

HOUSING AUTHORITY OF LAWTON, OKLAHOMA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED JUNE 30, 2024

Mike Estes, P.C.

A Professional Accounting Corporation

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AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of Lawton
Lawton, 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 Lawton, Oklahoma as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Housing Authority of Lawton, 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 Lawton, Oklahoma as of and for the year ended June 30, 2024, 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 Lawton, 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 Lawton, 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 Lawton, 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 Lawton, 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 Lawton, 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*, are 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 March 24, 2025 on our consideration of the Housing Authority of the City of Lawton, 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 Lawton, 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 Lawton, Oklahoma's internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
March 24, 2025

LAWTON HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024

Introduction

This Management's Discussion and Analysis (MD&A) of the Lawton Housing Authority (Authority) provides an introduction and overview to the financial statements of the Lawton Housing Authority for the fiscal year ended June 30, 2024. The Lawton Housing Authority presents this discussion and analysis of its financial performance during the fiscal year ended June 30, 2024, to assist the reader in focusing on significant financial issues.

All of the funds of the Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and that these funds are used for their intended purposes. The 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 four significant programs. These are the Low Rent Public Housing Program, Public Housing Capital Fund Program, Section 8 Housing Choice Voucher Program, and a 501(3)(c) non-profit corporation, Lawton Support Services that is presented discretely as a component unit.

The Low Rent Program consists of 296 units. Funding is provided based on the dwelling rents paid by the tenants and operating fund payments received by the Department of Housing and Urban Development (HUD) based on a formula. The Capital Fund Program receives funding from HUD based on a formula. The purpose of this program is to provide funding for low rent housing programs to allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations.

The Section 8 Housing Choice Voucher Program consists of 109 vouchers. Funding for this program is based on the lease-up rate during the previous fiscal year.

Lawton Support Services is a discretely presented component unit that provides a variety of management services to the Lawton Housing Authority.

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:

- *Net Investment in Capital Assets* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with the acquisition of these assets
- *Restricted* component of net position consists of resources available 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 June 30, 2024, to determine the change in net position for the fiscal year.

The Statement of Cash Flows report 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 June 30, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS-Cont.

Financial Highlights

- The net position increased from \$4,940,012 to \$5,250,353, an increase of \$310,341 or 6%. Total assets also increased by \$215,498, or 4%.
- Revenue increased from \$3,740,946 to \$4,171,498, an increase of \$430,552.
- Expenses increased from \$3,494,457 to \$3,861,157, an increase of \$366,700, or 10%.

Housing Authority Activities & Highlights

The 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 June 30, 2024 and June 30, 2023.

Statement of Net Position As of June 30, 2024, and June 30, 2023

<u>Category</u>	<u>2024</u>	<u>2023</u>	<u>Change \$</u>	<u>Change %</u>
Current Assets	\$ 2,098,868	\$ 2,009,172	\$ 89,696	4%
Fixed Assets (Net of Depreciation)	\$ 3,468,825	\$ 3,330,482	\$ 138,343	4%
Other NonCurrent Assets	\$ 319,757	\$ 332,298	\$ (12,541)	-4%
Total Assets	\$ 5,887,450	\$ 5,671,952	\$ 215,498	4%
Current Liabilities	\$ 400,429	\$ 330,624	\$ 69,805	21%
Noncurrent Liabilities	\$ 77,749	\$ 232,110	\$ (154,361)	-67%
Total Liabilities	\$ 478,178	\$ 562,734	\$ (84,556)	-15%
Deferred Inflow of Resources	\$ 158,919	\$ 169,206	\$ (10,287)	-6%
Unrestricted	\$ 1,979,814	\$ 1,937,110	\$ 42,704	2%
Net Investment in Capital Assets	\$ 3,270,539	\$ 3,002,902	\$ 267,637	9%
Total Net Position	\$ 5,250,353	\$ 4,940,012	\$ 310,341	6%

Current Assets

Current assets increased by \$89,696 from the previous year. Cash and investments decreased by \$264,642. In contrast, A/R HUD increased by \$111,721.

Fixed Assets

Fixed assets increased by \$138,343 from the previous year. See the Capital Asset section for further discussion.

MANAGEMENT'S DISCUSSION AND ANALYSIS-Cont.

Other Noncurrent Assets

Other noncurrent assets decreased by \$12,541 from the prior year due to the recording of GASB #87 in the prior year offset by an increase in the mortgage receivable balances of \$4,741.

Current Liabilities

Current liabilities increased by \$69,805 from the previous year. Accounts payable increased by \$25,280 from 2023 to 2024.

Net Position

Unrestricted Net Position

The Authority's total net position increased by \$310,341, from the prior year.

The Authority's unrestricted component of net position increased from \$1,937,110 to \$1,979,814, an increase of \$42,704, or 2% 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. The Authority's individual programs maintain the unrestricted net position balances as follows:

Low Rent Housing Program	\$ 922,602
State & Local	442,507
Housing Choice Voucher Program	
Reserved for Administration	258,121
Other Federal Program	<u>356,584</u>
Total	<u>\$ 1,979,814</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS-Cont.

Statement of Revenues & Expenses For the Year Ended June 30, 2024 and June 30, 2023

<u>Category</u>	<u>2024</u>	<u>2023</u>	<u>Change \$</u>	<u>Change %</u>
Tenant Revenue	\$ 642,450	\$ 628,806	\$ 13,644	2%
Operating Grants	\$ 2,776,102	\$ 2,400,297	\$ 375,805	16%
Capital Grants	\$ 576,921	\$ 522,291	\$ 54,630	10%
Interest Income	\$ 15,597	\$ 11,366	\$ 4,231	37%
Other Revenue	\$ 160,428	\$ 178,186	\$ (17,758)	-10%
Total Revenue	\$ 4,171,498	\$ 3,740,946	\$ 430,552	12%
			\$ -	
Administration	\$ 816,221	\$ 809,343	\$ 6,878	1%
Tenant Services	\$ 1,979	\$ 1,901	\$ 78	4%
Utilities	\$ 326,431	\$ 334,124	\$ (7,693)	-2%
Ordinary Maintenance	\$ 1,148,749	\$ 879,070	\$ 269,679	31%
Protective Services	\$ 6,339	\$ 6,683	\$ (344)	-5%
General/Insurance Expense	\$ 312,074	\$ 304,631	\$ 7,443	2%
Extraordinary Maintenance	\$ 8,037	\$ -	\$ 8,037	100%
Housing Assistance Payments	\$ 790,747	\$ 738,179	\$ 52,568	7%
Depreciation	\$ 450,580	\$ 420,526	\$ 30,054	7%
			\$ -	
Total Expenses	\$ 3,861,157	\$ 3,494,457	\$ 366,700	10%
Excess of Revenue over Expenses	\$ 310,341	\$ 246,489	\$ 63,852	26%
Net Position, Beginning of Year	\$ 4,940,012	\$ 4,693,523	\$ 246,489	5%
Net Position, End of Year	\$ 5,250,353	\$ 4,940,012	\$ 310,341	6%

Results of Operations

Revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). Revenue increased by \$430,552 during the current fiscal year. Notable differences noted from comparing current year balances to previous year balances are listed as follows:

- Operating grants increased by \$375,805, from \$2,400,297 in the prior year to \$2,77,102 in the current year.
- Capital grants increased by \$54,630 or 10% due to increased capital improvement activity funded through the CFP grants during the current year.

