6,168,293
2021	4,543,654	1,613,162	6,156,816
2022-2026	24,221,977	7,172,088	31,394,065
2027-2031	15,029,629	5,827,491	20,857,120
2032-2036	6,996,028	4,364,429	11,360,457
2037-2041	7,160,000	2,602,749	9,762,749
2042-2046	3,445,000	799,707	4,244,707
Total	$ 79,702,340	$ 26,253,033	$ 105,955,373

NOTE 6 - LONG-TERM DEBT (CONTINUED)

A summary of changes in long-term debt of the Discretely Presented Component Units for the year ended December 30, 2015 is presented below:

	12/31/2014	Additions	Retirements	Balance 12/31/2015	Due within one year
Notes Payable	$ 35,673,724	$ 204,671	$ (56,019)	$ 35,822,376	$ 34,560

Vine Hill Homes, LLC

Construction and permanent financing is being provided by MDHA under a loan commitment of $11,814,000. The nonrecourse loan is secured by a leasehold deed of trust and an assignment of rents and leases. Interest shall accrue at an annual rate of 1.5% commencing October 10, 2000, the date of the issuance of the final certificate for occupancy for the last of the dwelling units to be constructed. Accrued but unpaid interest shall be due and payable within 60 days after the end of each calendar quarter to the extent of Cash Flow, as defined in the Amended and Restated Operating Agreement. As of December 31, 2015, interest of $2,453,039 was accrued, of which $162,861 was incurred in 2015. The entire principal balance, as well as accrued and unpaid interest, is due and payable in November 2028.	$ 13,310,429
Construction and permanent financing is being provided by MDHA under a loan commitment of $250,000. The nonrecourse loan is secured by a second leasehold deed of trust and is noninterest bearing. No principal payments are due until the maturity date in November 2028.	250,000

Preston Taylor Homes, LLC

HOPE VI Note - Phase I - MDHA is providing mortgage financing in the amount of $12,020,515 through the HOPE VI Program administered by HUD. As of December 31, 2015, advances totaling $11,879,616 have been received on this note. Such advances accrue simple interest at the rate of 0.1% per annum from the date which is the earlier of (i) the occurrence of a default or event of default under the note or any document which secures the indebtedness evidenced by the note or (ii) issuance of final certificates of occupancy for the last of the dwelling units to be constructed with the proceeds of the note and shall not be due and payable except at maturity or on acceleration after default. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property. Interest only is payable quarterly from Cash Flow, as defined. All principal and unpaid interest are due 40 years from the date of the note, December 29, 2040. As of December 31, 2015, interest of $156,415 was accrued, of which $11,880 was incurred in 2015.	12,036,031

NOTE 6 - LONG-TERM DEBT (CONTINUED)

HOPE VI Note - Phase II - MDHA is providing mortgage financing in the amount of $4,420,742 through the HOPE VI Program administered by HUD. As of December 31, 2015, advances totaling $4,420,742 have been received on this note. Such advances accrue simple interest at the rate of 0.1% per annum from the date which is the earlier of (i) the occurrence of a default or event of default under the note or any document which secures the indebtedness evidenced by the note or (ii) issuance offinal certificates of occupancy for the last of the dwelling units to be constructed with the proceeds of the note and shall not be due and payable except at maturity or on acceleration after default. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property. Interest only is payable quarterly from Cash Flow, as defined. All principal and unpaid interest are due 40 years from the date of the note, January 4, 2042. As of December 31, 2015, interest of $53,785 was accrued, of which $4,420 was incurred in 2015.	4,474,527
UDAG Repayment Funds -Phase I - Additional financing in the amount of $1,000,000 is being provided by MDHA through UDAG repayment funds. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property and accrues simple interest at the rate of 0.1% per annum. No payments for principal or interest are due until December 29, 2040, 40 years from the date of the note. As of December 31, 2015, advances totaling $1,000,000 have been received. As of December 31, 2015, interest of $13,167 was accrued, of which $1,000 was incurred in 2015.	1,013,167
UDAG Repayment Funds -Phase II - Additional financing in the amount of $1,000,000 is being provided by MDHA through UDAG repayment funds. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property and accrues simple interest at the rate of 0.1% per annum. No payments for principal or interest are due until January 4, 2042, 40 years from the date of the note. As of December 31, 2015, advances totaling $1,000,000 have been received. As of December 31, 2015, interest of $12,167 was accrued, of which $1,000 was incurred in 2015.	1,012,167
Comp Grant Loan -Phase II - MDHA is also providing additional financing in the form of a $1,580,986 comp grant loan. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property and accrues simple interest at the rate of 0.1% per annum. No payments for principal or interest are due until January 4, 2042, 40 years from the date of the note. As of December 31, 2015, advances of $1,580,986 have been received. As of December 31, 2015, interest of $19,235 was accrued, of which $1,581 was incurred in 2015.	1,600,221

NOTE 6 - LONG-TERM DEBT (CONTINUED)

CDBG Block Grant Loan -Phase II - MDHA is also providing additional financing in the form of a $500,000 CDBG block grant loan. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property and accrues simple interest at the rate of 0.1% per annum. No payments for principal or interest are due until January 4, 2042, 40 years from the date of the note. As of December 31, 2015, advances of $500,000 have been received. As of December 31, 2015 and 2014, interest of $6,083 was accrued, of which $500 was	506,083
Section 8 Refinancing Grant Loan -Phase II - MDHA is also providing additional financing in the form of a $400,000 Section 8 refinancing grant loan. This note is secured by a leasehold deed of trust, assignment of rents and leases, and security agreement and fixture filing on the property and accrues simple interest at the rate of 0.1% per annum. No payments for principal or interest are due until January 4, 2042, 40 years from the date of the note. As of December 31, 2015, advances of $400,000 on the grant loan have been received and repayments of $204,927 were made in 2005, leaving a balance outstanding of $195,073 at December 31, 2015. As of December 31, 2015, interest of $2,375 was accrued, of which $196 was incurred in 2015.	197,448
Ryman Lofts at Rolling Mill Hill, L.P.	
Construction and permanent financing is being provided by Bank of Tennessee under Joan commitments of $3,900,000 (the construction loan) and $1,000,000 (the permanent loan), respectively. The loans bear interest at a variable interest rate of the prime rate minus 2% and may not fall below 0%. The prime rate at December 31, 2015 was 3.5%. The loans are secured by a leasehold deed of trust and an assignment of rents and leases. Interest only payments are due monthly through March 1, 2014, the maturity date of the construction loan. During 2015 and 2014, principal payments of $56,019 and $2,067,370, respectively, were paid on the construction loan. Beginning August 1, 2014, monthly principal and interest payments of $3,332 began on the permanent loan, and increased to $5,561 in September 2014. In February 2015, monthly payments of $4,304 began on the permanent loan and are due until maturity in June 2029.	935,620
Construction and permanent financing is being provided by Metropolitan Development Housing Agency (MDHA) under a loan commitment of $400,000. Tbe nonrecourse loan is secured by a second leasehold deed of trust and bears interest at a rate of 5% of the outstanding principal balance per annum. No principal payments are due until the maturity date in September 2041. As of December 31,2015, interest of $86,683, remained payable. During 2015, interest expense of $21,233 was incurred.	486,683
	35,822,376
Less loan costs	(152,433)
	$35,669,943

NOTE 6 - LONG-TERM DEBT (CONTINUED)

A schedule of principal maturities of the Discretely Presented Component Unit's long-term debt at December 31, 2015 is as follows:

Year Ending December 31		Principal
2016	$	40,185
2017		40,691
2018		41,202
2019		41,720
2020		42,245
Thereafter		35,616,333
Total	$	35,822,376

NOTE 7 - CONDUIT DEBT OBLIGATIONS

Tax increment financing ("TIF") is a method of funding certain public investments for redevelopment by recapturing, for a time, all or a portion of the increased tax revenue that may result if private investment can be stimulated to occur. Tax increment can only be generated by the increased taxes resulting from private development on land in a redevelopment district that has been acquired and re-sold or leased by MDHA. The tax increment due to the difference in the tax basis is then diverted to the redevelopment agency which may use those funds to finance public purpose expenditures or to repay bonds or notes that were issued to finance those expenditures. These loans are special limited obligations of MDHA, payable solely from and secured by a pledge of the tax increment revenues designated for the payment of the loan. The loans do not constitute debt or a pledge of credit of MDHA or the Metropolitan Government and, accordingly, are not reported in the accompanying financial statements.

The Tax Increment Financing Loans, including related accrued interest payable, aggregated approximately $144 million at September 30, 2016.

NOTE 7 - CONDUIT DEBT OBLIGATIONS (CONTINUED)

A summary of changes in MDHA's conduit debt for the year ended September 30, 2016 is presented below:

Company	Project Description	Balance 9/30/2015	Additions	Retirements	Balance 9/30/2016	Accrued Interest
3501	Castner Knott	1,850,000	-	-	1,850,000	837,570
3501	Cohen Bldg	300,000	-	-	300,000	197,670
3501	Cumberland apts	6,000,000	-	-	6,000,000	677,264
3501	Hermitage- Historic Hotels	1,500,000	-	-	1,500,000	370,758
3501	Kress	441,957	-	(37,283)	404,674	11,960
3501	Viridian	2,878,971	-	(774,977)	2,103,994	33,935
3501	ACME Feed Building	396,927	-	(54,530)	342,397	4,470
3501	Omni Hotel (10/4/2013)					
	Regions Bank	49,186,688	-	(3,928,859)	45,257,829	453,368
3501	Omni Hotel					
	Downtown Parking Garage	1,048,000	-	(81,100)	966,900	9,532
3501	Omni Hotel - 21C Hotel	-	2,038,000	(200,941)	1,837,059	18,203
3501	Parmenter Garage	1,600,000	-	(90,340)	1,509,660	14,783
3501	505 CST	-	12,500,000	-	12,500,000	584,375
3501	21C Hotel Project	-	4,800,000	-	4,800,000	83,720
3504	Rolling Mill Hill	2,879,479	-	(215,864)	2,663,615	46,241
3504	Trolley Barn	497,844	-	(66,451)	431,393	11,228
3504	SWHR Hermitage (Terra House)	649,500	-	-	649,500	83,901
3504	Rutledge Hill Amphitheater	2,415,473	-	(2,415,473)	-	-
3504	205 Demonbreun	3,000,000	-	-	3,000,000	315,984
3504	SWH River House	-	525,000	-	525,000	-
3507	Ballpark Project	7,911,770	-	(565,249)	7,346,521	71,496
3510	1821 Jefferson Street	-	628,000	-	628,000	-
3510	1712 Jefferson Street	-	350,000	-	350,000	-
3511	1101 Dickerson Pike	-	140,000	-	140,000	-
3515	5th & MAIN	5,807,570	-	-	5,807,570	2,201,256
3515	East Side Apartments	400,000	-	(57,500)	342,500	5,626
3518	Ash-McNiel	196,784	-	(9,260)	187,524	4,232
3518	Icon	2,678,147	-	(1,502,520)	1,175,627	28,542
3518	Braid Electric	428,597	-	(80,284)	348,313	5,206
3518	Javanco/Waggoner	980,496	-	(160,514)	819,982	24,900
3518	Laurel House 2002	199,360	-	(61,749)	137,611	3,486
3518	Velocity	5,405,742	-	(330,072)	5,075,670	153,877
3518	Gulch Infrastructure (Laurel Property)	4,895,966	-	(1,129,605)	3,766,361	46,517
3518	Gulch Crossing	4,000,000	-	(641,115)	3,358,885	268,024
3518	Westin Hotel	16,000,000	-	-	16,000,000	541,703
3518	Thompson Hotel	4,000,000	-	-	4,000,000	305,389
	Total	127,549,271	20,981,000	(12,403,686)	136,126,585	7,415,216

