

LAWRENCE-DOUGLAS COUNTY  
HOUSING AUTHORITY

BASIC FINANCIAL STATEMENTS,  
REQUIRED SUPPLEMENTAL INFORMATION  
AND  
SUPPLEMENTAL INFORMATION

Year Ended December 31, 2020

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## INDEPENDENT AUDITOR'S REPORT

**Independent Auditor's Report**

To the Board of Commissioners  
Lawrence-Douglas County Housing Authority  
Lawrence, Kansas

**Report on the Basic Financial Statements**

We have audited the accompanying financial statements of the major fund of the Lawrence-Douglas County Housing Authority, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Lawrence-Douglas County Housing Authority's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Basic 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 an opinion on these financial statements based on our audit. 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.

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 entity'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 entity'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 opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Lawrence-Douglas County Housing Authority, as of December 31, 2020, and the changes in financial position and cash flows 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, schedule of employer's proportionate share of net pension liability, schedule of employer's contributions, schedule of changes in total OPEB liability and related ratios and notes to required supplementary information as identified in the table of contents, 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.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Lawrence-Douglas County Housing Authority's basic financial statements. The Program Financial Schedules, Financial Data Schedules and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Program Financial Schedules, Financial Data Schedules and Schedule of Expenditures of Federal Awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Program Financial Schedules, Financial Data Schedules and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2021 on our consideration of the Lawrence-Douglas County Housing Authority'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 solely 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 the effectiveness of the Lawrence-Douglas County Housing Authority's 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 Lawrence-Douglas County Housing Authority's internal control over financial reporting and compliance.

*Niewedde & Wiens, CPAs*

York, Nebraska  
April 20, 2021

REQUIRED SUPPLMENTAL INFORMATION -  
MANAGEMENT'S DISCUSSION AND ANALYSIS



## MANAGEMENT'S DISCUSSION AND ANALYSIS Year Ended December 31, 2020

This section of the Lawrence-Douglas County Housing Authority's annual financial report presents our management's analysis of the Authority's financial performance during the fiscal year ended on December 31, 2020. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the basic financial statements as a whole.

### **OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This annual report includes this *Management's Discussion and Analysis* report, the *Basic Financial Statements* and the *Notes to the Financial Statements*. This report also contains the *Schedule of Employer's Proportionate Share of Net Pension Liability*, *Schedule of Employer's Contributions*, *Schedule of Changes in Total OPEB Liability and Related Ratios*, *Notes to Required Supplementary Information* and *Financial Data Schedule (FDS)* as referenced in the section of *Required Supplemental Information*. The Authority's basic financial statements are presented as fund level financial statements because the Authority only has a single proprietary fund.

#### **Required Basic Financial Statements**

*Proprietary Fund Financial Statements* - The financial statements of the Housing Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources and provides information about the nature and amounts of investments in resources and obligations of the Authority creditors. It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

The Authority reports a single enterprise fund.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and provide more detailed data.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2020

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS (CONT'D)**

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Supplemental Information*. HUD has established *Uniform Financial Reporting Standards* that requires the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended December 31, 2020 and is required to be included in the audit reporting package.

**FINANCIAL HIGHLIGHTS AND ANALYSIS**

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20,653,594 at the close of the year ended December 31, 2020. This represents an increase of \$1,858,769, or 9.9% over the prior year.

**CONDENSED STATEMENTS OF NET POSITION**

|                                  |    | FY 2020           | FY 2019           | Dollar<br>Change | Percent<br>Change |
|----------------------------------|----|-------------------|-------------------|------------------|-------------------|
| Current and other assets         | \$ | 8,684,600         | \$ 7,870,747      | \$ 813,853       | 10.3%             |
| Capital assets                   |    | 14,386,106        | 13,031,991        | 1,354,115        | 10.4%             |
| Total Assets                     |    | <u>23,070,706</u> | <u>20,902,737</u> | <u>2,167,968</u> | 10.4%             |
| Deferred Outflows of Resources   |    | <u>441,731</u>    | <u>187,800</u>    | <u>253,930</u>   | 135.2%            |
| Current liabilities              |    | 833,489           | 581,196           | 252,292          | 43.4%             |
| Noncurrent liabilities           |    | 1,899,016         | 1,557,441         | 341,575          | 21.9%             |
| Total Liabilities                |    | <u>2,732,505</u>  | <u>2,138,637</u>  | <u>593,867</u>   | 27.8%             |
| Deferred Inflows of Resources    |    | <u>126,338</u>    | <u>157,075</u>    | <u>(30,737)</u>  | -19.6%            |
| Net Position                     |    |                   |                   |                  |                   |
| Net investment in capital assets |    | 14,386,106        | 13,031,991        | 1,354,115        | 10.4%             |
| Restricted                       |    | 36,557            | 83,253            | (46,696)         | -56.1%            |
| Unrestricted                     |    | 6,230,931         | 5,679,582         | 551,349          | 9.7%              |
| Total Net Position               | \$ | <u>20,653,594</u> | <u>18,794,825</u> | <u>1,858,769</u> | 9.9%              |

The unrestricted component of net position was \$6,230,931 as of December 31, 2020 which was an increase of \$551,349 which was due to net income of \$1,776,339 when not including depreciation expense which was offset by nongrant funded capital improvements.

The largest portion of the Authority's net position reflects its net investment in capital assets (e.g. land, buildings and equipment less accumulated depreciation and related debt). The Authority uses these capital assets to provide service and consequently these assets are not available to liquidate liabilities or other spending.

Current and other assets increased \$813,853. Within this, cash and investments increased \$841,491. Current liabilities increased \$252,292. Within this, unearned revenue increased \$292,923 mostly due to \$218,362 of CARES Act grant that has been advanced but not yet spent. The Authority had a \$26,486 decrease in accrued wages and benefits payable which is merely a timing issue.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2020

**FINANCIAL HIGHLIGHTS AND ANALYSIS (CONT'D)**

Deferred outflows of resources, noncurrent liabilities and deferred inflows of resources were impacted by the annual fluctuation in the net pension and OPEB liabilities.

While the Statement of Net Position shows the change in net position, the Statements of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

**CONDENSED STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION**

|                                                               | <u>FY 2020</u>       | <u>FY 2019</u>       | <u>Dollar<br/>Change</u> | <u>Percent<br/>Change</u> |
|---------------------------------------------------------------|----------------------|----------------------|--------------------------|---------------------------|
| <b>Revenues</b>                                               |                      |                      |                          |                           |
| Program revenues                                              |                      |                      |                          |                           |
| Rental                                                        | \$ 1,522,426         | \$ 1,600,472         | \$ (78,046)              | -4.9%                     |
| HUD program contributions                                     | 9,501,887            | 7,946,829            | 1,555,058                | 19.6%                     |
| Other                                                         | 304,852              | 178,155              | 126,697                  | 71.1%                     |
| General revenues                                              |                      |                      |                          |                           |
| Interest                                                      | 20,567               | 39,609               | (19,042)                 | -48.1%                    |
| Total Revenues                                                | <u>11,349,733</u>    | <u>9,765,066</u>     | <u>1,584,667</u>         | 16.2%                     |
| <b>Expenses</b>                                               |                      |                      |                          |                           |
| Operating, less depreciation                                  | 9,572,678            | 8,974,118            | 598,560                  | 6.7%                      |
| Depreciation                                                  | 759,526              | 740,103              | 19,423                   | 2.6%                      |
| Nonoperating                                                  | 715                  | -                    | 715                      | 100.0%                    |
| Total Expenses                                                | <u>10,332,919</u>    | <u>9,714,221</u>     | <u>618,698</u>           | 6.4%                      |
| Excess (Deficiency) Before Contributions<br>and Special Items | 1,016,814            | 50,845               | 965,969                  |                           |
| Contributions                                                 | 841,955              | 464,670              | 377,285                  |                           |
| Special items, net                                            | -                    | -                    | -                        |                           |
| Changes in Net Position                                       | <u>1,858,769</u>     | <u>515,515</u>       | <u>1,343,254</u>         |                           |
| Beginning net position                                        | <u>18,794,825</u>    | <u>18,279,310</u>    | <u>515,515</u>           |                           |
| Ending net position                                           | <u>\$ 20,653,594</u> | <u>\$ 18,794,825</u> | <u>\$ 1,858,769</u>      |                           |

Rental income decreased \$78,046 overall. Within this, Public Housing decreased \$88,135 and had 4,259 unit months leased in 2020 compared to 4,282 in 2019 out of an available 4,331.

The majority of the HUD program contributions flow through the Moving To Work (MTW) program but are based on the traditional funding for Public Housing which is operating subsidy and capital fund grants used for noncapital purposes and Housing Choice Voucher program. Also included in this are many other smaller grants from HUD used for tenant services.

In the Public Housing program, operating subsidy was \$950,311 for the year which was an increase in \$11,329 and capital funds used for noncapital purposes increased \$24,186 to \$276,919. Public Housing also earned \$100,756 of HUD CARES Act grant. The Voucher program had an increase of \$1,264,479 and also earned \$53,373 of HUD CARES Act grant.

Operating expenses increased by \$598,560. Within this, administrative expenses increased \$132,215, general expenses decreased \$48,524 and HAP expenses increased \$504,706.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2020

**FINANCIAL HIGHLIGHTS AND ANALYSIS (CONT'D)**

These primary increases are related to the operating costs related to COVID-19. The Authority was closed for all of April and May and all but five key employees were sent home due to the statewide "Stay Home Orders" emergency.

A significant portion of the increase in administrative expenses due to the Authority's adoption of the LDCHA Employee COVID-19 Retention Compensation Policy, Resolution 2020-12. This policy created a bank of Other Paid Time (OPT) for employees to utilize while the shelter-in-place order was active, and to take time off if they contracted COVID-19, had an exposure, or to take care of a family member who contracted COVID-19. This OPT expired on December 31, 2020.

Additionally, the Authority through Resolution 2020-11 adopted COVID-19 waivers and an emergency hardship policy. This emergency hardship policy allowed reduction in the tenant share of the rent to a \$50 or \$100 minimum if they lost income due to COVID-19. This policy increased the Authority's HAP expense by \$98,863.

Contributions for the year were \$841,955 which was an increase of \$377,285. The Authority is allocated capital grant money each year as determined by HUD and remains relatively consistent from year to year based on the Authority's number of units. The amount presented will vary from year to year depending on the timing of projects as outlined in the HUD approved capital grant budget.

**CAPITAL ASSETS**

The Lawrence-Douglas County Housing Authority's capital assets as of December 31, 2020 amounts to \$14,386,106. Capital assets includes land, buildings, improvements, equipment and construction in progress net of accumulated depreciation.

The total increase in the Authority's capital assets for the current fiscal year was 10.4% in terms of net book value. Actual expenditures to purchase or construct capital assets and donations of capital assets totaled \$2,114,356. The Authority replace all the shingle roofs at Edgewood Homes for a cost of \$432,476. Additionally, there is an ongoing program to replace obsolete HVAC units at Edgewood Homes and the scattered site properties for a cost in 2020 of approximately \$160,000. There have been additional security measures at the offices including upgrading to a fob entry system, and new lighting.

Depreciation for the year totaled \$759,526. Additional information on the Authority's capital assets can be found in Note H of the notes to the financial statements of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Board of Commissioners and Management of the Housing Agency considered many factors when approving the fiscal year 2021 budget, however the Authority anticipates revisions to the budgets based on COVID-19 special funding and costs associated with the continued response to the pandemic. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. The amount of funding for the Authority is based on the MTW Agreement, the annual appropriations by Congress and approval by HUD. In projecting the amount of rental income, the Agency considered prior year rental income and occupancy rates. The Authority anticipates that, due to the FY 2021 enacted omnibus spending package, the funding for 2021 will be equal to or better than in 2020 and is projected in the Authority's 2020 budget with a very high proration. The Authority also anticipates that rental income in the Public Housing budget will continue to be down, and the HAP payment will continue to be up due to the hardships granted to participants for income loss due to COVID-19. The Authority is not certain when the Hardship Policy will return to normal, but does not anticipate that happening before June of 2021. The budget will be revised if the final prorations awarded by HUD are significantly different. The operating expenses are expected to increase by the economy's inflation rate. Additionally, the budget will be revised to account for special COVID-19 funding and expenses which will be tracked by the Authority.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2020

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Executive Director, Lawrence-Douglas County Housing Authority, 1600 Haskell Avenue, Lawrence, Kansas 66044-4329.

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## BASIC FINANCIAL STATEMENTS

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
STATEMENT OF NET POSITION - PROPRIETARY FUND  
December 31, 2020

ASSETS

|                                                | Housing          |
|------------------------------------------------|------------------|
| CURRENT ASSETS:                                |                  |
| Cash and cash equivalents                      | \$ 7,665,905.43  |
| Investments                                    | 238,274.29       |
| Accounts receivable, net                       | 30,944.24        |
| Due from other governments                     | 137,248.19       |
| Prepaid insurance                              | 93,856.43        |
| Materials inventory                            | 76,727.04        |
| Restricted:                                    |                  |
| Cash and cash equivalents                      | 441,644.09       |
| TOTAL CURRENT ASSETS                           | 8,684,599.71     |
| NONCURRENT ASSETS:                             |                  |
| Capital Assets, non-depreciable                | 2,457,072.85     |
| Capital Assets, depreciable, net               | 11,929,033.11    |
| TOTAL NONCURRENT ASSETS                        | 14,386,105.96    |
| TOTAL ASSETS                                   | \$ 23,070,705.67 |
| DEFERRED OUTFLOWS OF RESOURCES                 |                  |
| Pension related deferred outflows of resources | 429,983.38       |
| OPEB related deferred outflows of resources    | 11,747.52        |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES           | 441,730.90       |

LIABILITIES

|                                               |              |
|-----------------------------------------------|--------------|
| CURRENT LIABILITIES:                          |              |
| Accounts payable                              | \$ 51,923.48 |
| Accrued salaries and wages payable            | 54,603.34    |
| Accrued compensated absences                  | 12,755.11    |
| Due to other governments                      | 93,587.16    |
| Unearned revenue                              | 433,895.01   |
| Trust and deposit liabilities                 | 186,724.61   |
| TOTAL CURRENT LIABILITIES                     | 833,488.71   |
| NONCURRENT LIABILITIES                        |              |
| Accrued compensated absences                  | 114,795.92   |
| Net pension liability                         | 1,753,920.00 |
| Net OPEB liability                            | 30,300.00    |
| TOTAL NONCURRENT LIABILITIES                  | 1,899,015.92 |
| TOTAL LIABILITIES                             | 2,732,504.63 |
| DEFERRED INFLOWS OF RESOURCES                 |              |
| Pension related deferred inflows of resources | 102,737.99   |
| OPEB related deferred inflows of resources    | 23,600.00    |
| TOTAL DEFERRED INFLOWS OF RESOURCES           | 126,337.99   |

