



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Fort Worth Regional Office, Region VI  
Office of Public Housing  
307 W. 7<sup>th</sup> Street, Ste. 1000  
Fort Worth, TX 76102  
Phone: 817-978-5700

January 18, 2023

Mr. Tony Rios  
Executive Director  
Housing Authority of Rockwall  
100 Lake Meadows Drive  
Rockwall, TX 75087  
Email: [torios@swbell.net](mailto:torios@swbell.net)

Dear Mr. Rios:

SUBJECT: Housing Authority of Rockwall – TX095  
Audit Review for Fiscal Years Ended September 30, 2020  
and September 30, 2021

This letter is to acknowledge receipt of the Housing Authority of Rockwall Audit Reports prepared by Dennis L. Rick, LTD for the fiscal years ended September 30, 2020, and September 30, 2021.

We are pleased to note that the reports contained no audit findings or questioned costs; therefore, a response is not required.

If you have any questions or concerns pertaining to this letter, please contact Arthur Ray Carter, Portfolio Management Specialist by email at [arthur.r.carter@hud.gov](mailto:arthur.r.carter@hud.gov) or by phone at 817-978-5721.

Sincerely,

Digitally signed by: **BYRON GULLEY**

Byron Gulley  
Director  
Office of Public Housing

cc: Honorable Jim Pruitt, Mayor  
Email: [KCole@rockwall.com](mailto:KCole@rockwall.com)



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

ROCKWALL, TEXAS

REPORT ON AUDIT OF

FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

TWELVE MONTHS ENDED SEPTEMBER 30, 2021

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report		1-2
<u>Required Supplemental Information</u>		
Management's Discussion and Analysis		3-6
<u>Financial Statements</u>		
Statement of Net Position	A	7
Statement of Activities	B	8
Statements of Cash Flows	C	9
Notes to Financial Statements		10-17
<u>Other Required Reports and Schedules</u>		
Independent Auditor's 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		18-19
Schedule of Expenditures of Federal Awards		20
Schedule of Finding sand Questioned Costs		21
<u>Supplementary Information</u>		
Statement of Net Position Combining FDS Schedule		22-23
Statement of Activities Combining FDS Schedule		24-26



# DENNIS L. RICK, P.C.

## CERTIFIED PUBLIC ACCOUNTANTS

Texas Society of Certified Public Accountants  
Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA

### INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
The Housing Authority of the City of Rockwall  
Rockwall, Texas

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Housing Authority of the City of Rockwall, which comprise the statement of net position as of September 30, 2021, and the related statements of activities and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the 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 Housing Authority of the City of Rockwall as of September 30, 2021, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 19 to 23 is presented for purposes of additional analysis as required by the *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying 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*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 June 3, 2022, on our consideration of the Housing Authority of the City of Rockwall'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 Housing Authority of the City of Rockwall'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 the Housing Authority of the City of Rockwall's internal control over financial reporting and compliance.

*Dennis L. Rick, P.C.*

Frisco, Texas  
June 8, 2022

Auditor: Dennis L. Rick, CPA  
EIN: 41-1828496



# **HOUSING AUTHORITY OF THE CITY OF ROCKWALL**

## **HOUSING AUTHORITY OF THE CITY OF ROCKWALL, TEXAS**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The Management's Discussion and Analysis is intended to serve as introduction to the Housing Authority's financial statements. The Housing Authority's basic financial statements are comprised of two components: fund financial statements and notes to the financial statements. The Housing Authority has one fund, Proprietary fund. Proprietary funds are reported in the same way as government-wide statements, only in more detail. The Housing Authority maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The Housing Authority uses an enterprise fund to account for its Public Housing Program, Section 8 Project, Capital Program and CARES Programs.

The year started off with changing of board members. Two new members were sworn in. Unfortunately the Chair Chandra Karlen was termed out. Mrs. Karlen was presented with an award by board, staff and residents for an outstanding performance while Chair for the Rockwall Housing Authority. Peter Flores was elected Chairman and Joe Lynch was elected Vice-Chairman.

The Housing Authority felt the aftereffects of the COVID pandemic. While we had a small group that caught COVID we had a number of residents (10) pass away or move out after COVID. We also experienced an increase in Section 8 HAP payments for some residents. This was due to the loss of job during COVID. During early summer the Housing Authority arranged for all residents to receive a COVID shot. Staff worked with local authorities to bring the nurses and shots to the building. This was a very successful endeavor.