Section 108 is the loan guarantee provision of the Community Development Block Grant Program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities and large scale physical development projects. The Metropolitan Government has borrowed funds under this program and guaranteed repayment of the loan by pledging present and future Community Development Block Grants. MDHA is the agent designated by the Metropolitan Government to administer the CDBG program; therefore, the outstanding loan does not constitute a debt of MDHA, and it is not reported in the accompanying financial statements. At September 30, 2016, the Section 108 loans outstanding aggregated to approximately $985,000.

NOTE 8 - OTHER LONG-TERM LIABILITIES OTHER THAN DEBT

The activities of compensated absences and other noncurrent liabilities consisted of the following at September 30, 2016:

	Balance at October 1, 2015	Additions	Adjustment/ Payments	Balance at September 30, 2016	Current Portion
Compensated absences	$ 2,355,481	$ -	$ (68,847)	$ 2,286,634	$ 868,921
FSS escrow deposit	$ 613,534	$ 191,313	$ -	$ 804,847	$ -

NOTE 9 - RISK MANAGEMENT

MDHA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. MDHA maintains commercial insurance covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to MDHA. During the year ended September 30, 2016, settled claims have not exceeded this commercial insurance coverage.

NOTE 10 - EMPLOYEE BENEFIT PLANS

The MDHA retirement plan is a 401A Plan administered by the Vanguard Group. The Plan, which is principally a defined contribution plan, also provides certain minimum defined benefits for employees who were participants in the MDHA Retirement Plan as of September 30, 2000. Based on an actuarial study performed as of July 1, 2013, the Agency had no required contribution due related to the defined benefit portion of the Plan. Employees are eligible to participate beginning the first day of the month following the date of hire. There are no required contributions by the participants; however, participants may make voluntary contributions from 0.5% to 10% of basic compensation and MDHA contributes 13% of participants' basic compensation. Contributions are invested in any of twenty-two funds as elected by the participant. Investment options and voluntary contributions may be changed daily.

Participants' voluntary contributions plus actual earnings are immediately vested. Participants are also immediately vested in 5.5% of the 13% of MDHA's contributions. Each year of participation in the Plan, participants vest at the rate of 20% of the remaining balance and become fully vested after 5 years.

Benefits are paid in the form of a cash distribution or various other annuity options at normal retirement date, age 65, death or disability. Participants may also elect to roll the vested portion of retirement savings into another qualifying plan or an IRA or leave the amount in the Plan. Early retirement may be elected by employees at age 55 who have at least ten years of service.

NOTE 10 - EMPLOYEE BENEFIT PLANS (CONTINUED)

MDHA contributions to the Plan for the year ended September 30, 2016 amounted to $1,920,019, which equaled the amount of required employer contributions. Employee voluntary contributions were $223,502 in 2016. MDHA's payroll for employees covered by the Plan for the fiscal year ended September 30, 2016 was $14,769,376. Total payroll for MDHA during the fiscal year ended September 30, 2016 amounted to $15,965,645.

MDHA sponsors a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan permits all employees to defer a portion of salary until future years. Such amounts are not available to them until termination, retirement, death or unforeseeable emergency. No contributions are made to this Plan by MDHA.

NOTE 11 - LEASES

MDHA leases certain office space and equipment under leases accounted for as operating leases. The minimum future rental commitments under these leases are not significant. Total lease expenditures made for the year ended September 30, 2016 were $80,529.

In addition, rental income, other than rent directly related to low-income housing units, is received under various other short-term land and building leases accounted for as operating leases. These leases are either cancelable leases or the future minimum rentals under these leases are insignificant. Rental income from these sources totaled $521,308 for the year ended September 30, 2016.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

MDHA receives significant financial assistance from numerous federal, state and local governmental agencies in the form of grants and operating subsidies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of MDHA. In the opinion of management, any such disallowed claims would not have a material effect on the financial position of MDHA at September 30, 2016.

At September 30, 2016, the Agency had outstanding construction commitments of approximately $27 million. These outstanding commitments will be paid by grants committed to the Agency by the U.S. Department of Housing and Urban Development and the Metropolitan Government of Nashville and Davidson County, Tennessee.

MDHA is a defendant in various lawsuits arising in the ordinary course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and MDHA's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of MDHA. Accordingly, no provision for loss, if any, related to these matters has been made in the financial statements.

NOTE 13 - AFFILIATE AGREEMENTS

MDHA has assisted in the financing of a new 152-unit multifamily residential development known as Vine Hill Homes (the "Project") in the form of loans to Vine Hill Homes, LLC. These loans were made in consideration of Vine Hill's construction of the Project, including 136 units to be used as public housing. The 136 units are eligible to receive the benefit of operating subsidies provided to MDHA by HUD. Additional funding for the development of Vine Hill came from the sale of federal low-income housing tax credits in the amount of approximately $1,500,000. Proceeds from the sale of the tax credits were used to repay certain loans made by MDHA to Vine Hill. (See Note 6.)

The apartment project is managed by MDHA which is to receive a fee of 5% of the annual gross revenues of the Project with respect to the nonpublic housing units. Vine Hill has executed a ground lease agreement with MDHA, with various use restrictions and operating requirements, for a term of ninety-nine years. Upon expiration of the agreement, Vine Hill shall have an option to purchase the land for $100, provided the development notes have been paid in full. (See Note 6.)

MDHA has also assisted in the financing of mixed income affordable and market rate residential housing in the form of loans to Preston Taylor Homes, LLC. Preston Taylor Homes Phase I consisted of the demolition of 300 units of housing on the north side of the Preston Taylor site and the new construction of 51 rental duplex and townhouse buildings comprising 182 units of rental housing. Of the 182 units, 170 shall be public housing units eligible to receive the benefits of operating subsidies provided to MDHA by HUD. The remaining 12 units shall be market units. Phase I of the project was completed in November 2002. Preston Taylor Homes Phase II consisted of the demolition of 250 units of housing and the new construction of 116 units, of which 104 are public housing units and 12 are market rate units. Phase II of the project was completed in October 2003. (See Note 6.)

The apartment project is managed by MDHA which receives a fee of 6% of the gross revenues of the Project with respect to the nonpublic housing units. A ninety-nine year ground lease has been executed with MDHA. Upon expiration of the agreement, Preston Taylor shall have an option to purchase the land for $100, provided the development notes have been paid in full. (See Note 6.)

MDHA guarantees certain financial obligations of Vine Hill Homes, LLC and Preston Taylor Homes, LLC that include advances of funds, capital contributions, loans, and any and all other payments and options per the Operating Agreements. Tax credit availability and compliance guarantees are also provided by MDHA.

NOTE 14 - NET POSITION

The Agency's net position is categorized as follows:

- Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, capital lease obligations or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

NOTE 14 - NET POSITION (CONTINUED)

- Restricted net position - This component of net position consists of restricted assets, whereby constraints are placed on assets by creditors (such as debt covenants), grantors, laws and regulations.

- Unrestricted net position - This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

The changes in the Agency's net position for the year ended September 30, 2016 are as follows:

	Net Investment in Capital Assets	Restricted	Unrestricted	Totals
Net Position - September 30, 2015	$ 258,719,344	$ 1,096,070	$ 77,969,266	$ 337,784,680
Changes in net position - 2016	(15,493,750)	397,291	13,137,757	(1,958,702)
Net Position - September 30, 2016	$ 243,225,594	$ 1,493,361	$ 91,107,023	$ 335,825,978

The changes in net position for the Discretely Presented Component Units for the year ended December 30, 2015 are as follows:

	Net Investment in Capital Assets	Restricted	Unrestricted	Totals
Net Position (Deficit) - January 1, 2015	$ -	$ 835,114	$ (5,116,595)	$ (4,281,481)
Changes in net position - 2015	-	122,387	(1,258,578)	(1,136,191)
Net Position (Deficit) - December 31, 2015	$ -	$ 957,501	$ (6,375,173)	$ (5,417,672)

NOTE 15 - INCOME TAXES

The Agency has qualified with the Internal Revenue Service and the Tennessee Department of Revenue as a tax-exempt organization for income tax purposes and, accordingly, there is no provision in the financial statements for federal or state income taxes.

No provision for federal or state income taxes has been made in the Discretely Presented Component Unit's financial statements as the federal and state income tax effect on the Discretely Presented Component Unit's activities accrues to its partners.

NOTE 16 - MAJOR FUNDING SOURCE

The Agency is substantially funded by Federal awards. The amount of future funding cannot be determined at this time by management.

NOTE 17 - SUBSEQUENT EVENTS

On December 20, 2016, the Investor Member and Special Member of Vine Hill Homes, LLC (the Company) sold their interests in the Company to MDHA, an affiliate of the Managing Member, for $350,000. The sale was funded through the Vine Hill Authority Reserve, which was established by MDHA. The transfer of the funds was completed before December 19, 2016. It is intended for the Company to be dissolved after the sale of the Project and the liquidation of its assets.

The Agency has evaluated events and transactions for potential recognition or disclosure through the date of the Independent Auditor's Report and the date the accompanying financial statements were available to be issued and has identified the following subsequent event.

