

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

**REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION AND SINGLE AUDIT**

FOR THE YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Alachua County Housing Authority
Gainesville, Florida

HUD, Jacksonville Area Office
Charles Bennett Federal Building
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Alachua County Housing Authority ("the Authority") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of June 12, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting Principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages i-v be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements, Financial Data Schedule, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other supplementary information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements 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 combining financial statements, Financial Data Schedule 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 Governmental Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated June 12, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
June 12, 2023

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

As management of the Alachua County Housing Authority (the Authority), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Ken Armstrong, Executive Director, Alachua County Housing Authority, 703 Northeast 1st Street, Gainesville, FL 32601.

Financial Highlights

- The assets of the Authority exceeded its liabilities as of December 31, 2021, by \$12,733,015 (net position).
- The Authority's total cash and investment balance as of December 31, 2022, was \$6,054,378 representing an increase of \$1,047,202 from 2021.
- The Authority had revenue from the U.S. Department of Housing and Urban Development (HUD) of \$12,371,783, which includes funds for capital asset activities.
- Public housing has maintained occupancy of 97% for the fiscal year.
- In 2022, the Authority continued their participation in the HUD-VASH program. The program provides rental assistance for homeless veterans with case management and clinical services. The Authority provides monthly rental assistance to 373 veterans, with the availability to assist 533. For the 2022 fiscal year, the Authority expended \$2,718,408 in rental assistance to veterans. The coronavirus negatively affected the availability of candidates and VA caseworkers as this is a referral-based program from the VA.
- In 2022, the Authority provided monthly rental assistance to 181 families with disabled household members and expended \$1,643,570 in rental assistance to these families.
- In 2021, the Authority was awarded Foster Youth vouchers which provide housing to clients aging out of the foster care system as well as 24-month TBRA vouchers to assist 25 families with school aged children. For the 2022 fiscal year, the Authority expended \$192,220 in rental assistance to these clients.
- In 2022, the Authority partnered with Alachua County to provide housing under a pilot program called Partners in Hope to support 10 families for 2 years. Alachua County paid \$50,000 in advance for rental assistance which began in 2023. The total funding for this program is \$200,000.
- The Authority owns the Sunshine Inn which provides low-income housing to veterans and the homeless. It is currently leased to HUD-VASH voucher holders.

Overview of Financial Statements

The financial statements included in this annual report are those of a special-purpose government engaged in a single business-type activity prepared on an accrual basis. Over time, significant changes in the Authority's net position serve as a useful indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of capital assets. The following statements are included:

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022
(Continued)

Overview of Financial Statements (Continued)

- **Statement of Net Position**—reports the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year. You can think of the Authority's net position as the difference between what the Authority owns (assets and deferred outflows of resources) and what the Authority owes (liabilities and deferred inflows of resources).
- **Statement of Revenues, Expenses, and Changes in Net Position**—presents information showing how the Authority's net position increased or decreased during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows and cash outflows in future periods.
- **Statement of Cash Flows**—presents information showing the total cash receipts and cash disbursements of the Authority during the current fiscal year. The statement reflects the net changes in cash resulting from operations plus any other cash requirements during the current year (i.e. capital additions, debt service, prior period obligations, etc.). In addition, this statement reflects the receipt of cash that was obligated to the Authority in prior periods and subsequently received during the current fiscal year (i.e. accounts receivable, notes receivable, etc.).
- **Notes to the Basic Financial Statements**—provide additional information that is essential to a full understanding of the data provided. These notes give greater understanding to the overall activity of the Authority and how values are assigned to certain assets and liabilities and the longevity of these values. In addition, notes reflect the impact (if any) of any uncertainties the Authority may face.

In addition to the basic financial statements listed above, our report includes supplemental information. This information is to provide more detail on the Authority's various programs and the required information mandated by regulatory bodies that fund the Authority's various programs.

Financial Analysis

	<u>Statement of Net Position</u>		
	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
Current assets	\$ 6,284,004	\$ 5,191,349	\$ 1,092,655
Other assets	\$ 8,888		\$ 8,888
Capital assets, net	7,597,617	7,445,827	151,790
Total assets	<u>\$ 13,890,509</u>	<u>\$ 12,637,176</u>	<u>\$ 1,253,333</u>
Current liabilities	\$ 591,175	\$ 471,955	\$ 119,220
Long-term debt	366,792	411,765	(44,973)
Other noncurrent liabilities	199,527	178,999	20,528
Total liabilities	<u>1,157,494</u>	<u>1,062,719</u>	<u>94,775</u>
Net investment in capital assets	7,185,851	6,987,678	198,173
Restricted net position	176,128	1,303	174,825
Unrestricted net position	5,371,036	4,585,476	785,560
Total net position	<u>12,733,015</u>	<u>11,574,457</u>	<u>1,158,558</u>
Total liabilities and net position	<u>\$ 13,890,509</u>	<u>\$ 12,637,176</u>	<u>\$ 1,253,333</u>

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022
(Continued)

Financial Analysis *(Continued)*

Current Assets—increased by \$1,092,655 primarily due to an increase in funds in the Public Housing department invested in Certificates of Deposit.