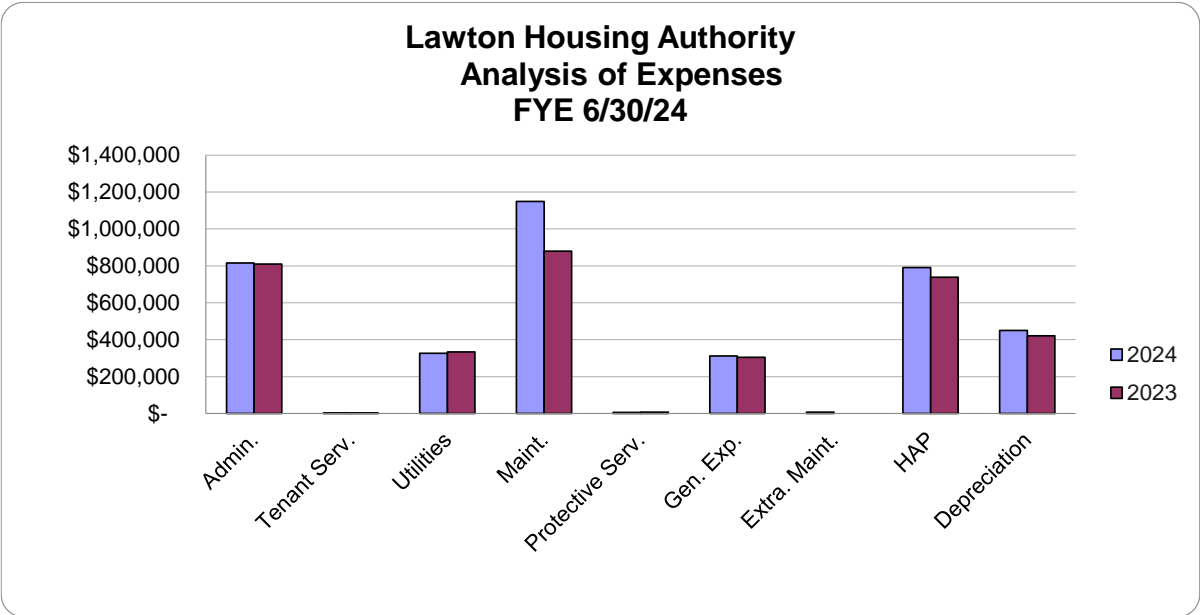
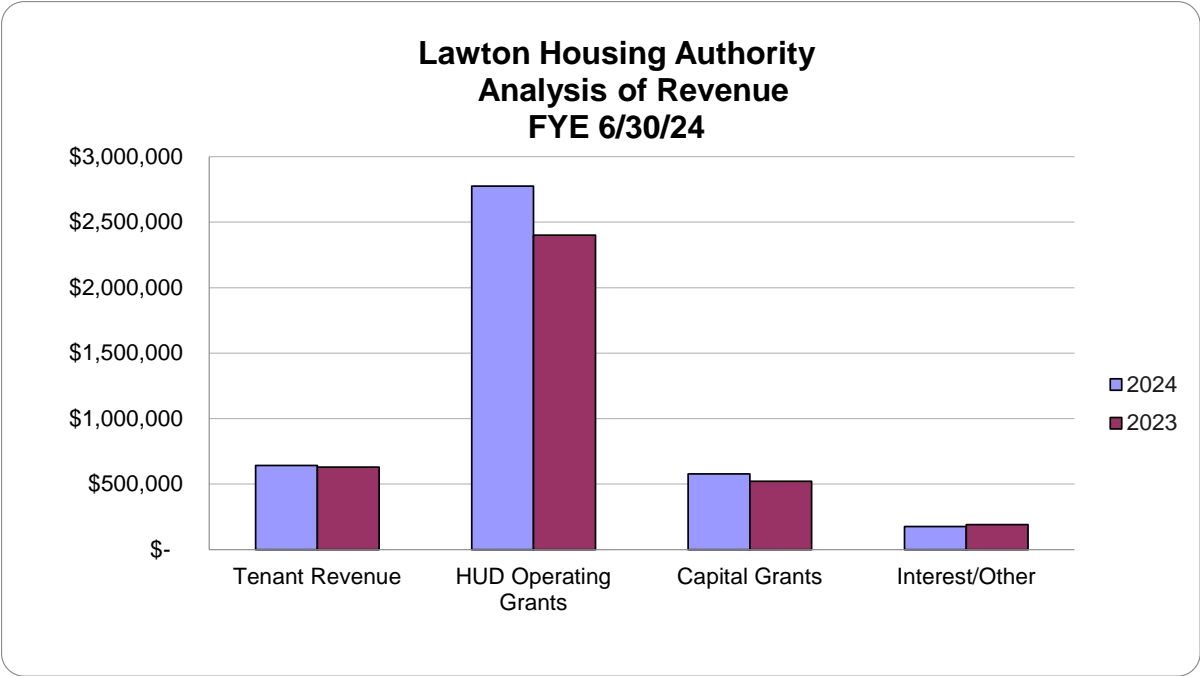
Total expenses increased by \$366,700. Significant variations between the years include the following:

- Ordinary maintenance increased by \$269,679 due primarily to an increase in maintenance contracts in the amount of \$257,583.

MANAGEMENT’S DISCUSSION AND ANALYSIS-Cont.

- Housing assistance payments increased in the current year by \$52,568. The average per unit cost in the HCV program increased from \$516 in 2023 to \$590 in 2024.

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 June 30, 2024, the Authority's investment in capital assets was \$3,270,539. This investment includes land, building, equipment and construction in progress, less accumulated depreciation.

<u>Category</u>	<u>2024</u>	<u>2023</u>	<u>Change \$</u>	<u>Change %</u>
Land	\$ 271,767	\$ 271,767	\$ -	0%
Buildings	\$ 17,899,035	\$ 17,324,508	\$ 574,527	3%
Equipment	\$ 571,317	\$ 568,921	\$ 2,396	0%
Construction in Progress	\$ 12,000		\$ 12,000	100%
Accumulated Depreciation	\$ (15,285,294)	\$ (14,834,714)	\$ (450,580)	3%
Total Capital Assets	\$ 3,468,825	\$ 3,330,482	\$ 138,343	4%

Additions to buildings include the completion of an electrical upgrade, roofing project, shower project, flooring, security system, elevators, and HVAC project utilizing the 2022 and 2023 CFP grants.

Additions to equipment include the purchase of a copier.

Long Term Debt

Noncurrent liabilities decreased by \$154,361 from the previous year primarily due to the reduction in the principal balance on the energy performance contract.

The Authority classifies a portion of the employees' leave as a noncurrent liability. This is due to the Authority not anticipating paying out the total amount accrued in the upcoming fiscal year. The amount estimated as a noncurrent liability was \$17,487.

The Authority did not acquire any additional debt obligations during the fiscal year.

Subsequent Event

As of the time of this analysis, HUD has finalized the funding levels for the 2024 calendar year. The operating subsidy for the Low Rent Housing Program was funded at 97.12%. The 2025 calendar year operating subsidy for the Low Rent Housing Program has yet to be finalized. HUD is estimating that the 2025 operating subsidy will be funded at an estimated 95%.

The amount of funding for the 2024 calendar year for the Housing Choice Voucher Program will include an estimated proration of administrative fees at 91.769% and HAP funding at 99.5%. HUD has not finalized the 2025 funding. The PHA is estimated to have a proration of 91% for administrative fees and an estimated 97.5% proration of HAP.

Request for Information

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Lawton Housing Authority
Rita Love, Executive Director
609 SW Avenue F
Lawton, OK 73501

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
STATEMENT OF NET POSITION

JUNE 30, 2024

	General	Housing Choice Voucher	Total Primary Government	Component Unit	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 778,515	\$ 260,154	\$ 1,038,669	\$ 27,389	\$ 1,066,058
Investments - Unrestricted	452,739	0	452,739	0	452,739
Accounts receivable net	241,147	49,000	290,147	90,665	380,812
Interest receivable	3,126	0	3,126	0	3,126
Interfund and component unit A/R	192,790	0	192,790	0	192,790
Prepaid items and other assets	49,304	1,872	51,176	1,685	52,861
Note receivable	6,995	0	6,995	0	6,995
Inventory	11,246	0	11,246	0	11,246
Restricted assets - cash and cash equivalents	51,980	0	51,980	13,896	65,876
Total Current Assets	1,787,842	311,026	2,098,868	133,635	2,232,503
Capital Assets, net					
Land and other non-depreciated assets	283,767	0	283,767	41,730	325,497
Other capital assets - net of depreciation	3,185,058	0	3,185,058	1,177,005	4,362,063
Total Capital Assets, net	3,468,825	0	3,468,825	1,218,735	4,687,560
Noncurrent					
Other Assets	319,757	0	319,757	0	319,757
Total Assets	\$ 5,576,424	311,026	5,887,450	\$ 1,352,370	\$ 7,239,820
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 106,714	\$ 7,137	\$ 113,851	\$ 4,150	\$ 118,001
Unearned income	25,964	0	25,964	0	25,964
Compensated absences payable	26,510	3,210	29,720	2,327	32,047
Accrued interest payable	899	0	899	0	899
Current portion of notes payable	138,024	0	138,024	0	138,024
Interfund and component unit A/Payable	0	40,191	40,191	152,599	192,790
Deposits due others	51,780	0	51,780	7,250	59,030
Total Current Liabilities	349,891	50,538	400,429	166,326	566,755
Noncurrent Liabilities					
Compensated absences payable	15,120	2,367	17,487	2,128	19,615
Noncurrent portion of notes payable	60,262	0	60,262	0	60,262
Total Noncurrent Liabilities	75,382	2,367	77,749	2,128	79,877
Total Liabilities	425,273	52,905	478,178	168,454	646,632
Deferred inflow of resources	158,919	0	158,919	0	158,919
NET POSITION					
Net investment in capital assets, net of related debt	3,270,539	0	3,270,539	1,218,735	4,489,274
Restricted	0	0	0	6,646	6,646
Unrestricted	1,721,693	258,121	1,979,814	(41,465)	1,938,349
Net Position	4,992,232	258,121	5,250,353	1,183,916	6,434,269

