

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED SEPTEMBER 30, 2023**

**Mike Estes, P.C.**

A Professional Accounting Corporation

## TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 3
Management's Discussion and Analysis		4 – 10
Basic Financial Statements		
Statement of Net Position	A	11
Statement of Revenues, Expenses, and Changes in Fund Net Position	B	12
Statement of Cash Flows	C	13 – 14
Notes to the Basic Financial Statements		15 – 24
Index		15
Notes to Financial Statements		16 – 24
 <i><u>Other Reports Required by Governmental Auditing Standards</u></i>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		25 – 26
Schedule of Findings and Questioned Costs		27 – 31
Corrective Action Plan		32 – 33
Summary Schedule of Prior Audit Findings		34
 <i><u>Supplementary Information</u></i>		
Statement and Certification of Actual Modernization Costs	D(1)	35
Statement of Modernization Costs – Uncompleted	D(2)	36
Schedule of Expenditures of Federal Awards		37
Notes to the Schedule of Expenditures of Federal Awards		38
Financial Data Schedules		39 – 46



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## Independent Auditor's Report

Board of Commissioners  
Housing Authority of Henryetta  
Henryetta, Oklahoma

### ***Report on the Audit of the Financial Statements***

#### ***Opinions***

We have audited the accompanying financial statements of each major fund of the Housing Authority of the City of Henryetta, Oklahoma as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of Henryetta, Oklahoma basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective position of each major fund, of the Housing Authority of the City of Henryetta, Oklahoma as of and for the year ended September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of Henryetta, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the City of Henryetta, Oklahoma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Housing Authority of the City of Henryetta, Oklahoma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the City of Henryetta, Oklahoma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements.

Such information, is the responsibility of management and, 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 general 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 opinions on the financial statements that collectively comprise the Housing Authority of the City of Henryetta, Oklahoma's basic financial statements. The statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The 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 statement and certification of actual modernization costs, statement of modernization costs-uncompleted, financial data schedules, and the 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 June 7, 2024 on our consideration of the Housing Authority of the City of Henryetta, Oklahoma'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 Henryetta, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of Henryetta, Oklahoma's internal control over financial reporting and compliance.



Mike Estes, P.C.  
Fort Worth, Texas  
June 7, 2024

# ***Henryetta Housing Authority Management's Discussion and Analysis For the Year Ended September 30, 2023***

## **Introduction**

This Management's Discussion and Analysis (MD&A) of the Henryetta Housing Authority (Authority) provides an introduction and overview to the financial statements of the Henryetta Housing Authority for the fiscal year ended September 30, 2023. The Henryetta Housing Authority presents this discussion and analysis of its financial performance during the fiscal year ended September 30, 2023, to assist the reader in focusing on significant financial issues.

The primary focus of the Authority's financial statements is on the statements of its single enterprise fund encompassing all programs administered by the Henryetta Housing Authority. This information contained herein this MD&A should be considered in conjunction with the Authority's financial statements and related notes to the financial statements.

The Authority has three individual programs. These programs are listed as follows:

- The Low Rent Program consists of 50 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The Capital Fund Program is also a formula-based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.
- The Housing Choice Voucher (HCV) Program provides rental assistance to aid low income families in affording decent, safe and sanitary rental housing. The Housing Authority provides rental assistance in the form of a Housing Assistance Payment to a landlord on behalf of the tenant. The Housing Authority currently has 134 units available. Funds are provided by HUD to provide rental assistance payments. The Housing Authority is provided an administrative fee for the purpose of covering the administrative costs of the program. The fee is preset by HUD on an annual basis.
- The State & Local Program is due to funding received from the 2012 Operating Subsidy Litigation.

# ***Management's Discussion and Analysis-Cont.***

## **Overview of the Financial Statements**

This overview of the financial statement is intended to inform and introduce the reader to the Authority's financial statements. The financial statements are comprised of three individual statements. These statements include:

- The Statement of Net Position
- The Statement of Revenues, Expense, and Changes in Net Position
- The Statement of Cash Flows

**The Statement of Net Position** presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the differences between them being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial situation of the Authority is improving or deteriorating. Net position is comprised of three individual components:

- *Investment in Capital Assets* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with these assets.
- *Restricted* component of net position consists of resources that are restricted by limitations placed on these resources by an external source or imposed by law through constitutional provisions.
- *Unrestricted* component of net position represents the remaining resources available that do not meet the definition of the above categories. The unrestricted component of net position is basically the amount of resources available for future year appropriations.

**The Statement of Revenues, Expenses, and Changes in Net Position** reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Authority for the fiscal year ended September 30, 2023 to determine the change in net position for the fiscal year.

**The Statement of Cash Flows** reports cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended September 30, 2023.

## **Financial Highlights**

- The Henryetta Housing Authority's total net position increased from \$774,855 in 2022 to \$889,630 in 2023, for an increase of \$114,775. The total assets increased by \$110,170 or 13% from the previous year.
- The unrestricted component of net position's balance is \$480,672 at September 30, 2023. This represents an increase of \$115,251 or 32% from the previous year.

## ***Management's Discussion and Analysis-Cont.***

- Total revenue increased from \$576,081 in 2022 to \$699,208 in 2023, representing an increase of \$123,127 or 21%.
- Total expenses decreased by \$16,433, from \$600,866 to \$584,433 for the current year.

### **Housing Authority Activities & Highlights**

The Housing Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the asset and liability comparisons for the year ended September 30, 2023 and September 30, 2022.

#### ***Summary Statement of Net Position Years Ended September 30, 2023 and 2022***

<b>Category</b>	<b>9/30/2023</b>	<b>9/30/2022</b>	<b>Change \$</b>	<b>Change %</b>
Current Assets	\$ 562,130	\$ 435,793	\$ 126,337	29%
Noncurrent Assets	\$ 391,427	\$ 407,590	\$ (16,163)	-4%
Total Assets	\$ 953,557	\$ 843,383	\$ 110,174	13%
Current Liabilities	\$ 63,364	\$ 68,074	\$ (4,710)	-7%
Non Current Liabilities	\$ 563	\$ 454	\$ 109	24%
Total Liabilities	\$ 63,927	\$ 68,528	\$ (4,601)	-7%
Unrestricted	\$ 480,672	\$ 365,421	\$ 115,251	32%
Restricted	\$ 17,531	\$ 1,844	\$ 15,687	851%
Net Investment in Capital Assets	\$ 391,427	\$ 407,590	\$ (16,163)	-4%
Total Net Position	\$ 889,630	\$ 774,855	\$ 114,775	15%

### **Current Assets**

Current assets increased by \$126,333, from \$435,797 in 2022 to \$562,130 in 2023. Total cash increased \$122,916 due to an excess of operating revenue over operating expenses.

### **Noncurrent Assets**

Noncurrent assets decreased by \$16,163, from \$407,590 in 2022 to \$391,427 in 2023. See the Capital Asset section for additional details.

### **Current Liabilities**

The Authority's current liabilities decreased from \$68,074 to \$63,364, a decrease of \$4,710 or 7% for the current year.

### **Net Position**

The Authority's total net position increased by \$114,775, or 15% from the previous year.



## ***Management's Discussion and Analysis-Cont.***

The Authority's unrestricted component of net position increased from \$365,421 to \$480,672, an increase of \$115,251 or 32% for the current year. The unrestricted component of net position is the amount available for future appropriations. This balance is subject to program specific guidelines.