Other Assets—increased by \$8,888 due to the implementation of GASB 87.

Net Capital Assets— increased by \$151,790 which was related to the completion of the major rehab of Linton Oaks.

Total Liabilities—increased by \$94,775 primarily due to unearned revenue from the Partners in Hope program, as well as an increase in capital fund invoices payable at the end of the year and HAP funds due back to HUD for the Mainstream and SRO programs.

Net Position—the difference between an organization's assets plus deferred outflows of resources and its liabilities plus deferred inflows of resources is its net position. Net position is categorized as one of three types.

1. **Net Investment in Capital Assets** - capital assets, net of accumulated depreciation and related debt reflects the capital asset balance net of accumulated depreciation and associated long-term debt, which as of December 31, 2022 is \$7,185,851.
2. **Restricted** - the Authority's net position whose use is subject to constraints imposed by law or agreement. As of December 31, 2022, the Authority had \$176,128 of funds reserved as restricted net position, all of which is associated with the HAP funding received from HUD which is restricted for landlord payments.
3. **Unrestricted** - the Authority's net position that are neither invested in capital assets nor restricted which change principally due to operations. These resources are available to meet the Authority's ongoing obligations to its residents and creditors. The Authority has \$5,371,036 in unrestricted net position as of December 31, 2022. The Authority's net position is designated for housing purposes.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022
(Continued)

Financial Analysis (Continued)

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
Operating revenues			
Rental revenue	\$ 534,295	\$ 466,046	\$ 68,249
HUD grants	11,805,610	10,925,862	879,748
Other revenue	665,195	295,989	369,206
Total Operating revenues	<u>13,005,100</u>	<u>11,687,897</u>	<u>1,317,203</u>
Operating expenses			
Administrative	1,892,764	1,649,441	243,323
Utilities	61,916	49,766	12,150
Ordinary Maintenance	1,262,801	875,978	386,823
Insurance	155,520	140,333	15,187
General expenses	426,954	504,558	-77,604
Housing assistance payments	8,129,290	7,888,633	240,657
Depreciation	495,465	483,971	11,494
Total Operating expenses	<u>12,424,710</u>	<u>11,592,680</u>	<u>832,030</u>
Operating income (loss)	<u>580,390</u>	<u>95,217</u>	<u>485,173</u>
Non-Operating revenues (expenses)			
Interest revenue, unrestricted	30,667	3,067	27,600
Interest expense	-22,441	-21,364	-1,077
Fraud recovery	3,256	4,822	-1,566
Extraordinary Maintenance	0	-14,409	14,409
Gain/(loss) on disposition of capital assets	513	-472	985
Total Non-Operating revenues	<u>11,995</u>	<u>-28,356</u>	<u>40,351</u>
Capital contributions	566,173	477,448	88,725
Net position, beginning of year	<u>11,574,457</u>	<u>11,030,148</u>	<u>544,309</u>
Net position, end of year	<u>\$ 12,733,015</u>	<u>\$ 11,574,457</u>	<u>\$ 1,158,558</u>

Total Operating Revenue—increased \$1,317,203 in fiscal year 2022. The primary cause was an increase in HAP funding for the Housing Choice and Mainstream voucher programs and the HUD Operating subsidy lawsuit proceeds.

Operating Expenses—are categorized by the Authority as administrative, utilities, maintenance, insurance, general, depreciation expense and housing assistance payments.

Total Operating Expenses—increased by \$832,030 during fiscal year ending 2022 as compared to the fiscal year ending 2021. This is primarily a result of an increase in HAP payments for voucher programs as well as an increase in expenses related to the Merrillwood development and major rehab of the public housing units. The specific line item increases for these projects were architect fees, resident relocation, unit turns and materials.

Total Non-Operating Revenue and Expenses—increased by \$40,351 due to a reduction in extraordinary maintenance and an increase in interest income.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022
(Continued)

Capital Asset and Debt Activity

The net increase in capital assets of \$151,790 was net of current year depreciation expense of \$495,465.

At the end of the fiscal year 2022 the Authority had debt related to the mortgage note entered into by the Authority to purchase the Sunshine Inn. The Authority owed \$400,965 on this mortgage note as of December 31, 2022. The mortgage was refinanced in September 2020 for another ten years at the same 4.5% interest rate.

Factors Affecting 2023 Budget

The Authority is primarily dependent upon HUD for the funding of its Low Rent Public Housing, Housing Choice Voucher and Capital Fund programs; therefore, the Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2023 federal budget.