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

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

FOR THE YEAR ENDED JUNE 30, 2024

	General	Housing Choice Voucher	Total Primary Government	Component Unit	Total
OPERATING REVENUES					
Tenant revenue	\$ 642,450	\$ 0	\$ 642,450	\$ 81,355	\$ 723,805
Governmental operating grants	1,934,429	841,673	2,776,102	189,858	2,965,960
Other	115,072	45,056	160,128	30,150	190,278
Total Operating Revenues	2,691,951	886,729	3,578,680	301,363	3,880,043
OPERATING EXPENSES					
Administration	729,380	86,841	816,221	77,078	893,299
Utilities	326,431	0	326,431	24,452	350,883
Ordinary maintenance & operations	1,141,524	7,225	1,148,749	45,901	1,194,650
Protective services	6,339	0	6,339	800	7,139
General expenses	286,317	13,637	299,954	29,690	329,644
Depreciation	450,580		450,580	86,177	536,757
Casualty losses	8,037	0	8,037	0	8,037
Housing assistance payments	0	749,187	749,187	170,295	919,482
Port-in housing assistance payments	0	41,560	41,560	0	41,560
Tenant services	1,979	0	1,979	47,006	48,985
Total Operating Expenses	2,950,587	898,450	3,849,037	481,399	4,330,436
Income (Loss) from Operations	(258,636)	(11,721)	(270,357)	(180,036)	(450,393)
Non Operating Revenues (Expenses)					
Interest earnings	15,334	263	15,597	49	15,646
Interest expense	(12,120)	0	(12,120)	0	(12,120)
Gain on sale of capital assets	300	0	300	0	300
Total Non-Operating Revenues (Expenses)	3,514	263	3,777	49	3,826
Income (Loss) before contribution	(255,122)	(11,458)	(266,580)	(179,987)	(446,567)
Capital Contribution	576,921	0	576,921	0	576,921
Change in net position	321,799	(11,458)	310,341	(179,987)	130,354
Total net position - beginning	4,670,433	269,579	4,940,012	1,363,903	6,303,915
Total net position - ending	\$ 4,992,232	258,121	5,250,353	1,183,916	\$ 6,434,269

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

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	General	Housing Choice Voucher	Total Primary Government	Component Unit	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM					
OPERATING ACTIVITIES					
Rental receipts	\$ 590,046	\$ 0	\$ 590,046	\$ 81,355	\$ 671,401
Other receipts (payments)	(114,262)	47,817	(66,445)	155,237	88,792
Federal grants	1,805,484	848,610	2,654,094	141,390	2,795,484
Ports	0	45,056	45,056	0	45,056
Payments to vendors	(1,603,325)	(27,733)	(1,631,058)	(106,049)	(1,737,107)
Payments to employees – net	(852,988)	(79,314)	(932,302)	(110,609)	(1,042,911)
Payments to private landlords	0	(790,747)	(790,747)	(170,295)	(961,042)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by operating activities	(175,045)	43,689	(131,356)	(8,971)	(140,327)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM CAPITAL AND					
RELATED FINANCING ACTIVITIES					
Interest paid	(12,706)	0	(12,706)	0	(12,706)
Purchase of assets	(588,923)	0	(588,923)	(23,062)	(611,985)
Repayment of debt	(129,294)	0	(129,294)	0	(129,294)
Federal capital grants	576,921	0	576,921	0	576,921
Proceeds of asset sales	5,243	0	5,243	0	5,243
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by capital and related financing activities	(148,759)	0	(148,759)	(23,062)	(171,821)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING					
ACTIVITIES					
Purchase of investments	(7,737)	0	(7,737)	0	(7,737)
Interest income	11,480	263	11,743	49	11,792
Mortgage interest	2,993	0	2,993	0	2,993
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash provided (used) by investing activities	6,736	263	6,999	49	7,048
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET INCREASE (DECREASE) IN					
CASH AND CASH EQUIVALENTS	(317,068)	43,952	(273,116)	(31,984)	(305,100)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS					
Beginning of Fiscal Year	1,147,563	216,202	1,363,765	73,269	1,437,034
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS					
End of Fiscal Year	\$ 830,495	260,154	1,090,649	\$ 41,285	1,131,934
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Continued

**HOUSING AUTHORITY OF LAWTON, OKLAHOMA
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED JUNE 30, 2024

	General	Housing Choice Voucher	Total Primary Government	Component Unit	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (258,636)	\$ (11,721)	\$ (270,357)	\$ (180,036)	\$ (450,393)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation Expense	450,580	0	450,580	86,177	536,757
Provision of uncollectable accounts	13,532	0	13,532	0	13,532
Change in assets and liabilities:					
Receivables	(217,315)	17,402	(199,913)	(61,488)	(261,401)
Prepaid items	4,766	1,229	5,995	9,853	15,848
Security Deposits	(737)	0	(737)	0	(737)
Interfund	(174,974)	37,417	(137,557)	137,557	0
Accounts payable	18,026	(638)	17,388	(1,034)	16,354
Deferred inflow of resources	(10,287)		(10,287)	0	(10,287)
Net cash provided (used) by operations	<u>\$ (175,045)</u>	<u>\$ 43,689</u>	<u>\$ (131,356)</u>	<u>\$ (8,971)</u>	<u>\$ (140,327)</u>

Concluded

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

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

JUNE 30, 2024

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

JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the City of Lawton 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 Lawton, serve staggered multi-year terms.

The Housing Authority administers an annual contributions contract to provide low-income housing with primary financial support from the U.S. Department of Housing and Urban Development (HUD). Contracts administered by the Housing Authority are as follows:

Public Housing - The Housing Authority owns, operates and maintains 296 units of Public Housing. The properties were acquired through bonds and notes guaranteed by HUD and through grants, subject to the terms of an Annual Contributions Contract with HUD. Revenues consist primarily of rents and other fees collected from tenants, and an Operating Subsidy from HUD.

Capital Fund Program – Funds from the Capital Fund Program provided by HUD are used to maintain and improve the Housing Authority. Substantially all additions to land, structures and equipment of the Housing Authority are accomplished through these capital fund grants.

Housing Choice Vouchers – The Housing Authority administers Housing Choice Vouchers to assist low-income families, elderly and disabled to afford decent, safe and sanity housing in the private market. Revenues consist primarily of Annual Contribution for Housing Assistance Payments from HUD. For June 2024, 106 vouchers were issued.

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.

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

JUNE 30, 2024

The Housing Authority is a related organization of the City of Lawton since the City of Lawton appoints a voting majority of the Housing Authority's governing board. The City of Lawton 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 Lawton. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Lawton.

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:

- 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.

As of June 30, 2024, and for the fiscal year then ended, the Housing Authority had one component unit required to be discretely presented, which is presented in a separate column in the financial statements, Lawton Support Services.

Lawton Support Services, Inc. – Component Unit

Lawton Support Services is a component unit of the Housing Authority of the City of Lawton. The corporation is organized exclusively for charitable, education and scientific purposes, including, for such purposes making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code. Lawton Support Services, Inc. is currently providing a variety of management and training services for other housing authorities. The component unit is governed by the governing board of the Housing Authority.

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.