NET POSITION

|                                  |                  |
|----------------------------------|------------------|
| Net Investment in Capital Assets | 14,386,105.96    |
| Restricted                       | 36,557.00        |
| Unrestricted                     | 6,230,930.99     |
| TOTAL NET POSITION               | \$ 20,653,593.95 |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUND  
Year Ended December 31, 2020

|                                       | Housing                 |
|---------------------------------------|-------------------------|
| OPERATING REVENUES                    |                         |
| Rental income                         | \$ 1,522,426.00         |
| HUD contributions                     | 8,120,527.37            |
| Other income                          | <u>304,852.12</u>       |
| TOTAL OPERATING REVENUES              | 9,947,805.49            |
| OPERATING EXPENSES                    |                         |
| Administrative                        | 1,690,673.48            |
| Tenant services                       | 523,638.38              |
| Utilities                             | 394,732.07              |
| Ordinary maintenance and operations   | 863,081.04              |
| Protective services                   | 57,864.43               |
| General expense                       | 307,804.32              |
| Housing assistance payments           | 5,734,884.30            |
| Depreciation                          | <u>759,525.99</u>       |
| TOTAL OPERATING EXPENSES              | <u>10,332,204.01</u>    |
| OPERATING INCOME (LOSS)               | <u>(384,398.52)</u>     |
| NONOPERATING REVENUES (EXPENSES)      |                         |
| HUD operating subsidy                 | 950,311.00              |
| HUD capital grants                    | 276,919.39              |
| HUD CARES Act                         | 154,129.52              |
| Loss on disposition of capital assets | (714.92)                |
| Interest income                       | <u>20,567.20</u>        |
| TOTAL NONOPERATING REVENUES(EXPENSES) | <u>1,401,212.19</u>     |
| INCOME(LOSS) BEFORE CONTRIBUTIONS     | 1,016,813.67            |
| CAPITAL CONTRIBUTIONS                 |                         |
| HUD capital grants                    | <u>841,954.95</u>       |
| INCREASE (DECREASE) IN NET POSITION   | <u>1,858,768.62</u>     |
| NET POSITION:                         |                         |
| Net position, beginning balance       | 18,794,825.33           |
| TOTAL NET POSITION - ENDING BALANCE   | <u>\$ 20,653,593.95</u> |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND  
Year Ended December 31, 2020

|                                                                                                      | Housing                |
|------------------------------------------------------------------------------------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES:                                                                |                        |
| Tenant receipts                                                                                      | \$ 1,534,557.16        |
| HUD receipts                                                                                         | 8,113,491.23           |
| Other receipts                                                                                       | 345,882.15             |
| Trust and deposits                                                                                   | (315.47)               |
| Cash payments for goods and services                                                                 | (7,146,209.23)         |
| Cash payments to employees for services                                                              | (2,365,114.78)         |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES                                                     | <u>482,291.06</u>      |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:                                                     |                        |
| HUD operating subsidy                                                                                | 950,311.00             |
| HUD capital grants                                                                                   | 503,147.39             |
| HUD CARES Act                                                                                        | 146,264.00             |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES                                          | <u>1,599,722.39</u>    |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:                                            |                        |
| Purchases and construction of capital assets                                                         | (2,114,356.36)         |
| HUD capital grants                                                                                   | 866,976.42             |
| NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES                                 | <u>(1,247,379.94)</u>  |
| CASH FLOWS FROM INVESTING ACTIVITIES:                                                                |                        |
| Net (deposits) withdrawals to investments                                                            | 146,985.38             |
| Interest received                                                                                    | 20,567.20              |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES                                                     | <u>167,552.58</u>      |
| NET INCREASE (DECREASE) IN CASH                                                                      | 1,002,186.09           |
| CASH AND CASH EQUIVALENTS-BEGINNING                                                                  | 7,105,363.43           |
| CASH AND CASH EQUIVALENTS-ENDING                                                                     | <u>\$ 8,107,549.52</u> |
| RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: |                        |
| Operating income (loss)                                                                              | \$ (384,398.52)        |
| Adjustments to reconcile income from operations to net cash provided by operating activities:        |                        |
| Depreciation                                                                                         | 759,525.99             |
| Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources      |                        |
| (Increase) decrease in accounts receivable                                                           | 8,547.72               |
| (Increase) decrease in due from other governments                                                    | (5,226.32)             |
| (Increase) decrease in prepaid expenses                                                              | 1,397.80               |
| (Increase) decrease in materials inventory                                                           | 11,607.14              |
| (Increase) decrease in deferred outflows of resources                                                | (253,930.49)           |
| Increase (decrease) in accounts payable                                                              | (6,092.39)             |
| Increase (decrease) in due to other governments                                                      | (9,992.88)             |
| Increase (decrease) in accrued salaries and benefits payable                                         | (26,485.59)            |
| Increase (decrease) in accrued compensated absences                                                  | 22,552.15              |
| Increase (decrease) in trust and deposit liabilities                                                 | (315.47)               |
| Increase (decrease) in unearned revenue                                                              | 74,560.94              |
| Increase (decrease) in net pension liability                                                         | 318,553.01             |
| Increase (decrease) in net OPEB liability                                                            | 2,725.00               |
| Increase (decrease) in deferred inflows of resources                                                 | (30,737.03)            |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES                                                     | <u>\$ 482,291.06</u>   |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Authority was created under the laws of the State of Kansas. The purpose of the Authority is to administer the housing programs authorized by the Quality Housing and Work Responsibility Act of 1998. These programs are subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD).

The basic financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting.

Financial Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the Government Accounting Standards Board Codification. These criteria state that the financial reporting entity consist of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's basic financial statements from being misleading. In such instances, that organization should be included as a component unit. Based on these criteria, the following entities are included in the accompanying financial statements:

Douglas County Housing, Inc. – The not-for-profit corporation was established to allow the Authority to provide additional housing opportunities and services.

Full Circle Tenant Services, Inc. - The not-for-profit corporation was established to allow the Authority to provide additional housing opportunities and services.

Basis of accounting, measurement focus, and financial statement presentation

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred out flows of resources, liabilities, deferred inflows of resources, fund net position, revenues and expenditures or expenses, as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflow of resources, liabilities and deferred inflow of resources are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

The Authority distinguishes between operating and nonoperating revenues and expenses in its Statement of Revenues, Expenses and Changes in Fund Net Position. For this purpose, the Authority's operating revenues result from providing low-income housing services such as tenant rent, rental assistance and other tenant charges. Operating expenses include the cost attributed to administration, tenant services, utilities, maintenance and operations and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

The reporting model as defined in Statement No. 34 and subsequently modified establishes criteria (percentage of the combined assets and deferred outflows of resources, combined liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for determination of major funds.

Budgetary Process

The Authority establishes a budget for the fiscal year and is adopted by the Board of Commissioners.

Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

Cash and Investments

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. Cash and Cash Investments are available upon demand and are considered to be "cash equivalents" when preparing these basic financial statements. In addition, any marketable securities that are owned by a specific amount and that are purchased with a maturity of ninety days or less are also considered to be "cash equivalents".

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposit, repurchase agreements, sweep accounts, separate trading of registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

Accounts Receivable

All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible.

Prepaid Items

Prepaid balances are for payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.

Inventory

Inventories consist of supplies and are recorded at the lower of cost or market on a first-in, first-out basis.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Capital Assets and Depreciation

Property and equipment are stated at actual or estimated historical cost, net of accumulated depreciation. Contributions of assets are recorded at acquisition value on the date received. The Authority capitalized assets with a cost of \$5,000 or more and over a one year of useful life.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

|                            |             |
|----------------------------|-------------|
| Buildings and improvements | 10-40 years |
| Furniture and fixtures     | 5-10 years  |
| Equipment                  | 3-10 years  |

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that is applicable to future reporting periods. Deferred outflows of resources in the Statement of Net Position consist of the unamortized portions of the net difference between projected and actual earnings on pension plan investments, the net difference between actual expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability, changes of assumptions about future economic or demographic factors or other inputs and the net effect of the change in the employer's proportion share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources related to pensions. Deferred outflows also contain employer pension contributions made after the measurement date.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees' Retirement System (KPERs) and additions to/deductions from KPERs' fiduciary net position have been determined on the same basis as they are reported by KPERs. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that is applicable to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portions of the net difference between projected and actual earnings on pension plan investments, the net difference between actual expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability, changes of assumptions about future economic or demographic factors or other inputs and the net effect of the change in the employer's proportion share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources related to pensions.

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted components of net position are available, the Authority's policy is to apply restricted first.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Investment Income

Investment income from pooled cash and investments is allocated monthly based on the percentage of a fund's average pooled cash and investments balance.

Compensated Absences

Employees can accrue up to 200 hours (25 days). Vacation will be paid in full to those employees that have provided at least 6 months of service to Authority. Employees accrue medical leave at the rate of 4 hours per pay period with a maximum of 1040 hours (130 days). No medical leave is paid at the time of termination for any employee. Full time employees shall be allowed to convert 2 days of sick leave to personal leave per calendar year. Personal leave cannot accrue past the annual 2 days. Part-time employees can convert 1 day of sick leave to personal leave per calendar year. Full time employees are also allowed to convert 5 days of sick leave per calendar year for Family Leave. Family Leave can not accrue past the annual 5 days.

Grant Revenue

The Authority, a recipient of grant revenues, recognizes revenues (net of estimated uncollectible amounts, if any), when all applicable eligibility requirements, including time requirements are met in accordance with GASB Statement No. 33. Resources transmitted to the Authority before the eligibility requirements are met are reported as unearned revenue.

Postemployment Benefits Other Than Pensions (OPEB)

OPEB benefits are part of an exchange of salaries and/or benefits in a future period as the result of employee services rendered during employment. In accordance with the accrual basis of accounting, generally benefits should be associated with the periods in which the exchange occurs, rather than with the periods when benefits are paid or provided. The Authority participates in the Kansas Public Employees (KPERs) Death and Disability Plan. The plan provides a group life insurance benefit for active members through a fully-insured program. The plan also provides a self-funded long-term disability and a self-funded life insurance benefit for disabled members.

Income Taxes

The Authority is a governmental subdivision of the State of Kansas and is exempt from Federal and State income taxes.

Leases

The majority of leases and subleases are short-term leases.

**NOTE B - DEPOSITS AND INVESTMENTS**

Deposits

At December 31, 2020, the reported amount of the Authority's deposits was \$7,116,104.59 and the bank balance was \$7,318,038.93. Of the bank balance, \$500,000 was covered by federal depository insurance and \$6,818,038.93 was collateral held by Authority's agent in the Authority's name. The Authority had cash on hand of \$75.00 at December 31, 2020.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE B - DEPOSITS AND INVESTMENTS (CONT'D)**

Investments

At December 31, 2020, the Authority had the following investments and maturities:

| Investment Type                               | Fair<br>Value          | Investment Maturities |                      |
|-----------------------------------------------|------------------------|-----------------------|----------------------|
|                                               |                        | Less<br>Than 1 Year   | More<br>Than 1 Year  |
| Federal Home Loan Bank                        | \$ 238,274.29          | \$ -                  | \$ 238,274.29        |
| J.P. Morgan U.S. Government Money Market Fund | 991,369.93             | 991,369.93            | -                    |
|                                               | <u>\$ 1,229,644.22</u> | <u>\$ 991,369.93</u>  | <u>\$ 238,274.29</u> |

*Interest Rate Risk:* The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk:* The Authority has no investment policy that would limit its investment choices. At December 31, 2020, the Authority's investment in Federal Home Loan Bank notes was rated AA+ by Standard and Poor's. At December 31, 2020, the Authority's investment in J.P. Morgan U.S. Government Money Market Fund were rated AAmmf by Fitch and Aaa-mf by Moody's Investors Service.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's investments in are held by the counterparty. The investments are insured against physical loss or destruction by the Securities Investor Protection Corporation.

*Concentration of Credit Risk:* The Authority places no limit on the amount the Authority may invest in any one issuer.

A reconciliation of cash and investments as shown on the Statement of Net Position - is as follows:

|                                |                        |
|--------------------------------|------------------------|
| Cash on hand                   | \$ 75.00               |
| Carrying amount of deposits    | 7,116,104.59           |
| Carrying amount of investments | <u>1,229,644.22</u>    |
|                                | <u>\$ 8,345,823.81</u> |
| <br>Cash and cash equivalents  | <br>\$ 7,665,905.43    |
| Investments                    | 238,274.29             |
| Cash – restricted              | <u>441,644.09</u>      |
|                                | <u>\$ 8,345,823.81</u> |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE C – ACCOUNTS RECEIVABLE**

A summary of accounts receivable as presented in the Statement of Net Position at December 31, 2020 is as follows:

|                                 |                     |
|---------------------------------|---------------------|
| Tenant receivables              | \$ 41,342.20        |
| Miscellaneous                   | 923.93              |
| Allowance for doubtful accounts | <u>(11,321.89)</u>  |
|                                 | <u>\$ 30,944.24</u> |

**NOTE D – DUE FROM OTHER GOVERNMENTS**

A summary of due from other governments as presented in the Statement of Net Position at December 31, 2020 is as follows:

|                                                   |                      |
|---------------------------------------------------|----------------------|
| HUD - Capital Funds                               | \$ 51,747.00         |
| HUD - Move-to-Work                                | 600.00               |
| HUD - VASH                                        | 3,533.50             |
| HUD - Resident Opportunites Self-Sufficiency/FSS  | 31,332.29            |
| HUD - Resident Opportunites Self-Sufficiency/ROSS | 13,829.33            |
| HUD - Continuum of Care                           | 16,179.76            |
| City of Lawrence - HOME grant                     | 18,473.00            |
| Kansas Housing Resources Corporation              | 1,169.00             |
| Miscellaneous                                     | 384.31               |
|                                                   | <u>\$ 137,248.19</u> |

**NOTE E – RESTRICTED ASSETS**

The following is a summary of restricted cash and cash equivalents at December 31, 2020:

|                             |                      |
|-----------------------------|----------------------|
| Tenant security deposits    | \$ 186,724.61        |
| HUD CARES Act               | 218,362.48           |
| Housing assistance payments | <u>36,557.00</u>     |
|                             | <u>\$ 441,644.09</u> |

**NOTE F – ACCOUNTS PAYABLE**

A summary of accounts payable as presented in the Statement of Net Position at December 31, 2020 is as follows:

|                         |                     |
|-------------------------|---------------------|
| Vendors and contractors | \$ <u>51,923.48</u> |
|-------------------------|---------------------|

**NOTE G – DUE TO OTHER GOVERNMENTS**

A summary of due to other governments as presented in the Statement of Net Position at December 31, 2020 is as follows:

|                           |                     |
|---------------------------|---------------------|
| Payments in lieu of taxes | \$ <u>93,587.16</u> |
|---------------------------|---------------------|

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE H – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, was as follows:

|                                       | Balance<br>1/1/2020     | Increases              | Decreases              | Balance<br>12/31/2020   |
|---------------------------------------|-------------------------|------------------------|------------------------|-------------------------|
| <b>Non-depreciable assets:</b>        |                         |                        |                        |                         |
| Land                                  | \$ 1,128,679.37         | \$ -                   | \$ -                   | \$ 1,128,679.37         |
| Construction in progress              | 831,577.98              | 841,954.95             | (345,139.45)           | 1,328,393.48            |
| <b>Total non-depreciable assets</b>   | <u>1,960,257.35</u>     | <u>841,954.95</u>      | <u>(345,139.45)</u>    | <u>2,457,072.85</u>     |
| <b>Depreciable assets</b>             |                         |                        |                        |                         |
| Buildings                             | 26,183,161.58           | 432,067.45             | -                      | 26,615,229.03           |
| Capital lease                         | -                       | 1,157,207.51           | -                      | 1,157,207.51            |
| Equipment - Dwelling                  | 82,983.08               | -                      | -                      | 82,983.08               |
| Equipment - Administration            | 482,929.37              | 28,265.90              | (8,579.00)             | 502,616.27              |
| <b>Total depreciable assets</b>       | <u>26,749,074.03</u>    | <u>1,617,540.86</u>    | <u>(8,579.00)</u>      | <u>28,358,035.89</u>    |
| <b>Total Capital Assets</b>           | <u>28,709,331.38</u>    | <u>2,459,495.81</u>    | <u>(353,718.45)</u>    | <u>30,815,108.74</u>    |
| <b>Accumulated depreciation</b>       |                         |                        |                        |                         |
| Buildings                             | 15,206,899.93           | 730,896.72             | -                      | 15,937,796.65           |
| Capital lease                         | -                       | 2,410.85               | -                      | 2,410.85                |
| Equipment - Dwelling                  | 82,983.08               | -                      | -                      | 82,983.08               |
| Equipment - Administration            | 387,457.86              | 26,461.51              | (8,107.17)             | 405,812.20              |
| <b>Total accumulated depreciation</b> | <u>15,677,340.87</u>    | <u>759,769.08</u>      | <u>(8,107.17)</u>      | <u>16,429,002.78</u>    |
| <b>Depreciable assets, net</b>        | <u>11,071,733.16</u>    | <u>857,771.78</u>      | <u>(471.83)</u>        | <u>11,929,033.11</u>    |
| <b>Capital assets, net</b>            | <u>\$ 13,031,990.51</u> | <u>\$ 1,699,726.73</u> | <u>\$ (345,611.28)</u> | <u>\$ 14,386,105.96</u> |

**NOTE I – ACCRUED COMPENSATED ABSENCES**

A summary of accrued compensated absences as presented in the Statement of Net Position as of December 31, 2020 is as follows:

|                      | Beginning<br>Balance | Net<br>Increase | Ending<br>Balance | Due within<br>One Year |
|----------------------|----------------------|-----------------|-------------------|------------------------|
| Compensated absences | \$ 104,998.88        | \$ 22,552.15    | \$ 127,551.03     | \$ 12,755.11           |

**NOTE J – RISK MANAGEMENT**

The Authority 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 for which the Authority purchases commercial insurance.