During the spring the Housing Authority agreed to contact with an architectural firm. The purpose of doing this was to prepare for the installation of windows in project 1 and 2. The board agreed with contracting with Quorum Architects to perform the specification and write-ups. This company was a spin-off of Alread Architects. Mr. Cameron Alread retired and most of his staff merged into Quorum.

In early May one resident pass away inside his apartment in project 2. When securing the property staff and board member discovered \$123,000 in cash in various places throughout the apartment. The police was called out and advise the Executive Director and Board member to bring the money to the bank. Afterwards the board voted to hire an attorney to advise HUD and local authorities of the discovery. Rockwall Housing Authority received a letter from the Department of Housing and Urban Development informing RHA that they should proceed with the funds as they wish. RHA proceeded as advised by the attorney.

Financially the Housing Authority retained a successful leasing average of 98% occupancy. Rents was collected timely and no major problems existed. Maintenance was performing well with few problems. The Housing Authority was working with the Fire Marshal to insure all requirements were met. Over all it was an unusual year.



## FINANCIAL HIGHLIGHTS:

Key financial assets from the fiscal year 2021 include the following:

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent year by \$1,463,511 (net position).
- The Housing Authorities total net position from operations increased \$64,758.
- Total expenses decreased \$28,310 from the prior year.
- Total revenue increased \$73,226 from the prior year. This was due to an increase in federal grants in the Housing Subsidy Program and the Capital Grants Program from the prior year.
- At the end of the current year, unrestricted net assets compromised 25.49% of the net position.

## OVERVIEW OF THE FINANCIAL STATEMENTS:

The Authority's financial statements are designed to be corporate-like in that all business-type activities are consolidated into columns, which add to a total for the entire Authority.

These statements, which are presented on the accrual basis, consist of the *Statement of Net Position*, which is similar to a Balance Sheet. The *Statement of Net Position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position, formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-Current".

The purpose of the *Statement of Net Position* (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly equity) is reported in three broad categories (as applicable):

Net Investment in Capital Assets: This component of net position consists of all capital assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position: This component of net position consists of restricted net position which constraints are placed on assets by creditors (such as debt covenants), grantors, contributions, laws, regulations, etc.

Unrestricted Net Position: Consists of net position that does not meet the definition of "Net Investment in Capital Assets" or "Restricted Net Position".

The Authorities financial statements also include a *Statement of Activities* (similar to an Income Statement). This statement includes all of the revenues and expenses of the Authority regardless of when the cash is received or paid. The focus of the *Statement of Activities* is the "Change in Net Position", which is similar to Net Income or Loss.

The *Statement of Cash Flows* discloses net cash provided by or used for operating activities, investing activities and financing activities.

The Authority consists exclusively of Enterprise Funds. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method is similar to accounting utilized by the private sector accounting.



Many of the programs maintained by the Authority are done so as required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Conventional Public Housing: Under the conventional Public Housing Program, the Authority rents units it owns to low-income households. This program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30 percent of adjusted gross household income.

Section 8 Choice Voucher Program: Under the Section 8 Voucher Program, low-income tenants lease housing units directly from private landlords rather than from the Authority. Through Annual Contribution Contracts with HUD, the Authority receives funding to subsidize the rent of low-income families in the private market.

Capital Fund Program (CFP): The Capital Fund Program provides funding to improve the physical conditions and upgrade management of operations to ensure that properties continue to be available to service low-income families. Separate ACC's are executed for this annual allotment of funding.

Public Housing CARES Act Funding Program: The program provides funding to cover additional costs in ordinary maintenance that are due to COVID-19.

HCV CARES Act Funding Program: The program provides funding to cover additional administrative and other related costs that are due to COVID-19.

#### Notes to the Financial Statements

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

#### Net Position

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Housing Authority, assets exceeded liabilities by \$1,463,511 at the close of the most recent fiscal year. By far the largest portion of the Housing Authority's assets (65.31%) reflects its investment in capital assets (land, buildings and equipment). The Housing Authority uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. A summary of the Housing Authority's net position as of September 30, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Current assets	\$ 534,641	\$ 453,486
Restricted cash	44,496	9,850
Capital assets	1,090,458	1,133,161
<b>Total Assets</b>	<u>1,669,595</u>	<u>1,596,497</u>
Current liabilities	134,466	126,126
Long-term liabilities	71,618	71,618
<b>Total Liabilities</b>	<u>206,084</u>	<u>197,744</u>
Net position		
Net investment in capital assets	1,090,458	1,133,161
Unrestricted	373,053	265,592
<b>Total Net Position</b>	<u>1,463,511</u>	<u>1,398,753</u>
<b>Total Liabilities &amp; Net Position</b>	<u>\$ 1,669,595</u>	<u>\$ 1,596,497</u>