▪ Low Rent Housing Program	\$ 291,242
▪ Housing Choice Voucher Program	111,004
▪ State & Local	<u>78,426</u>
Total	\$ <u>480,672</u>

Restricted net position increased by \$15,687, for the current fiscal year due to a excess of HAP revenue over HAP expenses.

### **Summary Statement of Revenues & Expenses and Changes in Net Position** *Years Ended September 30, 2023 and 2022*

<b>Category</b>	<b>9/30/2023</b>	<b>9/30/2022</b>	<b>Change \$</b>	<b>Change %</b>
Program Revenues:				
Tenant Revenue	\$ 91,095	\$ 95,379	\$ (4,284)	-4%
Government Operating Grants	\$ 574,031	\$ 467,979	\$ 106,052	23%
Other Revenue	\$ 30,559	\$ 11,980	\$ 18,579	155%
Interest Income	\$ 3,523	\$ 743	\$ 2,780	374%
Total Revenue	\$ 699,208	\$ 576,081	\$ 123,127	21%
Expenses:				
Administration	\$ 147,944	\$ 133,448	\$ 14,496	11%
Tenant Services	\$ 1,805	\$ 756	\$ 1,049	139%
Utilities	\$ 13,427	\$ 9,218	\$ 4,209	46%
Ordinary Maintenance	\$ 88,440	\$ 103,700	\$ (15,260)	-15%
General/Insurance Expense	\$ 51,793	\$ 56,350	\$ (4,557)	-8%
Nonroutine Maintenance	\$ 10,295	\$ -	\$ 10,295	N/A
Depreciation	\$ 63,491	\$ 71,488	\$ (7,997)	-11%
Housing Assistance Payments	\$ 207,238	\$ 225,906	\$ (18,668)	-8%
Total Expenses	\$ 584,433	\$ 600,866	\$ (16,433)	-3%
Excess (Deficiency) Before Special Item	\$ 114,775	\$ (24,785)	\$ 139,560	-563%
Change in Net Position	\$ 114,775	\$ (24,785)	\$ 139,560	-563%
Net Position, Beginning of Year	\$ 774,855	\$ 799,640	\$ (24,785)	-3%
Net Position, End of Year	\$ 889,630	\$ 774,855	\$ 114,775	15%

# ***Management's Discussion and Analysis-Cont.***

## **Results of Operations**

Revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). The Authority's revenue increased by \$104,260 during the current fiscal year. Significant changes in revenues are as follows:

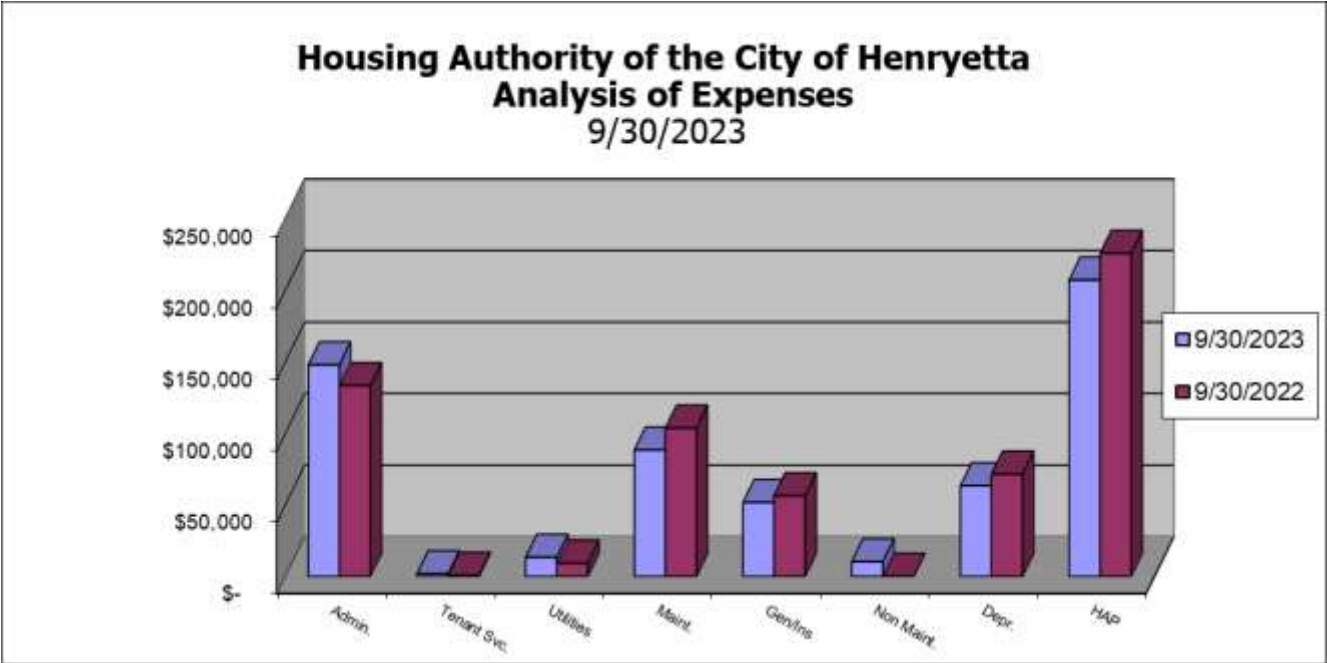
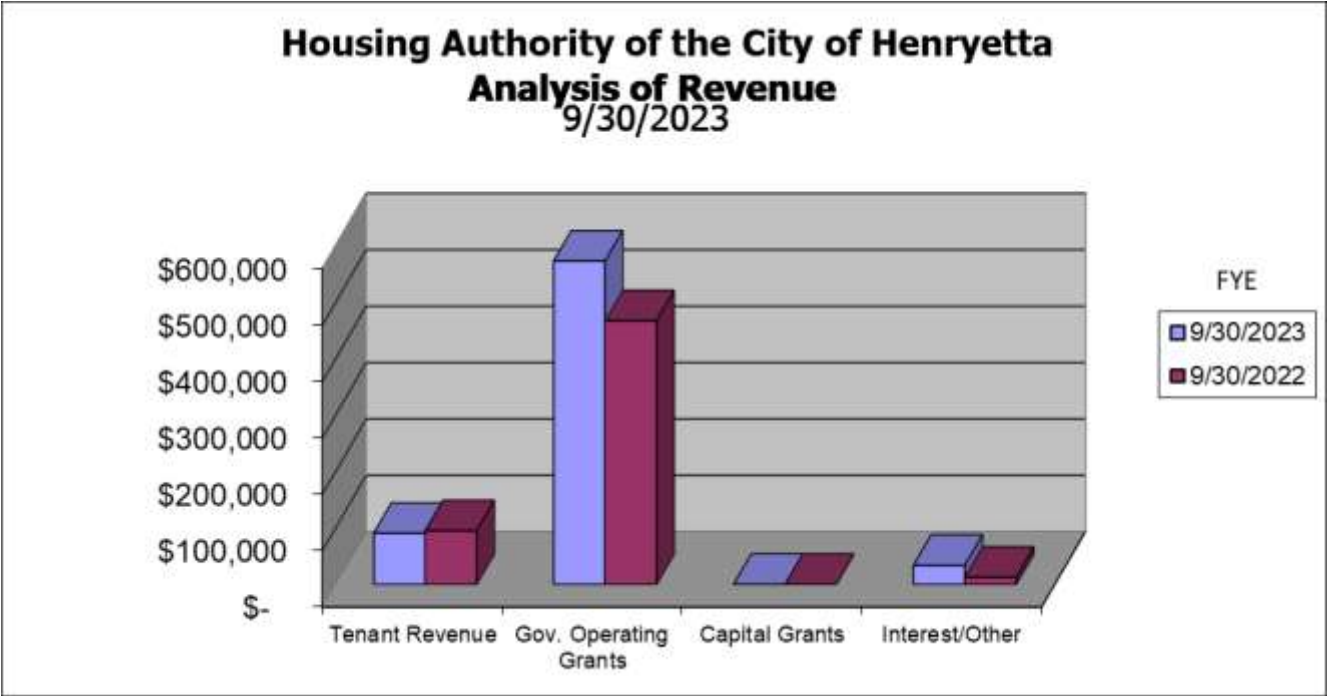
- Tenant revenue decreased by \$4,284 or 4% from the previous year. Average rent decreased from \$162 in 2022 to \$147 in 2023.
- HUD operating grants increased by \$106,052 or 23%, due in part to an increase in operating subsidy received in the current year.