During the year ended December 31, 2020, the Authority did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE K – UNEARNED REVENUE**

A summary of unearned revenue as presented in the Statement of Net Position at December 31, 2020 is as follows:

|                                      |                      |
|--------------------------------------|----------------------|
| Prepaid rent                         | \$ 23,092.17         |
| HUD - CARES Act                      | 218,362.48           |
| City of Lawrence - HOME grant        | 160.00               |
| Kansas Housing Resources Corporation | 760.00               |
| New Horizons grant                   | 128,413.67           |
| Local grant                          | 63,073.69            |
| HUD - VASH administrative fee        | 33.00                |
|                                      | <u>\$ 433,895.01</u> |

**NOTE L – LEASE**

On July 1, 2018, the Authority entered into a lease agreement with Douglas County, Kansas in a collaboration to develop a 10-unit complex operated by the Authority. The lease commencement date is February 17, 2021. The initial term of the lease is thirty years. After the initial term expires, the lease will automatically extend in 10 year increments resulting in a total lease term of 80 years. The approximate total development costs will be approximately \$1,808,696 with \$1,115,208 spent through December 31, 2020. The total development cost is the rent payment on the lease and is due within ten days of the commencement date of the lease.

**NOTE M – NET POSITION**

The fund financial statements utilize a net position presentation. The components of net position are net investment in capital assets, restricted and unrestricted.

- **Net Investment in Capital Assets** – This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if any. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.
- **Restricted** – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The Authority has restricted net position of \$36,557, at December 31, 2020 which were related to excess housing assistance payments funding received which has not yet been expended and is restricted solely for future housing assistance payments.

- **Unrestricted** – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE N – CONTINGENT LIABILITIES**

The Authority receives revenues from various federal and state grant programs, which are subject to audit and adjustment by the respective grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

**NOTE O – CONDENSED FINANCIAL STATEMENT DATA FOR COMPONENT UNITS**

The condensed financial statement data for the blended component units is as follows:

**Condensed Statement of Net Position**

|                          | Full Circle<br>Tenant Services, Inc. | Douglas County<br>Housing, Inc. |
|--------------------------|--------------------------------------|---------------------------------|
| Current and Other Assets | \$ 22,240.51                         | \$ 792,123.55                   |
| Total Assets             | <u>\$ 22,240.51</u>                  | <u>\$ 792,123.55</u>            |
| Current Liabilities      | \$ 22,240.51                         | \$ 42,145.11                    |
| Total Liabilities        | <u>\$ 22,240.51</u>                  | <u>\$ 42,145.11</u>             |
| Net Position             |                                      |                                 |
| Unrestricted             | \$ -                                 | \$ 749,978.44                   |
| Total Net Position       | <u>\$ -</u>                          | <u>\$ 749,978.44</u>            |

**Condensed Statement of Revenues, Expenses and  
Changes in Net Position**

|                                   | Full Circle<br>Tenant Services, Inc. | Douglas County<br>Housing, Inc. |
|-----------------------------------|--------------------------------------|---------------------------------|
| Operating Revenues                |                                      |                                 |
| Other income                      | \$ 12,602.14                         | \$ 41,327.50                    |
| Total Operating Revenue           | <u>12,602.14</u>                     | <u>41,327.50</u>                |
| Operating Expense                 |                                      |                                 |
| Operating, Excluding Depreciation | 35,077.29                            | 46,317.60                       |
| Total Operating Expenses          | <u>35,077.29</u>                     | <u>46,317.60</u>                |
| Operating Income (Loss)           | (22,475.15)                          | (4,990.10)                      |
| Nonoperating Revenues (Expenses)  |                                      |                                 |
| Nonoperating revenues             | -                                    | 530.10                          |
| Loss Before Transfers             | <u>(22,475.15)</u>                   | <u>(4,460.00)</u>               |
| Transfers in                      | 22,475.15                            | 1,153.60                        |
| Change in Net Position            | <u>-</u>                             | <u>(3,306.40)</u>               |
| Net Position, Beginning Balance   | -                                    | 753,284.84                      |
| Net Position, Ending Balance      | <u>\$ -</u>                          | <u>\$ 749,978.44</u>            |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE O – CONDENSED FINANCIAL STATEMENT DATA FOR COMPONENT UNITS (CONT'D)**

**Condensed Statement of Cash Flows**

|                                      | Full Circle<br>Tenant Services, Inc. | Douglas County<br>Housing, Inc. |
|--------------------------------------|--------------------------------------|---------------------------------|
| Net Cash Provided (Used) By:         |                                      |                                 |
| Operating Activities                 | \$ (1,158.57)                        | \$ 33,252.76                    |
| Noncapital Financing Activities      | 22,475.15                            | 1,153.60                        |
| Investing Activities                 | -                                    | 530.10                          |
|                                      | <u>21,316.58</u>                     | <u>34,936.46</u>                |
| Cash and Cash Equivalents, Beginning | -                                    | 878.00                          |
| Cash and Cash Equivalents, Ending    | \$ <u>21,316.58</u>                  | \$ <u>35,814.46</u>             |

**NOTE P - PENSION PLAN**

**Description of Pension Plan**

The Housing Authority participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/ employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the Housing Authority are included in the Local employees group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at [www.kpers.org](http://www.kpers.org).

**Benefits**

Benefits are established by statute and may only be changed by the Legislature. Members with ten or more years of credited service, may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

**NOTE P - PENSION PLAN (CONT'D)**

all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. Their monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

***Contributions***

Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rates and the statutory contribution rates for local employees were 8.89% for calendar year 2019 and 8.61% for calendar year 2020. Member contribution rates as a percentage of eligible compensation were 6.00% for local employees.

***Employer Allocations***

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
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**NOTE P - PENSION PLAN (CONT'D)**

group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the Housing Authority's share of the collective pension amounts as of June 30, 2020 and 2019 was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2020 and 2019, respectively.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2020, the Housing Authority's proportion was 0.101169%, which was a decrease of 0.001550% from its proportion measured at June 30, 2019.

***Net Pension Liability***

At December 31, 2020 and 2019, the Housing Authority reported a liability of \$1,753,920 and \$1,435,367 respectively, for its proportionate share of the net pension liability.

***Actuarial Assumptions***

The total pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020, using the following actuarial assumptions:

|                           |                                                                                |
|---------------------------|--------------------------------------------------------------------------------|
| Actuarial Cost Method     | Entry age normal                                                               |
| Inflation                 | 2.75%                                                                          |
| Salary Increase           | 3.25 to 11.75%, including price inflation                                      |
| Investment Rate of Return | 7.5% compounded annually, net of investment expense, including price inflation |

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of an actuarial experience study for the period January 1, 2016 through December 31, 2018. The experience study is dated January 7, 2020.

The actuarial assumptions changes adopted by the Pension Plan for all groups based on the experience study:

- Investment return assumption was lowered from 7.75 percent to 7.50 percent
- General wage growth assumption was lowered from 3.50 to 3.25 percent
- Payroll growth assumption was lowered from 3.00 percent to 2.75 percent

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
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**NOTE P - PENSION PLAN (CONT'D)**

| <b>Asset Class</b>     | <b>Long-Term Target Allocation</b> | <b>Long-Term Expected Real Rate of Return</b> |
|------------------------|------------------------------------|-----------------------------------------------|
| US Equities            | 23.50%                             | 5.20%                                         |
| Non-US Equities        | 24%                                | 6.40%                                         |
| Fixed income           | 11%                                | 1.55%                                         |
| Yield driven           | 8%                                 | 4.70%                                         |
| Real return            | 11%                                | 3.25%                                         |
| Real estate            | 11%                                | 4.45%                                         |
| Alternatives           | 8%                                 | 9.50%                                         |
| Short Term Investments | 4%                                 | 25.00%                                        |
| <b>Total</b>           | <b>100%</b>                        |                                               |

***Discount Rate***

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below:

In KPERS, the State/School and Local groups do not necessarily contribute the full actuarial contribution rate. Based on legislation first passed in 1993, the employer contribution rates certified by the Board may not increase by more than the statutory cap. Subsequent legislation in 2012 set the statutory cap at 0.90 percent for Fiscal Year 2014, 1.0 percent for Fiscal Year 2015, 1.1 percent for Fiscal Year 2016 and 1.2 percent for Fiscal Years 2017 and beyond.

In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increases set under the caps established in 2012 for the State/School group. Under 2015 SB 4, the previously certified State/School statutory rate for Fiscal Year 2015 of 11.27 percent was reduced to 8.65 percent for the last half of Fiscal Year 2015 as part of the Governor's allotment. That same session, SB 228 recertified statutory rates for the State/School group to 10.91 percent for Fiscal Year 2016 and 10.81 percent for Fiscal Year 2017 in anticipation of the issuance of \$1 billion in pension obligation bonds. Legislation in the 2016 session (SB 161) provided for the delay of up to \$100 million in State and School contributions to the Retirement System for Fiscal Year 2016. Concurrently, 2016 House Sub for SB 249 provided that the delayed contributions would be paid in full, with interest at 8 percent, by June 30, 2018. However, legislation passed by the 2017 Legislature removed the repayment provision. In addition, 2017 Senate Sub for Sub HB 2052 delayed \$64 million in Fiscal Year 2017 contributions, to be paid over 20 years in level dollar installments. The first year payment of \$6.4 million was paid in full at the beginning of Fiscal Year 2018, and appropriations for Fiscal Year 2018 were made for the State/ School group at the statutory contribution rate of 12.01 percent for that year. Additional legislation in the 2017 Session (S Sub for HB 2002) provided for a reduction of \$194 million from the previously certified contribution rate of 13.21 percent in the State/School contributions for Fiscal Year 2019. Like the Fiscal Year 2017 reduction, it is to be paid back over a 20-year period, beginning in Fiscal Year 2020. Therefore, both reductions will be accounted for as receivables by the System. The 2018 Legislature passed House Substitute for Senate Bill 109 that provided additional contributions to the school group of \$56 million in Fiscal Year 2018 and \$82 million in Fiscal Year 2019. The 2019 Legislature passed Senate Bill 9 that provided additional contributions to the school group of \$115 million in Fiscal Year 2019. House Sub for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in Fiscal Year 2020 of \$51 million.

Based on the employer contribution history as described above, it is a reasonable estimate that the State/School group's contribution rate may not be certified at the statutory rate. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years, between 11 to 12 percent. Using this assumption actuarial modeling indicates that employer contribution rates for the State/School group are sufficient to avoid a depletion date.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE P - PENSION PLAN (CONT'D)**

The Local, Kansas Police and Firemen and Judges groups are contributing at the full actuarial contribution rate.

***Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate***

The following presents the Housing Authority's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.50%) or 1-percentage point higher (8.50%) than the current rate:

| 1% Decrease (6.50%) | Discount rate (7.50%) | 1% Increase (8.50%) |
|---------------------|-----------------------|---------------------|
| \$2,468,468         | \$1,753,920           | \$1,153,172         |

***Pension Expense***

For the year ended December 31, 2020, the Housing Authority recognized pension expense of \$194,772, which include the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

***Deferred Outflows of Resources and Deferred Inflows of Resources***

|                                                                      | Deferred outflows of resources | Deferred inflows of resources |
|----------------------------------------------------------------------|--------------------------------|-------------------------------|
| Differences between actual and expected experience                   | \$29,285                       | \$22,549                      |
| Net differences between projected and actual earnings on investments | \$204,639                      | \$0                           |
| Change of assumptions                                                | \$105,644                      | \$0                           |
| Changes in proportion                                                | \$4,993                        | \$80,189                      |
| Contributions after the measurement date                             | \$85,422                       | \$0                           |
| <b>Total</b>                                                         | <b>\$429,983</b>               | <b>\$102,738</b>              |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Yearn Ended December 31: | Total            |
|--------------------------|------------------|
| 2021                     | \$28,538         |
| 2022                     | \$58,352         |
| 2023                     | \$79,216         |
| 2024                     | \$73,051         |
| 2025                     | \$2,666          |
| Thereafter               | \$0              |
| <b>Total</b>             | <b>\$241,823</b> |

**Payables to the Pension Plan**

At December 31, 2020, the Authority had no payables of \$4,277.10 to the defined benefit pension plan for legally required employer and employee contributions which had been withheld from employee wages but not yet remitted to KPERS.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
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**NOTE Q – OTHER POST EMPLOYMENT BENEFITS (OPEB)**

***Plan description:***

The Housing Authority participates in the Kansas Public Employees (KPERS) Death and Disability Plan, a multiple-employer defined benefit plan. This plan provides long term disability (LTD) and life insurance benefits to eligible employees. Eligible employees consist of all individuals who are:

1. Currently active members of KPERS;
2. Employees of an educational institution under the Kansas Board of Regents as defined in K.S.A. 74-4925;
3. Eligible employees of University of Kansas Hospital Authority as defined in K.S.A. 76-322; or
4. Elected Officials

The Plan provides a group life insurance benefit for active members through a fully-insured program with Standard Insurance Company. The Plan also provides a self-funded long-term disability (LTD) benefit and a self-funded life insurance benefit for disabled members. The LTD provides benefits equal to 60 percent (for claims occurring prior to 1/1/2006, 66 2/3 percent). The LTD program is considered an "Other Post-Employment Benefits" (OPEB).

K.S.A. 74-4927 authorized the KPERS Board to establish a Plan of death and long-term disability benefits to be paid to the members of the retirement system. A single trust, separate from the KPERS pension trust, was established and benefits for both programs are funded by a single contribution rate from participating employers, which currently number over 1,500. Since only the long-term disability program qualifies as an OPEB, the KPERS Death and Disability Plan is administered through a non-qualifying trust per paragraph 4, item (b), of the Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". GASB Statement No. 75 is effective for fiscal years with a beginning date after June 15, 2017.

***Benefits Provided***

*Definition of Disability:* For the first 24 months following the end of the benefit waiting period, a member is totally disabled if the member is unable to perform the material and substantial duties of his or her regular occupation due to sickness or injury. Thereafter, the member is totally disabled if the member is unable to perform the material and substantial duties of any gainful occupation due to sickness or injury.

*Benefit Waiting Period:* For approved claims, benefits begin on the later of (a) the date the member completes 180 continuous days of total disability; or (b) the date the member ceases to draw compensation from his or her employer.

*Monthly Benefit:* The monthly benefit is 60% of the member's monthly rate of compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, worker's compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment.

*Maximum Benefit Period:* If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever first occurs. If the disability occurs at or after age 60, benefits are payable while disability continues, for a period of five years or until the date of the member's retirement, whichever first occurs.

*Limitation for Mental Illnesses and Substance Abuse:* Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically-based mental illnesses are limited to the term of the disability or 24 months per lifetime, whichever is less.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
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**NOTE Q – OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONT'D)**

There are no automatic cost-of-living increase provisions. KPERs has the authority to implement an ad hoc cost-of-living increase.

***Total OPEB Liability***

The Housing Authority's total OPEB liability of \$30,300 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

***Actuarial assumptions and other inputs.***

The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, calculated based on the discount rate and actuarial assumptions below, and rolled forward to the measurement date as of June 30, 2020.

|                  |                    |
|------------------|--------------------|
| Inflation        | 2.75 percent       |
| Salary increases | 3.5 - 10.0 percent |
| Payroll growth   | 3.0 percent        |
| Discount rate    | 2.21 percent       |

The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Index.

Pre-retirement mortality rates were 90% of RP-2014 M Total Dataset +2 for males and 90% of RP-2014 F Total Dataset +1 for females. Post-disability mortality rates are included in long-term disability claim termination rates.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study during 2016-2018.