NOTE 18 - CONDENSED FINANCIAL STATEMENTS

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF NET POSITION

	Discretely Presented Component Units			
	Vine Hill Homes, LLC	Preston Taylor Homes, LLC	Ryman Lofts at Rolling Mill Hill, L.P.	Total
ASSETS				
Current Assets	$ 903,677	$ 1,532,823	$ 328,785	$ 2,765,285
Capital Assets, Net	5,563,166	16,137,659	6,520,074	28,220,899
Noncurrent Assets	451,529	13,213	-	464,742
TOTAL ASSETS	6,918,372	17,683,695	6,848,859	31,450,926
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	6,918,372	17,683,695	6,848,859	31,450,926
LIABILITIES				
Current Liabilities	281,048	286,204	502,294	1,069,546
Noncurrent Liabilities	13,606,941	20,904,015	1,288,096	35,799,052
TOTAL LIABILITIES	13,887,989	21,190,219	1,790,390	36,868,598
DEFERRED INFLOWS OF RESOURCES	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	13,887,989	21,190,219	1,790,390	36,868,598
NET POSITION				
Net investment in capital assets	-	-	-	-
Unrestricted net position (deficit)	(7,435,785)	(3,777,812)	4,838,424	(6,375,173)
Restricted net position	466,168	271,288	220,045	957,501
TOTAL NET POSITION (DEFICIT)	$ (6,969,617)	$ (3,506,524)	$ 5,058,469	$ (5,417,672)

NOTE 18 - CONDENSED FINANCIAL STATEMENTS (CONTINUED)

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Discretely Presented Component Units			
	Vine Hill Homes, LLC	Preston Taylor Homes, LLC	Ryman Lofts at Rolling Mill Hill, L.P.	Total
OPERATING REVENUES				
Rentals	$ 647,704	$ 1,080,803	$ 456,239	$ 2,184,746
Other tenant revenue	14,806	35,450	3,427	53,683
Governmental operating revenue	238,152	899,334	-	1,137,486
Other income	23,226	43,960	-	67,186
TOTAL OPERATING REVENUES	923,888	2,059,547	459,666	3,443,101
OPERATING EXPENSES				
Cost of Services:				
Tenant services	39,228	32,747	(18)	71,957
Utilities	42,033	69,098	33,479	144,610
Ordinary maintenance and operations	386,237	1,031,971	59,593	1,477,801
Protective services	29,059	83,227	39,200	151,486
Other direct program costs	97,557	190,755	130,463	418,775
Administration	260,226	507,003	123,568	890,797
Depreciation	320,744	698,716	213,994	1,233,454
TOTAL OPERATING EXPENSES	1,175,084	2,613,517	600,279	4,388,880
OPERATING LOSS	(251,196)	(553,970)	(140,613)	(945,779)
NONOPERATING REVENUES (EXPENSES)				
Interest income	2,636	5,372	3,136	11,144
Interest expense	(162,861)	(20,577)	(18,118)	(201,556)
TOTAL NONOPERATING EXPENSES - NET	(160,225)	(15,205)	(14,982)	(190,412)
CHANGES IN NET POSITION	(411,421)	(569,175)	(155,595)	(1,136,191)
NET POSITION (DEFICIT) - BEGINNING OF YEAR	(6,558,196)	(2,937,349)	5,214,064	(4,281,481)
NET POSITION (DEFICIT) - END OF YEAR	$ (6,969,617)	$ (3,506,524)	$ 5,058,469	$ (5,417,672)

<u>SUPPLEMENTARY INFORMATION</u>

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

GRANT	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		EXPENDITURES	SUB-RECIPIENTS
U.S. DEPARTMENT OF ENERGY						
Passed through State Department of Human Services:						
Weatherization Assistance for Low-Income Persons	81.042	WAP-12-07	11-01-14 to 06-30-16		$ 708,508	
TOTAL U.S. DEPARTMENT OF ENERGY					708,508	
U.S. DEPARTMENT OF HEALTH RESOURCES AND SERVICES ADMINISTRATION						
Nursing Workforce Diversity Program	93.178	D19HP29811	07-01-16 to 06-30-17		$ 58,069	
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Direct Programs:						
Public and Indian Housing	14.850	A-3777	10-01-15 to 09-30-16		23,592,706	
Cluster:						
Section 8 Housing Choice Vouchers	14.871	A-3152V	10-01-15 to 09-30-16	47,155,930		
Section 8 5yr Mainstream Vouchers	14.879	TN005DV0001	10-01-15 to 09-30-16	467,775		
					47,623,705	
Lower-Income Housing Assistance Program:						
Section 8 Moderate Rehabilitation - Single Room Occupancy	14.249	TN005SR0007	10-01-15 to 09-30-16	510,931		
Section 8 Moderate Rehabilitation - Single Room Occupancy	14.249	TN005SC0001	10-01-15 to 09-30-16	111,218		
					622,149	
Housing Assistance Payments Program:						
CWA Apartments I	14.195	TN43L000015	12-19-14 to 09-01-17	1,787,736		
CWA Apartments II	14.195	TN43L000016	12-19-14 to 09-01-17	596,428		
					2,384,164	

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2016

GRANT	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		EXPENDITURES	SUB-RECIPIENTS
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONTINUED)						
Direct Programs (Continued):						
Public Housing - Capital Fund Program:						
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550208)	05-24-2008 to 07-29-16	486,780		
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550109)	09-15-2009 to 07-29-17	975,374		
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550110)	09-15-2009 to 07-29-17	1,204,877		
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550210)	09-15-2009 to 07-29-17	391,283		
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550111)	09-15-2009 to 07-29-17	146,391		
Public Replacement Housing Capital Fund	14.872	A-3777 (TN43R00550211)	09-15-2009 to 07-29-17	468,371		
Public Housing Capital Fund	14.872	A-3777 (TN43P00550113)	09-09-13 TO 09-08-17	216,473		
Public Housing Capital Fund	14.872	A-3777 (TN43P00550114)	05-13-14 TO 05-12-18	1,235,224		
Public Housing Capital Fund	14.872	A-3777 (TN43P00550115)	04-13-15 TO 04-12-19	848,089		
				5,972,862		
					5,972,862	
Shelter Plus Care Program:						
Shelter Plus Care	14.238	TN0070L4J041508	07-01-16 TO 06-30-17	6,030		
Shelter Plus Care	14.238	TN0068L4J041407	05-08-15 TO 05-07-16	1,394,912		
Shelter Plus Care	14.238	TN0068L4J041508	07-01-16 TO 06-30-17	391,075		
Shelter Plus Care	14.238	TN0070L4J041407	08-08-15 TO 05-07-16	18,708		
Shelter Plus Care	14.238	TN0162C4J041000	08-02-11 TO 11-30-16	27,069		
Shelter Plus Care	14.238	TN0213L4J041200	01-13-14 TO 06-13-17	124,791		
					1,962,585	
Supportive Housing Program:						
Supportive Housing Program (HMIS)	14.235	TN006L4J041407	07-01-15 TO 06-30-16	37,297		
Supportive Housing Program (HMIS)	14.235	TN006L4J041508	07-01-16 TO 06-30-17	9,812		
					47,109	
Resident Opportunity and Supportive Services Program:						
Resident Opportunity and Supportive Services Program:						
Resident Opportunity and Supportive Services	14.870	TN005RPS036A012	01-10-14 to 01-09-17	254,259		
					254,259	
Family Self-Sufficiency Program	14.896	TN005FSH626A014	01/01/15 to 12/31/15	98,528		
Family Self-Sufficiency Program	14.896	TN005FSH376A015	01/01/16 to 12/31/17	153,783		
					252,311	
Jobs Plus	14.895	TN005FJP000515	01/01/16 to 09/30/2020		190,824	

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2016

GRANT	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		EXPENDITURES	SUB-RECIPIENTS
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONTINUED)						
Passed Through Metropolitan Government of Nashville and Davidson County, Tennessee:						
Cluster:						
Community Development Block Grants Program:						
Community Development Block Grants/Entitlement Grants	14.218	B-XX-MC-47-0007	N/A	4,082,946		
Community Development Block Grants/Entitlement Grants-Disaster	14.218	B-10-MF-47-0002	04-30-2010 to	1,208,949		844,771
					5,291,895	
HOME Investment Partnerships Program	14.239	M-XX-MC-47-0203	N/A		2,428,861	
Emergency Shelter Grants Program	14.231	E-XX-MC-47-0004	04-01-13 to 03-31-14		346,181	
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	TN-HXX-F002	04-01-13 to 03-31-14		740,461	
Continuum of Care Homeless Assistance	14.267	TN0211L4J041200	07-01-15 to 06-30-16	37,999		
Continuum of Care Homeless Assistance	14.267	TN0243L4J041500	07-01-16 to 06-30-17	42,194		
					80,193	
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					91,790,265	
TOTAL FEDERAL FINANCIAL ASSISTANCE					$ 92,556,842	$ 844,771

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2016

CFDA NUMBER		DESCRIPTION		EXPENDITURES
14.871		Section 8 Housing Choice Vouchers (HCV cluster)	$	47,155,930
14.879		Section 8 Five Year Mainstream Vouchers (HCV cluster)		467,775
14.195		Housing Assistance Payments Program CWA I & II		2,384,164
14.850	*	Public and Indian Housing		23,592,706
14.267		Continuum of Care Homeless Assistance		80,193
14.872		Public Housing Capital Fund		5,972,862
14.218	*	Community Development Block Grants/Entitlement Grants (CDBG cluster)		5,291,895
14.238		Shelter Plus Care		1,962,585
14.239		HOME Investment Partnerships Program		2,428,861
14.241		Housing Opportunities for Persons With AIDS		740,461
81.042		Weatherization Assistance for Low-Income Persons		708,508
14.249		Section 8 Moderate Rehabilitation - Single Room Occupancy		622,149
93.178		Nursing Workforce Diversity Program		58,069
14.870		Resident Opportunity and Supportive Services		254,259
14.896		Family Self-Sufficiency Program		252,311
14.895		Jobs Plus		190,824
14.231		Emergency Shelter Grants Program		346,181
14.235		Supportive Housing Program		47,109
		TOTAL FEDERAL FINANCIAL ASSISTANCE	$	92,556,842

*Tested as major programs in the current year

NOTE A - BASIS OF PRESENTATION

This schedule of expenditures of federal awards includes the federal grant activity of the Metropolitan Development and Housing Agency, and is presented in accordance with accounting principles generally accepted in the United States of America, which is the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, Audit Requirements, for Federal Awards (Uniform Guidance).*

NOTE B - SUBRECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the Agency provided federal awards to subrecipients as follows:

CFDA Number	Program Name	Amount Provided to Subrecipients
14.218	Community Development Block Grants/Entitlement Grants (CDBG cluster)	$ 844,771

NOTE C - INDIRECT COSTS

Pursuant to a cost allocation plan, the indirect expenses are allocated based on salary and fringe benefits. The Agency has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE D - PROCUREMENT

As allowed by the Uniform Guidance, the Agency has elected to delay adopting the procurement requirements specified in the Uniform Guidance.