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

JUNE 30, 2024

The General Fund is composed primarily of the Low Rent program. It also includes the Capital Fund, which is composed of annual grants of varying amounts to rehab or improve the Low Rent units, or assist in paying Low Rent operating expenses. In addition, the general fund also includes two separately accounted for funds. One is termed the Other Federal Program, which includes rent houses and a house held for resale. The Authority purchased the units from HUD with the proceeds of funds from the sale of scattered site Low Rent units. Finally, the general fund also includes one termed the State and Local Program, which primarily originated with fees earned in prior years from the City of Lawton.

The Housing Choice Voucher Fund is primarily composed of the Section Eight program. In addition, the fund includes the related Section Eight entities of Shelter Plus Care and the Emergency Shelter grants programs.

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.

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 \$1,090,649. This is comprised of cash and cash equivalents of \$1,038,669 and restricted assets – cash of \$51,980, on the statement of net position.

The Component Unit had cash and cash equivalents of \$41,285, composed of \$27,389 and \$13,896 of unrestricted and restricted, respectively.

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

JUNE 30, 2024

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.

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

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

JUNE 30, 2024

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 live 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	40 years
Building improvements	15 years
Furniture and equipment	3-7 years
Computers	3 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 The Authority's policy is to allow full-time employees (full-time after 90-day probation) to accumulate earned but unused personal time off (PTO) and pay benefits up to a maximum of 480 hours. 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.

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.

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

JUNE 30, 2024

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 June 30, 2024. 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: \$51,780 and \$7,250 is restricted in the General Fund and component units for security deposits. \$6,646 is restricted for other current liabilities.

At June 30, 2024, the Housing Authority's carrying amount of deposits was \$1,542,388 and the bank balance was \$1,614,079, which includes \$452,739 in certificates of deposits classified as investments. Petty cash consists of \$1,000. \$560,141 of the bank balance was covered by FDIC Insurance. The remaining bank balance of \$1,053,938 was covered by pledged securities. However, this \$1,053,938 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.

For the component unit, the carrying amount of deposits was \$41,286 and the bank balance was \$50,290. The entire balance was covered by FDIC insurance.

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

JUNE 30, 2024

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at June 30, 2024, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Housing Choice Voucher</u>	<u>Total</u>
Local sources:			
HUD	\$ 126,565	\$ 10,062	\$ 136,627
Tenants	36,664	0	36,664
Ports	0	38,873	38,873
Old Towne Square	75,150	0	75,150
Other	2,768	65	2,833
	<hr/>	<hr/>	<hr/>
Total	\$ 241,147	\$ 49,000	\$ 290,147
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The tenants account receivable is net of an allowance for doubtful accounts of \$30,320.

The Component Unit's total accounts receivable is \$90,665. \$67,461 is due from HUD for the HOME program. \$8,273 is due from HUD for a CDBG. \$13,284 and \$1,647 was due from other sources and tenants respectively.

NOTE 4 – OTHER ASSETS AND DEFERRED INFLOW OF RESOURCES The General Fund includes a Home Ownership Program. The program has three houses for sale that have a June 30, 2024 carrying value of \$115,139 and is included in the Other Assets amount. In addition, the program has mortgage notes receivable due from five individuals that result from the sale of houses previously owned by the program. At June 30, 2024, the current balance due is \$6,995. The long-term amount due is \$45,699. This is included also in Other Assets.

The remainder of Other Assets is a lease receivable of \$158,919, explained as follows:

The Authority has agreed to allow a communications company to establish a cell tower on the Authority's premises. The lease agreement includes optional renewal terms for monthly payments that extends through August 2035. The agreement does not specify an interest rate. An estimated rate of 2.5% is used to calculate the present value of the lease receivable and the offsetting deferred inflows. For the audit year, \$10,033 and \$4,366 of principal and interest were received, respectively.

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

JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS The changes in capital assets are as follows:

Primary Government- Lawton Housing Authority

	Beginning Balance		Additions		Deletions		Ending Balance
	<u> </u>		<u> </u>		<u> </u>		<u> </u>
Non-depreciable assets							
Land and buildings	\$ 271,767	\$	0	\$	0	\$	271,767
Construction in progress	0		12,000		0		12,000
Depreciable assets:							
Buildings	17,324,508		574,527		0		17,899,035
Furniture and equipment	568,921		2,396		0		571,317
	<u>18,165,196</u>		<u>588,923</u>		<u>0</u>		<u>18,754,119</u>
Total capital assets							
Less: accumulated depreciation							
Buildings	14,339,537		312,751		0		14,652,288
Furniture and equipment	495,177		137,829		0		633,006
	<u>14,834,714</u>		<u>450,580</u>		<u>0</u>		<u>15,285,294</u>
Total accumulated deprecation							
Total capital assets, net	<u>\$ 3,330,482</u>	\$	<u>138,343</u>	\$	<u>0</u>	\$	<u>3,468,825</u>

Component Unit

	Beginning Balance		Additions		Deletions		Ending Balance
	<u> </u>		<u> </u>		<u> </u>		<u> </u>
Non-depreciable assets							
Land and buildings	\$ 41,150	\$	0	\$	0	\$	41,150
Construction in progress	0		580		0		580
Depreciable assets:							
Buildings	1,372,178		17,992		0		1,390,170
Furniture and equipment	21,556		4,490		0		26,046
	<u>1,434,884</u>		<u>23,062</u>		<u>0</u>		<u>1,457,946</u>
Total capital assets							
Less: accumulated depreciation							
Buildings	133,544		85,360		0		218,904
Furniture and equipment	19,490		817		0		20,307
	<u>153,034</u>		<u>86,177</u>		<u>0</u>		<u>239,211</u>
Total accumulated deprecation							
Total capital assets, net	<u>\$ 1,281,850</u>	\$	<u>(63,115)</u>	\$	<u>0</u>	\$	<u>1,218,735</u>

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

JUNE 30, 2024

NOTE 6 – ACCOUNTS PAYABLE The payables at June 30, 2024 are as follows:

	General	Housing Choice Voucher	Total	Component Unit
Vendors	\$ 33,311	\$ 1,118	\$ 34,429	\$ 826
Accrued wages/payroll taxes	58,525	1,415	59,940	1,626
Utilities	14,878	0	14,878	1,698
HUD	0	4,604	4,604	0
Total	\$ 106,714	\$ 7,137	\$ 113,851	\$ 4,150

NOTE 7 – COMPENSATED ABSENCES At June 30, 2024, employees of the Housing Authority have accumulated and vested \$47,207 and \$4,455 of employee leave in the Primary Government and Component Unit respectively computed in accordance with GASB, Codification Section C60.

NOTE 8 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended June 30, 2024.

	Primary Government Compensated Absences	Primary Government Energy Contract	Component Unit Compensated Absences
Balance, beginning	\$ 62,435	\$ 327,580	\$ 5,354
Additions	65,327	0	3,972
Deletions	(80,555)	(129,294)	(4,871)
Balance, ending	47,207	198,286	4,455
Amounts due in one year	\$ 29,720	\$ 138,024	\$ 2,327

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

JUNE 30, 2024

The Housing Authority owes a balance under a capital leasing program to PNCEF, LLC dba PNC Equipment Finance, payable in varying monthly payments. The amount remaining on the capital lease at June 30, 2024 is \$198,286. The current portion of this debt is \$138,024 and the long-term portion is \$60,262 with the final payment to be made in 2026.

Future maturities are:

Year Ended	June 30, 2025	\$138,024
	June 30, 2026	\$60,262

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES At June 30, 2024, the Housing Choice Voucher Fund and the Component Unit owes \$40,191 and \$152,599 respectively to the General Fund.

NOTE 10 – RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan from the first day of the month after completing six months of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 6% of each participant's effective compensation. Each participant may contribute up to 6% of their compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after 5 years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before 5 years of service are first used to pay for plan expenses and if there is any residual amount, the amount is refunded to the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Renewal and Local Agency Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$79,829 for the year ended June 30, 2024, of which \$44,537 was paid by the Housing Authority and \$35,292 was paid by employees. No payments were made out of the forfeiture account.

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

JUNE 30, 2024

NOTE 11 – 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 June 30, 2024. 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, and auto. 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 Housing Authority Risk Retention 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 June 30, 2024 financial statements.

NOTE 12– ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$3,542,881 to the Housing Authority, which represents approximately 80% of the Housing Authority's total revenue and capital contributions for the year.

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

JUNE 30, 2024

NOTE 13 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, March 24, 2025, of the independent auditor's report for potential recognition or disclosure in the financial statements.