***Changes in the Total OPEB Liability***

|                                                | Total OPEB<br>Liability |
|------------------------------------------------|-------------------------|
| Balance at June 30, 2019                       | \$ 27,575.00            |
| Changes for the year:                          |                         |
| Service cost                                   | 7,144.00                |
| Interest on total OPEB liability               | 1,215.00                |
| Effect of plan changes                         | -                       |
| Effect of economic/demographic gains or losses | (7,352.00)              |
| Effect of assumptions changes or inputs *      | 1,718.00                |
| Benefits payments                              | -                       |
| Net Changes                                    | 2,725.00                |
| Balance as of June 30, 2020                    | \$ 30,300.00            |

\* - The discount rate was change from 3.50% to 2.21%.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE Q – OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONT'D)**

***Sensitivity of the total OPEB liability to changes in the discount rate.***

The following presents the total OPEB liability of the Housing Authority, as well as what the Housing Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (3.5 percent) than the current discount rate:

| 1% Decrease (1.21%) | Discount rate (2.21%) | 1% Increase (3.21%) |
|---------------------|-----------------------|---------------------|
| \$30,841            | \$30,300              | \$29,494            |

The following presents the total OPEB liability of the employer as of June 30, 2019, calculated using the current healthcare cost trend rates as well as what the employer's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

| 1% Decrease | Current Trend Rate | 1% Increase |
|-------------|--------------------|-------------|
| \$30,300    | \$30,300           | \$30,300    |

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended December 31, 2020, the Housing Authority recognized OPEB expense of \$5.386. At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                    | Deferred outflows of resources | Deferred inflows of resources |
|----------------------------------------------------|--------------------------------|-------------------------------|
| Differences between actual and expected experience | \$0                            | \$22,884                      |
| Change of assumptions                              | \$1,826                        | \$716                         |
| Contributions after the measurement date           | \$9,922                        | \$0                           |
| <b>Total</b>                                       | <b>\$11,748</b>                | <b>\$23,600</b>               |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended December 31: | Total             |
|-------------------------|-------------------|
| 2021                    | (\$2,973)         |
| 2022                    | (\$2,973)         |
| 2023                    | (\$2,973)         |
| 2024                    | (\$2,973)         |
| 2025                    | (\$2,973)         |
| Thereafter              | (\$6,909)         |
| <b>Total</b>            | <b>(\$21,774)</b> |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE R – SUBSEQUENT EVENTS**

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Authority's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the tenant's ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

## REQUIRED SUPPLEMENTAL INFORMATION

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
December 31, 2020

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)

| KPERS<br>Year End Date<br>(Measurement<br>Date) | Authority's<br>Proportion<br>of the Net Pension<br>Liability (Asset) | Authority's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability (Asset) | Authority's<br>Covered<br>Payroll | Authority's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability/Asset<br>as a Percentage<br>of Covered Payroll | Plan Fiduciary<br>Net Position<br>as a Percentage<br>of the Total Pension<br>Liability (Asset) |
|-------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 6/30/2015                                       | 0.115645%                                                            | \$ 1,518,470                                                                     | \$ 1,915,723                      | 79.2635%                                                                                                                | 71.9769%                                                                                       |
| 6/30/2016                                       | 0.114243%                                                            | 1,767,373                                                                        | 1,946,613                         | 90.7922%                                                                                                                | 68.5521%                                                                                       |
| 6/30/2017                                       | 0.109710%                                                            | 1,589,101                                                                        | 1,885,310                         | 84.2886%                                                                                                                | 72.1550%                                                                                       |
| 6/30/2018                                       | 0.102107%                                                            | 1,423,157                                                                        | 1,816,092                         | 78.3637%                                                                                                                | 74.2174%                                                                                       |
| 6/30/2019                                       | 0.102719%                                                            | 1,435,367                                                                        | 1,903,807                         | 75.3946%                                                                                                                | 75.0238%                                                                                       |
| 6/30/2020                                       | 0.101169%                                                            | 1,753,920                                                                        | 1,909,064                         | 91.8733%                                                                                                                | 70.7716%                                                                                       |

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

| Authority<br>Year End Date | Contractually<br>Required<br>Contributions | Contributions in<br>Relation to the<br>Contractually<br>Required<br>Contributions | Contribution<br>Deficiency<br>(Excess) | Covered Payroll | Contributions<br>as a Percentage<br>of Covered Payroll |
|----------------------------|--------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------|-----------------|--------------------------------------------------------|
| 12/31/15                   | \$ 185,459                                 | \$ (185,459)                                                                      | \$ -                                   | \$ 1,935,911    | 9.58%                                                  |
| 12/31/16                   | 181,822                                    | (181,822)                                                                         | -                                      | 1,958,100       | 9.29%                                                  |
| 12/31/17                   | 159,130                                    | (159,130)                                                                         | -                                      | 1,856,320       | 8.57%                                                  |
| 12/31/18                   | 156,361                                    | (156,361)                                                                         | -                                      | 1,863,657       | 8.39%                                                  |
| 12/31/19                   | 166,555                                    | (166,555)                                                                         | -                                      | 1,873,518       | 8.89%                                                  |
| 12/31/20                   | 163,410                                    | (163,410)                                                                         | -                                      | 1,897,912       | 8.61%                                                  |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –  
PENSION LIABILITY  
December 31, 2020

**NOTE A – CHANGE OF BENEFIT TERMS**

- 2020: In 2020, the Deferred Retirement Option Program (DROP) was previously only available to Kansas Highway Patrol members, but as of July 1, 2019, members of the Kansas Bureau of Investigation can also participate in DROP. This change did not have a material impact on the valuation results.
- 2019: The 2019 Legislature passed two pieces of legislature that impacted the contributions to KPERS.
- Senate Bill 9 provided for a transfer of \$115 million from the State General Fund to KPERS in March, 2019. This payment covered the \$97 million missed KPERS School contributions for FY2016, plus interest.
- House Substitute for Senate Bill 25 repealed the actions of the 2018 Legislature which provided for a contingent payment of up to \$56 million in FY 2019, if actual FY 2019 receipts exceeded the consensus revenue estimates. Instead, this legislation directly transferred \$51 million to the KPERS Trust Fund in FY 2020 (received by KPERS on July 1, 2019).
- 2018: The 2018 Legislature passed House Substitute for Senate Bill 109 that provided for the following additional funding to the KPERS School group:
- An additional payment of \$82 million in July 2018 (received by KPERS).
  - A contingent additional payment of up to \$56 million to be paid in Fiscal Year 2018, if actual Fiscal Year 2018 receipts exceed the consensus revenue estimates (full amount received by KPERS).
  - A contingent additional payment of up to \$56 million to be paid in Fiscal Year 2019, if actual Fiscal Year 2019 receipts exceed the consensus revenue estimates.
- 2017: The 2017 Legislature passed several bills that impacted the provisions and funding of KPERS:
- Senate Substitute for Substitute for HB 2052 (S Sub for Sub HB 2052) provides that the contributions for the School group for fiscal year 2017 (FY 2017) will be reduced so the total State/School contribution will be \$64.13 million less than the scheduled statutory contributions. This reduction in employer contributions for fiscal year 2017 will be repaid in level-dollar annual installments of \$6.4 million over twenty years beginning in fiscal year 2018. These payments are determined as a contribution rate for School employers to be paid in addition to the statutory State/School contribution rate. Further, S Sub for Sub HB 2052 provides that the repayment of the contribution reduction from FY 2016 with interest (\$115 million), scheduled in FY 2018, will not be made.
- Senate Substitute for HB 2002 (S Sub for HB 2002) contains KPERS funding provisions for FY2018 and FY 2019, including the following:
- **FY 2018:** The contributions for the State/School group for fiscal year 2018 will be made at the currently scheduled statutory rate of 12.01%. In addition, the first installment of \$6.4 million on the 20-year amortization of the contribution reduction for FY 2017 will be paid.
  - **FY 2019:** The contributions for School employers within the State/School group for fiscal year 2019 will be reduced so the total State/School employer contribution is \$420 million, including the second installment of \$6.4 million on the contribution reduction for FY 2017. This results in an expected reduction of \$194 million that will be repaid by the School group as a level dollar amount over 20 years beginning in FY 2020.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –  
PENSION LIABILITY  
December 31, 2020

**NOTE A – CHANGE OF BENEFIT TERMS (CONT'D)**

- **FY 2020:** The current statutory cap of 1.2% per year will apply in determining the statutory contribution rate for the State/School group for FY 2020. The certified statutory rate from FY 2019 of 13.21%, without inclusion of the \$6.4 million amortization of the contribution reduction for FY 2017 and \$19.4 million amortization of the contribution reduction for FY 2019, will be increased by 1.2%, resulting in a statutory contribution rate for FY 2020 of 14.41%. The current statutory cap of 1.2% per year will apply for all subsequent years.

SB 205 changed the duty-related death benefit for KP&F members to the greater of 50% of Final Average Salary and the member's accrued retirement benefit under the 100% joint and survivor option, payable to the member's spouse. Including any benefits that may be due to child beneficiaries, the total monthly benefits may not exceed 90% of the member's Final Average Salary. Prior to this bill, the duty-related spousal death benefit for a KP&F member was 50% of Final Average Salary, and the maximum available to the family was 75% of the member's Final Average Salary.

House Substitute for SB 21 (H Sub for SB21) included changes to the working after retirement rules for members who retire on or after January 1, 2018. The key provisions of the bill were to lengthen the waiting period for KPERS members to return to work from 60 days to 180 days for members who retire before attaining age 62, remove the earnings limitation for all retirees, and establish a single employer contribution schedule for all retirees.

2016: The 2016 Legislature passed two bills that impacted the provisions and funding of KPERS:

House Substitute for SB 168 (KPERS Omnibus Bill) included changes to the working after retirement rules, technical changes to the DROP program for the Kansas Highway Patrol, and technical changes to KPERS and the KPERS 457 plans. The provisions of the bill tighten the requirement that there be no prearrangement for a retired member to return to work. It also extends from July 1, 2017 to July 1, 2020, the grandfather provisions for those retirees in a licensed school position who retired before May 1, 2015 and establishes a 30% employer contribution rate, subject to actuarial review by the Board every three years, for retirees working in positions that are exempt from the general working after retirement rules. The bill also increased the earnings limitation for KP&F retirees from \$15,000 to \$25,000.

The valuation process does not include an assumption regarding the re-employment of retirees so the working after retirement provisions in House Sub for SB 168 did not have an impact on the valuation results. The technical changes to the DROP program and other KPERS provisions also did not have an impact on the valuation results.

House Sub for SB 161 provided for the delay of up to \$100 million in State and School contributions to the Retirement System for fiscal year 2016. House Sub for SB 249 provided that the delayed contributions would be repaid in full, with interest at 8%, by June 30, 2018. In the March 31, 2017 valuation, the delayed contributions with interest were treated as a long-term receivable.

**NOTE B – CHANGE IN ACTUARIAL ASSUMPTIONS**

As a result of the triennial experience study prepared during 2019, there have been several changes to the actuarial assumptions and methods since the prior valuation. The Board elected to adopt all of the recommended changes to demographic assumptions, but did not adopt any of the recommended sets of economic assumptions.

The changes to the demographic assumptions for KPERS are shown below:

- Retirement rates were adjusted to partially reflect observed experience.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –  
PENSION LIABILITY  
December 31, 2020

**NOTE B – CHANGE IN ACTUARIAL ASSUMPTIONS (CONT'D)**

- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contribution rates was increased from 0.16% to 0.18%.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
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SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

|                                                  | <u>2020*</u> | <u>2019*</u> | <u>2018*</u> | <u>2017*</u> |
|--------------------------------------------------|--------------|--------------|--------------|--------------|
| <i>Total OPEB Liability</i>                      |              |              |              |              |
| Service cost                                     | \$7,144      | \$6,399      | \$6,330      | \$7,351      |
| Interest on total OPEB liability                 | \$1,215      | \$1,280      | \$1,463      | \$981        |
| Effects of plan changes                          | \$0          | \$0          | \$0          | \$0          |
| Effect of economic/demographic gains or (losses) | (\$7,352)    | (\$7,119)    | (\$15,384)   | \$0          |
| Effect of assumption changes or inputs           | \$1,718      | \$356        | (\$264)      | (\$909)      |
| Benefit payments                                 | \$0          | \$0          | \$0          | \$0          |
| Net change in total OPEB liability               | \$2,725      | \$916        | (\$7,855)    | \$7,423      |
| Total OPEB liability, beginning                  | \$27,575     | \$26,659     | \$34,514     | \$27,091     |
| Total OPEB liability, ending                     | \$30,300     | \$27,575     | \$26,659     | \$34,514     |
| Covered payroll                                  | \$1,830,104  | \$1,856,362  | \$1,735,151  | \$1,889,045  |
| Total OPEB liability as a % of covered payroll   | 1.66%        | 1.49%        | 1.54%        | 1.83%        |

\* - The amounts presented for each fiscal year were determined as of 6/30 of the previous year which is the measurement date of the plan

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –  
OPEB LIABILITY  
December 31, 2020

**NOTE A – CHANGES OF BENEFIT TERMS**

There has been no changes in benefit terms for the periods covered in the schedule.

**NOTE B – CHANGES OF ASSUMPTIONS**

Changes of assumption and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

|      |       |
|------|-------|
| 2020 | 2.21% |
| 2019 | 3.50% |
| 2018 | 3.87% |
| 2017 | 3.58% |

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## SUPPLEMENTAL INFORMATION

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
PROGRAM SCHEDULE OF NET POSITION  
December 31, 2020

| ASSETS                                         | Public<br>Housing       | Move<br>To<br>Work     | Clinton<br>Place       | Expanded<br>Housing    |
|------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| <b>CURRENT ASSETS:</b>                         |                         |                        |                        |                        |
| Cash and cash equivalents                      | \$ 3,586,750.48         | \$ 1,694,009.27        | \$ 817,556.97          | \$ 470,141.57          |
| Investments                                    | 119,346.87              | 118,927.42             | -                      | -                      |
| Accounts receivable, net                       | 27,561.12               | -                      | 208.50                 | 2,250.69               |
| Due from other governments                     | 113,088.38              | 4,133.50               | -                      | -                      |
| Prepaid insurance                              | 78,462.02               | 3,957.10               | 9,151.96               | 2,285.35               |
| Materials inventory                            | 69,024.94               | -                      | 6,163.73               | 1,538.37               |
| <i>Restricted:</i>                             |                         |                        |                        |                        |
| Cash and cash equivalents                      | 206,119.88              | 209,411.71             | 19,130.50              | 6,982.00               |
| <b>TOTAL CURRENT ASSETS</b>                    | <b>4,200,353.69</b>     | <b>2,030,439.00</b>    | <b>852,211.66</b>      | <b>483,197.98</b>      |
| <b>NONCURRENT ASSETS:</b>                      |                         |                        |                        |                        |
| Interfund loan receivable                      | -                       | 678,744.72             | -                      | -                      |
| Capital Assets, non-depreciable                | 2,164,137.85            | 3,000.00               | 120,840.00             | 169,095.00             |
| Capital Assets, depreciable, net               | 8,599,577.47            | 1,191,406.95           | 1,406,930.37           | 731,118.32             |
| <b>TOTAL NONCURRENT ASSETS</b>                 | <b>10,763,715.32</b>    | <b>1,873,151.67</b>    | <b>1,527,770.37</b>    | <b>900,213.32</b>      |
| <b>TOTAL ASSETS</b>                            | <b>\$ 14,964,069.01</b> | <b>\$ 3,903,590.67</b> | <b>\$ 2,379,982.03</b> | <b>\$ 1,383,411.30</b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>          |                         |                        |                        |                        |
| Pension related deferred outflows of resources | 248,960.38              | 154,364.03             | 25,369.02              | 1,289.95               |
| OPEB related deferred outflows of resources    | 6,801.82                | 4,217.36               | 693.10                 | 35.24                  |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>    | <b>255,762.20</b>       | <b>158,581.39</b>      | <b>26,062.12</b>       | <b>1,325.19</b>        |
| <b>LIABILITIES</b>                             |                         |                        |                        |                        |
| <b>CURRENT LIABILITIES:</b>                    |                         |                        |                        |                        |
| Accounts payable                               | \$ 31,064.65            | \$ 2,889.04            | \$ 3,386.29            | \$ 771.57              |
| Accrued salaries and wages payable             | 47,127.79               | 5,676.37               | 1,719.52               | 79.66                  |
| Accrued compensated absences                   | 8,291.56                | 3,708.09               | 691.91                 | 63.55                  |
| Due to other governments                       | 93,587.16               | -                      | -                      | -                      |
| Unearned revenue                               | 67,235.01               | 172,887.71             | 236.43                 | 1,128.50               |
| Trust and deposit liabilities                  | 160,612.11              | -                      | 19,130.50              | 6,982.00               |
| <b>TOTAL CURRENT LIABILITIES</b>               | <b>407,918.28</b>       | <b>185,161.21</b>      | <b>25,164.65</b>       | <b>9,025.28</b>        |
| <b>NONCURRENT LIABILITIES</b>                  |                         |                        |                        |                        |
| Accrued compensated absences                   | 74,623.97               | 33,372.84              | 6,227.21               | 571.90                 |
| Net pension liability                          | 1,015,519.68            | 629,657.28             | 103,481.28             | 5,261.76               |
| Net OPEB liability                             | 17,543.70               | 10,877.70              | 1,787.70               | 90.90                  |
| Interfund loan payable                         | 678,744.72              | -                      | -                      | -                      |
| <b>TOTAL NONCURRENT LIABILITIES</b>            | <b>1,786,432.07</b>     | <b>673,907.82</b>      | <b>111,496.19</b>      | <b>5,924.56</b>        |
| <b>TOTAL LIABILITIES</b>                       | <b>2,194,350.35</b>     | <b>859,069.03</b>      | <b>136,660.84</b>      | <b>14,949.84</b>       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>           |                         |                        |                        |                        |
| Pension related deferred inflows of resources  | 59,485.30               | 36,882.94              | 6,061.54               | 308.21                 |
| OPEB related deferred inflows of resources     | 13,664.40               | 8,472.40               | 1,392.40               | 70.80                  |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>     | <b>73,149.70</b>        | <b>45,355.34</b>       | <b>7,453.94</b>        | <b>379.01</b>          |
| <b>NET POSITION</b>                            |                         |                        |                        |                        |
| Net investment in capital assets               | 10,084,970.60           | 1,194,406.95           | 1,527,770.37           | 900,213.32             |
| Restricted                                     | -                       | 36,557.00              | -                      | -                      |
| Unrestricted                                   | 2,867,360.56            | 1,926,783.74           | 734,159.00             | 469,194.32             |
| <b>TOTAL NET POSITION</b>                      | <b>\$ 12,952,331.16</b> | <b>\$ 3,157,747.69</b> | <b>\$ 2,261,929.37</b> | <b>\$ 1,369,407.64</b> |

