

**MCPHERSON & KEPPLER CPAs, LLC**  
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Monday February 16<sup>th</sup>, 2009

Board of Directors  
Blaine County Housing Authority  
Hailey, Idaho 83333

To Whom It May Concern:

We have prepared the accompanying UPDATED Balance Sheets of the Blaine County Housing Authority as of January 31<sup>st</sup>, 2009 and 2008, and the UPDATED Profit & Loss Budget Performance report for the month and YTD ending January 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*

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Accrual Basis

## Blaine County Housing Authority Balance Sheet Prev Year Comparison As of January 31, 2009

	Jan 31, 09	Jan 31, 08	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
<b>Cash in Bank</b>			
Checking-First Bank of Idaho	4,659.73	226.64	4,433.09
BCHA - Operating Reserve 2478	48,453.27	19,490.25	28,963.02
<b>Total Cash in Bank</b>	53,113.00	19,716.89	33,396.11
<b>Restricted Cash</b>			
BCHA Housing Reserve 1668			
BCHA-Housing Reserve	1,049.85	33,460.83	-32,410.98
BCHA Housing Reserve 1668 - Other	3.27	0.00	3.27
<b>Total BCHA Housing Reserve 1668</b>	1,053.12	33,460.83	-32,407.71
Blaine Co Housg Rsrv 2746	27.40	26.66	0.74
Ketchum Housg Rsrv 2755			
Loan from Ketchum Hsg Rsv	-39,587.40	-75,000.00	35,412.60
Ketchum Housg Rsrv 2755 - Other	43,206.96	120,205.11	-76,998.15
<b>Total Ketchum Housg Rsrv 2755</b>	3,619.56	45,205.11	-41,585.55
<b>Total Restricted Cash</b>	4,700.08	78,692.60	-73,992.52
<b>Total Checking/Savings</b>	57,813.08	98,409.49	-40,596.41
<b>Other Current Assets</b>			
Prepaid Insurance	774.01	1,946.68	-1,172.67
<b>Total Other Current Assets</b>	774.01	1,946.68	-1,172.67
<b>Total Current Assets</b>	58,587.09	100,356.17	-41,769.08
<b>Other Assets</b>			
Rent - Deposit	950.00	950.00	0.00
Rent - Last Month	1,050.00	1,050.00	0.00
<b>Total Other Assets</b>	2,000.00	2,000.00	0.00
<b>TOTAL ASSETS</b>	<b>60,587.09</b>	<b>102,356.17</b>	<b>-41,769.08</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable	5,063.40	7,922.80	-2,859.40
<b>Total Accounts Payable</b>	5,063.40	7,922.80	-2,859.40
<b>Other Current Liabilities</b>			
Accrued Payroll Liabilities	2,833.95	4,587.19	-1,753.24
Note Payable-Ketchum	39,587.40	147,866.00	-108,278.60
<b>Total Other Current Liabilities</b>	42,421.35	152,453.19	-110,031.84
<b>Total Current Liabilities</b>	47,484.75	160,375.99	-112,891.24
<b>Total Liabilities</b>	47,484.75	160,375.99	-112,891.24
<b>Equity</b>			
Reserved Fund Balance	4,666.00	77,511.01	-72,845.01
Unreserved Fund Balance	-68,466.75	-141,311.76	72,845.01
Retained Earnings	47,478.22	0.00	47,478.22
Net Income	29,424.87	5,780.93	23,643.94
<b>Total Equity</b>	13,102.34	-58,019.82	71,122.16
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>60,587.09</b>	<b>102,356.17</b>	<b>-41,769.08</b>