The Authority's total expenses decreased by \$16,433 from the previous year. Significant changes in expenses are as follows:

- Administrative expenses increased by \$14,496 from the previous year. This is primarily due to an increase in administrative salaries by \$4,701, admin health benefits of \$2,727, staff training of \$887, travel of \$770, accounting fees of \$1,882, and Admin. Sundry of \$2,658.
- Utilities increased \$4,209 or 46% during the current year. This is due to an increase in water of \$560, electric of \$2,760, gas of \$1,158, and a decrease in sewer of \$270.
- Ordinary Maintenance expense decreased by \$15,260 or 15%. This was primarily due to a decrease in maintenance materials by \$7,023, heating & cooling contracts by \$5,181, garbage and trash removal contracts by \$992, and janitorial contracts by \$720.
- Nonroutine maintenance expense increased by \$10,295. This is primarily due to gas and sewer line replacements.
- Depreciation decreased \$7,997 or 11%. This is due to certain items being fully depreciated during the prior fiscal year.

*Management’s Discussion and Analysis-Cont.*

We have provided the following presentations to demonstrate the revenues and expenses by summarized account category:



# ***Management's Discussion and Analysis-Cont.***

## **Capital Assets**

As of September 30, 2023, the Authority's investment in net fixed assets was \$391,427. This investment includes land, buildings, and equipment less accumulated depreciation.

<b><u>Category</u></b>	<b>9/30/2023</b>	<b>9/30/2022</b>	<b>Change \$</b>	<b>Change %</b>
Land	\$ 65,000	\$ 65,000	\$ -	0%
Buildings	\$ 3,643,818	\$ 3,596,490	\$ 47,328	1%
Equipment	\$ 109,768	\$ 109,768	\$ -	0%
Accumulated Depreciation	\$ (3,427,159)	\$ (3,363,668)	\$ (63,491)	2%
Total Net Fixed Assets	\$ 391,427	\$ 407,590	\$ (16,163)	-4%

- Increases in buildings are due to the unit remodels, parking lot improvement, install French drains/sidewalks.

## **Debt Administration**

The Authority classifies a portion of the employee's leave as long-term debt. This is because the Authority does not anticipate paying out the total amount accrued in the upcoming fiscal year. The amount estimated as long term for the current year was \$563.

### **Subsequent Event**

As of the time of this analysis, HUD had finalized the prorating of the 2023 operating subsidy for the Low Rent Housing Program at 93.02%. The 2024 funding levels are estimated at 87.00%.

The 2023 Housing Choice Voucher Program funding levels are being prorated at 90% for administrative fees and 100% for HAP funding.

### **Request for Information**

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Henryetta Housing Authority  
Carla Hall, Executive Director  
1708 West Ragan  
Henryetta, OK 74437

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	General	Housing Choice Voucher	Total
	<hr/>	<hr/>	<hr/>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 311,382	\$ 108,469	\$ 419,851
Investments	68,938	0	68,938
Accounts receivable net	11,215	3,569	14,784
Prepaid items and other assets	27,049	695	27,744
Inventory	1,883	0	1,883
Restricted assets - cash and cash equivalents	11,399	17,531	28,930
	<hr/>	<hr/>	<hr/>
Total Current Assets	431,866	130,264	562,130
	<hr/>	<hr/>	<hr/>
Capital Assets, net			
Land and other non-depreciated assets	65,000	0	65,000
Other capital assets - net of depreciation	326,298	129	326,427
	<hr/>	<hr/>	<hr/>
Total Capital Assets, net	391,298	129	391,427
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 823,164	130,393	\$ 953,557
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	\$ 9,799	\$ 1,577	\$ 11,376
Unearned income	12,669	0	12,669
Compensated absences payable	1,985	117	2,102
Accrued PILOT	25,818	0	25,818
Deposits due others	11,399	0	11,399
	<hr/>	<hr/>	<hr/>
Total Current Liabilities	61,670	1,694	63,364
	<hr/>	<hr/>	<hr/>
Noncurrent Liabilities			
Compensated absences payable	528	35	563
	<hr/>	<hr/>	<hr/>
Total Liabilities	62,198	1,729	63,927
	<hr/>	<hr/>	<hr/>
<b>NET POSITION</b>			
Net investment in capital assets	391,298	129	391,427
Restricted for:			
HAP Equity	0	17,531	17,531
Unrestricted	369,668	111,004	480,672
	<hr/>	<hr/>	<hr/>
Net Position	\$ 760,966	\$ 128,664	\$ 889,630
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Housing Choice Voucher	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>OPERATING REVENUES</b>			
Dwelling rental	\$ 89,785	\$ 0	\$ 89,785
Governmental operating grants	312,505	261,526	574,031
Tenant revenue- other	1,310	0	1,310
Other	30,433	126	30,559
	<u>434,033</u>	<u>261,652</u>	<u>695,685</u>
Total Operating Revenues			
<b>OPERATING EXPENSES</b>			
Administration	134,231	13,713	147,944
Tenant services	1,805	0	1,805
Utilities	13,427	0	13,427
Ordinary maintenance & operations	88,440	0	88,440
General expenses	50,277	1,516	51,793
Depreciation	63,046	445	63,491
Extraordinary maintenance	10,295	0	10,295
Housing assistance payments	0	207,238	207,238
	<u>361,521</u>	<u>222,912</u>	<u>584,433</u>
Total Operating Expenses			
Income (Loss) from Operations	<u>72,512</u>	<u>38,740</u>	<u>111,252</u>
Non Operating Revenues (Expenses)			
Interest earnings	3,523	0	3,523
	<u>3,523</u>	<u>0</u>	<u>3,523</u>
Total Non-Operating Revenues (Expenses)			
Income (Loss) before contribution	<u>76,035</u>	<u>38,740</u>	<u>114,775</u>
Capital Contribution	0	0	0
	<u>76,035</u>	<u>38,740</u>	<u>114,775</u>
Change in net position			
Total net position - beginning	<u>684,931</u>	<u>89,924</u>	<u>774,855</u>
Total net position - ending	<u>\$ 760,966</u>	<u>\$ 128,664</u>	<u>\$ 889,630</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Housing Choice Voucher	Total
	<hr/>	<hr/>	<hr/>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rental receipts	\$ 100,619	\$ 0	\$ 100,619
Other receipts	23,690	252	23,942
Federal grants	316,615	260,991	577,606
Payments to vendors	(165,458)	(6,836)	(172,294)
Payments to employees – net	(145,908)	(7,992)	(153,900)
Payments to landlords	0	(207,238)	(207,238)
	<hr/>	<hr/>	<hr/>
Net cash provided (used) by operating activities	129,558	39,177	168,735
	<hr/>	<hr/>	<hr/>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(47,327)	0	(47,327)
	<hr/>	<hr/>	<hr/>
Net cash provided (used) by capital and related financing activities	(47,327)	0	(47,327)
	<hr/>	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	3,522	0	3,522
Purchase of investments	(1,695)	0	(1,695)
	<hr/>	<hr/>	<hr/>
Net cash provided (used) by investing activities	1,827	0	1,827
	<hr/>	<hr/>	<hr/>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	84,058	39,177	123,235
	<hr/>	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>			
Beginning of Fiscal Year	238,723	86,823	325,546
	<hr/>	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>			
End of Fiscal Year	\$ 322,781	\$ 126,000	\$ 448,781
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Continued