# FINANCIAL ANALYSIS OF THE HOUSING AUTHORITY'S FINANCIAL STATEMENTS:

A summary of the Housing Authority's change in net position for the year ended September 30, 2021 and 2020 is as follows:

	2021	2020
<b>Revenue:</b>		
Tenant revenue	\$ 222,031	\$ 228,295
HUD operating grants	551,584	480,379
Other revenue	19,583	25,769
<b>Total revenue</b>	<u>793,198</u>	<u>734,443</u>
<b>Expenses:</b>		
Administration	196,386	196,435
Tenant Services	150	30
Utilities	66,213	91,856
Maintenance & operations	140,438	153,968
General expense	8,212	9,508
Housing assistance payments	280,322	265,729
Depreciation	98,009	97,514
<b>Total expenses</b>	<u>786,730</u>	<u>815,040</u>
Operating (loss)	6,468	( 80,597)
Capital grant	58,224	43,796
Interest income	66	23
<b>Change in Net Position</b>	<u>64,758</u>	<u>( 36,778)</u>
<b>Net Position - Beginning</b>	<u>1,398,753</u>	<u>1,435,531</u>
<b>Net Position - Ending</b>	<u>\$ 1,463,511</u>	<u>\$ 1,398,753</u>

In comparison to prior year, total tenant revenue decreased \$6,186. HUD grants and revenue increased overall \$71,205, mainly due to the Capital Grants Programs and HUD subsidy. In the current year total expenses decreased \$28,310 over the prior year.

## CAPITAL ASSET:

The Housing Authority's investment in capital assets at September 30, 2021 and 2020 amounts to \$1,090,458 and \$1,133,161, respectively. This investment in capital assets included land, buildings, improvements, equipment and construction in progress. The total increase in the Housing Authority's investment in capital assets for the current year was \$55,306 or 0.01%.

	2021	2020
<b>Capital Assets</b>		
Land	\$ 88,443	\$ 88,443
Buildings	4,427,701	4,373,682
Leasehold Improvement	190,754	190,754
Property and Equipment	127,955	121,646
Construction in Progress	171,977	176,999
<b>Total Capital Assets</b>	<u>5,006,830</u>	<u>4,951,524</u>
Less: Accumulated Depreciation	( 3,916,372)	( 3,818,363)
<b>Total</b>	<u>\$ 1,090,458</u>	<u>\$ 1,133,161</u>

## FINANCIAL CONTACT:

The Housing Authority's financial statements are designed to present users with a general overview of the Housing Authority's finances and demonstrate the Housing Authority's accountability. If you have questions or need additional information, contact the Housing Authority's executive director at 100 Lake Meadows, Rockwall, TX 75087.



**HOUSING AUTHORITY OF THE CITY OF ROCKWALL, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

<b>ASSETS:</b>	<b>BUSINESS TYPE ACTIVITIES</b>
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents	\$ 428,134
Accounts receivable - tenants (net)	34,046
Accounts receivable - restricted	9,850
Restricted cash - tenant security deposits	613
Accounts receivable - HUD	106,114
Inventory	380
<b>TOTAL CURRENT ASSETS</b>	<u>579,137</u>
<b>CAPITAL ASSETS:</b>	
Land	88,443
Buildings	4,427,701
Furniture and equipment	127,955
Leasehold improvements	190,754
Construction in progresss	171,977
Less: Accumulated depreciation	(3,916,372)
<b>TOTAL CAPITAL ASSETS</b>	<u>1,090,458</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,669,595</u>
<b>LIABILITIES:</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 6,362
Accrued compensated absences - current	7,958
Tenant's security deposits	10,275
Accrued expenses	4,171
Deferred revenue	105,700
<b>TOTAL CURRENT LIABILITIES</b>	<u>134,466</u>
<b>NONCURRENT LIABILITIES:</b>	
Accrued compensated absences - long-term	71,618
<b>TOTAL LIABILITIES</b>	<u>206,084</u>
<b>NET POSITION:</b>	
Net investment in capital assets	1,090,458
Unrestricted	373,053
<b>TOTAL NET POSITION</b>	<u>1,463,511</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 1,669,595</u>

The accompanying notes are an integral part of these statements.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL, TEXAS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2021