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SCHEDULE OF ACTUAL COSTS FOR THE SPECIFIED PROJECT

FROM INCEPTION OF THE PROJECT THROUGH COMPLETION

	TN43R005501-08
Funds approved	$ 1,180,036
Funds expended	1,180,036
Excess (deficiency) of funds approved	$ -

	TN43P005501-13
Funds approved	$ 6,565,327
Funds expended	6,565,327
Excess (deficiency) of funds approved	$ -

The distribution of costs by project as shown on the Performance and Evaluation Report submitted to the Department of HUD for approval is in agreement with the Agency's records.

All costs and related liabilities have been disbursed.

OTHER REPORTS

CPAs & ADVISORS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Metropolitan Development and Housing Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Metropolitan Development and Housing Agency (the "Agency"), which comprise the statement of net position as of September 30, 2016, and the statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 30, 2017.

Internal Control Over Financial Reporting

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

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

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

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*(Continued)

Compliance and Other Matters

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

Purpose of this Report

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

Mountjoy Chilton Medley LLP

Jeffersonville, Indiana
March 30, 2017

MCM CPAs & ADVISORS

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

To the Board of Commissioners
Metropolitan Development and Housing Agency

We have audited the Metropolitan Development and Housing Agency's (the "Agency's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended September 30, 2016. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2016.

Report on Internal Control over Compliance

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

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

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

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

Mountjoy Chilton Medley LLP

Jeffersonville, Indiana
March 30, 2017

SECTION I - SUMMARY OF INDEPENDENT AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	___yes _x_ no
Significant deficiency(ies) identified not considered to be material weaknesses?	___yes _x_ none reported
Noncompliance material to financial statements noted?	___yes _x_ no

Federal Awards

Internal Control over major programs:	
Material weakness(es) identified?	___yes _x_ no
Significant deficiency(ies) identified not considered to be material weaknesses?	___yes _x_ none reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___yes _x_ no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	
14.850	Public and Indian Housing	$23,592,706
14.218	Community Development Block Grants/Entitlement Grants	$5,291,895

Dollar threshold used to distinguish between Type A and Type B programs: $2,776,705

Auditee qualified as low-risk auditee? _X_ yes ____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

None

Independent Accountant's Report on Applying Agreed-Upon Procedure

Board of Commissioners
Metropolitan Development and Housing Agency

We have performed the procedure described in the second paragraph, which was agreed to by Metropolitan Development and Housing Agency(the Housing Authority) and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), solely to assist them in determining whether the electronic submission of certain information agrees with related hard copy documents included within the Title 2, U.S. Code of Federal Regulations, Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) reporting package. The Housing Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged to perform an audit in accordance with the Uniform Guidance of the financial statements for the Housing Authority as of and for the year ended September 30, 2016, and have issued our reports thereon dated March 30, 2017. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the Financial Data Schedule (FDS) dated March 30, 2017, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the financial statement package required by the Uniform Guidance, which includes the auditor's reports, is available in its entirety from the Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of the Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Mountjoy Chilton Medley LLP

Jeffersonville, Indiana
March 30, 2017

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ATTACHMENT TO INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURE

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDAs	Agrees
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements.	Agrees
Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	Agrees
Audit Findings Narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	Agrees
General information (data element series G2000, G2100, G2200, G9000, G9100)	OMB Data Collection Form	Agrees
Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form	Agrees
Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned Costs, Part 1 and OMB Data Collection Form	Agrees
Type of Compliance Requirement (G4200-020 & G4000-030)	OMB Data Collection Form	Agrees
Basic financial statements and auditor's reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	Agrees

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.267 Continuum of Care Program	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers	14.241 Housing Opportunities for Persons with AIDS	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	93.178 Nursing Education Opportunities for Individuals from Disadvantaged Bac	6.1 Component Unit - Discretely Presented	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	29,128,531		1,000,793						1,103,386	230,451	180,005						6,112,846	4,931,693			1,559,401	2,411,174	46,658,280		46,658,280
112 Cash - Restricted - Modernization and Development																									
113 Cash - Other Restricted	1,811,375		538,917		226,444				704,801								1,763,912	466,520			972,501	9,420,461	15,904,931		15,904,931
114 Cash - Tenant Security Deposits	1,068,922		44,604															76,977			82,259		1,272,762		1,272,762
115 Cash - Restricted for Payment of Current Liabilities																									
100 Total Cash	32,008,828	-	1,584,314	-	226,444	-	-	-	1,808,187	230,451	180,005	-	-	-	-	-	7,876,758	5,475,190	-	-	2,614,161	11,831,635	63,835,973	-	63,835,973
121 Accounts Receivable - PHA Projects																									
122 Accounts Receivable - HUD Other Projects	1,552,033	19,817	45,353	46,287		557,210		21,642	1,711	22,127		272,460	80,981	435,643	12,130	1,019,745			83,485	-			4,170,624		4,170,624
124 Accounts Receivable - Other Government							381,739										340,242			58,069	123,037		903,087		903,087
125 Accounts Receivable - Miscellaneous			31,843								642						929,693	83,605			1,657	5,298	1,052,738		1,052,738
126 Accounts Receivable - Tenants	377,397		53,986															2,571			52,817		486,771		486,771
126.1 Allowance for Doubtful Accounts -Tenants	(258,680)		(40,373)															-			(40,571)		(339,624)		(339,624)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	(13,371,937)	(31,577)	-	-	-	-	-	-	-	-	-	(40,202)	-	-	-	-	-	-	(13,443,716)		(13,443,716)
127 Notes, Loans, & Mortgages Receivable - Current					13,371,937	63,025										224,028	60,000	9,034					13,728,024		13,728,024
128 Fraud Recovery									4,439,141	18,511	7,629												4,465,281		4,465,281
128.1 Allowance for Doubtful Accounts - Fraud									(4,439,141)	(18,511)	(7,629)												(4,465,281)		(4,465,281)
129 Accrued Interest Receivable																									
120 Total Receivables, Net of Allowances for Doubtful Accounts	1,670,750	19,817	90,809	46,287	-	588,658	381,739	21,642	1,711	22,127	642	272,460	80,981	435,643	12,130	1,203,571	1,329,935	95,210	83,485	58,069	136,940	5,298	6,557,904	-	6,557,904
131 Investments - Unrestricted																						3,265,722	3,265,722		3,265,722
132 Investments - Restricted																									
135 Investments - Restricted for Payment of Current Liability																									
142 Prepaid Expenses and Other Assets	198,487		8,211						23,001					551			4,142	937			14,184	95,867	345,380		345,380
143 Inventories																									
143.1 Allowance for Obsolete Inventories																									
144 Inter Program Due From																						1,297,753	1,297,753	(1,297,753)	-
145 Assets Held for Sale						1,217,967										147,194	53,123					180,000	1,598,284		1,598,284
150 Total Current Assets	33,878,065	19,817	1,683,334	46,287	226,444	1,806,625	381,739	21,642	1,832,899	252,578	180,647	272,460	80,981	436,194	12,130	1,350,765	9,263,958	5,571,337	83,485	58,069	2,765,285	16,676,275	76,901,016	(1,297,753)	75,603,263
161 Land	25,639,909		1,651,000		1,256,637	1,671,063			51,500							90,000	55,003,356	5,157,741			870,081	113,572	91,504,859		91,504,859
162 Buildings	271,477,785		7,429,072		6,969,637	1,474,712			1,033,300							625,649	7,439,225	18,156,593			38,978,596	3,653,762	357,238,331		357,238,331
163 Furniture, Equipment & Machinery - Dwellings	2,691,804		19,928			30,023												37,048			1,207,183	966,195	4,952,181		4,952,181
164 Furniture, Equipment & Machinery - Administration	68,932						6,338		15,446												288,886	821,987	1,201,589		1,201,589
165 Leasehold Improvements																									
166 Accumulated Depreciation	(158,631,184)		(344,662)		(571,824)	(644,317)	(6,338)		(445,034)							(101,017)	(1,503,343)	(4,578,083)			(17,478,281)	(4,525,935)	(188,830,018)		(188,830,018)
167 Construction in Progress	5,350,700																25,582,609	2,026,573					32,959,882		32,959,882
168 Infrastructure	16,619,053																	1,431,902			4,354,434		22,405,389		22,405,389
160 Total Capital Assets, Net of Accumulated Depreciation	163,216,999	-	8,755,338	-	7,654,450	2,531,481	-	-	655,212	-	-	-	-	-	-	614,632	86,521,847	22,231,774	-	-	28,220,899	1,029,581	321,432,213	-	321,432,213
171 Notes, Loans and Mortgages Receivable - Non-Current	31,962,467				-	373,856										2,084,912	531,607	7,927,783					42,880,625		42,880,625
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due																									
173 Grants Receivable - Non Current																									
174 Other Assets																	30,094,488	251,829			617,175		30,963,492		30,963,492
176 Investments in Joint Ventures																									
180 Total Non-Current Assets	195,179,466	-	8,755,338	-	7,654,450	2,905,337	-	-	655,212	-	-	-	-	-	-	2,699,544	117,147,942	30,411,386	-	-	28,838,074	1,029,581	395,276,330	-	395,276,330
200 Deferred Outflow of Resources																									
290 Total Assets and Deferred Outflow of Resources	229,057,531	19,817	10,438,672	46,287	7,880,894	4,711,962	381,739	21,642	2,488,111	252,578	180,647	272,460	80,981	436,194	12,130	4,050,309	126,411,900	35,982,723	83,485	58,069	31,603,359	17,705,856	472,177,346	(1,297,753)	470,879,593
311 Bank Overdraft																									
312 Accounts Payable <= 90 Days	1,680,595		64,473	237	682	143,460	27,810		7,838			268,648	60,497		830	860,577	2,832,500	13,751	28,342		260,819	99,751	6,350,810		6,350,810
313 Accounts Payable >90 Days Past Due																									
321 Accrued Wage/Payroll Taxes Payable	148,741	2,447	5,390	2,052		18,717	1,502	4,201	51,500			336	273		639	2,722	8,210	1,093	2,459	1,339		152,447	404,068		404,068
322 Accrued Compensated Absences - Current Portion	356,006	2,266	2,697	6,476		30,121	1,381	1,468	118,880			438	420		105	2,816	12,374	2,639	819	135	30,110	329,880	899,031		899,031
324 Accrued Contingency Liability																									
325 Accrued Interest Payable																									
331 Accounts Payable - HUD PHA Programs										56,021													56,021		56,021
332 Account Payable - PHA Projects																									
333 Accounts Payable - Other Government																					152,799		152,799		152,799
341 Tenant Security Deposits	1,068,922		44,604															76,977			105,200		1,295,703		1,295,703
342 Unearned Revenue	157,509		13,145															13,492			315,165		499,311		499,311
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			336,816		165,449												2,543,484	430,736			34,560		3,511,045		3,511,045
344 Current Portion of Long-term Debt - Operating Borrowings																									
345 Other Current Liabilities									5,630								2,405	1,031				1,457	10,523		10,523
346 Accrued Liabilities - Other	2,153,807		7,723														1,139,192				170,893	9,420,461	12,892,076		12,892,076
347 Inter Program - Due To		11,408		26,956		315,768	348,793	13,577		5,837		2,323	19,105	436,194	10,385	504			50,529	56,374			1,297,753	(1,297,753)	-
348 Loan Liability - Current																									
310 Total Current Liabilities	5,565,580	16,121	474,848	35,721	166,131	508,066	379,486	19,246	183,848	61,858	-	271,745	80,295	436,194	11,959	866,619	6,538,165	539,719	82,149	57,848	1,069,546	10,003,996	27,369,140	(1,297,753)	26,071,387

