

**KITSAP COUNTY CONSOLIDATED HOUSING AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 7 – LEASES**

**Operating Leases** The Housing Authority is obligated under one lease accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations, and therefore, the results of the lease agreements are not reflected in the Housing Authority's financial statements. In January, 1998 the Housing Authority entered into an agreement for a one year lease of office facilities in Silverdale commencing January 1, 1998. The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms as of June 30, 1998:

| Year Ending June 30 | Minimum Payments |
|---------------------|------------------|
| 1999                | \$ 15,480        |

**NOTE 8 - DUE TO/FROM OTHER FUNDS**

The interfund receivables and payables as of June 30, 1998 that resulted from various interfund transactions were primarily receiving and paying in character. Interest charged for interfund advances is the average monthly yield on investments in the local government investment pool.

| Name of Fund With Interfund Transaction        | Notes Receivable Component Units | Due From Other Funds | Total Due From Other Funds | Due to Other Funds |
|--|----------------------------------|----------------------|----------------------------|--------------------|
| General Fund                                   | 608,785                          | 2,619,502            | 3,228,287                  | 12,825             |
| Special Revenue Fund                           | -                                | 9,367                | 9,367                      | 625,777            |
| Enterprise Fund                                | 539,451                          | 172,161              | 711,612                    | 1,959,309          |
| Component Units                                | -                                | -                    | -                          | 1,148,236          |
| <b>Total Due To/Due From Per Balance Sheet</b> | <b>1,148,236</b>                 | <b>2,801,030</b>     | <b>3,949,266</b>           | <b>3,746,147</b>   |
| HUD Funds                                      |                                  | 11,467               | 11,467                     | 1,569              |
| Six-Month Year End Differential                | (213,017)                        |                      | (213,017)                  | -                  |
|  | 935,219                          | 2,812,497            | 3,747,716                  | 3,747,716          |