	BUSINESS TYPE ACTIVITIES <u>ENTERPRISE FUND</u>
<b>OPERATING REVENUES:</b>	
Tenant revenue	\$ 222,031
HUD subsidy	247,331
HUD housing assistance	304,253
Other income	19,583
<b>TOTAL OPERATING REVENUES</b>	<u>793,198</u>
<b>OPERATING EXPENSES:</b>	
Administration	193,386
Tenant services	150
Utilities	66,213
Maintenance & operations	140,438
General expense	8,212
Housing assistance payments	280,322
Depreciation	98,009
<b>TOTAL OPERATING EXPENSES</b>	<u>786,730</u>
<b>OPERATING INCOME</b>	6,468
<b>NON-OPERATING REVENUE</b>	
Capital grants	58,224
Interest income	66
<b>TOTAL NON-OPERATING REVENUES</b>	<u>58,290</u>
<b>CHANGES IN NET POSITION</b>	64,758
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>1,398,753</u>
<b>NET POSITION - ENDING OF YEAR</b>	<u>\$ 1,463,511</u>

The accompanying notes are an integral part of these statements.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2021

	BUSINESS TYPE ACTIVITIES ENTERPRISE FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Operating grants received	\$ 494,538
Tenant revenue received	225,296
Other operating receipts	19,583
Cash paid for maintenance and operations	(140,438)
Cash paid for utilities	(83,750)
Cash paid for tenant services	(150)
Cash paid for general expense	(8,212)
Cash paid for general & administrative costs	(190,344)
Cash paid for housing assistance	(280,322)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>36,201</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest earned received	66
Capital grant funds received	58,224
Property and equipment purchased	(55,306)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>2,984</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	39,185
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	432,845
<b>CASH AND CASH EQUIVALENTS - ENDING OF YEAR</b>	<u>\$ 472,030</u>
<b>CASH AND CASH EQUIVALENTS:</b>	
Cash and cash equivalents	\$ 428,134
Cash and cash equivalents - restricted	34,046
Restricted cash - tenant security deposits	9,850
<b>TOTAL CASH AND EQUIVALENTS</b>	<u>\$ 472,030</u>
<b>RECONCILIATION OF NET PROFIT TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income	\$ 6,468
<b>ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Depreciation expense	98,009
Decrease (increase) in accounts receivable	9,968
Decrease (increase) in HUD accounts receivable	(89,424)
Decrease (increase) in rent receivable	2,840
Increase (decrease) in accounts payable	(15,185)
Increase (decrease) in accruals	690
Increase (decrease) in deferred revenue	22,410
Increase (decrease) in tenant security deposits	425
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 36,201</u>

The accompanying notes are an integral part of these statements.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity

The Authority was created under the laws of the State of Texas. The purpose of the Authority is to administer the Public Housing programs and other programs as authorized by the United States Housing Act of 1937, as amended. These programs are subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD).

For financial reporting purposes, the HRA has included all funds, organizations, account groups, agencies, boards, commissions, and authorities for which it is financially accountable. The HRA has also considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the HRA are such that exclusion would cause the HRA's financial statements to be misleading or incomplete. The Governmental accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organizations' governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The HRA has no component units that meet the GASB criteria.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION:

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is tenant rent. Operating expenses for proprietary funds include the cost of housing assistance payments, utilities, sales and services, administrative and general expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) :

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the HRA receives value without directly giving equal value in return, include grants, entitlement and donations. On an accrual basis, revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the HRA must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the HRA on a reimbursement basis.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

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

The HRA reports the following major proprietary fund:

The *Public Housing Fund* requires the U.S. Department of Housing and Urban Development (HUD) to make an annual contribution to cover the HRA's rental assistance payments and administrative expenses.

The Authority did not meet the definition of a major corporation as defined in 200.414. The Authority did not elect to use Indirect Costs, including the 10% de minimus cost rate.

Deposits and Investments

The HRA's cash and cash equivalents are considered to be cash and cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statements of Cash Flows.

Cash balances from all funds are pooled and invested to the extent available in certificates of deposit and other authorized investments. Earnings from such investments are allocated to the respective funds on the basis of applicable participation by each of the funds.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Capital Assets

Capital Assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from fifteen to forty years for leasehold improvements and buildings, and three to seven for equipment. Capital assets that are not being depreciated include land and construction in progress.

HUD Contributions

Federal financial assistance received for operating purposes are recorded as operating revenues, while capital grants are recorded as non-operating revenue.

Activities of the Authority

At September 30, 2021, the Authority had 64 units of low-rent housing under management in its low-income housing program; and is authorized to administer 36 units of Section 8 Housing.