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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 Lawton
Lawton, 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 Lawton, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Lawton, Oklahoma's basic financial statements, and have issued our report thereon dated March 24, 2025.

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 Lawton, 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 Lawton, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Lawton, 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 Lawton, 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 are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items Audit Findings 2024-001, 002, and 003.

The Housing Authority of the City of Lawton, Oklahoma's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Housing Authority of the City of Lawton, 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 Lawton, 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
March 24, 2025



MIKE ESTES, CPA

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ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Report on Compliance For Each Major Federal Program; Report on Internal
Control Over Compliance; and Report on the Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Housing Authority of Lawton
Lawton, Oklahoma

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the Housing Authority of the City of Lawton, Oklahoma's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Lawton, Oklahoma's major federal programs for the year ended June 30, 2024. The Housing Authority of the City of Lawton, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Low Rent Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the Housing Authority of the City of Lawton, Oklahoma complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Low Rent for the year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing Authority of the City of Lawton, Oklahoma and to meet our ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Housing Authority of the City of Lawton, Oklahoma's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on Low Rent

As described in the accompanying schedule of findings and questioned costs, the Housing Authority of the City of Lawton, Oklahoma did not comply with requirements regarding Low Rent as described in Audit Finding 2024-001 for Procurement.

Responsibilities of Management for Compliance

Management is responsible compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Housing Authority of the City of Lawton, Oklahoma's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Housing Authority of the City of Lawton, Oklahoma's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Housing Authority of the City of Lawton, Oklahoma's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Housing Authority of the City of Lawton, Oklahoma's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Housing Authority of the City of Lawton, Oklahoma’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Lawton, Oklahoma’s internal control over compliance. Accordingly no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Audit Findings 2024-001, 002, and 003. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Audit Findings 2024-001 and 002 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of each major fund of the Housing Authority of the City of Lawton, Oklahoma, and the aggregate remaining fund information of the Housing Authority of the City of Lawton, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Lawton, Oklahoma's basic financial statements. We issued our report thereon dated March 24, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
March 24, 2025

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

YEAR ENDED JUNE 30, 2024

FEDERAL GRANTOR PROGRAM TITLE	CFDA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 1,430,636
Capital Fund Program	14.872	1,080,714
<i>Housing Choice Voucher Cluster:</i>		
Housing Choice Voucher	14.871	841,673
Sub-total Direct Programs		3,353,023
<i>Pass-thru Programs thru City of Lawton</i>		
HOME Investment Partnerships Program	14.239	178,783
<i>CDBG Entitlement Grants Cluster:</i>		
Community Development Block Grant	14.218	11,075
Total United States Department of Housing and Urban Development		\$ 3,542,881
Total Expenditures of Federal Awards		\$ 3,542,881

The accompanying notes are an integral part of this schedule.

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

YEAR ENDED JUNE 30, 2024

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 Lawton, Oklahoma (the “Housing Authority”) under programs of the federal government for the year ended June 30, 2024. 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	\$ 2,965,960
Capital contributions	576,921
	<hr/>
Total	\$ 3,542,881
	<hr/> <hr/>

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 LAWTON, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2024

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

Audit of Federal Awards

1. Internal Control Over Major Programs:
 - a. Material weakness(es) identified? ✓ yes no
 - b. Significant deficiency(ies) identified that are not considered to be material weaknesses? yes ✓ none reported
2. Type of Auditor’s Report Issued on Compliance For Major Programs – Modified.
3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200)?? yes ✓ no
4. The programs tested as major programs include:

CFDA# 14.850 Public and Indian Housing – Low Rent Program
5. Dollar threshold used to distinguish between Type A and Type B Programs as described in the Uniform Guidance (2 CFR 200): \$ 750,000
6. Auditee qualified as low-risk auditee under Uniform Guidance (2 CFR 200)? yes ✓ no
7. Nonstatistical sampling was used. To determine sample sizes, the AICPA Audit Guide *Audit Sampling* was used.

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

YEAR ENDED JUNE 30, 2024

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 Capital Fund Program-CDFA# 14.872

Finding 2024-001-Non-Compliance With Procurement Policy-Procurement

Criteria and Condition

All amounts above the Small Purchase Threshold (SMT) should follow the Procurement Policy. Depending on the amount, telephone, email, or written bids may be acceptable. In other instances, depending on the estimated amount of the expenditure, more strict methods are required by both the Authority's Procurement Policy and also federal regulations regarding procurement. Even when individual expenditure amounts paid are below the SMT, if it is reasonable to assume that similar expenditures through the year will in total exceed the SMT, obtaining other quotes is still required.

Context

The adherence to policy has improved since this finding was made in the prior year. Each Low Rent manager maintains a book of quotes and comparable prices for the services they procure.

However, it appears the following major expenditures were not bid out:

\$86,764-Cameras and related equipment and support

\$100,441-Air conditioning replacements, repairs, and maintenance

Effect

It is possible that similar services might be procured for less dollars.

Cause

Management asserts that there are few if any other vendors in the Lawton area for the above services, or in the situation of air conditioning, are reliable and prompt.

Recommendation

As noted above in Context, the authority has improved its solicitation and documentation of efforts to obtain smaller items. For the two noted in the audit finding above, we suggest attempting to obtain quotes in nearby larger towns also.

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

YEAR ENDED JUNE 30, 2024

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:

View of Responsible Official

I am Rita Love, Executive Director and Designated Person to answer these audit findings. We will comply with the auditor's recommendation.

Low Rent Program-CDFA#14.850

Finding 2024-002-Internal Control Over Compliance Needs Improvement-Eligibility

Criteria and Condition

It appears that there was not a representative check of tenant file and waiting list functions by a qualified second party. Auditing Statement of Auditing Standards (SAS) #115 dictates that either "absent or inadequate segregation of duties within a significant account or process" are defined by the Standard as at least a significant deficiency, if not a material weakness. The lack of a documented check noted in the first sentence is considered an inadequate segregation of duties.

Context

We reviewed twenty-five Low Rent files. For two re-examinations we were unable to review an annual inspection checklist. For one re-examination, we were unable to review an EIV. For three re-examinations, the lease and annual re-certifications were past-due.

Effect

Lease recertification procedures were deficient in these instances.

Cause

Apparent oversight.

Recommendation

Quality control checks of the waiting list and all tenant file procedures should be timely made and documented. Annual inspections should be done, documented, and available for third party review. Enterprise Income Verification [EIV] should be done, documented and available for third party review. Leases should be redone at least annually.

View of Responsible Official

We will comply with the auditor's recommendation.

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

YEAR ENDED JUNE 30, 2024

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-CDFA#14.850

Finding 2024-003-Inventory of Maintenance Equipment and Office Furniture Should Be Updated-Special Tests

Criteria and Condition

Federal regulations require the authority to update its inventory of equipment and office furniture at least every two years.

Context

The listing has not been updated in several years. We do note that the ranges, refrigerators, and hot water heaters in each unit are maintained by serial number.

Effect

The estimated effect of non-compliance is likely minimal. The office and Maintenance shop have not been moved or remodeled. The E.D. and Procurement officer are aware of the whereabouts of all authority-owned vehicles and who drives them.

Cause

Oversight by management.

Questioned Cost

None

Recommendation

There are various ways to document an update of the inventory. A common method is to tag with a number all items. Small items such as screw drivers can be disregarded. Then, on Excel or something similar, a description such as "Maint Area" is entered on an assigned page, and the numbered items for that area are listed. The inventory should be checked at least every two years.

View of Responsible Official

We will comply with the auditor's recommendation.

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

YEAR ENDED JUNE 30, 2024

**Section III – Findings and questioned costs for federal awards which are required to be reported
under Uniform Guidance**

Audit Findings 2024-001, 2024-002, and 2024-003 also apply here.

LAWTON HOUSING AUTHORITY
609 SW F Avenue
Lawton, OK 73501
Phone No. (580) 353-7392 Fax No. (580) 353-6111

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2024

Finding 2024-001-Non-Compliance With Procurement Policy-Procurement

Condition All amounts above the Small Purchase Threshold (SMT) should follow the Procurement Policy. Depending on the amount, telephone, email, or written bids may be acceptable. In other instances, depending on the estimated amount of the expenditure, more strict methods are required by both the Authority's Procurement Policy and also federal regulations regarding procurement. Even when individual expenditure amounts paid are below the SMT, if it reasonable to assume that similar expenditures through the year will in total exceed the SMT, obtaining other quotes is still required.