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Housing Choice Voucher	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 72,512	\$ 38,740	\$ 111,252
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation Expense	63,046	445	63,491
Provision of uncollectible accounts	(1,863)	(126)	(1,989)
Change in assets and liabilities:			
Receivables	4,911	0	4,911
Inventories	(949)	0	(949)
Prepaid items	(6,179)	(266)	(6,445)
Account payables	(3,900)	384	(3,516)
Unearned income	11,707	0	11,707
Deposits due others	1,235	0	1,235
Accrued PILOT	(10,962)	0	(10,962)
	<u>          </u>	<u>          </u>	<u>          </u>
Net cash provided (used) by operations	\$ 129,558	\$ 39,177	\$ 168,735
	<u>          </u>	<u>          </u>	<u>          </u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .....	16
A. REPORTING ENTITY .....	16
B. FUNDS .....	17
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING .....	17
D. CASH AND CASH EQUIVALENTS.....	18
E. INVESTMENTS.....	18
F. REVENUE RECOGNITION .....	18
G. INVENTORY .....	18
H. PREPAID ITEMS.....	19
I. CAPITAL ASSETS .....	19
J. UNEARNED INCOME.....	19
K. COMPENSATED ABSENCES .....	19
L. POST EMPLOYMENT BENEFITS .....	19
M. NET POSITION AND FLOW ASSUMPTIONS.....	19
N. USE OF ESTIMATES.....	20
NOTE 2 – DEPOSITS AND INVESTMENTS.....	20
NOTE 3 – ACCOUNTS RECEIVABLE .....	21
NOTE 4 – CAPITAL ASSETS .....	21
NOTE 5 – ACCOUNTS PAYABLE.....	22
NOTE 6 – COMPENSATED ABSENCES.....	22
NOTE 7 – LONG – TERM OBLIGATIONS.....	22
NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES.....	22
NOTE 9 – COMMITMENTS AND CONTINGENCIES .....	23
NOTE 10 – ECONOMIC DEPENDENCE .....	24
NOTE 11 – SUBSEQUENT EVENTS .....	24

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of the City of Henryetta have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the state laws for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city declaring a need for the Housing Authority to function in such city. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Henryetta, serve staggered multi-year terms. The Authority includes 50 units of Low Rent housing. In addition, the Housing Choice Voucher has 115 vouchers available, although only 40-45 vouchers are utilized at any one time.

The Housing Authority has the following units:

PHA Owned Housing	50 units
Section 8	
Housing Choice Vouchers	134 available

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the City of Henryetta since the City of Henryetta appoints a voting majority of the Housing Authority's governing board. The City of Henryetta is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Henryetta. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Henryetta.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

- 1) Appointing a voting majority of an organization's governing body, and:
  - a) The ability of the government to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

**B. FUNDS** The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher program.

## **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**PROPRIETARY FUNDS** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position.

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 funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under state law and national banks having their principal offices in the state.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$448,781. This is comprised of cash and cash equivalents of \$28,930 and restricted assets – cash of \$419,851, on the statement of net position.

**E. INVESTMENTS** Investments are limited by the Housing Authority’s investment policy to Certificates of Deposit. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

**F. REVENUE RECOGNITION** Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

**G. INVENTORY** All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**H. PREPAID ITEMS** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-40 years
Building improvements	15 years
Furniture and equipment	3-5 years
Computers	5 years

**J. UNEARNED INCOME** The Housing Authority reports prepaid revenues on its statement of net position. Prepaid revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for prepaid revenue is removed from the statement of net position and the revenue is recognized.

**K. COMPENSATED ABSENCES** It is the Authority's policy to allow employees to accumulate earned but unused vacation and sick pay benefits up to certain limits. These amounts accrued, for which the employee is vested that would be paid upon termination, are charged to expense and a corresponding liability is established when earned. The portion of the liability that is anticipated to be paid within the next fiscal year is reported as a current liability, while the remainder is reported as a long-term liability.

**L. POST EMPLOYMENT BENEFITS** The Authority does not recognize or pay any post employment benefits.

**M. NET POSITION AND FLOW ASSUMPTIONS** Net position is reported as restricted when constraints placed on net position use as either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

Sometime the Authority may fund outlays from both restricted and unrestricted resources. In the event that should occur, the Authority must make a flow assumption about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**N. USE OF ESTIMATES** 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – DEPOSITS AND INVESTMENTS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2023. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$11,399 is restricted in the General Fund for security deposits. \$17,531 is restricted in the Housing Choice Voucher fund for HAP Equity.

At September 30, 2023, the Housing Authority's carrying amount of deposits was \$517,644 and the bank balance was \$557,784, which includes \$68,938 in certificates of deposits classified as investments. Petty cash consists of \$75. \$474,734 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$84,050 was covered by pledged securities. However, this \$84,050 was exposed to custodial credit risk, as defined by GASBS No. 40, para. 8, because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at September 30, 2023, are as follows:

	General	Housing Choice Voucher	Total
<u>Class of Receivables</u>			
Local sources:			
Tenants	\$ 1,521	\$ 0	\$ 1,521
Fraud recovery	9,694	2,457	12,151
Federal sources:			
Grants	0	1,112	1,112
 Total	 \$ 11,215	 \$ 3,569	 \$ 14,784

The tenants account receivable and fraud recoveries are net of allowances for doubtful accounts of \$2,077 and \$12,150.

**NOTE 4 – CAPITAL ASSETS** The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 65,000	\$ 0	\$ 0	\$ 65,000
Depreciable assets:				
Buildings	3,596,490	47,328	0	3,643,818
Furniture and equipment	109,768	0	0	109,768
Total capital assets	3,771,258	47,328	0	3,818,586
Less: accumulated depreciation				
Buildings	3,265,046	58,719	0	3,323,765
Furniture and equipment	98,622	4,772	0	103,394
Total accumulated depreciation	3,363,668	63,491	0	3,427,159
Total capital assets, net	\$ 407,590	\$ (16,163)	\$ 0	\$ 391,427

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**NOTE 5 – ACCOUNTS PAYABLE** The payables at September 30, 2023 are as follows:

	General	Housing Choice Voucher	Total
Vendors	\$ 5,826	\$ 1,357	\$ 7,183
Payroll taxes & Retirement withheld	2,581	220	2,801
Utilities	1,392	0	1,392
Total	\$ 9,799	\$ 1,577	\$ 11,376

**NOTE 6 – COMPENSATED ABSENCES** At September 30, 2023, employees of the Housing Authority have accumulated and vested \$2,665 of employee leave computed in accordance with GASB, Codification Section C60.