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.267 Continuum of Care Program	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			5,318,162		2,182,245						
352 Long-term Debt, Net of Current - Operating Borrowings											
353 Non-current Liabilities - Other	100,046								704,801		
354 Accrued Compensated Absences - Non Current	580,850	3,696	4,401	10,566		49,146	2,253	2,396	193,962		
355 Loan Liability - Non Current											
356 FASB 5 Liabilities											
357 Accrued Pension and OPEB Liabilities											
350 Total Non-Current Liabilities	680,896	3,696	5,322,563	10,566	2,182,245	49,146	2,253	2,396	898,763	-	-
300 Total Liabilities	6,246,476	19,817	5,797,411	46,287	2,348,376	557,212	381,739	21,642	1,082,611	61,858	-
400 Deferred Inflow of Resources											
508.3 Nonspendable Fund Balance											
508.4 Net Investment in Capital Assets	163,216,999	-	3,100,360	-	5,306,756	2,531,481	-	-	655,212		-
509.3 Restricted Fund Balance											
510.3 Committed Fund Balance											
511.3 Assigned Fund Balance											
511.4 Restricted Net Position		-	500,000	-	-			-			-
512.3 Unassigned Fund Balance											
512.4 Unrestricted Net Position	59,594,056	-	1,040,901	-	225,762	1,623,269	-	-	750,288	190,720	180,647
513 Total Equity - Net Assets / Position	222,811,055	-	4,641,261	-	5,532,518	4,154,750	-	-	1,405,500	190,720	180,647
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	229,057,531	19,817	10,438,672	46,287	7,880,894	4,711,962	381,739	21,642	2,488,111	252,578	180,647

	14.241 Housing Opportunities for Persons with AIDS	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	93.178 Nursing Education Opportunities for Individuals from Disadvantaged Bac	6.1 Component Unit - Discretely Presented	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						26,562,194	12,446,634			35,787,816		82,297,051		82,297,051
352 Long-term Debt, Net of Current - Operating Borrowings						29,716,620						29,716,620		29,716,620
353 Non-current Liabilities - Other										82,259		887,106		887,106
354 Accrued Compensated Absences - Non Current	715	686		171	4,595	20,188	4,306	1,336	221	81,410	538,225	1,499,123		1,499,123
355 Loan Liability - Non Current														
356 FASB 5 Liabilities														
357 Accrued Pension and OPEB Liabilities														
350 Total Non-Current Liabilities	715	686	-	171	4,595	56,299,002	12,450,940	1,336	221	35,951,485	538,225	114,399,900	-	114,399,900
300 Total Liabilities	272,460	80,981	436,194	12,130	871,214	62,837,167	12,990,659	83,485	58,069	37,021,031	10,542,221	141,769,040	(1,297,753)	140,471,287
400 Deferred Inflow of Resources														
508.3 Nonspendable Fund Balance														
508.4 Net Investment in Capital Assets	-	-	-	-	614,632	57,416,169	9,354,404	-	-		1,029,581	243,225,594		243,225,594
509.3 Restricted Fund Balance														
510.3 Committed Fund Balance														
511.3 Assigned Fund Balance														
511.4 Restricted Net Position	-	-		-		624,720	368,641	-	-	957,501		2,450,862		2,450,862
512.3 Unassigned Fund Balance														
512.4 Unrestricted Net Position	-	-	-	-	2,564,463	5,533,844	13,269,019	-	-	(6,375,173)	6,134,054	84,731,850	-	84,731,850
513 Total Equity - Net Assets / Position	-	-	-	-	3,179,095	63,574,733	22,992,064	-	-	(5,417,672)	7,163,635	330,408,306	-	330,408,306
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	272,460	80,981	436,194	12,130	4,050,309	126,411,900	35,982,723	83,485	58,069	31,603,359	17,705,856	472,177,346	(1,297,753)	470,879,593

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.267 Continuum of Care Program	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers	14.241 Housing Opportunities for Persons with AIDS	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	93.178 Nursing Education Opportunities for Individuals from Disadvantaged Bac	6.1 Component Unit - Discretely Presented	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	13,440,540		440,515															3,206,160			2,242,347		19,329,562		19,329,562
70400 Tenant Revenue - Other	828,724		18,249															73,063			53,683		973,719		973,719
70500 Total Tenant Revenue	14,269,264	-	458,764	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,279,223	-	-	2,296,030	-	20,303,281	-	20,303,281
70600 HUD PHA Operating Grants	24,461,002	254,259	2,384,164	80,193		5,291,895		252,311	47,155,930	622,149	467,775	740,461	346,181	1,962,585	47,109	2,428,861			190,824		1,137,486		87,823,185		87,823,185
70610 Capital Grants	5,104,566																						5,104,566		5,104,566
70710 Management Fee																						4,597,806	4,597,806	(4,597,806)	-
70720 Asset Management Fee																									
70730 Book Keeping Fee																						1,032,555	1,032,555	(1,032,555)	-
70740 Front Line Service Fee																						925,337	925,337	(925,337)	-
70750 Other Fees																									
70700 Total Fee Revenue																						6,555,698	6,555,698	(6,555,698)	-
70800 Other Government Grants							708,508													58,069			766,577		766,577
71100 Investment Income - Unrestricted	119,893		1,777						5,403								23,481	11,689			11,144	40,933	214,320		214,320
71200 Mortgage Interest Income																									
71300 Proceeds from Disposition of Assets Held for Sale																									
71310 Cost of Sale of Assets																									
71400 Fraud Recovery									173,776	1,400				233									175,409		175,409
71500 Other Revenue	682,504		319,305		614	40,691			41,758		758					86,055	5,442,260	384,355			67,186	411,793	7,477,279		7,477,279
71600 Gain or Loss on Sale of Capital Assets																									
72000 Investment Income - Restricted																									
70000 Total Revenue	44,637,229	254,259	3,164,010	80,193	614	5,332,586	708,508	252,311	47,376,867	623,549	468,533	740,461	346,181	1,962,818	47,109	2,514,916	5,465,741	3,675,267	190,824	58,069	3,511,846	7,008,424	128,420,315	(6,555,698)	121,864,617
91100 Administrative Salaries	2,259,264		149,014	45,106		788,414	50,949	79,300	1,975,860			11,904	8,666		29,146	98,096	392,313	163,508	25,502	7,695	237,457	4,170,034	10,492,228		10,492,228
91200 Auditing Fees	39,330								13,000								220	670			42,300	34,600	130,120		130,120
91300 Management Fee	2,869,500					313,914	16,807		946,380			4,747	3,457			39,140	349,314	44,854	6,622	3,071	266,295		4,864,101	(4,597,806)	266,295
91310 Book-keeping Fee	434,252								591,487									6,816			36,718		1,069,273	(1,032,555)	36,718
91400 Advertising and Marketing	11,900		758						615								7,181	16,340			4,441		41,235		41,235
91500 Employee Benefit contributions - Administrative	925,627	1,264		19,823		247,976	19,719	37,989	758,560			4,505	3,250		9,875	34,599	124,197	67,165	8,578	2,195	96,515	1,310,621	3,672,458		3,672,458
91600 Office Expenses	804,173		26,176						226,997								3,236	28,994			101,912		1,191,488		1,191,488
91700 Legal Expense	561,631		8,479	262	682				53,352								25,567	25,434			57,902	33,382	766,691	(183,819)	582,872
91800 Travel	5,144			367		105			17,414						4,367			2,841			65		30,303		30,303
91810 Allocated Overhead																									
91900 Other	40,262	(42)	43,045	508		89,800	10,306	6,831	59,231	350	190	945	6,334	58	4,127	10,369	66,814	63,323	21,131			808,603	1,232,185		1,232,185
91000 Total Operating - Administrative	7,951,083	1,222	227,472	66,066	682	1,440,209	97,781	124,120	4,642,896	350	190	22,101	21,707	58	47,515	182,204	968,842	419,945	61,833	12,961	843,605	6,357,240	23,490,082	(5,814,180)	17,675,902
92000 Asset Management Fee			133,426															154,235			44,688		332,349		332,349
92100 Tenant Services - Salaries	168,671	187,716						75,194											16,678		48,049	57,043	553,351		553,351
92200 Relocation Costs	10,000																						10,000		10,000
92300 Employee Benefit Contributions - Tenant Services	69,175	63,144						28,260											5,556		15,063	17,695	198,893		198,893
92400 Tenant Services - Other	117,753					1,724		28,825	485									1,915	1,117		8,845	699	161,363		161,363
92500 Total Tenant Services	365,599	250,860	-	-	-	1,724	-	132,279	485	-	-	-	-	-	-	-	-	1,915	23,351	-	71,957	75,437	923,607	-	923,607
93100 Water	1,879,535		141,113			2,066										90	2,470	120,606			39,285	3,803	2,188,968		2,188,968
93200 Electricity	4,635,553		28,871			254			13,687								8,819	83,511			89,397	11,510	4,871,602		4,871,602
93300 Gas	636,806								1,473									2,120			15,928	5,307	661,634		661,634
93400 Fuel																									
93500 Labor																									
93600 Sewer																									
93700 Employee Benefit Contributions - Utilities																									
93800 Other Utilities Expense																									
93000 Total Utilities	7,151,894	-	169,984	-	-	2,320	-	-	15,160	-	-	-	-	-	-	90	11,289	206,237	-	-	144,610	20,620	7,722,204	-	7,722,204
94100 Ordinary Maintenance and Operations - Labor	3,616,263		126,187															196,429			303,216	544,738	4,786,833		4,786,833
94200 Ordinary Maintenance and Operations - Materials and Other	2,081,135		156,291						1,166									74,994			216,400	189,395	2,719,381		2,719,381
94300 Ordinary Maintenance and Operations Contracts	4,586,832		703,776						61,654							15,572	24,047	382,804	40		834,558	88,145	6,697,428	(741,518)	5,955,910
94500 Employee Benefit Contributions - Ordinary Maintenance	1,472,361		102,820															21,904			123,627	210,426	1,931,138		1,931,138
94000 Total Maintenance	11,756,591	-	1,089,074	-	-	-	-	-	62,820	-	-	-	-	-	-	15,572	24,047	676,131	40	-	1,477,801	1,032,704	16,134,780	(741,518)	15,393,262
95100 Protective Services - Labor																									
95200 Protective Services - Other Contract Costs	1,036,890		568														1,025	32,503			151,486	56,719	1,279,191		1,279,191
95300 Protective Services - Other									5,200								393,129	35,160					433,489		433,489
95500 Employee Benefit Contributions - Protective Services																									
95000 Total Protective Services	1,036,890	-	568	-	-	-	-	-	5,200	-	-	-	-	-	-	-	394,154	67,663	-	-	151,486	56,719	1,712,680	-	1,712,680
96110 Property Insurance	278,458		11,276		3,917												5,737	13,979			163,123	447	476,937		476,937
96120 Liability Insurance	118,978		4,798		1,987				18,222							1,571	14,283	5,240			3,082	12,495	180,656		180,656
96130 Workmen's Compensation	90,092	2,241	4,315			1,894	762	3,073	28,111			208	162		393		1,381	10,821	1,433		5,346	68,682	218,914		218,914
96140 All Other Insurance	20,361		536		93				7,732								26	1,489			687	50,553	81,477		81,477
96100 Total insurance Premiums	507,889	2,241	20,925	-	5,997	1,894	762	3,073	54,065	-	-	208	162	-	393	1,571	21,427	31,529	1,433	-	172,238	132,177	957,984	-	957,984
96200 Other General Expenses	1,217,815		72,634	1,179		3,905,482	609,476					718,934	324,174			2,462,858	1,808,716	67,270	102,012	44,752	126,800	12,328	11,474,430		11,474,430
96210 Compensated Absences	(70,521)	(64)	1,032	12,948		(12,781)	489	(7,161)	21,420			(782)	138		(799)	2,405	(6,438)	(5,039)	2,155	356	2,504	(6,209)	(66,347)		(66,347)