| Home<br>Program | Full Circle<br>Tenant<br>Services, Inc. | Douglas<br>County<br>Housing, Inc. | Totals           |
|-----------------|-----------------------------------------|------------------------------------|------------------|
| \$ 284,391.32   | \$ 21,316.58                            | \$ 791,739.24                      | \$ 7,665,905.43  |
| -               | -                                       | -                                  | 238,274.29       |
| -               | 923.93                                  | -                                  | 30,944.24        |
| 19,642.00       | -                                       | 384.31                             | 137,248.19       |
| -               | -                                       | -                                  | 93,856.43        |
| -               | -                                       | -                                  | 76,727.04        |
| -               | -                                       | -                                  | 441,644.09       |
| 304,033.32      | 22,240.51                               | 792,123.55                         | 8,684,599.71     |
| -               | -                                       | -                                  | 678,744.72       |
| -               | -                                       | -                                  | 2,457,072.85     |
| -               | -                                       | -                                  | 11,929,033.11    |
| -               | -                                       | -                                  | 15,064,850.68    |
| \$ 304,033.32   | \$ 22,240.51                            | \$ 792,123.55                      | \$ 23,749,450.39 |
| -               | -                                       | -                                  | 429,983.38       |
| -               | -                                       | -                                  | 11,747.52        |
| -               | -                                       | -                                  | 441,730.90       |
| \$ 12,500.00    | \$ 1,227.93                             | \$ 84.00                           | \$ 51,923.48     |
| -               | -                                       | -                                  | 54,603.34        |
| -               | -                                       | -                                  | 12,755.11        |
| -               | -                                       | -                                  | 93,587.16        |
| 129,333.67      | 21,012.58                               | 42,061.11                          | 433,895.01       |
| -               | -                                       | -                                  | 186,724.61       |
| 141,833.67      | 22,240.51                               | 42,145.11                          | 833,488.71       |
| -               | -                                       | -                                  | 114,795.92       |
| -               | -                                       | -                                  | 1,753,920.00     |
| -               | -                                       | -                                  | 30,300.00        |
| -               | -                                       | -                                  | 678,744.72       |
| -               | -                                       | -                                  | 2,577,760.64     |
| 141,833.67      | 22,240.51                               | 42,145.11                          | 3,411,249.35     |
| -               | -                                       | -                                  | 102,737.99       |
| -               | -                                       | -                                  | 23,600.00        |
| -               | -                                       | -                                  | 126,337.99       |
| -               | -                                       | -                                  | 13,707,361.24    |
| -               | -                                       | -                                  | 36,557.00        |
| 162,199.65      | -                                       | 749,978.44                         | 6,909,675.71     |
| \$ 162,199.65   | \$ -                                    | \$ 749,978.44                      | \$ 20,653,593.95 |

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
PROGRAM SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
Year Ended December 31, 2020

|                                                            | Public<br>Housing       | Move<br>To<br>Work     | Clinton<br>Place       | Expanded<br>Housing    |
|------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|
| <b>OPERATING REVENUES</b>                                  |                         |                        |                        |                        |
| Rental income                                              | \$ 1,285,517.00         | \$ -                   | \$ 159,975.00          | \$ 76,934.00           |
| HUD contributions                                          | 384,068.81              | 7,112,863.50           | 280,965.06             | -                      |
| Other income                                               | 87,394.09               | 3,047.20               | 4,182.36               | 261.50                 |
| <b>TOTAL OPERATING REVENUES</b>                            | <b>1,756,979.90</b>     | <b>7,115,910.70</b>    | <b>445,122.42</b>      | <b>77,195.50</b>       |
| <b>OPERATING EXPENSES</b>                                  |                         |                        |                        |                        |
| Administrative                                             | 738,364.98              | 804,266.57             | 122,916.27             | 10,699.97              |
| Tenant services                                            | 440,865.96              | 9,679.91               | 2,329.31               | -                      |
| Utilities                                                  | 345,074.34              | -                      | 42,885.73              | 6,772.00               |
| Ordinary maintenance and operations                        | 751,432.13              | 2,406.12               | 101,699.14             | 7,543.65               |
| Protective services                                        | 57,864.43               | -                      | -                      | -                      |
| General expense                                            | 267,417.84              | 14,793.39              | 20,743.13              | 4,849.96               |
| Housing assistance payments                                | -                       | 5,243,735.97           | -                      | -                      |
| Depreciation                                               | 640,824.19              | 10,688.01              | 67,234.54              | 40,779.25              |
| <b>TOTAL OPERATING EXPENSES</b>                            | <b>3,241,843.87</b>     | <b>6,085,569.97</b>    | <b>357,808.12</b>      | <b>70,644.83</b>       |
| <b>OPERATING INCOME (LOSS)</b>                             | <b>(1,484,863.97)</b>   | <b>1,030,340.73</b>    | <b>87,314.30</b>       | <b>6,550.67</b>        |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                    |                         |                        |                        |                        |
| HUD operating subsidy                                      | 950,311.00              | -                      | -                      | -                      |
| HUD capital grants                                         | 276,919.39              | -                      | -                      | -                      |
| HUD CARES Act                                              | 100,756.23              | 53,373.29              | -                      | -                      |
| Gain (loss) on disposition of capital assets               | (243.09)                | (471.83)               | -                      | -                      |
| Interest income                                            | 11,505.69               | 7,561.78               | 522.60                 | 316.90                 |
| <b>TOTAL NONOPERATING REVENUES(EXPENSES)</b>               | <b>1,339,249.22</b>     | <b>60,463.24</b>       | <b>522.60</b>          | <b>316.90</b>          |
| <b>INCOME(LOSS) BEFORE CONTRIBUTIONS<br/>AND TRANSFERS</b> | <b>(145,614.75)</b>     | <b>1,090,803.97</b>    | <b>87,836.90</b>       | <b>6,867.57</b>        |
| <b>CAPITAL CONTRIBUTIONS</b>                               |                         |                        |                        |                        |
| HUD capital grants                                         | 841,954.95              | -                      | -                      | -                      |
| <b>TRANSFERS</b>                                           |                         |                        |                        |                        |
| Transfers in                                               | 1,700.00                | 17,250.00              | -                      | -                      |
| Transfers out                                              | -                       | (23,628.75)            | -                      | -                      |
| <b>INCREASE (DECREASE) IN NET POSITION</b>                 | <b>698,040.20</b>       | <b>1,084,425.22</b>    | <b>87,836.90</b>       | <b>6,867.57</b>        |
| <b>NET POSITION:</b>                                       |                         |                        |                        |                        |
| Net position, beginning balance                            | 12,254,290.96           | 2,073,322.47           | 2,174,092.47           | 1,362,540.07           |
| <b>TOTAL NET POSITION - ENDING BALANCE</b>                 | <b>\$ 12,952,331.16</b> | <b>\$ 3,157,747.69</b> | <b>\$ 2,261,929.37</b> | <b>\$ 1,369,407.64</b> |

| Home<br>Program      | Full Circle<br>Tenant<br>Services, Inc. | Douglas<br>County<br>Housing, Inc. | Totals                  |
|----------------------|-----------------------------------------|------------------------------------|-------------------------|
| \$ -                 | \$ -                                    | \$ -                               | \$ 1,522,426.00         |
| 342,630.00           | -                                       | -                                  | 8,120,527.37            |
| <u>156,037.33</u>    | <u>12,602.14</u>                        | <u>41,327.50</u>                   | <u>304,852.12</u>       |
| 498,667.33           | 12,602.14                               | 41,327.50                          | 9,947,805.49            |
| -                    | 9,435.59                                | 4,990.10                           | 1,690,673.48            |
| 50,000.00            | 20,641.70                               | 121.50                             | 523,638.38              |
| -                    | -                                       | -                                  | 394,732.07              |
| -                    | -                                       | -                                  | 863,081.04              |
| -                    | -                                       | -                                  | 57,864.43               |
| -                    | -                                       | -                                  | 307,804.32              |
| 444,942.33           | 5,000.00                                | 41,206.00                          | 5,734,884.30            |
| <u>-</u>             | <u>-</u>                                | <u>-</u>                           | <u>759,525.99</u>       |
| <u>494,942.33</u>    | <u>35,077.29</u>                        | <u>46,317.60</u>                   | <u>10,332,204.01</u>    |
| <u>3,725.00</u>      | <u>(22,475.15)</u>                      | <u>(4,990.10)</u>                  | <u>(384,398.52)</u>     |
| -                    | -                                       | -                                  | 950,311.00              |
| -                    | -                                       | -                                  | 276,919.39              |
| -                    | -                                       | -                                  | 154,129.52              |
| -                    | -                                       | -                                  | (714.92)                |
| <u>130.13</u>        | <u>-</u>                                | <u>530.10</u>                      | <u>20,567.20</u>        |
| <u>130.13</u>        | <u>-</u>                                | <u>530.10</u>                      | <u>1,401,212.19</u>     |
| 3,855.13             | (22,475.15)                             | (4,460.00)                         | 1,016,813.67            |
| -                    | -                                       | -                                  | 841,954.95              |
| -                    | 22,475.15                               | 1,153.60                           | 42,578.75               |
| <u>(18,950.00)</u>   | <u>-</u>                                | <u>-</u>                           | <u>(42,578.75)</u>      |
| <u>(15,094.87)</u>   | <u>-</u>                                | <u>(3,306.40)</u>                  | <u>1,858,768.62</u>     |
| <u>177,294.52</u>    | <u>-</u>                                | <u>753,284.84</u>                  | <u>18,794,825.33</u>    |
| <u>\$ 162,199.65</u> | <u>\$ -</u>                             | <u>\$ 749,978.44</u>               | <u>\$ 20,653,593.95</u> |

**LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY**  
**PROGRAM SCHEDULE OF CASH FLOWS**  
Year Ended December 31, 2020

|                                                                                                                     | Public<br>Housing | Move<br>To<br>Work | Clinton<br>Place | Expanded<br>Housing |
|---------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                                        |                   |                    |                  |                     |
| Tenant receipts                                                                                                     | \$ 1,294,704.12   | \$ -               | \$ 163,326.04    | \$ 76,527.00        |
| HUD receipts                                                                                                        | 397,459.17        | 7,108,382.00       | 280,965.06       | -                   |
| Other receipts                                                                                                      | 54,389.56         | 3,047.20           | 26.00            | -                   |
| Trust and deposits                                                                                                  | (614.97)          | -                  | (196.50)         | 496.00              |
| Cash payments for goods and services                                                                                | (1,067,111.09)    | (5,380,871.76)     | (119,521.06)     | (21,210.91)         |
| Cash payments to employees for services                                                                             | (1,481,837.57)    | (693,065.75)       | (175,490.30)     | (8,448.04)          |
| NET CASH PROVIDED (USED)<br>BY OPERATING ACTIVITIES                                                                 | (803,010.78)      | 1,037,491.69       | 149,109.24       | 47,364.05           |
| <b>CASH FLOWS FROM NONCAPITAL<br/>FINANCING ACTIVITIES:</b>                                                         |                   |                    |                  |                     |
| HUD operating subsidy                                                                                               | 950,311.00        | -                  | -                | -                   |
| HUD capital grants                                                                                                  | 276,919.39        | 226,228.00         | -                | -                   |
| HUD CARES Act                                                                                                       | 146,264.00        | -                  | -                | -                   |
| Transfers in (out)                                                                                                  | 1,700.00          | (6,378.75)         | -                | -                   |
| NET CASH PROVIDED (USED) BY NONCAPITAL<br>FINANCING ACTIVITIES                                                      | 1,375,194.39      | 219,849.25         | -                | -                   |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES:</b>                                                |                   |                    |                  |                     |
| Purchases and construction of capital assets                                                                        | (951,450.12)      | (1,161,319.24)     | -                | (1,587.00)          |
| HUD capital grants                                                                                                  | 866,976.42        | -                  | -                | -                   |
| Net change in interfund borrowing                                                                                   | (104,023.26)      | 104,023.26         | -                | -                   |
| NET CASH PROVIDED (USED) BY CAPITAL<br>AND RELATED FINANCING ACTIVITIES                                             | (188,496.96)      | (1,057,295.98)     | -                | (1,587.00)          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                                                        |                   |                    |                  |                     |
| Net (deposits) withdrawals to investments                                                                           | 96,517.39         | 50,467.99          | -                | -                   |
| Interest received                                                                                                   | 11,505.69         | 7,561.78           | 522.60           | 316.90              |
| NET CASH PROVIDED (USED)<br>IN INVESTING ACTIVITIES                                                                 | 108,023.08        | 58,029.77          | 522.60           | 316.90              |
| NET INCREASE (DECREASE) IN CASH                                                                                     | 491,709.73        | 258,074.73         | 149,631.84       | 46,093.95           |
| CASH AND CASH EQUIVALENTS-BEGINNING                                                                                 | 3,301,160.63      | 1,645,346.25       | 687,055.63       | 431,029.62          |
| CASH AND CASH EQUIVALENTS-ENDING                                                                                    | \$ 3,792,870.36   | \$ 1,903,420.98    | \$ 836,687.47    | \$ 477,123.57       |
| <b>RECONCILIATION OF INCOME (LOSS) FROM<br/>OPERATIONS TO NET CASH PROVIDED<br/>(USED) BY OPERATING ACTIVITIES:</b> |                   |                    |                  |                     |
| Operating income (loss)                                                                                             | \$ (1,484,863.97) | \$ 1,030,340.73    | \$ 87,314.30     | \$ 6,550.67         |
| Adjustments to reconcile income from operations to<br>net cash provided by operating activities:                    |                   |                    |                  |                     |
| Depreciation                                                                                                        | 640,824.19        | 10,688.01          | 67,234.54        | 40,779.25           |
| Change in assets, deferred outflows of resources,<br>liabilities and deferred inflows of resources                  |                   |                    |                  |                     |
| (Increase) decrease in accounts receivable                                                                          | 8,652.34          | -                  | 2,162.85         | (1,343.54)          |
| (Increase) decrease in due from other governments                                                                   | 13,390.36         | (4,133.50)         | -                | -                   |
| (Increase) decrease in prepaid expenses                                                                             | (429.70)          | 937.25             | 433.75           | 456.50              |
| (Increase) decrease in materials inventory                                                                          | 11,870.10         | -                  | (282.58)         | 19.62               |
| (Increase) decrease in deferred outflows of resources                                                               | (147,025.76)      | (91,161.04)        | (14,981.90)      | (761.79)            |
| Increase (decrease) in accounts payable                                                                             | (17,110.91)       | (1,349.90)         | (1,003.28)       | (187.02)            |
| Increase (decrease) in due to other governments                                                                     | (9,992.88)        | -                  | -                | -                   |
| Increase (decrease) in accrued salaries and benefits                                                                | (5,885.26)        | (15,908.08)        | (3,519.90)       | (183.32)            |
| Increase (decrease) in accrued compensated absences                                                                 | 23,776.37         | 4,122.00           | (5,351.79)       | 5.57                |
| Increase (decrease) in trust and deposit liabilities                                                                | (614.97)          | -                  | (196.50)         | 496.00              |
| Increase (decrease) in unearned revenue                                                                             | (3,823.92)        | (348.00)           | 157.83           | 660.50              |
| Increase (decrease) in net pension liability                                                                        | 184,442.19        | 114,360.53         | 18,794.63        | 955.66              |
| Increase (decrease) in net OPEB liability                                                                           | 1,577.77          | 978.28             | 160.78           | 8.17                |
| Increase (decrease) in deferred inflows of resources                                                                | (17,796.73)       | (11,034.59)        | (1,813.49)       | (92.22)             |
| NET CASH PROVIDED (USED)<br>BY OPERATING ACTIVITIES                                                                 | \$ (803,010.78)   | \$ 1,037,491.69    | \$ 149,109.24    | \$ 47,364.05        |