Income Taxes

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond September 30, 2021, are recorded as prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

Inventories

Inventories are recorded using the consumption method of accounting and consist of maintenance and office supplies. Supplies are recorded at invoice costs, computed on a first-in, first-out method.

Unearned Revenue

Unearned revenue represents rental receipts received before the first of the month when due.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Budgetary Accounting

The Authority annually prepares its budget as prescribed by the Department of Housing and Urban Development. This budget is submitted to the Department of Housing and Urban Development, and once approved, is adopted by the Board of the Housing Authority.

Capital Grant

This represents grants provided by HUD that the Authority spends on capital assets.

Net Position

Net position represents the difference between assets and liabilities. Net position is displayed in two components:

1. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
2. Restricted net position - Consists of net position balance restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
3. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the HRA's policy to use restricted resources first, then unrestricted resources as they are needed.

Rent Increases

Under the regulatory agreements, the project may not increase rents without following the HUD requirements.

Compensated Absences

Compensated absences have been accrued in accordance with professional standards.

2. DEPOSITS AND INVESTMENTS:

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the HRA's deposits and investments may be not returned or the HRA will not be able to recover collateral securities in the possession of an outside party. In accordance with Texas statutes as authorized and as Board of Directors, the HRA maintains deposits at those depository banks which are members of the Federal Reserve System. Cash balances from all funds are invested to the extent possible in demand deposit, CD's and money market accounts. Earnings from such investments are recorded in their respective funds.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

2. DEPOSITS AND INVESTMENTS (CONTINUED):

Texas statutes require that all HRA deposits be protected by insurance or collateral. Authorized collateral under Texas Sec 404.0221 is as follows:

1. Direct obligations of or obligations the principal and interest of which are guaranteed by the United States government;
2. Direct obligations of or obligations guaranteed by agencies or instrumentalities of the United States government, including letters of credit; and
3. A general or special obligation issued by a public agency and approved by the attorney general that is payable from taxes, revenues, or both.
4. If pledged collateral consists of securities with a declining principal balance, the market value of the collateral pledged may not be less than 125 percent of the amount of the stated deposits to be secured.
5. Eligible collateral includes only;
  - a. A security with fixed, stated rates; or
  - b. A letter of credit described by Subsection (b) (2) for a stated amount.
6. Collateral is not required for deposits to the extent that the deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund.

At year end, the HRA's carrying amount of deposits was \$471,980 and the bank balance was \$499,834 for the separate bank accounts including checking, money market and a CD account. Of the bank balance, \$499,834 was covered by federal depository insurance. In the entity wide balance sheet summary cash investments of \$161,602 are included in cash and cash equivalents.

A reconciliation of cash and cash equivalent - investments combined with cash and equivalents on the balance sheet is as follows, which totals \$428,134.

Carrying amounts of deposits	
(checking accounts, money markets and CD's)	
Cash on hand	\$ 471,980
Total	50
	<u>\$ 472,030</u>
Cash and cash equivalents	\$ 428,134
Cash and cash equivalents - restricted	34,046
Restricted cash - tenant security deposits	<u>9,850</u>
Total	<u>\$ 472,030</u>



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

3. DETAILED NOTES ON ALL FUNDS:

Capital Assets

Capital asset activity for the year ended September 30, 2021 was as follows:

	<u>September 30</u> <u>2020</u>	<u>Additions</u>	<u>Transfers/</u> <u>Deletions</u>	<u>September 30</u> <u>2021</u>
Capital assets, not being depreciated:				
Land	\$ 88,443	\$ -	\$ -	\$ 88,443
Construction in progress	176,999	-	( 5,002)	171,977
Total capital assets not being depreciated	<u>265,442</u>	<u>-</u>	<u>( 5,002)</u>	<u>260,420</u>
Capital assets, being depreciated:				
Buildings	4,373,682	54,019	-	4,427,701
Leasehold improvements	190,754	-	-	190,754
Property and equipment	121,646	6,309	-	127,955
Total capital assets, being depreciated	<u>\$ 4,686,082</u>	<u>\$ 60,328</u>	<u>\$ -</u>	<u>\$ 4,741,388</u>
Less: accumulated depreciation	<u>(3,818,363)</u>	<u>( 98,009)</u>	<u>-</u>	<u>( 3,916,372)</u>
Total capital assets being depreciated, net	<u>867,719</u>	<u>( 37,681)</u>	<u>-</u>	<u>830,038</u>
Total business-type activities capital assets, net	<u>\$ 1,133,161</u>	<u>\$ ( 37,681)</u>	<u>\$ ( 5,002)</u>	<u>\$ 1,090,458</u>
Depreciation expense activity by fund:				
Public and Indian Housing (low rent)				<u>\$ 98,009</u>

The depreciation expense for the year ended September 30, 2021 was \$98,009.