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.267 Continuum of Care Program	14.256 Neighborhood Stabilization Program (Recovery Act Funded)	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers	14.241 Housing Opportunities for Persons with AIDS	14.231 Emergency Shelter Grants Program	14.238 Shelter Plus Care	14.235 Supportive Housing Program	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	93.178 Nursing Education Opportunities for Individuals from Disadvantaged Bac	6.1 Component Unit - Discretely Presented	COCC	Subtotal	ELIM	Total
96300 Payments in Lieu of Taxes	310,506																				119,737		430,243		430,243
96400 Bad debt - Tenant Rents	529,302		71,397																		57,601		658,300		658,300
96500 Bad debt - Mortgages																									
96600 Bad debt - Other																									
96800 Severance Expense																									
96000 Total Other General Expenses	1,987,102	(64)	145,063	14,127	-	3,892,701	609,965	(7,161)	21,420	-	-	718,152	324,312	-	(799)	2,465,263	1,802,278	62,231	104,167	45,108	306,642	6,119	12,496,626	-	12,496,626
96710 Interest of Mortgage (or Bonds) Payable																									
96720 Interest on Notes Payable (Short and Long Term)	28,622		51,824		136,202													133,587			201,556		551,791		551,791
96730 Amortization of Bond Issue Costs																									
96700 Total Interest Expense and Amortization Cost	28,622	-	51,824	-	136,202	-	-	-	-	-	-	-	-	-	-	-	-	133,587	-	-	201,556	-	551,791	-	551,791
96900 Total Operating Expenses	30,785,670	254,259	1,838,336	80,193	142,881	5,338,848	708,508	252,311	4,802,046	350	190	740,461	346,181	58	47,109	2,664,700	3,222,037	1,753,473	190,824	58,069	3,414,583	7,681,016	64,322,103	(6,555,698)	57,766,405
97000 Excess of Operating Revenue over Operating Expenses	13,851,559	-	1,325,674	-	(142,267)	(6,262)	-	-	42,574,821	623,199	468,343	-	-	1,962,760	-	(149,784)	2,243,704	1,921,794	-	-	97,263	(672,592)	64,098,212	-	64,098,212
97100 Extraordinary Maintenance																									
97200 Casualty Losses - Non-capitalized																									
97300 Housing Assistance Payments	92,630								42,990,104	524,988	385,410			1,871,141									45,864,273		45,864,273
97350 HAP Portability-In																									
97400 Depreciation Expense	9,182,325		192,370		187,997	52,244			28,565							15,641	371,961	736,656			1,233,454	174,767	12,175,980		12,175,980
97500 Fraud Losses																									
97600 Capital Outlays - Governmental Funds																									
97700 Debt Principal Payment - Governmental Funds																									
97800 Dwelling Units Rent Expense																									
90000 Total Expenses	40,060,625	254,259	2,030,706	80,193	330,878	5,391,092	708,508	252,311	47,820,715	525,338	385,600	740,461	346,181	1,871,199	47,109	2,680,341	3,593,998	2,490,129	190,824	58,069	4,648,037	7,855,783	122,362,356	(6,555,698)	115,806,658
10010 Operating Transfer In																									
10020 Operating transfer Out																									
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)																		(9,152,852)					(9,152,852)		(9,152,852)
10091 Inter Project Excess Cash Transfer In	1,414,057																						1,414,057		1,414,057
10092 Inter Project Excess Cash Transfer Out	(1,414,057)																						(1,414,057)		(1,414,057)
10093 Transfers between Program and Project - In	833,089				354,941				238,275					2,551				25,000					1,453,856		1,453,856
10094 Transfers between Project and Program - Out	(833,089)								(2,551)	(84,362)	(59,743)			(94,170)			(25,000)	(354,941)					(1,453,856)		(1,453,856)
10100 Total Other financing Sources (Uses)	-	-	-	-	354,941	-	-	-	235,724	(84,362)	(59,743)	-	-	(91,619)	-	-	(25,000)	(9,482,793)	-	-	-	-	(9,152,852)	-	(9,152,852)
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	4,576,604	-	1,133,304	-	24,677	(58,506)	-	-	(208,124)	13,849	23,190	-	-	-	-	(165,425)	1,846,743	(8,297,655)	-	-	(1,136,191)	(847,359)	(3,094,893)	-	(3,094,893)
11020 Required Annual Debt Principal Payments	4,611,042	-	333,815	-	154,228	-	-	-	-	-	-	-	-	-	-	-	677,845	3,741,461	-	-	34,560	-	9,552,951	-	9,552,951
11030 Beginning Equity	235,453,007	-	3,507,957	-	5,507,841	4,213,256	-	-	1,613,624	176,871	157,457	-	-	-	-	3,344,520	61,727,990	14,076,841	-	-	-	8,005,316	337,784,680		337,784,680
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	(17,218,556)																	17,212,878			(4,281,481)	5,678	(4,281,481)		(4,281,481)
11050 Changes in Compensated Absence Balance																									
11060 Changes in Contingent Liability Balance																									
11070 Changes in Unrecognized Pension Transition Liability																									
11080 Changes in Special Term/Severance Benefits Liability																									
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents																									
11100 Changes in Allowance for Doubtful Accounts - Other																									
11170 Administrative Fee Equity									1,405,500														1,405,500		1,405,500
11180 Housing Assistance Payments Equity									-														-		-
11190 Unit Months Available	64,112		3,048		-				83,936	1,416	900			2,748				4,071			6,120		166,351		166,351
11210 Number of Unit Months Leased	63,119		2,872		-				78,865	1,220	900			2,748				3,990			6,051		159,765		159,765
11270 Excess Cash	23,825,686																						23,825,686		23,825,686
11610 Land Purchases	-																					-	-		-
11620 Building Purchases	5,104,566																					-	5,104,566		5,104,566
11630 Furniture & Equipment - Dwelling Purchases	-																					-	-		-
11640 Furniture & Equipment - Administrative Purchases	-																					-	-		-
11650 Leasehold Improvements Purchases	-																					-	-		-
11660 Infrastructure Purchases	-																					-	-		-
13510 CFFP Debt Service Payments	-																					-	-		-
13901 Replacement Housing Factor Funds	-																					-	-		-