| Home<br>Program | Full Circle<br>Tenant<br>Services, Inc. | Douglas<br>County<br>Housing, Inc. | Totals          |
|-----------------|-----------------------------------------|------------------------------------|-----------------|
| \$ -            | \$ -                                    | \$ -                               | \$ 1,534,557.16 |
| 326,685.00      | -                                       | -                                  | 8,113,491.23    |
| 175,000.00      | 32,690.79                               | 80,728.60                          | 345,882.15      |
| -               | -                                       | -                                  | (315.47)        |
| (482,442.33)    | (28,565.27)                             | (46,486.81)                        | (7,146,209.23)  |
| -               | (5,284.09)                              | (989.03)                           | (2,365,114.78)  |
| 19,242.67       | (1,158.57)                              | 33,252.76                          | 482,291.06      |
| -               | -                                       | -                                  | 950,311.00      |
| -               | -                                       | -                                  | 503,147.39      |
| -               | -                                       | -                                  | 146,264.00      |
| (18,950.00)     | 22,475.15                               | 1,153.60                           | -               |
| (18,950.00)     | 22,475.15                               | 1,153.60                           | 1,599,722.39    |
| -               | -                                       | -                                  | (2,114,356.36)  |
| -               | -                                       | -                                  | 866,976.42      |
| -               | -                                       | -                                  | -               |
| -               | -                                       | -                                  | (1,247,379.94)  |
| -               | -                                       | -                                  | 146,985.38      |
| 130.13          | -                                       | 530.10                             | 20,567.20       |
| 130.13          | -                                       | 530.10                             | 167,552.58      |
| 422.80          | 21,316.58                               | 34,936.46                          | 1,002,186.09    |
| 283,968.52      | -                                       | 756,802.78                         | 7,105,363.43    |
| \$ 284,391.32   | \$ 21,316.58                            | \$ 791,739.24                      | \$ 8,107,549.52 |

\$ 3,725.00 \$ (22,475.15) \$ (4,990.10) \$ (384,398.52)

- - - 759,525.99

|             |           |           |              |
|-------------|-----------|-----------|--------------|
| -           | (923.93)  | -         | 8,547.72     |
| (15,424.00) | -         | 940.82    | (5,226.32)   |
| -           | -         | -         | 1,397.80     |
| -           | -         | -         | 11,607.14    |
| -           | -         | -         | (253,930.49) |
| 12,500.00   | 1,227.93  | (169.21)  | (6,092.39)   |
| -           | -         | -         | (9,992.88)   |
| -           | -         | (989.03)  | (26,485.59)  |
| -           | -         | -         | 22,552.15    |
| -           | -         | -         | (315.47)     |
| 18,441.67   | 21,012.58 | 38,460.28 | 74,560.94    |
| -           | -         | -         | 318,553.01   |
| -           | -         | -         | 2,725.00     |
| -           | -         | -         | (30,737.03)  |

\$ 19,242.67 \$ (1,158.57) \$ 33,252.76 \$ 482,291.06

## Lawrence/Douglas County Housing Authority (KS053)

Lawrence, KS

## Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

|                                                                       | Project Total | 14.239 HOME<br>Investment<br>Partnerships<br>Program | 1 Business<br>Activities | 14.195 Section 8<br>Housing Assistance<br>Payments<br>Program_Special<br>Allocations | 6.2 Component<br>Unit - Blended | 14.870 Resident<br>Opportunity and<br>Supportive<br>Services | 14.881 Moving to<br>Work<br>Demonstration<br>Program | 14.PHC Public<br>Housing CARES<br>Act Funding |
|-----------------------------------------------------------------------|---------------|------------------------------------------------------|--------------------------|--------------------------------------------------------------------------------------|---------------------------------|--------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------|
| 111 Cash - Unrestricted                                               | \$3,586,750   | \$284,391                                            | \$470,142                | \$817,557                                                                            | \$813,056                       |                                                              | \$1,694,009                                          |                                               |
| 113 Cash - Other Restricted                                           | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      | \$45,508                                      |
| 114 Cash - Tenant Security Deposits                                   | \$160,612     | \$0                                                  | \$6,982                  | \$19,131                                                                             | \$0                             |                                                              |                                                      |                                               |
| 100 Total Cash                                                        | \$3,747,362   | \$284,391                                            | \$477,124                | \$836,688                                                                            | \$813,056                       | \$0                                                          | \$1,694,009                                          | \$45,508                                      |
| 122 Accounts Receivable - HUD Other Projects                          | \$51,747      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             | \$13,829                                                     | \$600                                                |                                               |
| 124 Accounts Receivable - Other Government                            | \$0           | \$19,642                                             | \$0                      | \$0                                                                                  | \$384                           |                                                              |                                                      |                                               |
| 125 Accounts Receivable - Miscellaneous                               | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$924                           |                                                              |                                                      |                                               |
| 126 Accounts Receivable - Tenants                                     | \$38,765      | \$0                                                  | \$2,369                  | \$209                                                                                | \$0                             |                                                              |                                                      |                                               |
| 126.1 Allowance for Doubtful Accounts - Tenants                       | -\$11,203     | \$0                                                  | -\$118                   | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts        | \$79,309      | \$19,642                                             | \$2,251                  | \$209                                                                                | \$1,308                         | \$13,829                                                     | \$600                                                | \$0                                           |
| 131 Investments - Unrestricted                                        | \$119,347     | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              | \$118,927                                            |                                               |
| 142 Prepaid Expenses and Other Assets                                 | \$78,462      | \$0                                                  | \$2,285                  | \$9,151                                                                              | \$0                             |                                                              | \$3,957                                              |                                               |
| 143 Inventories                                                       | \$72,658      | \$0                                                  | \$1,619                  | \$6,488                                                                              | \$0                             |                                                              |                                                      |                                               |
| 143.1 Allowance for Obsolete Inventories                              | -\$3,633      | \$0                                                  | -\$81                    | -\$324                                                                               | \$0                             |                                                              |                                                      |                                               |
| 144 Inter Program Due From                                            | \$61,341      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              | \$682,279                                            |                                               |
| 150 Total Current Assets                                              | \$4,154,846   | \$304,033                                            | \$483,198                | \$852,212                                                                            | \$814,364                       | \$13,829                                                     | \$2,499,772                                          | \$45,508                                      |
| 161 Land                                                              | \$835,744     | \$0                                                  | \$169,095                | \$120,840                                                                            | \$0                             |                                                              | \$3,000                                              |                                               |
| 162 Buildings                                                         | \$22,987,162  | \$0                                                  | \$1,175,139              | \$2,281,508                                                                          | \$0                             |                                                              | \$161,421                                            |                                               |
| 163 Furniture, Equipment & Machinery - Dwellings                      | \$31,783      | \$0                                                  | \$0                      | \$51,200                                                                             | \$0                             |                                                              |                                                      |                                               |
| 164 Furniture, Equipment & Machinery - Administration                 | \$419,559     | \$0                                                  | \$97                     | \$29,366                                                                             | \$0                             |                                                              | \$53,594                                             |                                               |
| 165 Leasehold Improvements                                            | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              | \$1,157,208                                          |                                               |
| 166 Accumulated Depreciation                                          | -\$14,848,927 | \$0                                                  | -\$444,117               | -\$955,143                                                                           | \$0                             |                                                              | -\$180,816                                           |                                               |
| 167 Construction in Progress                                          | \$1,328,393   | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 160 Total Capital Assets, Net of Accumulated Depreciation             | \$10,763,714  | \$0                                                  | \$900,214                | \$1,527,771                                                                          | \$0                             | \$0                                                          | \$1,194,407                                          | \$0                                           |
| 180 Total Non-Current Assets                                          | \$10,763,714  | \$0                                                  | \$900,214                | \$1,527,771                                                                          | \$0                             | \$0                                                          | \$1,194,407                                          | \$0                                           |
| 200 Deferred Outflow of Resources                                     | \$255,762     | \$0                                                  | \$1,325                  | \$26,062                                                                             | \$0                             |                                                              | \$158,581                                            |                                               |
| 290 Total Assets and Deferred Outflow of Resources                    | \$15,174,322  | \$304,033                                            | \$1,384,737              | \$2,406,045                                                                          | \$814,364                       | \$13,829                                                     | \$3,852,760                                          | \$45,508                                      |
| 312 Accounts Payable <= 90 Days                                       | \$7,253       | \$12,500                                             | \$772                    | \$3,386                                                                              | \$1,312                         |                                                              | \$2,889                                              |                                               |
| 321 Accrued Wage/Payroll Taxes Payable                                | \$47,128      | \$0                                                  | \$80                     | \$1,720                                                                              | \$0                             |                                                              | \$5,676                                              |                                               |
| 322 Accrued Compensated Absences - Current Portion                    | \$8,292       | \$0                                                  | \$64                     | \$692                                                                                | \$0                             |                                                              | \$3,708                                              |                                               |
| 333 Accounts Payable - Other Government                               | \$93,587      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 341 Tenant Security Deposits                                          | \$160,612     | \$0                                                  | \$6,982                  | \$19,131                                                                             | \$0                             |                                                              |                                                      |                                               |
| 342 Unearned Revenue                                                  | \$21,727      | \$129,334                                            | \$1,129                  | \$236                                                                                | \$63,074                        |                                                              | \$33                                                 | \$45,508                                      |
| 345 Accrued Liabilities - Other                                       | \$23,809      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 347 Inter Program - Due To                                            | \$678,745     | \$0                                                  | \$0                      | \$0                                                                                  |                                 | \$13,829                                                     |                                                      |                                               |
| 310 Total Current Liabilities                                         | \$1,041,153   | \$141,834                                            | \$9,027                  | \$25,165                                                                             | \$64,386                        | \$13,829                                                     | \$12,306                                             | \$45,508                                      |
| 354 Accrued Compensated Absences - Non Current                        | \$74,624      | \$0                                                  | \$572                    | \$6,227                                                                              | \$0                             |                                                              | \$33,373                                             |                                               |
| 357 Accrued Pension and OPEB Liabilities                              | \$1,033,064   | \$0                                                  | \$5,353                  | \$105,269                                                                            | \$0                             |                                                              | \$640,535                                            |                                               |
| 350 Total Non-Current Liabilities                                     | \$1,107,688   | \$0                                                  | \$5,925                  | \$111,496                                                                            | \$0                             | \$0                                                          | \$673,908                                            | \$0                                           |
| 300 Total Liabilities                                                 | \$2,148,841   | \$141,834                                            | \$14,952                 | \$136,661                                                                            | \$64,386                        | \$13,829                                                     | \$986,214                                            | \$45,508                                      |
| 400 Deferred Inflow of Resources                                      | \$73,150      | \$0                                                  | \$379                    | \$7,454                                                                              | \$0                             |                                                              | \$45,355                                             |                                               |
| 508.4 Net Investment in Capital Assets                                | \$10,084,970  | \$0                                                  | \$900,214                | \$1,527,771                                                                          | \$0                             |                                                              | \$1,194,407                                          |                                               |
| 511.4 Restricted Net Position                                         | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 512.4 Unrestricted Net Position                                       | \$2,867,361   | \$162,199                                            | \$469,192                | \$734,159                                                                            | \$749,978                       | \$0                                                          | \$1,926,784                                          | \$0                                           |
| 513 Total Equity - Net Assets / Position                              | \$12,952,331  | \$162,199                                            | \$1,369,406              | \$2,261,930                                                                          | \$749,978                       | \$0                                                          | \$3,121,191                                          | \$0                                           |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net | \$15,174,322  | \$304,033                                            | \$1,384,737              | \$2,406,045                                                                          | \$814,364                       | \$13,829                                                     | \$3,852,760                                          | \$45,508                                      |

| 14.267 Continuum of Care Program | 14.OPS MTW Demonstration Program for Low Rent | 14.CFP MTW Demonstration Program for Capital Fund | 14.HCV MTW Demonstration Program for HCV program | 10.569 Emergency Food Assistance Program (Food Commodities) | 14.871 Housing Choice Vouchers | 14.896 PIH Family Self-Sufficiency Program | 14.879 Mainstream Vouchers | 14.MSC Mainstream CARES Act Funding | 14.HCC HCV CARES Act Funding | Subtotal      | ELIM       | Total         |
|----------------------------------|-----------------------------------------------|---------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------|--------------------------------|--------------------------------------------|----------------------------|-------------------------------------|------------------------------|---------------|------------|---------------|
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$7,665,905   |            | \$7,665,905   |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            | \$36,557                   | \$4,331                             | \$168,524                    | \$254,920     |            | \$254,920     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$186,725     |            | \$186,725     |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$36,557                   | \$4,331                             | \$168,524                    | \$8,107,550   | \$0        | \$8,107,550   |
| \$16,180                         |                                               |                                                   |                                                  |                                                             | \$3,534                        | \$31,332                                   |                            |                                     |                              | \$117,222     |            | \$117,222     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$20,026      |            | \$20,026      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$924         |            | \$924         |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$41,343      |            | \$41,343      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | -\$11,321     |            | -\$11,321     |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$0                        | \$0                                 | \$0                          | \$168,194     | \$0        | \$168,194     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$238,274     |            | \$238,274     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$93,855      |            | \$93,855      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$80,765      |            | \$80,765      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | -\$4,038      |            | -\$4,038      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$743,620     | -\$743,620 | \$0           |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$36,557                   | \$4,331                             | \$168,524                    | \$9,426,220   | -\$743,620 | \$8,684,600   |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$1,128,679   |            | \$1,128,679   |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$26,615,230  |            | \$26,615,230  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$82,983      |            | \$82,983      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$502,616     |            | \$502,616     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$1,157,208   |            | \$1,157,208   |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | -\$16,429,003 |            | -\$16,429,003 |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$1,328,393   |            | \$1,328,393   |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$14,386,106  | \$0        | \$14,386,106  |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$14,386,106  | \$0        | \$14,386,106  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$441,730     |            | \$441,730     |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$36,557                   | \$4,331                             | \$168,524                    | \$24,256,056  | -\$743,620 | \$23,512,436  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$28,112      |            | \$28,112      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$54,604      |            | \$54,604      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$12,756      |            | \$12,756      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$93,587      |            | \$93,587      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$186,725     |            | \$186,725     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            | \$4,331                             | \$168,524                    | \$433,896     |            | \$433,896     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$23,809      |            | \$23,809      |
| \$16,180                         |                                               |                                                   |                                                  |                                                             | \$3,534                        | \$31,332                                   |                            |                                     |                              | \$743,620     | -\$743,620 | \$0           |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$0                        | \$4,331                             | \$168,524                    | \$1,577,109   | -\$743,620 | \$833,489     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$114,796     |            | \$114,796     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$1,784,221   |            | \$1,784,221   |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$1,899,017   | \$0        | \$1,899,017   |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$0                        | \$4,331                             | \$168,524                    | \$3,476,126   | -\$743,620 | \$2,732,506   |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$126,338     |            | \$126,338     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$13,707,362  | \$678,745  | \$14,386,107  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            | \$36,557                   |                                     |                              | \$36,557      |            | \$36,557      |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$6,909,673   | -\$678,745 | \$6,230,928   |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$36,557                   | \$0                                 | \$0                          | \$20,653,592  | \$0        | \$20,653,592  |
| \$16,180                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$3,534                        | \$31,332                                   | \$36,557                   | \$4,331                             | \$168,524                    | \$24,256,056  | -\$743,620 | \$23,512,436  |