4. ACCOUNTS RECEIVABLE - TENANT:

Accounts receivable arise in the normal course of business. It is the policy of management to review the outstanding accounts receivable at year end as well as the bad debt write-offs experienced in the past. An allowance for doubtful write-offs was experienced in the past in accordance with professional accounting standards. The allowance for doubtful accounts balance at year end September 30, 2021 is \$68. This is reflected in the accounts receivable tenant net balance of \$613 in the financial statements.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

5. INSURANCE AND 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.

The Authority continues to carry commercial insurance for risks of loss. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

7. FDS SCHEDULE SUBMITTED TO HUD:

For the year ended September 30, 2021, the Authority electronically submitted an unaudited version of the balance sheet, statement of revenues, expenses and changes in net position and other data to HUD as required on the GAAP basis. The FDS schedules are on pages 19-23. The schedules are presented in the manner prescribed by Housing and Urban Development.

7. RETIREMENT PLAN:

The Housing Authority has adopted a money purchase plan for the eligible employees. An independent third party has been selected to administer and act as administrator to the plan. Contributions to the plan for the year ended September 30, 2021 was \$4,000.

8. CONTINGENCIES:

Litigation and Claims:

In the normal course of operation, the Authority may be subject to litigation and claims. At September 30, 2021, the Authority was involved in no matters which management believes would have a material effect on the financial statements.

9. CONTINGENT LIABILITIES:

Under the terms of Federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenses under the terms of the grants. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

SEPTEMBER 30, 2021

10. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS:

The Authority's sole asset is a 64 unit apartment project. The Project's operations are concentrated in the multifamily real estate market. In addition, the Project operates in a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

11. SUBSEQUENT EVENTS:

Management evaluated events and transactions that occurred after the balance sheet date for potential recognition and disclosure through June 8, 2022, the date on which the financial statements were available to be issued.



# DENNIS L. RICK, P.C.

## CERTIFIED PUBLIC ACCOUNTANTS

Texas Society of Certified Public Accountants

Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA

INDEPENDENT AUDITOR'S 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

To the Board of Commissioners  
The Housing Authority of the City of Rockwall  
Rockwall, Texas

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 Housing Authority of the City of Rockwall, which comprise the statement of net position as of September 30, 2021, and the related statement of activities and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 8, 2022.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Rockwall's internal control over financial reporting (internal control) to determine the 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 the Housing Authority of the City of Rockwall's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Rockwall'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 Housing Authority of the City of Rockwall'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 determination of financial statement amounts. 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 results 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.

*Dennis Z. Rick, P.C.*

Frisco, Texas  
June 8, 2022



HOUSING AUTHORITY OF THE CITY OF ROCKWALL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Federal (Deferred) A/R 9-30-20	Revenue	Expend- itures	Federal A/R 9-30-21	Federal Deferred 9-30-21
Low Rent Public Housing	14.850	\$ 16,690	\$ 137,632	\$ 243,570	\$ 89,248	\$ -
Public Housing Capital Fund	14.872	(64,181)	64,501	58,224	-	70,458
Housing Choice Vouchers	14.871	-	287,387	304,253	16,866	-
Public Housing CARES Funding	14.PHC	( 6,285)	20,906	3,761	-	23,430
HCC/HCV CARES Act Funding	14.HCC	(10,616)	-	-	-	10,616
Total		\$ 64,392	\$ 510,426	\$ 609,808	\$106,114	\$104,504

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES:

1. Basis of Presentation - Federal Awards

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Rockwall, under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirement of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (The Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority of the City of Rockwall, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority of the City of Rockwall.

2. Summary of Significant Accounting Principles

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Authority did not meet the definition of a major corporation as defined in 200.414. The Authority did not elect to use indirect costs, including the 10% de minimus cost rate as allowed under the Uniform Guidance.

3. Other Uniform Guidance Information

For the year ended September 30, 2021, the Housing Authority of the City of Rockwall had no expenditures in the form of noncash assistance, no sub-recipients, no federally provided insurance in effect, and no loans or loan guarantees outstanding.



HOUSING AUTHORITY OF THE CITY OF ROCKWALL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SEPTEMBER 30, 2021

CURRENT YEAR FINDINGS

Our audit disclosed no findings that are required to be reported herein under the HUD Consolidated Guide.