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Project Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	TN005000001	TN005000002	TN005000003	TN005000004	TN005000005	TN005000006	TN005000007	TN005000008	TN005000009	TN005000010	TN005000011	TN005000012	TN005000013	TN005000014	OTHER PROJ	Total
111 Cash - Unrestricted	3,685,441	5,801,375	2,972,913	4,031,149	4,136,291	985,945	913,460	1,591,125	2,360,102	1,200,297	973,102			477,270	61	29,128,531
112 Cash - Restricted - Modernization and Development																
113 Cash - Other Restricted	8,374	19,558	2,354	24,084					18,101	8,280				10,789	1,719,835	1,811,375
114 Cash - Tenant Security Deposits	175,246	223,391	112,329	141,354	110,300	27,993	35,554	78,882	33,467	105,634	20,572			4,200		1,068,922
115 Cash - Restricted for Payment of Current Liabilities																
100 Total Cash	3,869,061	6,044,324	3,087,596	4,196,587	4,246,591	1,013,938	949,014	1,670,007	2,411,670	1,314,211	993,674	-	-	492,259	1,719,896	32,008,828
121 Accounts Receivable - PHA Projects																
122 Accounts Receivable - HUD Other Projects	1,037,465									514,568						1,552,033
124 Accounts Receivable - Other Government																
125 Accounts Receivable - Miscellaneous																
126 Accounts Receivable - Tenants	55,551	76,865	53,722	53,799	51,776	2,359	7,789	15,084	14,089	23,170	6,147			17,046		377,397
126.1 Allowance for Doubtful Accounts -Tenants	(38,345)	(60,630)	(43,542)	(38,087)	(41,808)	-	-	(3)	(8,626)	(11,812)	-			(15,827)		(258,680)
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-	-					-
127 Notes, Loans, & Mortgages Receivable - Current																
128 Fraud Recovery																
128.1 Allowance for Doubtful Accounts - Fraud																
129 Accrued Interest Receivable																
120 Total Receivables, Net of Allowances for Doubtful Accounts	1,054,671	16,235	10,180	15,712	9,968	2,359	7,789	15,081	5,463	525,926	6,147	-	-	1,219	-	1,670,750
131 Investments - Unrestricted																
132 Investments - Restricted																
135 Investments - Restricted for Payment of Current Liability																
142 Prepaid Expenses and Other Assets	24,237	36,318	22,826	20,877	22,130	8,303	8,845	22,931	6,302	16,328	7,172			2,218		198,487
143 Inventories																
143.1 Allowance for Obsolete Inventories																
144 Inter Program Due From																
145 Assets Held for Sale																
150 Total Current Assets	4,947,969	6,096,877	3,120,602	4,233,176	4,278,689	1,024,600	965,648	1,708,019	2,423,435	1,856,465	1,006,993	-	-	495,696	1,719,896	33,878,065
161 Land	1,438,672	5,410,858	1,792,681	5,910,265	1,337,355	1,252,144	437,330	876,157	1,329,975	2,428,855	63,561			3,362,056		25,639,909
162 Buildings	24,541,800	37,307,361	23,776,262	40,626,215	28,678,149	15,718,394	17,828,134	29,436,242	13,658,532	23,026,683	10,683,214			6,196,799		271,477,785
163 Furniture, Equipment & Machinery - Dwellings	355,775	197,690	207,088	241,980	562,471	93,330	52,758	352,496	8,900	262,317	279,315			77,684		2,691,804
164 Furniture, Equipment & Machinery - Administration						5,524	10,851	5,916						46,641		68,932
165 Leasehold Improvements																
166 Accumulated Depreciation	(23,861,701)	(27,199,405)	(16,819,961)	(20,572,555)	(21,836,990)	(6,113,987)	(4,055,677)	(13,298,576)	(6,063,157)	(12,377,101)	(3,937,938)			(2,494,136)		(158,631,184)
167 Construction in Progress	4,021,850									1,328,850						5,350,700
168 Infrastructure	1,422,904	3,326,010	1,079,101	5,093,893	736,670	358,726	146,149	257,222	729,476	2,180,396	230,500			1,058,006		16,619,053
160 Total Capital Assets, Net of Accumulated Depreciation	7,919,300	19,042,514	10,035,171	31,299,798	9,477,655	11,314,131	14,419,545	17,629,457	9,663,726	16,850,000	7,318,652	-	-	8,247,050	-	163,216,999
171 Notes, Loans and Mortgages Receivable - Non-Current															31,962,467	31,962,467
172 Notes, Loans, & Mortgages Receivable - Non Current - Past																
173 Grants Receivable - Non Current																
174 Other Assets																
176 Investments in Joint Ventures																
180 Total Non-Current Assets	7,919,300	19,042,514	10,035,171	31,299,798	9,477,655	11,314,131	14,419,545	17,629,457	9,663,726	16,850,000	7,318,652	-	-	8,247,050	31,962,467	195,179,466
200 Deferred Outflow of Resources																
290 Total Assets and Deferred Outflow of Resources	12,867,269	25,139,391	13,155,773	35,532,974	13,756,344	12,338,731	15,385,193	19,337,476	12,087,161	18,706,465	8,325,645	-	-	8,742,746	33,682,363	229,057,531
311 Bank Overdraft																
312 Accounts Payable <= 90 Days	576,650	143,603	111,609	146,834	95,592	55,323	43,463	139,911	76,750	248,335	28,487			14,038		1,680,595
313 Accounts Payable >90 Days Past Due																
321 Accrued Wage/Payroll Taxes Payable	23,252	24,375	19,541	12,834	17,803	7,905	6,180	14,436	4,020	12,653	4,628			1,114		148,741
322 Accrued Compensated Absences - Current Portion	63,400	53,415	28,270	41,884	50,077	16,593	8,982	35,733	15,075	23,243	16,257			3,077		356,006
324 Accrued Contingency Liability																
325 Accrued Interest Payable																

Metropolitan Development & Housing Agency (TN005)
NASHVILLE, TN
Project Balance Sheet Summary

Submission Type: Audited/Single Audit | Fiscal Year End: 09/30/2016

	TN005000001	TN005000002	TN005000003	TN005000004	TN005000005	TN005000006	TN005000007	TN005000008	TN005000009	TN005000010	TN005000011	TN005000012	TN005000013	TN005000014	OTHER PROJ	Total
331 Accounts Payable - HUD PHA Programs																
332 Account Payable - PHA Projects																
333 Accounts Payable - Other Government																
341 Tenant Security Deposits	175,246	223,391	112,329	141,354	110,300	27,993	35,554	78,882	33,467	105,634	20,572			4,200		1,068,922
342 Unearned Revenue	17,206	16,235	16,211	15,713	11,996	15,303	8,074	31,802	5,462	11,357	6,932			1,218		157,509
343 Current Portion of Long-term Debt - Capital																
344 Current Portion of Long-term Debt - Operating Borrowings																
345 Other Current Liabilities																
346 Accrued Liabilities - Other	74,563	88,680	66,124	35,660	65,176	18,764	17,917	41,600	5,446	1,675	18,367				1,719,835	2,153,807
347 Inter Program - Due To																
348 Loan Liability - Current																
310 Total Current Liabilities	930,317	549,699	354,084	394,279	350,944	141,881	120,170	342,364	140,220	402,897	95,243	-	-	23,647	1,719,835	5,565,580
351 Long-term Debt, Net of Current - Capital Projects/Mortgage																
352 Long-term Debt, Net of Current - Operating Borrowings																
353 Non-current Liabilities - Other	8,374	19,558	2,354	24,084	8,506				18,101	8,280				10,789		100,046
354 Accrued Compensated Absences - Non Current	103,442	87,149	46,123	68,337	81,705	27,073	14,654	58,301	24,596	37,923	26,526			5,021		580,850
355 Loan Liability - Non Current																
356 FASB 5 Liabilities																
357 Accrued Pension and OPEB Liabilities																
350 Total Non-Current Liabilities	111,816	106,707	48,477	92,421	90,211	27,073	14,654	58,301	42,697	46,203	26,526	-	-	15,810	-	680,896
300 Total Liabilities	1,042,133	656,406	402,561	486,700	441,155	168,954	134,824	400,665	182,917	449,100	121,769	-	-	39,457	1,719,835	6,246,476
400 Deferred Inflow of Resources																
508.4 Net Investment in Capital Assets	7,919,300	19,042,514	10,035,171	31,299,798	9,477,655	11,314,131	14,419,545	17,629,457	9,663,726	16,850,000	7,318,652	-	-	8,247,050		163,216,999
511.4 Restricted Net Position																
512.4 Unrestricted Net Position	3,905,836	5,440,471	2,718,041	3,746,476	3,837,534	855,646	830,824	1,307,354	2,240,518	1,407,365	885,224	-	-	456,239	31,962,528	59,594,056
513 Total Equity - Net Assets / Position	11,825,136	24,482,985	12,753,212	35,046,274	13,315,189	12,169,777	15,250,369	18,936,811	11,904,244	18,257,365	8,203,876	-	-	8,703,289	31,962,528	222,811,055
600 Total Liabilities, Deferred Inflows of Resources and Equity -	12,867,269	25,139,391	13,155,773	35,532,974	13,756,344	12,338,731	15,385,193	19,337,476	12,087,161	18,706,465	8,325,645	-	-	8,742,746	33,682,363	229,057,531

Metropolitan Development & Housing Agency (TN005)

NASHVILLE, TN

Project Revenue and Expense Summary

Submission Type: Audited/Single Audit   Fiscal Year End: 09/30/2016

	TN005000001	TN005000002	TN005000003	TN005000004	TN005000005	TN005000006	TN005000007	TN005000008	TN005000009	TN005000010	TN005000011	TN005000012	TN005000013	TN005000014	OTHER PROJ	Total
70300 Net Tenant Rental Revenue	1,407,289	1,816,680	1,677,732	1,657,954	1,489,121	814,584	609,087	1,590,140	907,698	919,256	434,409			116,590		13,440,540
70400 Tenant Revenue - Other	147,194	207,114	104,101	96,710	135,092	7,428	16,041	30,667	32,316	34,666	10,862			6,533		828,724
70500 Total Tenant Revenue	1,554,483	2,023,794	1,781,833	1,754,664	1,624,213	822,012	625,128	1,620,807	940,014	953,922	445,271	-	-	123,123	-	14,269,264
70600 HUD PHA Operating Grants	4,036,883	4,783,320	2,677,039	2,593,329	3,098,277	776,449	669,710	1,697,038	981,265	1,254,043	734,392	302,549	739,581	117,127		24,461,002
70610 Capital Grants	3,812,460									1,292,106						5,104,566
70710 Management Fee																
70720 Asset Management Fee																
70730 Book Keeping Fee																
70740 Front Line Service Fee																
70750 Other Fees																
70700 Total Fee Revenue																
70800 Other Government Grants																
71100 Investment Income - Unrestricted	18,107	21,871	11,611	14,787	16,337	3,844	4,524	7,596	8,655	6,805	3,806			1,937	13	119,893
71200 Mortgage Interest Income																
71300 Proceeds from Disposition of Assets Held for Sale																
71310 Cost of Sale of Assets																
71400 Fraud Recovery																
71500 Other Revenue	72,692	81,082	51,592	29,309	32,241	7,364	21,375	56,616	33,598	38,367	73,728			1,103	183,437	682,504
71600 Gain or Loss on Sale of Capital Assets																
72000 Investment Income - Restricted																
70000 Total Revenue	9,494,625	6,910,067	4,522,075	4,392,089	4,771,068	1,609,669	1,320,737	3,382,057	1,963,532	3,545,243	1,257,197	302,549	739,581	243,290	183,450	44,637,229
91100 Administrative Salaries	343,635	383,680	233,949	217,873	272,675	112,804	107,977	212,098	134,925	147,666	74,078			17,904		2,259,264
91200 Auditing Fees	5,646	6,472	4,383	4,430	4,257	1,734	1,663	3,958	2,412	2,901	1,159			315		39,330
91300 Management Fee	411,870	470,419	325,280	329,783	314,205	130,055	124,272	297,242	160,168	196,226	86,835			23,145		2,869,500
91310 Book-keeping Fee	62,469	71,355	49,339	50,024	47,655	19,727	18,849	45,092	24,298	28,758	13,173			3,513		434,252
91400 Advertising and Marketing	2,889	1,710	1,328	514	1,710		378		1,050	1,986	335					11,900
91500 Employee Benefit contributions - Administrative	110,375	154,170	118,971	89,497	122,999	44,408	37,491	79,010	62,442	61,339	36,951			7,974		925,627
91600 Office Expenses	95,542	130,747	91,120	89,539	80,962	33,279	38,811	95,219	61,521	59,738	24,190			3,505		804,173
91700 Legal Expense	114,746	131,253	78,089	58,046	64,396	5,440	13,117	27,074	27,391	24,161	12,939			4,979		561,631
91800 Travel	398	1,604	728	10	1,395	93	84	28	225	579						5,144
91810 Allocated Overhead																
91900 Other	4,519	4,867	4,967	3,977	3,020	3,314	2,719	5,773	3,672	1,785	1,637			12		40,262
91000 Total Operating - Administrative	1,152,089	1,356,277	908,154	843,693	913,274	350,854	345,361	765,494	478,104	525,139	251,297	-	-	61,347	-	7,951,083
92000 Asset Management Fee																
92100 Tenant Services - Salaries	34,450		20,190			16,710	10,645	43,857	27,516		12,878			2,425		168,671
92200 Relocation Costs	9,250									750						10,000
92300 Employee Benefit Contributions - Tenant Services	17,799		8,135			4,914	3,243	17,830	11,064		5,317			873		69,175
92400 Tenant Services - Other	13,497	22,821	17,677	13,773	11,194	4,612	5,499	13,405	5,940	6,023	3,312					117,753
92500 Total Tenant Services	74,996	22,821	46,002	13,773	11,194	26,236	19,387	75,092	44,520	6,773	21,507	-	-	3,298	-	365,599
93100 Water	422,747	394,711	387,210	152,433	277,017	56,730	34,448	91,766	15,907	9,139	36,349			1,078		1,879,535
93200 Electricity	618,393	684,097	706,272	492,121	985,061	233,312	175,250	447,415	51,340	22,188	217,823			2,281		4,635,553
93300 Gas	267,021	255,013	79,934	3,795	3,878	1,751		7,320	7,770	627	9,697					636,806
93400 Fuel																
93500 Labor																
93600 Sewer																
93700 Employee Benefit Contributions - Utilities																
93800 Other Utilities Expense																
93000 Total Utilities	1,308,161	1,333,821	1,173,416	648,349	1,265,956	291,793	209,698	546,501	75,017	31,954	263,869	-	-	3,359	-	7,151,894
94100 Ordinary Maintenance and Operations - Labor	546,833	591,685	373,728	313,548	406,442	175,747	161,646	373,579	152,219	410,871	88,937			21,028		3,616,263
94200 Ordinary Maintenance and Operations - Materials and	258,236	366,159	189,694	170,835	164,682	97,235	68,790	362,758	68,574	261,637	60,919			11,616		2,081,135