Corrective Action Planned: I am Rita Love, Executive Director and Designated Person to answer these audit findings. We will comply with the auditor's recommendation.

Person Responsible for Corrective Action:

Rita Love, Executive Director	Telephone: (580) 353-7392
Housing Authority of Lawton	Fax: (580) 353-6111
609 SW F Avenue	
Lawton, OK 73501	

Anticipated Completion Date- June 30, 2025

Finding 2024-002-Internal Control Over Compliance Needs Improvement-Eligibility

Condition It appears that there was not a representative check of tenant file and waiting list functions by a qualified second party. Auditing Statement of Auditing Standards (SAS) #115 dictates that either "absent or inadequate segregation of duties within a significant account or process" are defined by the Standard as at least a significant deficiency, if not a material weakness. The lack of a documented check noted in the first sentence is considered an inadequate segregation of duties.

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

Person Responsible for Corrective Action:

Rita Love, Executive Director	Telephone: (580) 353-7392
Housing Authority of Lawton	Fax: (580) 353-6111
609 SW F Avenue	
Lawton, OK 73501	

Anticipated Completion Date- June 30, 2025

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2024

Finding 2024-003-Inventory of Maintenance Equipment and Office Furniture Should Be Updated-Special Tests

Condition Federal regulations require the authority to update its inventory of equipment and office furniture at least every two years.

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

Person Responsible for Corrective Action:

Rita Love, Executive Director	Telephone: (580) 353-7392
Housing Authority of Lawton	Fax: (580) 353-6111
609 SW F Avenue	
Lawton, OK 73501	

Anticipated Completion Date- June 30, 2025

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

YEAR ENDED JUNE 30, 2024

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

Low Rent Program-CDFA#14.850

Finding 2023-001-Non-Compliance With Procurement Policy-Procurement

Condition

All amounts above the Small Purchase Threshold (SMT) should follow the Procurement Policy. Depending on the amount, telephone, email, or written bids may be acceptable. In other instances, depending on the estimated amount of the expenditure, more strict methods are required by both the Authority's Procurement Policy and also federal regulations regarding procurement. Even when individual expenditure amounts paid are below the SMT, if it reasonable to assume that similar expenditures through the year will in total exceed the SMT, obtaining other quotes is still required.

Recommendation

The Procurement Policy and federal regulations should be complied with.

Current Status

This finding is repeated in the current audit.

Low Rent Program-CDFA#14.850

Finding 2023-002-Section III Summary Report Not on File-Reporting

Condition

A Section III Summary Compliance should be better documented.

Recommendation

Compliance procedures should be improved.

Current Status

This finding is not repeated in the current audit.

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

YEAR ENDED JUNE 30, 2024

The following prior audit findings were required to be reported under OMB Circular No. A-133, Section 510(a) (for the major program) for the prior year:

Housing Choice Voucher Program-CDFA#14.871

Finding 2023-003-Lack of Waiting List of Documentation of Move-ins

Condition

The current year move-ins, if not Ports-In, should be traceable to a waiting list. The list should document whether the applicant was at the top of the waiting list.

Recommendation

Waiting lists should be available to third parties for at least five years.

Current Status

This finding is not repeated in the current audit.

SUPPLEMENTARY INFORMATION

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

YEAR ENDED JUNE 30, 2024

	2018 Capital Fund	2019 Capital Fund	2020 Capital Fund
Funds approved	\$ 544,031	\$ 608,021	\$ 608,764
Funds expended	544,031	608,021	608,764
Excess of funds approved	\$ 0	\$ 0	0
Funds advanced	\$ 544,031	\$ 608,021	\$ 608,764
Funds expended	544,031	608,021	608,764
Excess (Deficiency) of funds advanced	\$ 0	\$ 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 dated February 20, April 3, and March 11, 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 accountant's report

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

YEAR ENDED JUNE 30, 2024

CASH BASIS

	2021 Capital Fund	2022 Capital Fund	2023 Capital Fund
	<u> </u>	<u> </u>	<u> </u>
Funds approved	\$ 641,162	\$ 793,282	\$ 792,682
Funds expended	<u>636,233</u>	<u>730,588</u>	<u>371,021</u>
Excess of funds approved	\$ <u>4,929</u>	\$ <u>62,694</u>	\$ <u>421,661</u>
 Funds advanced	 \$ 635,815	 \$ 730,442	 \$ 316,406
Funds expended	<u>636,233</u>	<u>730,588</u>	<u>371,021</u>
Excess (Deficiency) of funds advanced	\$ <u>(418)</u>	\$ <u>(146)</u>	\$ <u>(54,615)</u>

See accountant's report

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Balance Sheet Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$243,217		\$27,389		\$180,216		\$260,154	\$710,976	\$0	\$710,976
112 Cash - Restricted - Modernization and Development	\$0						\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$200		\$6,646				\$0	\$6,846	\$0	\$6,846
114 Cash - Tenant Security Deposits	\$51,130		\$7,250		\$650		\$0	\$59,030	\$0	\$59,030
115 Cash - Restricted for Payment of Current Liabilities	\$0						\$0	\$0	\$0	\$0
100 Total Cash	\$294,547	\$0	\$41,285	\$355,082	\$180,866	\$0	\$260,154	\$1,131,934	\$0	\$1,131,934
121 Accounts Receivable - PHA Projects	\$0						\$38,873	\$38,873	\$0	\$38,873
122 Accounts Receivable - HUD Other Projects	\$126,565						\$10,062	\$136,627	\$0	\$136,627
124 Accounts Receivable - Other Government	\$0	\$8,273				\$67,461	\$0	\$75,734	\$0	\$75,734
125 Accounts Receivable - Miscellaneous	\$2,768		\$13,284	\$75,150			\$65	\$91,267	\$0	\$91,267
126 Accounts Receivable - Tenants	\$66,984		\$1,647				\$0	\$68,631	\$0	\$68,631
126.1 Allowance for Doubtful Accounts -Tenants	-\$30,320		\$0				\$0	-\$30,320	\$0	-\$30,320
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0				\$6,995		\$0	\$6,995	\$0	\$6,995
128 Fraud Recovery	\$0						\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0						\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$3,126						\$0	\$3,126	\$0	\$3,126
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$169,123	\$8,273	\$14,931	\$75,150	\$6,995	\$67,461	\$49,000	\$390,933	\$0	\$390,933
131 Investments - Unrestricted	\$452,739						\$0	\$452,739	\$0	\$452,739
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	\$41,123		\$1,685		\$8,181		\$1,872	\$52,861	\$0	\$52,861
143 Inventories	\$12,496						\$0	\$12,496	\$0	\$12,496
143.1 Allowance for Obsolete Inventories	-\$1,250						\$0	-\$1,250	\$0	-\$1,250
144 Inter Program Due From	\$180,093			\$12,275	\$422		\$0	\$192,790	\$0	\$192,790
145 Assets Held for Sale	\$0				\$115,139		\$0	\$115,139	\$0	\$115,139
150 Total Current Assets	\$1,148,871	\$8,273	\$57,901	\$442,507	\$311,603	\$67,461	\$311,026	\$2,347,642	\$0	\$2,347,642

