



TO: CHAIR AND HOUSING AUTHORITY COMMISSIONERS
THRU:  ROBERT G. WELLS, CITY MANAGER
FROM:  BARBARA A. ROBERTS, INTERIM DIRECTOR, COMMUNITY SERVICES
SUBJECT: FINANCIAL AUDIT REPORTS FOR LIMITED PARTNERSHIPS

ISSUE

Information is provided regarding financial reports for the Housing Authority's four tax credit limited partnerships for the period ending December 31, 2006.

RECOMMENDATION

No action is required.

BACKGROUND

As of December 31, 2006, the Housing Authority was the general partner in four tax credit limited partnerships. Effective January 1, 2007, the Authority became sole owner of Englewood West Apartments. The four tax credit limited partnerships were established by the Authority to finance construction of three of the properties and to finance acquisition and renovation of a fourth property. The properties are:

Englewood West Apartments
Independent living for seniors
54 units located at 1068 Park Avenue
Constructed in 1992

Southview Terrace Apartments
Independent living for seniors
60 units located at 375 Fairview Avenue SE
Constructed in 1993

Parkway Village Apartments
Family apartments
124 units located at 3142 7th Place NE
Constructed in 1997

Southfair Apartments
40 units located at 1903 Fairgrounds Road NE
Acquired in 1999 and renovated in 2000

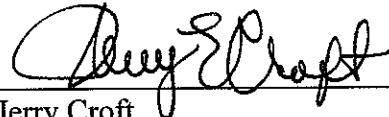
As a general partner, the Authority is responsible to manage and maintain the properties, maintain the accounting records of each partnership and obtain independent financial audit services including preparation and filing of state and federal income tax returns.

Grove, Mueller & Swank, P.C. has audited the financial statements of each of the four partnership properties as part of the Authority's five-year audit contract awarded in 2002.

FACTS AND FINDINGS

The 2006 independent audit reports for Englewood West, Southview Terrace, Parkway Village and Southfair Apartments limited partnerships contain no negative audit findings and indicate no evidence of material weakness involving internal control structures. Each report has been reviewed and accepted by the respective limited partner.

Since the Authority is now sole owner of Englewood West Apartments, that property will be included in the Housing Authority's Independent Financial Audit for the period ending September 30, 2007.



Jerry Croft
Housing Administrator