SUMMARY OF PRIOR YEAR FINDINGS

None



SUPPLEMENTARY INFORMATION



HOUSING AUTHORITY OF ROCKWALL  
STATEMENT OF NET POSITION  
COMBINING FDS SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Public Housing Low Rent	Housing Choice Vouchers	Housing CARES Act Funding	HCC HCV CARES Act Funding	Total Project
111 Cash - Unrestricted	\$ 169,806	\$ 96,726	\$ -	\$ -	\$ 266,532
113 Cash - Other Restricted	-	-	-	-	-
114 Cash - Tenant Security Deposits	9,850	-	23,430	10,616	34,046
100 Total Cash	<u>179,656</u>	<u>96,726</u>	<u>23,430</u>	<u>10,616</u>	<u>310,428</u>
122 Accounts Receivable - HUD Other Projects	89,248	16,866	-	-	106,114
126 Accounts Receivable - Tenants	681	-	-	-	681
126.1 Allowance for Doubtful Accounts-Tenants	(68)	-	-	-	(68)
120 Total Receivables, Net of Allowances for Doubtful Accounts	<u>89,861</u>	<u>16,866</u>	<u>-</u>	<u>-</u>	<u>106,727</u>
131 Investments - Unrestricted	161,602	-	-	-	161,602
143 Inventories	400	-	-	-	400
143.1 Allowance for Obsolete Inventories	(20)	-	-	-	(20)
150 Total Current Assets	<u>431,499</u>	<u>113,592</u>	<u>23,430</u>	<u>10,616</u>	<u>579,137</u>
161 Land	88,443	-	-	-	88,443
162 Buildings	4,427,701	-	-	-	4,427,701
163 Furniture, Equip & Machinery-Dwellings	49,120	-	-	-	49,120
164 Furniture, Equip & Machinery-Admin	78,835	-	-	-	78,835
165 Leasehold Improvements	190,754	-	-	-	190,754
166 Accumulated Depreciation	(3,916,372)	-	-	-	(3,916,372)
167 Construction in Progress	171,977	-	-	-	171,977
160 Total Capital Assets, Net of Accumulated Depreciation	<u>1,090,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,090,458</u>
290 Total Assets	<u>\$ 1,521,957</u>	<u>\$ 113,592</u>	<u>\$ 23,430</u>	<u>\$ 10,616</u>	<u>\$ 1,669,595</u>



HOUSING AUTHORITY OF ROCKWALL  
STATEMENT OF NET POSITION  
COMBINING FDS SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Public Housing Low Rent	Housing Choice Vouchers	Housing CARES Act Funding	HCC HCV CARES Act Funding	Total Project
312 Accounts Payable <= 90 Days	\$ 6,362	\$ -	\$ -	\$ -	\$ 6,362
321 Accrued Wage/Payroll Taxes Payable	4,171	-	-	-	4,171
322 Accrued Compensated Absences-Current Portion	6,366	1,592	-	-	7,958
341 Tenant Security Deposits	10,275	-	-	-	10,275
342 Unearned Revenue	71,654	-	-	-	71,654
310 Total Current Liabilities	<u>98,828</u>	<u>1,592</u>	<u>23,430</u>	<u>10,616</u>	<u>134,466</u>
354 Accrued Compensated Absences-NonCurrent	57,294	14,324	-	-	71,618
350 Total Non-Current Liabilities	<u>57,294</u>	<u>14,324</u>	<u>-</u>	<u>-</u>	<u>71,618</u>
300 Total Liabilities	<u>156,122</u>	<u>15,916</u>	<u>23,430</u>	<u>10,616</u>	<u>206,084</u>
508.4 Net Investment in Capital Assets	1,090,458	-	-	-	1,090,458
512.4 Unrestricted Net Position	275,377	97,676	-	-	373,053
513 Total Net Position	<u>1,365,835</u>	<u>97,676</u>	<u>-</u>	<u>-</u>	<u>1,463,511</u>
600 Total Liabilities & Net Position	\$ <u>1,521,957</u>	\$ <u>113,592</u>	\$ <u>23,430</u>	\$ <u>10,616</u>	\$ <u>1,669,595</u>