Metropolitan Development & Housing Agency (TN005)

NASHVILLE, TN

Project Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2016

	TN005000001	TN005000002	TN005000003	TN005000004	TN005000005	TN005000006	TN005000007	TN005000008	TN005000009	TN005000010	TN005000011	TN005000012	TN005000013	TN005000014	OTHER PROJ	Total
94300 Ordinary Maintenance and Operations Contracts	784,908	751,550	484,124	427,451	461,659	260,005	131,904	504,523	213,342	293,422	213,790			60,154		4,586,832
94500 Employee Benefit Contributions - Ordinary Maintenance	202,173	215,693	152,737	135,116	183,694	72,148	75,224	176,376	74,659	142,081	34,366			8,094		1,472,361
94000 Total Maintenance	1,792,150	1,925,087	1,200,283	1,046,950	1,216,477	605,135	437,564	1,417,236	508,794	1,108,011	398,012	-	-	100,892	-	11,756,591
95100 Protective Services - Labor																
95200 Protective Services - Other Contract Costs	97,576	191,099	122,798	105,882	100,258	60,298	60,442	143,478	58,365	18,143	68,722			9,829		1,036,890
95300 Protective Services - Other																
95500 Employee Benefit Contributions - Protective Services																
95000 Total Protective Services	97,576	191,099	122,798	105,882	100,258	60,298	60,442	143,478	58,365	18,143	68,722	-	-	9,829	-	1,036,890
96110 Property Insurance	38,601	39,589	28,432	29,125	27,020	11,418	14,357	35,826	18,997	17,940	15,263			1,890		278,458
96120 Liability Insurance	17,369	19,400	13,050	14,338	12,788	5,157	4,753	11,124	8,356	8,686	3,012			945		118,978
96130 Workmen's Compensation	13,195	14,758	9,601	8,009	9,998	3,949	4,021	9,010	4,826	9,416	2,692			617		90,092
96140 All Other Insurance	2,835	2,580	2,290	2,574	1,716	802	513	1,392	1,169	3,605	785			100		20,361
96100 Total insurance Premiums	72,000	76,327	53,373	54,046	51,522	21,326	23,644	57,352	33,348	39,647	21,752	-	-	3,552	-	507,889
96200 Other General Expenses	7,015									5,809	-	302,549	739,581		162,861	1,217,815
96210 Compensated Absences	8,384	1,767	(22,193)	(21,556)	17,307	(18,440)	(31,604)	6,897	(3,024)	(8,502)	1,508			(1,065)		(70,521)
96300 Payments in Lieu of Taxes		2,291	17,396	59,099	3,368	29,888	17,969	57,304	63,333	44,054	7,859			7,945		310,506
96400 Bad debt - Tenant Rents	81,846	123,899	66,110	100,447	84,815	2,972	9,854	23,604	10,456	17,802	1,961			5,536		529,302
96500 Bad debt - Mortgages																
96600 Bad debt - Other																
96800 Severance Expense																
96000 Total Other General Expenses	97,245	127,957	61,313	137,990	105,490	14,420	(3,781)	87,805	70,765	59,163	11,328	302,549	739,581	12,416	162,861	1,987,102
96710 Interest of Mortgage (or Bonds) Payable																
96720 Interest on Notes Payable (Short and Long Term)				1,222			9,441	13,337		4,622	-					28,622
96730 Amortization of Bond Issue Costs																
96700 Total Interest Expense and Amortization Cost	-	-	-	1,222	-	-	9,441	13,337	-	4,622	-	-	-	-	-	28,622
96900 Total Operating Expenses	4,594,217	5,033,389	3,565,339	2,851,905	3,664,171	1,370,062	1,101,756	3,106,295	1,268,913	1,793,452	1,036,487	302,549	739,581	194,693	162,861	30,785,670
97000 Excess of Operating Revenue over Operating Expenses	4,900,408	1,876,678	956,736	1,540,184	1,106,897	239,607	218,981	275,762	694,619	1,751,791	220,710	-	-	48,597	20,589	13,851,559
97100 Extraordinary Maintenance																
97200 Casualty Losses - Non-capitalized																
97300 Housing Assistance Payments									92,630							92,630
97350 HAP Portability-In																
97400 Depreciation Expense	282,076	1,012,173	627,612	1,536,074	486,699	775,691	784,110	1,309,027	956,854	719,201	497,053			195,755		9,182,325
97500 Fraud Losses																
97600 Capital Outlays - Governmental Funds																
97700 Debt Principal Payment - Governmental Funds																
97800 Dwelling Units Rent Expense																
90000 Total Expenses	4,876,293	6,045,562	4,192,951	4,387,979	4,150,870	2,145,753	1,885,866	4,415,322	2,318,397	2,512,653	1,533,540	302,549	739,581	390,448	162,861	40,060,625
10010 Operating Transfer In																
10020 Operating transfer Out																
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		500,000		516,590	280,000		117,467									1,414,057
10092 Inter Project Excess Cash Transfer Out	(17,213)							(1,358,969)		(37,875)						(1,414,057)
10093 Transfers between Program and Project - In	-	35,341	21,091	33,841	146,591	142,045	104,145	272,228	36,762	33,500	7,545					833,089

Metropolitan Development & Housing Agency (TN005)

NASHVILLE, TN

Project Revenue and Expense Summary

Submission Type: Audited/Single Audit | Fiscal Year End: 09/30/2016

	TN005000001	TN005000002	TN005000003	TN005000004	TN005000005	TN005000006	TN005000007	TN005000008	TN005000009	TN005000010	TN005000011	TN005000012	TN005000013	TN005000014	OTHER PROJ	Total
10094 Transfers between Project and Program - Out		(35,341)	(21,091)	(33,841)	(146,591)	(142,045)	(104,145)	(272,228)	(36,762)	(33,500)	(7,545)					(833,089)
10100 Total Other financing Sources (Uses)	(17,213)	500,000	-	516,590	280,000	-	117,467	(1,358,969)	-	(37,875)	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	4,601,119	1,364,505	329,124	520,700	900,198	(536,084)	(447,662)	(2,392,234)	(354,865)	994,715	(276,343)	-	-	(147,158)	20,589	4,576,604
11020 Required Annual Debt Principal Payments	-	-	-	196,793	-	-	1,520,980	2,148,731	-	744,538	-	-	-	-	-	4,611,042
11030 Beginning Equity	7,246,588	23,118,480	12,424,088	34,525,574	12,414,991	12,714,750	15,700,165	21,329,045	29,477,666	17,229,055	8,480,219	-	-	8,850,447	31,941,939	235,453,007
11040 Prior Period Adjustments, Equity Transfers and Correction	(22,571)				-	(8,889)	(2,134)		(17,218,557)	33,595						(17,218,556)
11050 Changes in Compensated Absence Balance																
11060 Changes in Contingent Liability Balance																
11070 Changes in Unrecognized Pension Transition Liability																
11080 Changes in Special Term/Severance Benefits Liability																
11090 Changes in Allowance for Doubtful Accounts - Dwelling																
11100 Changes in Allowance for Doubtful Accounts - Other																
11170 Administrative Fee Equity																
11180 Housing Assistance Payments Equity																
11190 Unit Months Available	8,528	9,810	6,660	6,720	6,444	2,640	2,520	6,024	3,672	3,930	1,764	1,632	3,288	480		64,112
11210 Number of Unit Months Leased	8,329	9,513	6,578	6,669	6,354	2,630	2,513	6,011	3,596	3,834	1,756	1,627	3,241	468		63,119
11270 Excess Cash	3,602,775	5,071,853	2,444,227	3,556,278	3,600,268	760,245	744,820	1,083,867	2,153,070	1,280,605	818,205	-	-	442,818	(1,733,345)	23,825,686
11610 Land Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11620 Building Purchases	3,812,460	-	-	-	-	-	-	-	-	1,292,106	-	-	-	-	-	5,104,566
11630 Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11650 Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11660 Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13510 CFFP Debt Service Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-