## Lawrence/Douglas County Housing Authority (KS053)

Lawrence, KS

## Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

|                                                                           | Project Total | 14.239 HOME<br>Investment<br>Partnerships<br>Program | 1 Business<br>Activities | 14.195 Section 8<br>Housing Assistance<br>Payments<br>Program_Special<br>Allocations | 6.2 Component<br>Unit - Blended | 14.870 Resident<br>Opportunity and<br>Supportive<br>Services | 14.881 Moving to<br>Work<br>Demonstration<br>Program | 14.PHC Public<br>Housing CARES<br>Act Funding |
|---------------------------------------------------------------------------|---------------|------------------------------------------------------|--------------------------|--------------------------------------------------------------------------------------|---------------------------------|--------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------|
| 70300 Net Tenant Rental Revenue                                           | \$1,285,517   | \$0                                                  | \$76,934                 | \$159,875                                                                            | \$0                             |                                                              |                                                      |                                               |
| 70400 Tenant Revenue - Other                                              | \$33,005      | \$0                                                  | \$262                    | \$4,156                                                                              | \$0                             |                                                              |                                                      |                                               |
| 70500 Total Tenant Revenue                                                | \$1,318,522   | \$0                                                  | \$77,196                 | \$164,131                                                                            | \$0                             | \$0                                                          | \$0                                                  | \$0                                           |
| 70600 HUD PHA Operating Grants                                            | \$0           | \$342,630                                            | \$0                      | \$280,965                                                                            | \$0                             | \$52,494                                                     |                                                      | \$100,756                                     |
| 70610 Capital Grants                                                      | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 70800 Other Government Grants                                             | \$0           | \$156,037                                            | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 71100 Investment Income - Unrestricted                                    | \$11,506      | \$130                                                | \$317                    | \$523                                                                                | \$530                           |                                                              | \$7,562                                              |                                               |
| 71500 Other Revenue                                                       | \$54,390      | \$0                                                  | \$0                      | \$26                                                                                 | \$53,930                        |                                                              | \$3,047                                              |                                               |
| 71600 Gain or Loss on Sale of Capital Assets                              | -\$243        | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              | -\$471                                               |                                               |
| 70000 Total Revenue                                                       | \$1,384,175   | \$498,797                                            | \$77,513                 | \$445,645                                                                            | \$54,460                        | \$52,494                                                     | \$10,138                                             | \$100,756                                     |
| 91100 Administrative Salaries                                             | \$455,829     |                                                      | \$6,098                  | \$88,327                                                                             | \$4,403                         |                                                              | \$508,636                                            | \$27,481                                      |
| 91200 Auditing Fees                                                       | \$4,579       | \$0                                                  | \$143                    | \$716                                                                                | \$0                             |                                                              | \$8,872                                              |                                               |
| 91400 Advertising and Marketing                                           | \$0           | \$0                                                  | \$0                      | \$420                                                                                | \$0                             |                                                              |                                                      |                                               |
| 91500 Employee Benefit contributions - Administrative                     | \$106,916     | \$0                                                  | \$1,724                  | \$21,129                                                                             | \$316                           |                                                              | \$139,260                                            | \$4,771                                       |
| 91600 Office Expenses                                                     | \$27,252      | \$0                                                  | \$251                    | \$1,810                                                                              | \$3,665                         |                                                              | \$32,652                                             |                                               |
| 91700 Legal Expense                                                       | \$8,099       | \$0                                                  | \$126                    | \$631                                                                                | \$345                           |                                                              | \$9,250                                              |                                               |
| 91800 Travel                                                              | \$731         | \$0                                                  | \$25                     | \$0                                                                                  | \$79                            |                                                              | \$1,343                                              |                                               |
| 91900 Other                                                               | \$63,650      | \$0                                                  | \$2,335                  | \$9,880                                                                              | \$5,619                         |                                                              | \$51,494                                             | \$2,722                                       |
| 91000 Total Operating - Administrative                                    | \$687,066     | \$0                                                  | \$10,702                 | \$122,913                                                                            | \$14,427                        | \$0                                                          | \$751,507                                            | \$34,974                                      |
| 92100 Tenant Services - Salaries                                          | \$53,039      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             | \$43,784                                                     |                                                      | \$4,715                                       |
| 92300 Employee Benefit Contributions - Tenant Services                    | \$13,401      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             | \$8,710                                                      |                                                      | \$818                                         |
| 92400 Tenant Services - Other                                             | \$10,378      | \$50,000                                             | \$0                      | \$2,329                                                                              | \$20,763                        |                                                              | \$9,680                                              |                                               |
| 92500 Total Tenant Services                                               | \$76,818      | \$50,000                                             | \$0                      | \$2,329                                                                              | \$20,763                        | \$52,494                                                     | \$9,680                                              | \$5,533                                       |
| 93100 Water                                                               | \$55,999      | \$0                                                  | \$1,745                  | \$9,884                                                                              | \$0                             |                                                              |                                                      |                                               |
| 93200 Electricity                                                         | \$130,800     | \$0                                                  | \$1,168                  | \$11,105                                                                             | \$0                             |                                                              |                                                      |                                               |
| 93300 Gas                                                                 | \$49,655      | \$0                                                  | \$1,570                  | \$2,491                                                                              | \$0                             |                                                              |                                                      |                                               |
| 93600 Sewer                                                               | \$104,842     | \$0                                                  | \$2,289                  | \$19,406                                                                             | \$0                             |                                                              |                                                      |                                               |
| 93800 Other Utilities Expense                                             | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 93000 Total Utilities                                                     | \$341,296     | \$0                                                  | \$6,772                  | \$42,886                                                                             | \$0                             | \$0                                                          | \$0                                                  | \$0                                           |
| 94100 Ordinary Maintenance and Operations - Labor                         | \$397,274     | \$0                                                  | \$470                    | \$46,807                                                                             | \$0                             |                                                              |                                                      | \$40,821                                      |
| 94200 Ordinary Maintenance and Operations - Materials and Other           | \$78,065      | \$0                                                  | \$141                    | \$4,452                                                                              | \$0                             |                                                              | \$1,792                                              | \$12,284                                      |
| 94300 Ordinary Maintenance and Operations Contracts                       | \$119,219     | \$0                                                  | \$6,841                  | \$37,925                                                                             | \$0                             |                                                              |                                                      |                                               |
| 94500 Employee Benefit Contributions - Ordinary Maintenance               | \$95,195      | \$0                                                  | \$92                     | \$12,516                                                                             | \$0                             |                                                              |                                                      | \$7,144                                       |
| 94000 Total Maintenance                                                   | \$689,753     | \$0                                                  | \$7,544                  | \$101,700                                                                            | \$0                             | \$0                                                          | \$1,792                                              | \$60,249                                      |
| 95200 Protective Services - Other Contract Costs                          | \$44,036      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 95300 Protective Services - Other                                         | \$9,819       | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 95000 Total Protective Services                                           | \$53,855      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             | \$0                                                          | \$0                                                  | \$0                                           |
| 96110 Property Insurance                                                  | \$106,402     | \$0                                                  | \$3,380                  | \$12,778                                                                             | \$0                             |                                                              |                                                      |                                               |
| 96120 Liability Insurance                                                 | \$18,165      | \$0                                                  | \$708                    | \$1,017                                                                              | \$0                             |                                                              | \$1,730                                              |                                               |
| 96130 Workmen's Compensation                                              | \$16,034      | \$0                                                  | \$165                    | \$1,231                                                                              | \$0                             |                                                              | \$10,601                                             |                                               |
| 96140 All Other Insurance                                                 | \$4,584       | \$0                                                  | \$612                    | \$2,592                                                                              | \$0                             |                                                              | \$218                                                |                                               |
| 96100 Total Insurance Premiums                                            | \$145,185     | \$0                                                  | \$4,865                  | \$17,618                                                                             | \$0                             | \$0                                                          | \$12,549                                             | \$0                                           |
| 96200 Other General Expenses                                              | \$0           | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              | \$2,244                                              |                                               |
| 96300 Payments in Lieu of Taxes                                           | \$93,587      | \$0                                                  | \$0                      | \$0                                                                                  | \$0                             |                                                              |                                                      |                                               |
| 96400 Bad debt - Tenant Rents                                             | \$26,646      | \$0                                                  | -\$15                    | \$3,126                                                                              | \$0                             |                                                              |                                                      |                                               |
| 96000 Total Other General Expenses                                        | \$122,233     | \$0                                                  | -\$15                    | \$3,126                                                                              | \$0                             | \$0                                                          | \$2,244                                              | \$0                                           |
| 96900 Total Operating Expenses                                            | \$2,116,196   | \$50,000                                             | \$29,868                 | \$290,572                                                                            | \$35,190                        | \$52,494                                                     | \$777,772                                            | \$100,756                                     |
| 97000 Excess of Operating Revenue over Operating Expenses                 | -\$732,021    | \$448,797                                            | \$47,645                 | \$155,073                                                                            | \$18,270                        | \$0                                                          | -\$767,634                                           | \$0                                           |
| 97300 Housing Assistance Payments                                         | \$0           | \$444,943                                            | \$0                      | \$0                                                                                  | \$46,206                        |                                                              | \$4,791,363                                          |                                               |
| 97400 Depreciation Expense                                                | \$640,824     | \$0                                                  | \$40,779                 | \$67,235                                                                             | \$0                             |                                                              | \$10,688                                             |                                               |
| 90000 Total Expenses                                                      | \$2,757,020   | \$494,943                                            | \$70,647                 | \$357,607                                                                            | \$81,396                        | \$52,494                                                     | \$5,579,623                                          | \$100,756                                     |
| 10010 Operating Transfer In                                               | \$2,272,295   | \$0                                                  | \$0                      | \$0                                                                                  | \$23,629                        |                                                              | \$8,793,621                                          |                                               |
| 10020 Operating transfer Out                                              | -\$201,410    | -\$18,950                                            | \$0                      | \$0                                                                                  | \$0                             |                                                              | -\$2,092,814                                         |                                               |
| 10100 Total Other financing Sources (Uses)                                | \$2,070,885   | -\$18,950                                            | \$0                      | \$0                                                                                  | \$23,629                        | \$0                                                          | \$6,700,807                                          | \$0                                           |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | \$698,040     | -\$15,096                                            | \$6,866                  | \$87,838                                                                             | -\$3,307                        | \$0                                                          | \$1,131,122                                          | \$0                                           |
| 11030 Beginning Equity                                                    | \$12,254,291  | \$177,295                                            | \$1,362,540              | \$2,174,092                                                                          | \$753,285                       | \$0                                                          | \$1,990,069                                          | \$0                                           |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$0           |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11170 Administrative Fee Equity                                           | \$0           |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11180 Housing Assistance Payments Equity                                  |               |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11190 Unit Months Available                                               | 4331          | 451                                                  | 180                      | 696                                                                                  | 0                               |                                                              | 8784                                                 |                                               |
| 11210 Number of Unit Months Leased                                        | 4259          | 451                                                  | 161                      | 688                                                                                  | 0                               |                                                              | 8632                                                 |                                               |
| 11270 Excess Cash                                                         | \$2,796,149   |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11620 Building Purchases                                                  | \$972,203     |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11640 Furniture & Equipment - Administrative Purchases                    | \$51,421      |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |
| 11650 Leasehold Improvements Purchases                                    | \$27,826      |                                                      |                          |                                                                                      |                                 |                                                              |                                                      |                                               |

| 14.267 Continuum of Care Program | 14.OPS MTW Demonstration Program for Low Rent | 14.CFP MTW Demonstration Program for Capital Fund | 14.HCV MTW Demonstration Program for HCV program | 10.569 Emergency Food Assistance Program (Food Commodities) | 14.871 Housing Choice Vouchers | 14.896 PIH Family Self-Sufficiency Program | 14.879 Mainstream Vouchers | 14.MSC Mainstream CARES Act Funding | 14.HCC HCV CARES Act Funding | Subtotal      | ELIM          | Total        |
|----------------------------------|-----------------------------------------------|---------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------|--------------------------------|--------------------------------------------|----------------------------|-------------------------------------|------------------------------|---------------|---------------|--------------|
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$1,522,426   |               | \$1,522,426  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$37,423      |               | \$37,423     |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$1,559,849   | \$0           | \$1,559,849  |
| \$107,998                        | \$950,311                                     | \$276,919                                         | \$6,660,314                                      |                                                             | \$317,869                      | \$223,577                                  | \$134,680                  |                                     | \$53,373                     | \$9,501,886   |               | \$9,501,886  |
|                                  |                                               | \$841,955                                         |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$841,955     |               | \$841,955    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$156,037     |               | \$156,037    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$20,568      |               | \$20,568     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$111,393     |               | \$111,393    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | -\$714        |               | -\$714       |
| \$107,998                        | \$950,311                                     | \$1,118,874                                       | \$6,660,314                                      | \$0                                                         | \$317,869                      | \$223,577                                  | \$134,680                  | \$0                                 | \$53,373                     | \$12,190,974  | \$0           | \$12,190,974 |
| \$7,707                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$39,653      |               | \$1,138,134  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$14,310      |               | \$14,310     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$420         |               | \$420        |
| \$1,319                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     | \$6,884                      | \$282,319     |               | \$282,319    |
| \$1,181                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$66,811      |               | \$66,811     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$16,451      |               | \$16,451     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$2,178       |               | \$2,178      |
| \$6,132                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     | \$6,222                      | \$168,054     |               | \$168,054    |
| \$16,339                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$52,759                     | \$1,690,677   | \$0           | \$1,690,677  |
| \$24,572                         |                                               |                                                   |                                                  |                                                             |                                | \$175,378                                  |                            |                                     |                              | \$301,488     |               | \$301,488    |
| \$3,810                          |                                               |                                                   |                                                  |                                                             |                                | \$47,649                                   |                            |                                     |                              | \$74,388      |               | \$74,388     |
| \$54,061                         |                                               |                                                   |                                                  |                                                             |                                | \$550                                      |                            |                                     |                              | \$147,761     |               | \$147,761    |
| \$82,443                         | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$223,577                                  | \$0                        | \$0                                 | \$0                          | \$523,637     | \$0           | \$523,637    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$67,628      |               | \$67,628     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$143,073     |               | \$143,073    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$53,716      |               | \$53,716     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$126,537     |               | \$126,537    |
| \$3,778                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$3,778       |               | \$3,778      |
| \$3,778                          | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$394,732     | \$0           | \$394,732    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$485,372     |               | \$485,372    |
| \$1,429                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     | \$614                        | \$98,777      |               | \$98,777     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$163,985     |               | \$163,985    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$114,947     |               | \$114,947    |
| \$1,429                          | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$614                        | \$863,081     | \$0           | \$863,081    |
| \$4,009                          |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$48,045      |               | \$48,045     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$9,819       |               | \$9,819      |
| \$4,009                          | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$57,864      | \$0           | \$57,864     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$122,560     |               | \$122,560    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$21,620      |               | \$21,620     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$28,031      |               | \$28,031     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$8,006       |               | \$8,006      |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$180,217     | \$0           | \$180,217    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$2,244       |               | \$2,244      |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$93,587      |               | \$93,587     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$31,757      |               | \$31,757     |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$0                                        | \$0                        | \$0                                 | \$0                          | \$127,588     | \$0           | \$127,588    |
| \$107,998                        | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$0                            | \$223,577                                  | \$0                        | \$0                                 | \$53,373                     | \$3,837,796   | \$0           | \$3,837,796  |
| \$0                              | \$950,311                                     | \$1,118,874                                       | \$6,660,314                                      | \$0                                                         | \$317,869                      | \$0                                        | \$134,680                  | \$0                                 | \$0                          | \$8,353,178   | \$0           | \$8,353,178  |
|                                  |                                               |                                                   |                                                  |                                                             | \$291,429                      |                                            | \$160,944                  |                                     |                              | \$5,734,885   |               | \$5,734,885  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$759,526     |               | \$759,526    |
| \$107,998                        | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$291,429                      | \$223,577                                  | \$160,944                  | \$0                                 | \$53,373                     | \$10,332,207  | \$0           | \$10,332,207 |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$11,089,545  | -\$11,089,545 | \$0          |
|                                  | -\$950,311                                    | -\$1,118,874                                      | -\$6,660,314                                     |                                                             | -\$27,453                      |                                            | -\$19,419                  |                                     |                              | -\$11,089,545 | \$11,089,545  | \$0          |
| \$0                              | -\$950,311                                    | -\$1,118,874                                      | -\$6,660,314                                     | \$0                                                         | -\$27,453                      | \$0                                        | -\$19,419                  | \$0                                 | \$0                          | \$0           | \$0           | \$0          |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | -\$1,013                       | \$0                                        | -\$45,683                  | \$0                                 | \$0                          | \$1,858,767   | \$0           | \$1,858,767  |
| \$0                              | \$0                                           | \$0                                               | \$0                                              | \$0                                                         | \$1,013                        | \$0                                        | \$82,240                   | \$0                                 | \$0                          | \$18,794,825  |               | \$18,794,825 |
|                                  |                                               |                                                   |                                                  |                                                             | \$0                            |                                            |                            |                                     |                              | \$0           |               | \$0          |
|                                  |                                               |                                                   |                                                  |                                                             | \$0                            |                                            |                            |                                     |                              | \$0           |               | \$0          |
|                                  |                                               |                                                   |                                                  |                                                             | \$0                            |                                            |                            |                                     |                              | \$0           |               | \$0          |
|                                  |                                               |                                                   |                                                  |                                                             | 540                            |                                            |                            |                                     |                              | 14982         |               | 14982        |
|                                  |                                               |                                                   |                                                  |                                                             | 516                            |                                            |                            |                                     |                              | 14707         |               | 14707        |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$2,796,149   |               | \$2,796,149  |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$872,203     |               | \$872,203    |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$51,421      |               | \$51,421     |
|                                  |                                               |                                                   |                                                  |                                                             |                                |                                            |                            |                                     |                              | \$27,826      |               | \$27,826     |