**NOTE 7 – LONG – TERM OBLIGATIONS** The following is a summary of the long – term obligation transactions for the year ended September 30, 2023.

	Compensated Absences
Balance, beginning	\$ 2,482
Additions	10,027
Deletions	(9,844)
Balance, ending	2,665
Amounts due in one year	\$ 2,102

**NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES** At September 30, 2023, the Housing Choice Voucher (HCV) Fund owes the General Fund \$18,121. For financial statement purposes, this amount was deducted from HCV Fund cash and added to General Fund cash.



HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

**Litigation** The Housing Authority is not presently involved in litigation.

**Grant Disallowances** The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2023. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Risk Management** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, auto, fidelity, bond, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Legal counsel believes, based on case precedent and Oklahoma Attorney General opinions, that if the *HAI Group* is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

The Authority has adopted GASB Statement No. 96, which provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). The adoption of GASB Statement No. 96 had no material effect on the Authority's September 30, 2023 financial statements.

**NOTE 10– ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$574,031 to the Housing Authority, which represents approximately 82% of the Housing Authority's total revenue and capital contributions for the year.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**NOTE 11 - SUBSEQUENT EVENTS** Management has evaluated events and transactions subsequent to the statement of net position date through, June 7, 2024, of the independent auditor's report for potential recognition or disclosure in the financial statements.



MIKE ESTES, CPA

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MEMBER OF THE  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS  
and the  
AICPA GOVERNMENTAL  
AUDIT QUALITY CENTER

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

Housing Authority of Henryetta  
Henryetta, Oklahoma

We have audited, 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, the financial statements of each major fund, of the Housing Authority of the City of Henryetta, Oklahoma, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Henryetta, Oklahoma's basic financial statements, and have issued our report thereon dated June 7, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Henryetta, Oklahoma'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Henryetta, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Henryetta, Oklahoma'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.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Henryetta, Oklahoma's financial statements are free of 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 instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as Audit Findings 2023-001 and 002.

### ***The Housing Authority of the City of Henryetta, Oklahoma's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority of the City of Henryetta, Oklahoma's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Henryetta, Oklahoma's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

### ***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.



Mike Estes, P.C.  
Fort Worth, Texas  
June 7, 2024

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

**Section I – Summary of the Auditor’s Results**

**Financial Statement Audit**

1. Type of Auditor’s Report Issued on Financial Statements – Unmodified.
2. Internal Control Over Financial Reporting:
  - a. Material weakness(es) identified?             yes      ✓   no
  - b. Significant deficiency(ies) identified?             yes      ✓   none reported
3. Noncompliance material to financial statements noted?      ✓   yes             no

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Low Rent Program-CDFA #14.850, and Housing Choice Voucher Program #14.871

2023-001-Lack of Segregation of Duties

Criteria and Specific Requirement

The Authority should have properly designed and documented internal controls over compliance functions over the waiting list and tenant file functions.

Condition Found

Statement of Auditing Standards (SAS) #115 dictates that “absent or inadequate segregation of duties within a significant account or process” are defined by the Standard is at least a significant deficiency, if not a material weakness. In addition, the Section Eight SEMAP is a regulatory filing that requires a yes or no answer as to whether the samples of quality control performed by a qualified person recognized errors-exceptions in the tested sample. It appears documented quality control over both Section Eight and Low Rent tenant files were not done.

We note that the waiting lists and tenant files for both programs appear to be well maintained, except for current utility allowances, flat rents, and reasonable rent comparisons, as noted in the following finding.

Cause

Unknown. This deficiency has been noted in the last two audits.

Effect

The likelihood is not reduced to an acceptable level that material noncompliance with the waiting list or tenant rent calculations, including the lack of necessary forms and representations will not occur.

Recommendation

In the audit year, the quality control over the financial statements improved. Management followed our recommendations to spread the responsibilities of billing, collecting, and recording of tenant receipts, and to document the steps performed by the two office employees and the maintenance man who usually takes the deposit to the bank.

However, quality control over the waiting list and tenant file functions still should to be better documented. We have left and explained samples with management.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Origination Date and prior year reference

The finding originated for the year ended September 30, 2019. The audits for the 2019 and 2020 were performed together. Part of the 2022 finding is not repeated.

Views of Responsible Officials

I am Carla Hall, Executive Director and Designated Person to answer these findings. We will follow the auditor's recommendations.

Low Rent Program-CDFA #14.850, Capital Fund Program #14.872 and Housing Choice Voucher Program #-14.871

2023-002-Policies and Related Items Need Updating or Implementation

Criteria and Specific Requirement

- (i)-The Procurement Policy was updated in the audit year. However, part of it still needs to be complied with.
- (ii)-flat rents should be reviewed and revised annually, if needed.
- (iii)-The Low Rent ACOP and Section Eight Admin plan should be updated.
- (iv)-Utility allowances should be reviewed annually and adjusted, if necessary.
- (v)-Reasonable rent surveys should be established and reviewed annually, if not continually.
- (vi)-Actual Modernization Cost Certificates and the attached final costs breakdown should be timely issued.

Condition Found

- (i)-The prior year report recommended that the Procurement Policy be updated to be in accordance with the Uniform Guidance regulations. This was done and adopted by the board. The Policy states that for goods or services, only one quote is required, provided as long as the quote is considered reasonable. This \$10,000 threshold is acceptable for both state and federal regulations.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

However, management must project whether in the audit year it is reasonable that the same vendor and service will be used for an aggregate of over \$10,000. If so, the authority is required to solicit and make a concerted effort to obtain at least three quotes. An example is as follows: Assume that any one plumbing repair may cost \$1,500. If it is reasonably expected that there will be three in a year, totaling \$4,500, then only one quote is necessary. However, based on prior years' experience, if the authority will likely spend in excess of \$10,000 on plumbing repairs, then three quotes should be obtained.

In our opinion, it is not necessary to obtain quotes for every expenditure. Perhaps every fourth or fifth, or quarterly, semi-annually, etc. When management cannot obtain three quotes when needed, they should review and document the price for the same services in nearby communities for comparison purposes. Management could not provide us any instances where quotes were obtained for goods or services. We do note that the largest appeared to be \$9,316-less than \$10,000.

(ii)-Flat rents should be reviewed and adjusted every year, if necessary. Tenants are required to given due advance notice. This year we provided examples and info on this. We encouraged management to consult with their HUD rep about the procedures to do this.

(iii)-A qualified consultant has been retained and is in the process of updating the policies. However, the consultant advised management to allow time to update for HOTMA before the policies are finalized and adopted.

(iv)-A qualified consultant assisted in revising the utility allowances. They were implemented in January 2024.

(v)-A qualified consultant assisted in developing the reasonable rent survey. This was adopted in January 2024.

(vi)-Federal regulation 905.322 requires that the Actual Modernization Cost Certificate (AMCC) and final attached costs breakdown be issued no later than 12 months after the expenditure date deadline. This deadline for the 2017 CFP was August 15, 2022. This AMCC has not been issued.

**Cause**

Apparent oversight. The Authority has only two office employees. However, the regulations apply to all PHAS that have these programs.

**Effect**

In our tests, we noted that the personnel are complying with its policies and procedures in all material respects, except as noted above.



HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

Recommendation

The authority should update the policies and related items noted above annually.

Origination Date and prior year reference

As noted previously, we performed the audits for the year audits for the years ended September 30, 2019 and 2020 at the same time. The finding originated in 2019.

Views of Responsible Official

We will comply with the auditor's recommendations.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2023



HOUSING AUTHORITY OF THE CITY  
OF HENRYETTA

1708 West Ragan  
Henryetta, Oklahoma 74437  
918/652-9651

2023-001-Lack of Segregation of Duties

Condition:

Statement of Auditing Standards (SAS) #115 dictates that “absent or inadequate segregation of duties within a significant account or process” are defined by the Standard is at least a significant deficiency, if not a material weakness. In addition, the Section Eight SEMAP is a regulatory filing that requires a yes or no answer as to whether the samples of quality control performed by a qualified person recognized errors-exceptions in the tested sample. It appears documented quality control over both Section Eight and Low Rent tenant files were not done.

We note that the waiting lists and tenant files for both programs appear to be well maintained, except for current utility allowances, flat rents, and reasonable rent comparisons, as noted in the following finding.

Corrective Action Planned: I am Carla Hall, Executive Director and Designated Person to answer these findings. We will follow the auditor’s recommendations.

Person Responsible for Corrective Action:

Carla Hall, Executive Director  
Housing Authority of Henryetta  
1708 W. Ragan St  
Henryetta, OK 74437

Telephone: (918) 652-9651  
Fax: (918) 652-9652

Anticipated Completion Date- September 30, 2024

2023-002-Policies and Related Items Need Updating or Implementation

Condition:

(i)-The prior year report recommended that the Procurement Policy be updated to be in accordance with the Uniform Guidance regulations. This was done and adopted by the board. The Policy states that for goods or services, only one quote is required, provided as long as the quote is considered reasonable. This \$10,000 threshold is acceptable for both state and federal regulations.

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2023

However, management must project whether in the audit year it is reasonable that the same vendor and service will be used for an aggregate of over \$10,000. If so, the authority is required to solicit and make a concerted effort to obtain at least three quotes. An example is as follows: Assume that any one plumbing repair may cost \$1,500. If it is reasonably expected that there will be three in a year, totaling \$4,500, then only one quote is necessary. However, based on prior years' experience, if the authority will likely spend in excess of \$10,000 on plumbing repairs, then three quotes should be obtained.

In our opinion, it is not necessary to obtain quotes for every expenditure. Perhaps every fourth or fifth, or quarterly, semi-annually, etc. When management cannot obtain three quotes when needed, they should review and document the price for the same services in nearby communities for comparison purposes. Management could not provide us any instances where quotes were obtained for goods or services. We do note that the largest appeared to be \$9,316-less than \$10,000.

(ii)-Flat rents should be reviewed and adjusted every year, if necessary. Tenants are required to given due advance notice. This year we provided examples and info on this. We encouraged management to consult with their HUD rep about the procedures to do this.

(iii)-A qualified consultant has been retained and is in the process of updating the policies. However, the consultant advised management to allow time to update for HOTMA before the policies are finalized and adopted.

(iv)-A qualified consultant assisted in revising the utility allowances. They were implemented in January 2024.

(v)-A qualified consultant assisted in developing the reasonable rent survey. This was adopted in January 2024.

(vi)-Federal regulation 905.322 requires that the Actual Modernization Cost Certificate (AMCC) and final attached costs breakdown be issued no later than 12 months after the expenditure date deadline. This deadline for the 2017 CFP was August 15, 2022. This AMCC has not been issued.

Corrective Action Planned: We will comply with the auditor's recommendations.

Person Responsible for Corrective Action:

Carla Hall, Executive Director  
Housing Authority of Henryetta  
1708 W. Ragan St  
Henryetta, OK 74437

Telephone: (918) 652-9651  
Fax: (918) 652-9652

Anticipated Completion Date- September 30, 2024

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2023

**The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:**

Low Rent Program-CFDA #14.850, Capital Fund Program #14.872, and Housing Choice Voucher Program #14.871

2022-001-Lack of Segregation of Duties

Condition:

Statement of Auditing Standards (SAS) #115 dictates that “absent or inadequate segregation of duties within a significant account or process” are defined by the Standard is at least a significant deficiency, if not a material weakness. The documentation of the Authority’s internal controls over compliance is inadequate.

Recommendation:

Personnel should document the quality control procedures better.

Current Status:

The finding is repeated.

Low Rent Program-CFDA #14.850, Capital Fund Program #14.872, and Housing Choice Voucher Program #14.871

2023-002-Policies and Related Items Need Updating or Implementation

Condition:

Policies need to be updated, including the ACOP, the Admin Plan. In addition, the utility allowances need to be updated, and the reasonable rent surveys need to be implemented.

Recommendation:

The policies should be adopted.

Current Status:

The finding is repeated.

## SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS  
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED SEPTEMBER 30, 2023

	2017 Capital Fund	2018 Capital Fund
Funds approved	\$ 63,016	\$ 97,083
Funds expended	63,016	97,083
Excess of funds approved	\$ 0	\$ 0
Funds advanced	\$ 63,016	\$ 97,083
Funds expended	63,016	97,083
Excess (Deficiency) of funds advanced	\$ 0	\$ 0

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statements of Modernization Costs, both dated May 28, 2024 accompanying the Actual Modernization Costs Certificates submitted to HUD for approval are in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountants' report

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2023

CASH BASIS

	2019 Capital Fund	2020 Capital Fund	2021 Capital Fund
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Funds approved	\$ 101,549	\$ 108,309	\$ 115,917
Funds expended	25,260	25,260	115,391
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Excess of funds approved	\$ 76,289	\$ 83,049	\$ 526
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Funds advanced	\$ 35,364	\$ 25,260	\$ 115,391
Funds expended	25,260	25,260	115,391
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Excess (Deficiency) of funds	\$ 10,104	\$ 0	\$ 0
	<u>                    </u>	<u>                    </u>	<u>                    </u>

See accountants' report

HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2023

FEDERAL GRANTOR PROGRAM TITLE	CFDA NO.	PROGRAM EXPENDITURES
<hr/>		
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 146,594
Capital Fund Program	14.872	165,911
Housing Choice Voucher	14.871	261,526
		<hr/>
Total United States Department of Housing and Urban Development		\$ 574,031
		<hr/> <hr/>
Total Expenditures of Federal Awards		\$ 574,031
		<hr/> <hr/>

The accompanying notes are an integral part of this schedule.



HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1 – BASIS OF PRESENTATION** The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Henryetta, Oklahoma (the “Housing Authority”) under programs of the federal government for the year ended September 30, 2023. The information in the 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). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** 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.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

	<u>Federal Sources</u>
Enterprise Funds	
Governmental operating grants	\$ 574,031
Total	\$ 574,031

**NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**NOTE 5 – DE MINIMIS INDIRECT COST RATE** The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Entity Wide Balance Sheet Summary</b>						
	Project Total	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$232,956	\$108,469	\$78,426	\$419,851	\$0	\$419,851
112 Cash - Restricted - Modernization and Development	\$0	\$0		\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$17,531		\$17,531	\$0	\$17,531
114 Cash - Tenant Security Deposits	\$11,399	\$0		\$11,399	\$0	\$11,399
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0		\$0	\$0	\$0
100 Total Cash	\$244,355	\$126,000	\$78,426	\$448,781	\$0	\$448,781
121 Accounts Receivable - PHA Projects	\$0	\$0		\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$1,112	\$0	\$1,112	\$0	\$1,112
124 Accounts Receivable - Other Government	\$0	\$0		\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$3,598	\$0		\$3,598	\$0	\$3,598
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,077	\$0		-\$2,077	\$0	-\$2,077
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0		\$0	\$0	\$0
128 Fraud Recovery	\$19,387	\$4,914		\$24,301	\$0	\$24,301
128.1 Allowance for Doubtful Accounts - Fraud	-\$9,693	-\$2,457		-\$12,150	\$0	-\$12,150
129 Accrued Interest Receivable	\$0	\$0		\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$11,215	\$3,569	\$0	\$14,784	\$0	\$14,784
131 Investments - Unrestricted	\$68,938	\$0		\$68,938	\$0	\$68,938
132 Investments - Restricted	\$0	\$0		\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0		\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$27,049	\$695		\$27,744	\$0	\$27,744
143 Inventories	\$2,092	\$0		\$2,092	\$0	\$2,092
143.1 Allowance for Obsolete Inventories	-\$209	\$0		-\$209	\$0	-\$209
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0		\$0	\$0	\$0
150 Total Current Assets	\$353,440	\$130,264	\$78,426	\$562,130	\$0	\$562,130
161 Land	\$65,000	\$0		\$65,000	\$0	\$65,000
162 Buildings	\$3,643,818	\$0		\$3,643,818	\$0	\$3,643,818
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0		\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$102,239	\$7,529		\$109,768	\$0	\$109,768
165 Leasehold Improvements	\$0	\$0		\$0	\$0	\$0
166 Accumulated Depreciation	-\$3,419,759	-\$7,400		-\$3,427,159	\$0	-\$3,427,159
167 Construction in Progress	\$0	\$0		\$0	\$0	\$0
168 Infrastructure	\$0	\$0		\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$391,298	\$129	\$0	\$391,427	\$0	\$391,427
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0		\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$391,298	\$129	\$0	\$391,427	\$0	\$391,427
200 Deferred Outflow of Resources	\$0	\$0		\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$744,738	\$130,393	\$78,426	\$953,557	\$0	\$953,557

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Entity Wide Balance Sheet Summary</b>						
	Project Total	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	ELIM	Total
311 Bank Overdraft	\$0	\$0		\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$5,826	\$1,357		\$7,183	\$0	\$7,183
313 Accounts Payable >90 Days Past Due	\$0	\$0		\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$2,581	\$220		\$2,801	\$0	\$2,801
322 Accrued Compensated Absences - Current Portion	\$1,985	\$117		\$2,102	\$0	\$2,102
324 Accrued Contingency Liability	\$0	\$0		\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0		\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0		\$0	\$0	\$0
333 Accounts Payable - Other Government	\$25,818	\$0		\$25,818	\$0	\$25,818
341 Tenant Security Deposits	\$11,399	\$0		\$11,399	\$0	\$11,399
342 Unearned Revenue	\$12,669	\$0	\$0	\$12,669	\$0	\$12,669
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0		\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0		\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0		\$0	\$0	\$0
346 Accrued Liabilities - Other	\$1,392	\$0		\$1,392	\$0	\$1,392
347 Inter Program - Due To	\$0	\$0		\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$61,670	\$1,694	\$0	\$63,364	\$0	\$63,364
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0		\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0		\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$528	\$35		\$563	\$0	\$563
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0		\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$528	\$35	\$0	\$563	\$0	\$563
300 Total Liabilities	\$62,198	\$1,729	\$0	\$63,927	\$0	\$63,927
400 Deferred Inflow of Resources						
508.4 Net Investment in Capital Assets	\$391,298	\$129	\$0	\$391,427		\$391,427
511.4 Restricted Net Position	\$0	\$17,531	\$0	\$17,531		\$17,531
512.4 Unrestricted Net Position	\$291,242	\$111,004	\$78,426	\$480,672		\$480,672
513 Total Equity - Net Assets / Position	\$682,540	\$128,664	\$78,426	\$889,630	\$0	\$889,630
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$744,738	\$130,393	\$78,426	\$953,557	\$0	\$953,557

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$89,785	\$0	\$89,785
70400 Tenant Revenue - Other	\$1,310	\$0	\$1,310
70500 Total Tenant Revenue	\$91,095	\$0	\$91,095
70600 HUD PHA Operating Grants	\$146,594	\$165,911	\$312,505
70610 Capital Grants	\$0	\$0	\$0
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$3,202	\$0	\$3,202
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0
71500 Other Revenue	\$30,433	\$0	\$30,433
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$271,324	\$165,911	\$437,235
91100 Administrative Salaries	\$70,259	\$0	\$70,259
91200 Auditing Fees	\$8,464	\$0	\$8,464
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$27,555	\$0	\$27,555
91600 Office Expenses	\$14,112	\$0	\$14,112
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$1,370	\$0	\$1,370
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$12,471	\$0	\$12,471
91000 Total Operating - Administrative	\$134,231	\$0	\$134,231
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$115	\$0	\$115
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$1,690	\$0	\$1,690
92500 Total Tenant Services	\$1,805	\$0	\$1,805
93100 Water	\$1,227	\$0	\$1,227
93200 Electricity	\$7,551	\$0	\$7,551
93300 Gas	\$4,095	\$0	\$4,095
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$554	\$0	\$554

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$13,427	\$0	\$13,427
94100 Ordinary Maintenance and Operations - Labor	\$28,010	\$0	\$28,010
94200 Ordinary Maintenance and Operations - Materials and Other	\$20,689	\$0	\$20,689
94300 Ordinary Maintenance and Operations Contracts	\$29,064	\$0	\$29,064
94500 Employee Benefit Contributions - Ordinary Maintenance	\$10,677	\$0	\$10,677
94000 Total Maintenance	\$88,440	\$0	\$88,440
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$16,063	\$0	\$16,063
96120 Liability Insurance	\$4,865	\$0	\$4,865
96130 Workmen's Compensation	\$7,074	\$0	\$7,074
96140 All Other Insurance	\$2,697	\$0	\$2,697
96100 Total insurance Premiums	\$30,699	\$0	\$30,699
96200 Other General Expenses	\$765	\$0	\$765
96210 Compensated Absences	\$9,518	\$0	\$9,518
96300 Payments in Lieu of Taxes	\$7,905	\$0	\$7,905
96400 Bad debt - Tenant Rents	\$1,390	\$0	\$1,390
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$19,578	\$0	\$19,578
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$288,180	\$0	\$288,180
97000 Excess of Operating Revenue over Operating Expenses	-\$16,856	\$165,911	\$149,055
97100 Extraordinary Maintenance	\$10,295	\$0	\$10,295
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$63,046	\$0	\$63,046
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$361,521	\$0	\$361,521

