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June 15<sup>th</sup>, 2009

Board of Directors  
Blaine County Housing Authority  
Hailey, Idaho 83333

To Whom It May Concern:

We have prepared the accompanying Balance Sheets of the Blaine County Housing Authority as of May 31<sup>st</sup>, 2009 and 2008, and the Profit & Loss Budget Performance report for the month and year to date ending May 31<sup>st</sup>, 2009. This presentation is limited to preparing in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*McPherson & Keppler CPAs LLC*

**Blaine County Housing Authority**  
**Balance Sheet Prev Year Comparison**  
As of May 31, 2009

	<u>May 31, 09</u>	<u>May 31, 08</u>	<u>\$ Change</u>
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
Cash in Bank			
Checking-First Bank of Idaho	37,718.95	1,951.05	35,767.90
BCHA - Operating Reserve 2478	50,613.65	43,900.38	6,713.27
Total Cash in Bank	<u>88,332.60</u>	<u>45,851.43</u>	<u>42,481.17</u>
Restricted Cash			
BCHA Housing Reserve 1668			
BCHA-Housing Reserve	4,711.09	33,822.14	-29,111.05
Total BCHA Housing Reserve 1668	<u>4,711.09</u>	<u>33,822.14</u>	<u>-29,111.05</u>
Blaine Co Housg Rsrv 2746	0.00	26.96	-26.96
Ketchum Housg Rsrv 2755			
Loan from Ketchum Hsg Rsv	-39,587.40	-75,000.00	35,412.60
Ketchum Housg Rsrv 2755 - Other	39,587.40	120,693.24	-81,105.84
Total Ketchum Housg Rsrv 2755	<u>0.00</u>	<u>45,693.24</u>	<u>-45,693.24</u>
Total Restricted Cash	<u>4,711.09</u>	<u>79,542.34</u>	<u>-74,831.25</u>
Total Checking/Savings	93,043.69	125,393.77	-32,350.08
Other Current Assets			
Prepaid Insurance	1,002.66	973.36	29.30
Total Other Current Assets	<u>1,002.66</u>	<u>973.36</u>	<u>29.30</u>
Total Current Assets	94,046.35	126,367.13	-32,320.78
Other Assets			
Rent - Deposit	0.00	950.00	-950.00
Rent - Last Month	0.00	1,050.00	-1,050.00
Total Other Assets	<u>0.00</u>	<u>2,000.00</u>	<u>-2,000.00</u>
<b>TOTAL ASSETS</b>	<b><u>94,046.35</u></b>	<b><u>128,367.13</u></b>	<b><u>-34,320.78</u></b>
<b>LIABILITIES &amp; EQUITY</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	983.33	5,631.04	-4,647.71
Total Accounts Payable	<u>983.33</u>	<u>5,631.04</u>	<u>-4,647.71</u>
Other Current Liabilities			
Accrued Payroll Liabilities	2,292.35	3,613.71	-1,321.36
Accrued Int. - City of Ketchum	453.29	0.00	453.29
Note Payable-Ketchum	39,587.40	147,866.00	-108,278.60
Total Other Current Liabilities	<u>42,333.04</u>	<u>151,479.71</u>	<u>-109,146.67</u>
Total Current Liabilities	<u>43,316.37</u>	<u>157,110.75</u>	<u>-113,794.38</u>
Total Liabilities	43,316.37	157,110.75	-113,794.38
Equity			
Reserved Fund Balance	4,666.00	77,511.01	-72,845.01
Unreserved Fund Balance	-20,988.53	-141,311.76	120,323.23
Net Income	67,052.51	35,057.13	31,995.38
Total Equity	<u>50,729.98</u>	<u>-28,743.62</u>	<u>79,473.60</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>94,046.35</u></b>	<b><u>128,367.13</u></b>	<b><u>-34,320.78</u></b>