## Lawrence/Douglas County Housing Authority (KS053)

Lawrence, KS

## Single Project Revenue and Expense

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

Project: KS053000001 EDGEWOOD HOMES

|                                                                           | Low Rent     | Capital Fund | Total Project |
|---------------------------------------------------------------------------|--------------|--------------|---------------|
| 70300 Net Tenant Rental Revenue                                           | \$1,285,517  | \$0          | \$1,285,517   |
| 70400 Tenant Revenue - Other                                              | \$33,005     | \$0          | \$33,005      |
| 70500 Total Tenant Revenue                                                | \$1,318,522  | \$0          | \$1,318,522   |
| 71100 Investment Income - Unrestricted                                    | \$11,506     | \$0          | \$11,506      |
| 71500 Other Revenue                                                       | \$54,390     | \$0          | \$54,390      |
| 71600 Gain or Loss on Sale of Capital Assets                              | -\$243       | \$0          | -\$243        |
| 70000 Total Revenue                                                       | \$1,384,175  | \$0          | \$1,384,175   |
| 91100 Administrative Salaries                                             | \$418,989    | \$36,840     | \$455,829     |
| 91200 Auditing Fees                                                       | \$4,579      | \$0          | \$4,579       |
| 91500 Employee Benefit contributions - Administrative                     | \$99,181     | \$7,725      | \$106,816     |
| 91600 Office Expenses                                                     | \$27,252     | \$0          | \$27,252      |
| 91700 Legal Expense                                                       | \$8,099      | \$0          | \$8,099       |
| 91800 Travel                                                              | \$731        | \$0          | \$731         |
| 91900 Other                                                               | \$81,938     | \$1,712      | \$83,650      |
| 91000 Total Operating - Administrative                                    | \$640,779    | \$46,277     | \$687,056     |
| 92100 Tenant Services - Salaries                                          | \$53,039     | \$0          | \$53,039      |
| 92300 Employee Benefit Contributions - Tenant Services                    | \$13,401     | \$0          | \$13,401      |
| 92400 Tenant Services - Other                                             | \$9,291      | \$1,087      | \$10,378      |
| 92500 Total Tenant Services                                               | \$75,731     | \$1,087      | \$76,818      |
| 93100 Water                                                               | \$55,999     | \$0          | \$55,999      |
| 93200 Electricity                                                         | \$130,800    | \$0          | \$130,800     |
| 93300 Gas                                                                 | \$49,655     | \$0          | \$49,655      |
| 93600 Sewer                                                               | \$104,842    | \$0          | \$104,842     |
| 93000 Total Utilities                                                     | \$341,296    | \$0          | \$341,296     |
| 94100 Ordinary Maintenance and Operations - Labor                         | \$397,274    | \$0          | \$397,274     |
| 94200 Ordinary Maintenance and Operations - Materials and Other           | \$59,739     | \$18,326     | \$78,065      |
| 94300 Ordinary Maintenance and Operations Contracts                       | \$119,219    | \$0          | \$119,219     |
| 94500 Employee Benefit Contributions - Ordinary Maintenance               | \$95,195     | \$0          | \$95,195      |
| 94000 Total Maintenance                                                   | \$671,427    | \$18,326     | \$689,753     |
| 95200 Protective Services - Other Contract Costs                          | \$44,036     | \$0          | \$44,036      |
| 95300 Protective Services - Other                                         | \$0          | \$9,819      | \$9,819       |
| 95000 Total Protective Services                                           | \$44,036     | \$9,819      | \$53,855      |
| 96110 Property Insurance                                                  | \$106,402    | \$0          | \$106,402     |
| 96120 Liability Insurance                                                 | \$18,165     | \$0          | \$18,165      |
| 96130 Workmen's Compensation                                              | \$16,034     | \$0          | \$16,034      |
| 96140 All Other Insurance                                                 | \$4,584      | \$0          | \$4,584       |
| 96100 Total Insurance Premiums                                            | \$145,185    | \$0          | \$145,185     |
| 96300 Payments in Lieu of Taxes                                           | \$93,587     | \$0          | \$93,587      |
| 96400 Bad debt - Tenant Rents                                             | \$28,646     | \$0          | \$28,646      |
| 96000 Total Other General Expenses                                        | \$122,233    | \$0          | \$122,233     |
| 96900 Total Operating Expenses                                            | \$2,040,687  | \$75,509     | \$2,116,196   |
| 97000 Excess of Operating Revenue over Operating Expenses                 | -\$656,512   | -\$75,509    | -\$732,021    |
| 97400 Depreciation Expense                                                | \$640,824    | \$0          | \$640,824     |
| 90000 Total Expenses                                                      | \$2,681,511  | \$75,509     | \$2,757,020   |
| 10010 Operating Transfer In                                               | \$1,153,421  | \$1,118,874  | \$2,272,295   |
| 10020 Operating transfer Out                                              | \$0          | -\$201,410   | -\$201,410    |
| 10100 Total Other financing Sources (Uses)                                | \$1,153,421  | \$917,464    | \$2,070,885   |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | -\$143,915   | \$841,955    | \$698,040     |
| 11030 Beginning Equity                                                    | \$12,254,291 | \$0          | \$12,254,291  |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors | \$841,955    | -\$841,955   | \$0           |
| 11190 Unit Months Available                                               | 4331         |              | 4331          |
| 11210 Number of Unit Months Leased                                        | 4259         |              | 4259          |
| 11270 Excess Cash                                                         | \$2,796,149  |              | \$2,796,149   |
| 11620 Building Purchases                                                  | \$85,341     | \$786,862    | \$872,203     |
| 11640 Furniture & Equipment - Administrative Purchases                    | \$24,154     | \$27,267     | \$51,421      |
| 11650 Leasehold Improvements Purchases                                    | \$0          | \$27,826     | \$27,826      |

LAWRENCE - DOUGLAS COUNTY HOUSING AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2020

| FEDERAL GRANTOR                                                        | CONTRACT<br>NUMBER | FEDERAL<br>CFDA<br>NUMBER | FEDERAL<br>EXPENDITURES     |
|------------------------------------------------------------------------|--------------------|---------------------------|-----------------------------|
| <b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>               |                    |                           |                             |
| <b>Section 8 Housing Assistance Payments - Special Allocations</b>     |                    |                           |                             |
| Clinton Place                                                          | KS40-0156-026      | 14.195                    | \$ 280,965.06               |
| <b>Housing Voucher Cluster</b>                                         |                    |                           |                             |
| Section 8 Housing Choice Voucher - Veterans Affairs Supportive Housing | KS053              | 14.871                    | 317,869.50                  |
| Mainstream Vouchers                                                    | KS053              | 14.879                    | 134,680.00                  |
|                                                                        |                    |                           | <u>452,549.50</u>           |
| <b>Moving to Work Demonstration Program</b>                            |                    |                           |                             |
| Capital Funds                                                          | FW 1454            | 14.881                    | 1,118,874.34                |
| Public Housing                                                         | FW 1454            | 14.881                    | 950,311.00                  |
| Public Housing - CARES Act                                             | FW 1454            | 14.881                    | 100,756.23                  |
| MTW Housing Choice Voucher                                             | KS053              | 14.881                    | 6,660,314.00                |
| MTW Housing Choice Voucher - CARES Act                                 | KS053              | 14.881                    | 53,373.29                   |
|                                                                        |                    |                           | <u>8,883,628.86</u>         |
| <b>Resident Opportunities and Self-Sufficiency (ROSS) Program</b>      |                    |                           |                             |
| Public Housing - Service Coordinators Program                          | FW 1454            | 14.870                    | 52,493.88                   |
| <b>Resident Opportunities and Self-Sufficiency-FSS</b>                 |                    |                           |                             |
| Public Housing                                                         | FW 1454            | 14.896                    | 223,577.26                  |
| <b>Continuum of Care</b>                                               |                    |                           |                             |
| Public Housing                                                         | FW 1454            | 14.267                    | 107,997.57                  |
| <b>HOME Investment Partnerships Program</b>                            |                    |                           |                             |
| <i>Passed thru the City of Lawrence, Kansas</i>                        | N/A                | 14.239                    | 260,922.51                  |
| <i>Passed thru the Kansas Housing Resources Corporation</i>            | 1000219            | 14.239                    | 81,707.49                   |
|                                                                        |                    |                           | <u>342,630.00</u>           |
| TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT                 |                    |                           | <u>10,343,842.13</u>        |
| <b>U.S. DEPARTMENT OF AGRICULTURE:</b>                                 |                    |                           |                             |
| <b>Emergency Food Assistance Program</b>                               |                    |                           |                             |
| <i>Passed thru Harvesters Community Food Network - Noncash</i>         | N/A                | 10.569                    | 23,780.40                   |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE                                   |                    |                           | <u>23,780.40</u>            |
| TOTAL FEDERAL AWARDS EXPENDED \$                                       |                    |                           | <u><u>10,367,622.53</u></u> |

Notes to the Schedule

1. The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Lawrence - Douglas County Housing Authority and is presented on the HUD basis of accounting. The information in this schedule is presented in accordance with the 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).

2. The entity did not elect to use the 10% de minimus cost rate as covered in § 200.414 Indirect (F&A) costs.

## SINGLE AUDIT SECTION

**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***

**Independent Auditor's Report**

To the Board of Commissioners  
Lawrence-Douglas County Housing Authority  
Lawrence, Kansas

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 Lawrence-Douglas County Housing Authority as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Lawrence-Douglas County Housing Authority's basic financial statements, and have issued our report thereon dated April 20, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Lawrence-Douglas County Housing Authority's internal control over financial reporting (internal control) as a basis for designing 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 Lawrence-Douglas County Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Lawrence-Douglas County Housing Authority'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lawrence-Douglas County Housing Authority'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 financial statements. 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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Niewedde & Wiens, CPAs*

York, Nebraska  
April 20, 2021

**Report on Compliance For Each Major Federal Program; Report on  
Internal Control Over Compliance Required by the Uniform Guidance**

Independent Auditor's Report

To the Board of Commissioners  
Lawrence-Douglas County Housing Authority  
Lawrence, Kansas

**Report on Compliance for Each Major Federal Program**

We have audited Lawrence-Douglas County Housing Authority'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 Lawrence-Douglas County Housing Authority's major federal programs for the year ended December 31, 2020. Lawrence-Douglas County Housing Authority'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Lawrence-Douglas County Housing Authority'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, Cost 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 Lawrence-Douglas County Housing Authority'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 Lawrence-Douglas County Housing Authority's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Lawrence-Douglas County Housing Authority 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 December 31, 2020.

## Report on Internal Control Over Compliance

Management of Lawrence-Douglas County Housing Authority 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 Lawrence-Douglas County Housing Authority'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 Lawrence-Douglas County Housing Authority'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.

*Niewedde & Wiens, CPAs*

York, Nebraska  
April 20, 2021



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
December 31, 2020

The audit report for the year ended December 31, 2019 contained no findings and no questioned costs.

LAWRENCE-DOUGLAS COUNTY HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
December 31, 2020

**Section I - Summary of Auditors Results:**

- We issued an unmodified opinion on the basic financial statements of the Lawrence-Douglas County Housing Authority for the fiscal year ended December 31, 2020.

**Financial Statements:**

- The results of our audit procedures disclosed no material weaknesses and no significant deficiencies in internal control over financial reporting for the fiscal year ended December 31, 2020.
- No instances of noncompliance which are material to the financial statements for the fiscal year ended December 31, 2020 were noted.

**Federal Awards:**

- We issued an unmodified opinion on compliance for the major program for the fiscal year ended December 31, 2020.
- The results of our audit procedures disclosed no material weaknesses or significant deficiencies in internal control over major programs for the fiscal year ended December 31, 2020.
- The results of our audit procedures disclosed no audit findings that are required to be reported under code § .516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- The programs identified and audited as major are as follows: Move To Work (14.881).
- The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- For the fiscal year ended December 31, 2020, the Lawrence-Douglas County Housing Authority qualified as a low-risk auditee.

**Section II - Financial Statement Findings:**

NONE

**Section III - Federal Award Findings and Questioned Costs:**

NONE

## AGREED-UPON PROCEDURE

Randal D. Niewedde, CPA  
Jeffrey J. Wiens, CPA

## Independent Accountant's Report on Applying Agreed-Upon Procedure

To the Board of Commissioners  
Lawrence-Douglas County Housing Authority  
Lawrence, Kansas

We have performed the procedure enumerated in the second paragraph of this report, which was agreed to by the Lawrence-Douglas County Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with related hard copy documents. The Lawrence-Douglas County Housing Authority is responsible for the accuracy and completeness of the electronic submission. 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 enumerated 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 chart below under the "UFRS Rule Information" column with the corresponding printed documents listed in the chart under the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below:

| Procedures | UFRS Rule Information                                                                  | Hard Copy Document(s)                                                           | Findings |
|------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|----------|
| 1          | Balance Sheet and Revenue and Revenue and Expense (account numbers 111 to 13901)       | Financial Data Schedule, all CFDA's, if applicable.                             | Agrees   |
| 2          | Footnotes (data element G5000-010)                                                     | Footnotes to audited basic financial statements                                 | Agrees   |
| 3          | Type of opinion on FDS (date element G3100-040)                                        | Auditor's supplemental report on FDS                                            | Agrees   |
| 4          | Audit findings narrative (data element G5200-010)                                      | Schedule of Findings and Questioned Costs                                       | Agrees   |
| 5          | General information (data element series G2000, G2100, G2200, G9000, G9100)            | OMB Data Collection Form                                                        | Agrees   |
| 6          | Financial statement report information (data element G3000-010 to G3000-50)            | Schedule of Findings and Questioned Costs, Part 1 and OMD Data Collection Form. | Agrees   |
| 7          | 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   |
| 8          | Type of Compliance Requirement (G4200-020 & G4000-030)                                 | OMB Data Collection Form                                                        | Agrees   |
| 9          | Basic financial statements and auditor reports required to be submitted electronically | Basic financial statements (inclusive of auditor reports)                       | Agrees   |

This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in the *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the electronic submission of the items listed in the "UFRS Rule Information" column in the chart below. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

We were engaged to perform an audit in accordance with 2 CFR 200, Subpart F, *Audit Requirements* for the Lawrence-Douglas County Housing Authority as of and for the year ended December 31, 2020, and have issued our report thereon dated April 20, 2021. 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 Lawrence-Douglas County Housing Authority's Financial Data Schedule dated April 20, 2021, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the financial statement package and the FDS, which includes the auditor's report, is available in its entirety from the Lawrence-Douglas County Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit report.

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.

*Niewedde & Wiens, CPAs*

April 20, 2021