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Balance Sheet Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
161 Land	\$246,991		\$41,150		\$24,776		\$0	\$312,917	\$0	\$312,917
162 Buildings	\$17,462,625		\$1,390,170		\$436,410		\$0	\$19,289,205	\$0	\$19,289,205
163 Furniture, Equipment & Machinery - Dwellings	\$71,436						\$0	\$71,436	\$0	\$71,436
164 Furniture, Equipment & Machinery - Administration	\$492,030		\$26,046				\$7,851	\$525,927	\$0	\$525,927
165 Leasehold Improvements	\$0						\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$15,161,808		-\$239,211		-\$115,635		-\$7,851	-\$15,524,505	\$0	-\$15,524,505
167 Construction in Progress	\$0		\$580		\$12,000		\$0	\$12,580	\$0	\$12,580
168 Infrastructure	\$0						\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,111,274	\$0	\$1,218,735	\$0	\$357,551	\$0	\$0	\$4,687,560	\$0	\$4,687,560
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0				\$45,699		\$0	\$45,699	\$0	\$45,699
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0						\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0						\$0	\$0	\$0	\$0
174 Other Assets	\$158,919						\$0	\$158,919	\$0	\$158,919
176 Investments in Joint Ventures	\$0						\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$3,270,193	\$0	\$1,218,735	\$0	\$403,250	\$0	\$0	\$4,892,178	\$0	\$4,892,178
200 Deferred Outflow of Resources	\$0						\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$4,419,064	\$8,273	\$1,276,636	\$442,507	\$714,853	\$67,461	\$311,026	\$7,239,820	\$0	\$7,239,820
311 Bank Overdraft	\$0						\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$19,213		\$826		\$68		\$1,118	\$21,225	\$0	\$21,225
313 Accounts Payable >90 Days Past Due	\$0						\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$58,525		\$1,456			\$170	\$1,415	\$61,566	\$0	\$61,566
322 Accrued Compensated Absences - Current Portion	\$26,510		\$2,327				\$3,210	\$32,047	\$0	\$32,047
324 Accrued Contingency Liability	\$0						\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$899						\$0	\$899	\$0	\$899
331 Accounts Payable - HUD PHA Programs	\$0						\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0						\$4,604	\$4,604	\$0	\$4,604

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Balance Sheet Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
333 Accounts Payable - Other Government	\$20						\$0	\$20	\$0	\$20
341 Tenant Security Deposits	\$51,130		\$7,250		\$650		\$0	\$59,030	\$0	\$59,030
342 Unearned Revenue	\$25,964						\$0	\$25,964	\$0	\$25,964
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$138,024						\$0	\$138,024	\$0	\$138,024
344 Current Portion of Long-term Debt - Operating Borrowings	\$0						\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$14,010						\$0	\$14,010	\$0	\$14,010
346 Accrued Liabilities - Other	\$14,878		\$1,698				\$0	\$16,576	\$0	\$16,576
347 Inter Program - Due To	\$0	\$8,273	\$77,310			\$67,016	\$40,191	\$192,790	\$0	\$192,790
348 Loan Liability - Current	\$0						\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$349,173	\$8,273	\$90,867	\$0	\$718	\$67,186	\$50,538	\$566,755	\$0	\$566,755
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$60,262						\$0	\$60,262	\$0	\$60,262
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	\$15,120		\$2,128				\$2,367	\$19,615	\$0	\$19,615
355 Loan Liability - Non Current	\$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
350 Total Non-Current Liabilities	\$75,382	\$0	\$2,128	\$0	\$0	\$0	\$2,367	\$79,877	\$0	\$79,877
300 Total Liabilities	\$424,555	\$8,273	\$92,995	\$0	\$718	\$67,186	\$52,905	\$646,632	\$0	\$646,632
400 Deferred Inflow of Resources	\$158,919							\$158,919		\$158,919
508.4 Net Investment in Capital Assets	\$2,912,988	\$0	\$1,218,735	\$0	\$357,551	\$0	\$0	\$4,489,274		\$4,489,274
511.4 Restricted Net Position	\$0	\$0	\$6,646	\$0	\$0	\$0	\$0	\$6,646		\$6,646
512.4 Unrestricted Net Position	\$922,602	\$0	-\$41,740	\$442,507	\$356,584	\$275	\$258,121	\$1,938,349		\$1,938,349
513 Total Equity - Net Assets / Position	\$3,835,590	\$0	\$1,183,641	\$442,507	\$714,135	\$275	\$258,121	\$6,434,269	\$0	\$6,434,269
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$4,419,064	\$8,273	\$1,276,636	\$442,507	\$714,853	\$67,461	\$311,026	\$7,239,820	\$0	\$7,239,820

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$625,632	\$0	\$625,632
70400 Tenant Revenue - Other	\$14,018	\$0	\$14,018
70500 Total Tenant Revenue	\$639,650	\$0	\$639,650
70600 HUD PHA Operating Grants	\$1,430,636	\$503,793	\$1,934,429
70610 Capital Grants	\$0	\$576,921	\$576,921
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	\$10,212	\$0	\$10,212
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	\$115,072	\$0	\$115,072
71600 Gain or Loss on Sale of Capital Assets	\$300	\$0	\$300
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$2,195,870	\$1,080,714	\$3,276,584
91100 Administrative Salaries	\$339,007	\$29,655	\$368,662
91200 Auditing Fees	\$17,496	\$0	\$17,496
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$334	\$0	\$334
91500 Employee Benefit contributions - Administrative	\$188,676	\$2,269	\$190,945
91600 Office Expenses	\$66,845	\$0	\$66,845
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$11,026	\$0	\$11,026
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$63,520	\$0	\$63,520
91000 Total Operating - Administrative	\$686,904	\$31,924	\$718,828
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$1,979	\$0	\$1,979
92500 Total Tenant Services	\$1,979	\$0	\$1,979
93100 Water	\$101,330	\$0	\$101,330
93200 Electricity	\$134,230	\$0	\$134,230
93300 Gas	\$24,422	\$0	\$24,422
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$66,381	\$0	\$66,381

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$326,363	\$0	\$326,363
94100 Ordinary Maintenance and Operations - Labor	\$165,896	\$0	\$165,896
94200 Ordinary Maintenance and Operations - Materials and Other	\$192,464	\$0	\$192,464
94300 Ordinary Maintenance and Operations Contracts	\$662,811	\$0	\$662,811
94500 Employee Benefit Contributions - Ordinary Maintenance	\$79,294	\$0	\$79,294
94000 Total Maintenance	\$1,100,465	\$0	\$1,100,465
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$6,339	\$0	\$6,339
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$6,339	\$0	\$6,339
96110 Property Insurance	\$102,867	\$0	\$102,867
96120 Liability Insurance	\$19,022	\$0	\$19,022
96130 Workmen's Compensation	\$18,977	\$0	\$18,977
96140 All Other Insurance	\$17,058	\$0	\$17,058
96100 Total insurance Premiums	\$157,924	\$0	\$157,924
96200 Other General Expenses	\$2	\$0	\$2
96210 Compensated Absences	\$57,031	\$0	\$57,031
96300 Payments in Lieu of Taxes	\$30,282	\$0	\$30,282
96400 Bad debt - Tenant Rents	\$32,897	\$0	\$32,897
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	\$120,212	\$0	\$120,212
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$12,120	\$0	\$12,120
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$12,120	\$0	\$12,120
96900 Total Operating Expenses	\$2,412,306	\$31,924	\$2,444,230
97000 Excess of Operating Revenue over Operating Expenses	-\$216,436	\$1,048,790	\$832,354
97100 Extraordinary Maintenance	\$113	\$0	\$113
97200 Casualty Losses - Non-capitalized	\$7,924	\$0	\$7,924
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$321,346	\$118,187	\$439,533
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	\$2,741,689	\$150,111	\$2,891,800

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In	\$471,869	\$0	\$471,869
10020 Operating transfer Out	\$0	-\$471,869	-\$471,869
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)	\$471,869	-\$471,869	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$73,950	\$458,734	\$384,784
11020 Required Annual Debt Principal Payments	\$129,294	\$0	\$129,294
11030 Beginning Equity	\$1,985,117	\$1,465,689	\$3,450,806
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$183,375	-\$183,375	\$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	3528		3528
11210 Number of Unit Months Leased	3221		3221
11270 Excess Cash	\$547,114		\$547,114
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$574,526	\$574,526
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$2,395	\$2,395
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 LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Revenue and Expense Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$625,632		\$81,355		\$2,800		\$0	\$709,787	\$0	\$709,787
70400 Tenant Revenue - Other	\$14,018						\$0	\$14,018	\$0	\$14,018
70500 Total Tenant Revenue	\$639,650	\$0	\$81,355	\$0	\$2,800	\$0	\$0	\$723,805	\$0	\$723,805
70600 HUD PHA Operating Grants	\$1,934,429						\$841,673	\$2,776,102	\$0	\$2,776,102
70610 Capital Grants	\$576,921						\$0	\$576,921	\$0	\$576,921
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	\$11,075				\$178,783	\$0	\$189,858	\$0	\$189,858
71100 Investment Income - Unrestricted	\$10,212		\$49	\$1,902	\$227		\$263	\$12,653	\$0	\$12,653
71200 Mortgage Interest Income	\$0				\$2,993		\$0	\$2,993	\$0	\$2,993
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						\$0	\$0	\$0	\$0
71500 Other Revenue	\$115,072		\$30,150				\$45,056	\$190,278	\$0	\$190,278
71600 Gain or Loss on Sale of Capital Assets	\$300						\$0	\$300	\$0	\$300
72000 Investment Income - Restricted	\$0						\$0	\$0	\$0	\$0
70000 Total Revenue	\$3,276,584	\$11,075	\$111,554	\$1,902	\$6,020	\$178,783	\$886,992	\$4,472,910	\$0	\$4,472,910
91100 Administrative Salaries	\$368,662		\$33,396		\$2,841	\$7,877	\$47,358	\$460,134	\$0	\$460,134
91200 Auditing Fees	\$17,496		\$1,944				\$2,160	\$21,600	\$0	\$21,600
91300 Management Fee	\$0						\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0						\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$334						\$0	\$334	\$0	\$334
91500 Employee Benefit contributions - Administrative	\$190,945		\$17,191		\$217	\$611	\$24,738	\$233,702	\$0	\$233,702
91600 Office Expenses	\$66,845		\$7,038				\$4,477	\$78,360	\$0	\$78,360