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Single Project Revenue and Expense</b>			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$165,911	\$0	\$165,911
10020 Operating transfer Out	\$0	-\$165,911	-\$165,911
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$165,911	-\$165,911	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$75,714	\$0	\$75,714
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$606,826	\$0	\$606,826
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	581		581
11210 Number of Unit Months Leased	552		552
11270 Excess Cash	\$238,823		\$238,823
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$47,328	\$0	\$47,328
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Entity Wide Revenue and Expense Summary</b>						
	Project Total	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$89,785	\$0		\$89,785	\$0	\$89,785
70400 Tenant Revenue - Other	\$1,310	\$0		\$1,310	\$0	\$1,310
70500 Total Tenant Revenue	\$91,095	\$0	\$0	\$91,095	\$0	\$91,095
70600 HUD PHA Operating Grants	\$312,505	\$261,526		\$574,031	\$0	\$574,031
70610 Capital Grants	\$0	\$0		\$0	\$0	\$0
70710 Management Fee				\$0	\$0	\$0
70720 Asset Management Fee				\$0	\$0	\$0
70730 Book Keeping Fee				\$0	\$0	\$0
70740 Front Line Service Fee				\$0	\$0	\$0
70750 Other Fees				\$0	\$0	\$0
70700 Total Fee Revenue				\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0		\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$3,202	\$0	\$321	\$3,523	\$0	\$3,523
71200 Mortgage Interest Income	\$0	\$0		\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0		\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0		\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$126		\$126	\$0	\$126
71500 Other Revenue	\$30,433	\$0		\$30,433	\$0	\$30,433
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0		\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0		\$0	\$0	\$0
70000 Total Revenue	\$437,235	\$261,652	\$321	\$699,208	\$0	\$699,208
91100 Administrative Salaries	\$70,259	\$5,048		\$75,307	\$0	\$75,307
91200 Auditing Fees	\$8,464	\$736		\$9,200	\$0	\$9,200
91300 Management Fee	\$0	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0		\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0		\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$27,555	\$2,509		\$30,064	\$0	\$30,064
91600 Office Expenses	\$14,112	\$2,309		\$16,421	\$0	\$16,421
91700 Legal Expense	\$0	\$0		\$0	\$0	\$0
91800 Travel	\$1,370	\$119		\$1,489	\$0	\$1,489
91810 Allocated Overhead	\$0	\$0		\$0	\$0	\$0
91900 Other	\$12,471	\$2,992		\$15,463	\$0	\$15,463
91000 Total Operating - Administrative	\$134,231	\$13,713	\$0	\$147,944	\$0	\$147,944
92000 Asset Management Fee	\$0	\$0		\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0		\$0	\$0	\$0
92200 Relocation Costs	\$115	\$0		\$115	\$0	\$115
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0		\$0	\$0	\$0
92400 Tenant Services - Other	\$1,690	\$0		\$1,690	\$0	\$1,690
92500 Total Tenant Services	\$1,805	\$0	\$0	\$1,805	\$0	\$1,805
93100 Water	\$1,227	\$0		\$1,227	\$0	\$1,227
93200 Electricity	\$7,551	\$0		\$7,551	\$0	\$7,551
93300 Gas	\$4,095	\$0		\$4,095	\$0	\$4,095
93400 Fuel	\$0	\$0		\$0	\$0	\$0
93500 Labor	\$0	\$0		\$0	\$0	\$0
93600 Sewer	\$554	\$0		\$554	\$0	\$554

**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Entity Wide Revenue and Expense Summary</b>						
	Project Total	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities	\$0	\$0		\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0		\$0	\$0	\$0
93000 Total Utilities	\$13,427	\$0	\$0	\$13,427	\$0	\$13,427
94100 Ordinary Maintenance and Operations - Labor	\$28,010	\$0		\$28,010	\$0	\$28,010
94200 Ordinary Maintenance and Operations - Materials and Other	\$20,689	\$0		\$20,689	\$0	\$20,689
94300 Ordinary Maintenance and Operations Contracts	\$29,064	\$0	\$0	\$29,064	\$0	\$29,064
94500 Employee Benefit Contributions - Ordinary Maintenance	\$10,677	\$0		\$10,677	\$0	\$10,677
94000 Total Maintenance	\$88,440	\$0	\$0	\$88,440	\$0	\$88,440
95100 Protective Services - Labor	\$0	\$0		\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0		\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0		\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0		\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$16,063	\$0		\$16,063	\$0	\$16,063
96120 Liability Insurance	\$4,865	\$322		\$5,187	\$0	\$5,187
96130 Workmen's Compensation	\$7,074	\$484		\$7,558	\$0	\$7,558
96140 All Other Insurance	\$2,697	\$180		\$2,877	\$0	\$2,877
96100 Total insurance Premiums	\$30,699	\$986	\$0	\$31,685	\$0	\$31,685
96200 Other General Expenses	\$765	\$3		\$768	\$0	\$768
96210 Compensated Absences	\$9,518	\$527		\$10,045	\$0	\$10,045
96300 Payments in Lieu of Taxes	\$7,905	\$0		\$7,905	\$0	\$7,905
96400 Bad debt - Tenant Rents	\$1,390	\$0		\$1,390	\$0	\$1,390
96500 Bad debt - Mortgages	\$0	\$0		\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0		\$0	\$0	\$0
96800 Severance Expense	\$0	\$0		\$0	\$0	\$0
96000 Total Other General Expenses	\$19,578	\$530	\$0	\$20,108	\$0	\$20,108
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0		\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0		\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0		\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$288,180	\$15,229	\$0	\$303,409	\$0	\$303,409
97000 Excess of Operating Revenue over Operating Expenses	\$149,055	\$246,423	\$321	\$395,799	\$0	\$395,799
97100 Extraordinary Maintenance	\$10,295	\$0		\$10,295	\$0	\$10,295
97200 Casualty Losses - Non-capitalized	\$0	\$0		\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$207,238		\$207,238	\$0	\$207,238
97350 HAP Portability-In	\$0	\$0		\$0	\$0	\$0
97400 Depreciation Expense	\$63,046	\$445		\$63,491	\$0	\$63,491
97500 Fraud Losses	\$0	\$0		\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense	\$0	\$0		\$0	\$0	\$0
90000 Total Expenses	\$361,521	\$222,912	\$0	\$584,433	\$0	\$584,433



**HOUSING AUTHORITY OF HENRYETTA, OKLAHOMA**  
**FINANCIAL DATA SCHEDULES**

**YEAR ENDED SEPTEMBER 30, 2023**

<b>Entity Wide Revenue and Expense Summary</b>						
	Project Total	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	ELIM	Total
10010 Operating Transfer In	\$165,911	\$0		\$165,911	-\$165,911	\$0
10020 Operating transfer Out	-\$165,911	\$0		-\$165,911	\$165,911	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0		\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0		\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0		\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0		\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0			\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0			\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0		\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0		\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$75,714	\$38,740	\$321	\$114,775	\$0	\$114,775
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$606,826	\$89,924	\$78,105	\$774,855	\$0	\$774,855
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						
11080 Changes in Special Term/Severance Benefits Liability						
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity		\$111,133		\$111,133		\$111,133
11180 Housing Assistance Payments Equity		\$17,531		\$17,531		\$17,531
11190 Unit Months Available	581	709	0	1290	0	1290
11210 Number of Unit Months Leased	552	513	0	1065	0	1065
11270 Excess Cash	\$238,823			\$238,823		\$238,823
11610 Land Purchases	\$0			\$0		\$0
11620 Building Purchases	\$47,328			\$47,328		\$47,328
11630 Furniture & Equipment - Dwelling Purchases	\$0			\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0			\$0		\$0
11650 Leasehold Improvements Purchases	\$0			\$0		\$0
11660 Infrastructure Purchases	\$0			\$0		\$0
13510 CFFP Debt Service Payments	\$0			\$0		\$0
13901 Replacement Housing Factor Funds	\$0			\$0		\$0