HOUSING AUTHORITY OF ROCKWALL  
STATEMENT OF NET ACTIVITIES  
COMBINING FDS SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Public Housing Low Rent	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	HCC HCV CARES Act Funding	ELIM	Total Project
70300 Net Tenant Rental Revenue	\$ 222,031	\$ -	\$ -	\$ -	\$ -	\$ 222,031
70400 Tenant Revenue - Other	17,603	-	-	-	-	17,603
70500 Total Tenant Revenue	<u>239,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>239,634</u>
70600 HUD PHA Operating Grants	248,570	304,253	3,761	-	-	556,584
70610 Capital Grants	53,224	-	-	-	-	53,224
70700 Total Fee Revenue	<u>301,794</u>	<u>304,253</u>	<u>3,761</u>	<u>-</u>	<u>-</u>	<u>609,808</u>
71100 Investment Income-Unrestricted	66	-	-	-	-	66
71400 Fraud Recovery	-	1,248	-	-	-	1,248
71500 Other Revenue	732	-	-	-	-	732
70000 Total Revenue	<u>542,226</u>	<u>305,501</u>	<u>3,761</u>	<u>-</u>	<u>-</u>	<u>851,488</u>
91100 Administrative Salaries	87,143	-	-	-	-	87,143
91200 Auditing Fees	8,000	-	-	-	-	8,000
91500 Employee Benefit Contributions						
Administrative	24,450	-	-	-	-	24,450
91600 Office Expenses	24,286	-	-	-	-	24,286
91700 Legal Expenses	2,001	-	-	-	-	2,001
91900 Other	29,238	18,268	-	-	-	47,506
91000 Total Operating-Administrative	<u>175,118</u>	<u>18,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,386</u>
92400 Tenant Services - Other	150	-	-	-	-	150
92500 Total Tenant Services	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>
93100 Water	12,846	-	-	-	-	12,846
93200 Electricity	34,340	-	-	-	-	34,340
93300 Gas	7,941	-	-	-	-	7,941
93600 Sewer	11,086	-	-	-	-	11,086
93000 Total Utilities	<u>66,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,213</u>



HOUSING AUTHORITY OF ROCKWALL  
STATEMENT OF NET ACTIVITIES  
COMBINING FDS SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Public Housing Low Rent	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	HCC HCV CARES Act Funding	ELIM	Total Project
94200 Ordinary Maintenance & Operations Materials and Other	\$ 12,506	\$ -	\$ -	\$ -	\$ -	\$ 12,506
94300 Ordinary Maintenance & Operations Contracts	110,473	-	3,761	-	-	114,234
94000 Total Maintenance	122,979	-	3,761	-	-	126,740
96110 Property Insurance	11,372	-	-	-	-	11,372
96130 Workmen's Compensation	390	-	-	-	-	390
96140 All Other Insurance	1,036	-	-	-	-	1,036
96100 Total insurance Premiums	12,798	-	-	-	-	12,798
96200 Other General Expenses	8,212	-	-	-	-	8,212
96000 Total Other General Expenses	8,212	-	-	-	-	8,212
96900 Total Operating Expenses	385,470	18,268	3,761	-	-	407,499
97000 Excess of Operating Revenue Over Operating Expenses	156,756	287,233	-	-	-	443,989
97100 Extraordinary Maintenance	900	-	-	-	-	900
97300 Housing Assistance Payments	-	280,322	-	-	-	280,322
97400 Depreciation Expense	98,009	-	-	-	-	98,009
90000 Total Expenses	484,379	298,590	3,761	-	-	786,730
10010 Operating Transfer In	5,000	-	-	-	(5,000)	-
10020 Operating Transfer Out	(5,000)	-	-	-	5,000	-
10100 Total Other Financing	-	-	-	-	-	-



HOUSING AUTHORITY OF ROCKWALL  
STATEMENT OF NET ACTIVITIES  
COMBINING FDS SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Public Housing Low Rent</u>	<u>Housing Choice Vouchers</u>	<u>PHC Public Housing CARES Act Funding</u>	<u>HCC HCV CARES Act Funding</u>	<u>ELIM</u>	<u>Total Project</u>
10000 Excess (Deficiency) of Total Revenue						
Over (Under) Total Expenses	\$ 57,847	\$ 6,911	\$ -	\$ -	\$ -	\$ 64,758
11030 Beginning Net Position	<u>1,307,988</u>	<u>90,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,398,753</u>
Ending Net Position	<u>\$ 1,365,835</u>	<u>\$ 97,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,463,511</u>
11190 Unit Months Available	768	334	-	-	-	1,102
11210 Number of Unit Months Leased	748	334	-	-	-	1,082
11270 Excess Cash	300,169	-	-	-	-	300,169
11620 Building Purchases	54,019	-	-	-	-	54,019
11630 Furniture and Equipment	6,309	-	-	-	-	6,309