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Revenue and Expense Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
91700 Legal Expense	\$0				\$7,094		\$0	\$7,094	\$0	\$7,094
91800 Travel	\$11,026		\$25				\$28	\$11,079	\$0	\$11,079
91810 Allocated Overhead	\$0						\$0	\$0	\$0	\$0
91900 Other	\$63,520		\$8,996		\$400		\$8,080	\$80,996	\$0	\$80,996
91000 Total Operating - Administrative	\$718,828	\$0	\$68,590	\$0	\$10,552	\$8,488	\$86,841	\$893,299	\$0	\$893,299
92000 Asset Management Fee	\$0						\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0		\$43,343				\$0	\$43,343	\$0	\$43,343
92200 Relocation Costs	\$0						\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0		\$3,416				\$0	\$3,416	\$0	\$3,416
92400 Tenant Services - Other	\$1,979		\$247				\$0	\$2,226	\$0	\$2,226
92500 Total Tenant Services	\$1,979	\$0	\$47,006	\$0	\$0	\$0	\$0	\$48,985	\$0	\$48,985
93100 Water	\$101,330		\$2,435				\$0	\$103,765	\$0	\$103,765
93200 Electricity	\$134,230		\$13,005		\$68		\$0	\$147,303	\$0	\$147,303
93300 Gas	\$24,422		\$7,495				\$0	\$31,917	\$0	\$31,917
93400 Fuel	\$0						\$0	\$0	\$0	\$0
93500 Labor	\$0						\$0	\$0	\$0	\$0
93600 Sewer	\$66,381		\$1,517				\$0	\$67,898	\$0	\$67,898
93700 Employee Benefit Contributions - Utilities	\$0						\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0						\$0	\$0	\$0	\$0
93000 Total Utilities	\$326,363	\$0	\$24,452	\$0	\$68	\$0	\$0	\$350,883	\$0	\$350,883
94100 Ordinary Maintenance and Operations - Labor	\$165,896						\$0	\$165,896	\$0	\$165,896
94200 Ordinary Maintenance and Operations - Materials and Other	\$192,464		\$3,111				\$0	\$195,575	\$0	\$195,575
94300 Ordinary Maintenance and Operations Contracts	\$662,811		\$42,790		\$41,059		\$7,225	\$753,885	\$0	\$753,885
94500 Employee Benefit Contributions - Ordinary Maintenance	\$79,294						\$0	\$79,294	\$0	\$79,294
94000 Total Maintenance	\$1,100,465	\$0	\$45,901	\$0	\$41,059	\$0	\$7,225	\$1,194,650	\$0	\$1,194,650
95100 Protective Services - Labor	\$0						\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0						\$0	\$0	\$0	\$0

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Revenue and Expense Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
95300 Protective Services - Other	\$6,339		\$800				\$0	\$7,139	\$0	\$7,139
95500 Employee Benefit Contributions - Protective Services	\$0						\$0	\$0	\$0	\$0
95000 Total Protective Services	\$6,339	\$0	\$800	\$0	\$0	\$0	\$0	\$7,139	\$0	\$7,139
96110 Property Insurance	\$102,867		\$7,054		\$7,681		\$0	\$117,602	\$0	\$117,602
96120 Liability Insurance	\$19,022		\$2,507		\$500		\$1,555	\$23,584	\$0	\$23,584
96130 Workmen's Compensation	\$18,977		\$2,192				\$2,377	\$23,546	\$0	\$23,546
96140 All Other Insurance	\$17,058		\$1,801				\$1,409	\$20,268	\$0	\$20,268
96100 Total insurance Premiums	\$157,924	\$0	\$13,554	\$0	\$8,181	\$0	\$5,341	\$185,000	\$0	\$185,000
96200 Other General Expenses	\$2	\$11,075	\$825				\$0	\$11,902	\$0	\$11,902
96210 Compensated Absences	\$57,031		\$3,972				\$8,296	\$69,299	\$0	\$69,299
96300 Payments in Lieu of Taxes	\$30,282		\$264				\$0	\$30,546	\$0	\$30,546
96400 Bad debt - Tenant Rents	\$32,897						\$0	\$32,897	\$0	\$32,897
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	\$120,212	\$11,075	\$5,061	\$0	\$0	\$0	\$8,296	\$144,644	\$0	\$144,644
96710 Interest of Mortgage (or Bonds) Payable	\$0						\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$12,120						\$0	\$12,120	\$0	\$12,120
96730 Amortization of Bond Issue Costs	\$0						\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$12,120	\$0	\$0	\$0	\$0	\$0	\$0	\$12,120	\$0	\$12,120
96900 Total Operating Expenses	\$2,444,230	\$11,075	\$205,364	\$0	\$59,860	\$8,488	\$107,703	\$2,836,720	\$0	\$2,836,720
97000 Excess of Operating Revenue over Operating Expenses	\$832,354	\$0	-\$93,810	\$1,902	-\$53,840	\$170,295	\$779,289	\$1,636,190	\$0	\$1,636,190
97100 Extraordinary Maintenance	\$113						\$0	\$113	\$0	\$113
97200 Casualty Losses - Non-capitalized	\$7,924						\$0	\$7,924	\$0	\$7,924
97300 Housing Assistance Payments	\$0					\$170,295	\$749,187	\$919,482	\$0	\$919,482
97350 HAP Portability-In	\$0						\$41,560	\$41,560	\$0	\$41,560

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Revenue and Expense Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
97400 Depreciation Expense	\$439,533		\$86,177		\$11,047		\$0	\$536,757	\$0	\$536,757
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	\$2,891,800	\$11,075	\$291,541	\$0	\$70,907	\$178,783	\$898,450	\$4,342,556	\$0	\$4,342,556
10010 Operating Transfer In	\$471,869						\$0	\$471,869	-\$471,869	\$0
10020 Operating transfer Out	-\$471,869						\$0	-\$471,869	\$471,869	\$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	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$384,784	\$0	-\$179,987	\$1,902	-\$64,887	\$0	-\$11,458	\$130,354	\$0	\$130,354
11020 Required Annual Debt Principal Payments	\$129,294	\$0	\$0	\$0	\$0	\$0	\$0	\$129,294		\$129,294
11030 Beginning Equity	\$3,450,806	\$0	\$1,363,628	\$440,605	\$779,022	\$275	\$269,579	\$6,303,915	\$0	\$6,303,915
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$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										

HOUSING AUTHORITY OF LAWTON, OKLAHOMA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2024

Entity Wide Revenue and Expense Summary										
	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	2 State/Local	8 Other Federal Program 1	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
11100 Changes in Allowance for Doubtful Accounts - Other										
11170 Administrative Fee Equity							\$258,121	\$258,121		\$258,121
11180 Housing Assistance Payments Equity							\$0	\$0		\$0
11190 Unit Months Available	3528		116		8	242	1412	5306	0	5306
11210 Number of Unit Months Leased	3221		116		8	242	1270	4857	0	4857
11270 Excess Cash	\$547,114							\$547,114		\$547,114
11610 Land Purchases	\$0							\$0		\$0
11620 Building Purchases	\$574,526							\$574,526		\$574,526
11630 Furniture & Equipment - Dwelling Purchases	\$0							\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$2,395							\$2,395		\$2,395
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