## Blaine County Housing Authority Profit & Loss Budget Performance May 2009

	May 09	Budget	% of Budget	Oct '08 - Ma...	YTD Budget	% of Budget	Annual Bud...
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Application Fees	0.00			250.00			
CH Sales Fee	3,164.71	5,081.25	62.3%	49,075.65	40,650.00	120.7%	60,975.00
Contracts for Service	34,000.00	11,916.67	285.3%	106,000.00	95,333.36	111.2%	143,000.04
Rental Admin Fees	250.00			500.00			
Interest/Investment Income	30.53			398.70			
<b>Total Income</b>	<b>37,445.24</b>	<b>16,997.92</b>	<b>220.3%</b>	<b>156,224.35</b>	<b>135,983.36</b>	<b>114.9%</b>	<b>203,975.04</b>
<b>Expense</b>							
<b>Payroll Expenses</b>							
Wages - Exec Admin	3,250.00	3,000.00	108.3%	17,875.00	18,750.00	95.3%	30,750.00
Wages - Administrative	3,307.50	3,439.75	96.2%	28,306.20	27,518.00	102.9%	41,277.00
Wages - Marketing Associate	0.00	41.67	0.0%	1,437.50	333.36	431.2%	500.04
Medical Insurance	623.68			1,871.04			
Retirement-taxable to employee	429.98	430.00	100.0%	3,539.08	3,440.00	102.9%	5,160.00
Payroll Taxes	604.42	1,038.50	58.2%	3,204.86	6,906.00	46.4%	11,060.00
Direct Deposit Fees	6.96			50.73			
Workers Comp Insurance	-1,757.00	75.83	-2,317.0%	497.00	606.64	81.9%	909.96
<b>Total Payroll Expenses</b>	<b>6,465.54</b>	<b>8,025.75</b>	<b>80.6%</b>	<b>56,781.41</b>	<b>57,554.00</b>	<b>98.7%</b>	<b>89,657.00</b>
Ads	0.00	41.67	0.0%	0.00	333.36	0.0%	500.04
Audit & Bookkeeping	349.25	475.00	73.5%	5,871.44	3,800.00	154.5%	5,700.00
Computer Expenses	271.90	33.33	815.8%	2,266.89	266.64	850.2%	399.96
Contract Labor	0.00			250.00			
Dues and Subscriptions	0.00	5.83	0.0%	209.00	46.64	448.1%	69.96
Interest Exp - Ketchum Hsg Rsv	20.48			453.29			
Legal & Professional Fees	0.00	1,750.00	0.0%	4,862.50	14,000.00	34.7%	21,000.00
Liability Insurance	250.67	250.67	100.0%	2,005.34	2,005.36	100.0%	3,008.04
Marketing/Logo Expense	0.00	333.33	0.0%	960.98	2,666.64	36.0%	3,999.96
Meals & Entertrn	0.00			88.34			
Mileage Reimbursement	80.30	68.75	116.8%	593.99	550.00	108.0%	825.00
Office expenses	121.12	125.00	96.9%	2,236.63	1,000.00	223.7%	1,500.00
Postage and Delivery	87.00	66.67	130.5%	425.40	533.36	79.8%	800.04
Public Outreach							
Scott	0.00			458.84			
Public Outreach - Other	0.00			1,059.05			
<b>Total Public Outreach</b>	<b>0.00</b>			<b>1,517.89</b>			
Rent	400.00	425.00	94.1%	7,100.00	7,150.00	99.3%	8,850.00
Repairs	0.00	16.67	0.0%	0.00	133.36	0.0%	200.04
Telephone & Internet	452.46	250.00	181.0%	3,440.67	2,000.00	172.0%	3,000.00
Utilities							
Office Utilities	44.32			108.07			
<b>Total Utilities</b>	<b>44.32</b>			<b>108.07</b>			
<b>Total Expense</b>	<b>8,543.04</b>	<b>11,867.67</b>	<b>72.0%</b>	<b>89,171.84</b>	<b>92,039.36</b>	<b>96.9%</b>	<b>139,510.04</b>
<b>Net Ordinary Income</b>	<b>28,902.20</b>	<b>5,130.25</b>	<b>563.4%</b>	<b>67,052.51</b>	<b>43,944.00</b>	<b>152.6%</b>	<b>64,465.00</b>
<b>Other Income/Expense</b>							
<b>Other Expense</b>							
Contingency	0.00	465.00	0.0%	0.00	3,720.00	0.0%	5,580.00
<b>Total Other Expense</b>	<b>0.00</b>	<b>465.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>3,720.00</b>	<b>0.0%</b>	<b>5,580.00</b>
<b>Net Other Income</b>	<b>0.00</b>	<b>-465.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>-3,720.00</b>	<b>0.0%</b>	<b>-5,580.00</b>
<b>Net Income</b>	<b>28,902.20</b>	<b>4,665.25</b>	<b>619.5%</b>	<b>67,052.51</b>	<b>40,224.00</b>	<b>166.7%</b>	<b>58,885.00</b>