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

	<u>Jan 09</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Oct '08 - Jan 09</u>	<u>YTD Budget</u>	<u>% of Budget</u>	<u>Annual Bu...</u>
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Application Fees	0.00			250.00			
CH Sales Fee	10,205.59	5,081.25	200.8%	35,632.82	20,325.00	175.3%	60,975.00
Contracts for Service	0.00	11,916.67	0.0%	33,500.00	47,666.68	70.3%	143,000.04
Interest/Investment Income	60.41			227.31			
<b>Total Income</b>	<u>10,266.00</u>	<u>16,997.92</u>	<u>60.4%</u>	<u>69,610.13</u>	<u>67,991.68</u>	<u>102.4%</u>	<u>203,975.04</u>
<b>Expense</b>							
<b>Payroll Expenses</b>							
Wages - Exec Admin	4,875.00	3,000.00	162.5%	4,875.00	6,750.00	72.2%	30,750.00
Wages - Administrative	3,682.50	3,439.75	107.1%	16,038.70	13,759.00	116.6%	41,277.00
Medical Insurance	311.84			311.84			
Retirement-taxable to employee	429.98	430.00	100.0%	1,819.16	1,720.00	105.8%	5,160.00
Payroll Taxes	777.41	1,038.50	74.9%	1,966.38	2,752.00	71.5%	11,060.00
Direct Deposit Fees	7.95			22.89			
Workers Comp Insurance	-90.00	75.83	-118.7%	2,254.00	303.32	743.1%	909.96
<b>Total Payroll Expenses</b>	<u>9,994.68</u>	<u>7,984.08</u>	<u>125.2%</u>	<u>27,287.97</u>	<u>25,284.32</u>	<u>107.9%</u>	<u>89,156.96</u>
<b>Ads</b>	0.00	41.67	0.0%	0.00	166.68	0.0%	500.04
<b>Audit &amp; Bookkeeping</b>	339.50	475.00	71.5%	1,301.22	1,900.00	68.5%	5,700.00
<b>Computer Expenses</b>	0.00	33.33	0.0%	172.50	133.32	129.4%	399.96
<b>Contract Labor</b>	0.00	41.67	0.0%	0.00	166.68	0.0%	500.04
<b>Dues and Subscriptions</b>	209.00	5.83	3,584.9%	209.00	23.32	896.2%	69.96
<b>Interest Exp - Ketchum Hsg Rsv</b>	48.78			355.69			
<b>Legal &amp; Professional Fees</b>	1,935.00	1,750.00	110.6%	1,935.00	7,000.00	27.6%	21,000.00
<b>Liability Insurance</b>	243.33	250.67	97.1%	729.99	1,002.68	72.8%	3,008.04
<b>Marketing/Logo Expense</b>	108.00	333.33	32.4%	108.00	1,333.32	8.1%	3,999.96
<b>Mileage Reimbursement</b>	108.64	68.75	158.0%	253.04	275.00	92.0%	825.00
<b>Office expenses</b>	88.16	125.00	70.5%	720.13	500.00	144.0%	1,500.00
<b>Postage and Delivery</b>	212.40	66.67	318.6%	296.40	266.68	111.1%	800.04
<b>Public Outreach</b>							
Scott	223.20			242.20			
Public Outreach - Other	668.67			998.00			
<b>Total Public Outreach</b>	<u>891.87</u>			<u>1,240.20</u>			
<b>Rent</b>	1,050.00	737.50	142.4%	4,200.00	2,950.00	142.4%	7,125.00
<b>Repairs</b>	0.00	16.67	0.0%	0.00	66.68	0.0%	200.04
<b>Telephone &amp; Internet</b>	336.58	250.00	134.6%	1,376.12	1,000.00	137.6%	3,000.00
<b>Total Expense</b>	<u>15,565.94</u>	<u>12,180.17</u>	<u>127.8%</u>	<u>40,185.26</u>	<u>42,068.68</u>	<u>95.5%</u>	<u>137,785.04</u>
<b>Net Ordinary Income</b>	<u>-5,299.94</u>	<u>4,817.75</u>	<u>-110.0%</u>	<u>29,424.87</u>	<u>25,923.00</u>	<u>113.5%</u>	<u>66,190.00</u>
<b>Other Income/Expense</b>							
<b>Other Expense</b>							
Contingency	0.00	465.00	0.0%	0.00	1,860.00	0.0%	5,580.00
<b>Total Other Expense</b>	<u>0.00</u>	<u>465.00</u>	<u>0.0%</u>	<u>0.00</u>	<u>1,860.00</u>	<u>0.0%</u>	<u>5,580.00</u>
<b>Net Other Income</b>	<u>0.00</u>	<u>-465.00</u>	<u>0.0%</u>	<u>0.00</u>	<u>-1,860.00</u>	<u>0.0%</u>	<u>-5,580.00</u>
<b>Net Income</b>	<u><u>-5,299.94</u></u>	<u><u>4,352.75</u></u>	<u><u>-121.8%</u></u>	<u><u>29,424.87</u></u>	<u><u>24,063.00</u></u>	<u><u>122.3%</u></u>	<u><u>60,610.00</u></u>