Economic Factors

Significant economic factors and decisions affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on gas prices, utility rates, housing costs, supplies and other costs.
- Impact of the COVID-19 global pandemic.
- Availability of VA caseworkers for veteran referrals.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 1,979,057
Cash and cash equivalents, restricted	509,672
Investments, unrestricted	3,565,649
Accounts receivable, net of allowance	40,384
Due from other governments	121,612
Inventories, net of obsolescence	54,967
Prepaid expense	12,663
Total current assets	<u>6,284,004</u>

Noncurrent assets

Other assets

Capitalized leases	<u>8,888</u>
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Capital assets

Not being depreciated	1,941,333
Depreciable, net	<u>5,656,284</u>

Total capital assets, net	<u>7,597,617</u>
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Total noncurrent assets	<u>7,606,505</u>
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Total assets

13,890,509

Deferred Outflow of Resources

-

Total Assets and Deferred Outflow of Resources

13,890,509

LIABILITIES

Current liabilities

Vendors and contractors payable	125,773
Accrued wages/taxes payable	28,656
Accrued compensated absences	99,763
Accrued interest payable	501
Due to other governments	48,777
Unearned revenue	74,427
Notes and bonds payable	54,781
Other current liabilities	15,814
Other accrued liabilities	989
Resident security deposits	141,694

Total current liabilities	<u>591,175</u>
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Noncurrent liabilities

Notes and bonds payable	366,792
Accrued compensated absences	<u>199,527</u>

Total noncurrent liabilities	<u>566,319</u>
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Total liabilities

1,157,494

Deferred Inflow of Resources

-

Total Liabilities and Deferred Inflow of Resources

1,157,494

NET POSITION

Net investment in capital assets	7,185,851
Restricted	176,128
Unrestricted	<u>5,371,036</u>

Total net position

\$ 12,733,015

The accompanying notes are an integral part of these basic financial statements.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

Operating revenues	
Rental revenue	\$ 534,295
HUD grants	11,805,610
Other revenue	665,195
Total operating revenues	<u>13,005,100</u>
Operating expenses	
Administrative	1,892,764
Utilities	61,916
Ordinary maintenance & operation	1,250,536
Insurance	155,520
General expenses	426,954
Housing assistance payments	8,129,290
Depreciation	495,465
Total operating expenses	<u>12,412,445</u>
Operating income (loss)	<u>592,655</u>
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	30,667
Interest expense	(22,441)
Fraud recovery	3,256
Gain/(loss) on disposition of capital assets	(11,752)
Total nonoperating revenues	<u>(270)</u>
Income (loss) before contributions	<u>592,385</u>
Capital contributions	<u>566,173</u>
Increase (decrease) in net position	<u>1,158,558</u>
Net position, beginning of year	<u>11,574,457</u>
Net position, end of year	<u><u>\$ 12,733,015</u></u>

The accompanying notes are an integral part of these basic financial statements.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows From Operating Activities	
Receipts from dwelling rentals	\$ 532,258
Operating grants	11,839,294
Receipts from fees	36,906
Other receipts	597,720
Payments to employees and suppliers	(3,690,717)
Payments to landlords and residents	(8,129,290)
Net cash provided (used) by operating activities	<u>1,186,171</u>
 Cash Flows From Noncapital Financing Activities	
Proceeds from operating debt	9,807
Interest paid on operating debt	(3,205)
Net cash provided (used) by noncapital financing activities	<u>6,602</u>
 Cash Flows From Capital and Related Financing Activities	
Capital contributions	548,441
Purchases of capital assets	(659,520)
Gain or loss on disposition of capital assets	513
Proceeds from (payment on) capital debt	(46,383)
Interest paid on capital debt	(19,289)
Net cash provided (used) by capital and related financing activities	<u>(176,238)</u>
 Cash Flows From Investing Activities	
Purchase of investments	(1,001,817)
Interest	30,667
Net cash provided (used) by investing activities	<u>(971,150)</u>
 Net increase (decrease) in cash and cash equivalents	 45,385
Balance - beginning of the year	<u>2,443,344</u>
Balance - end of the year	<u>\$ 2,488,729</u>
 Reconciliation of Cash Flows to Statement of Net Position	
Cash and cash equivalents, unrestricted	\$ 1,979,057
Cash and cash equivalents, restricted	509,672
	<u>\$ 2,488,729</u>

There are no non-cash transactions.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Continued)

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) By Operating Activities

Operating income/(loss)	\$ 592,655
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:	
Depreciation elimination	495,465
Increase in accounts receivable	(14,213)
Decrease in due to/from other governments	26,335
Decrease in due to/from other programs	(6,016)
Decrease in prepaid expenses	5,496
Increase in other assets	(8,888)
Decrease in security deposits	(4,536)
Increase in accounts payable	43,064
Increase in accrued wages	2,634
Increase in accrued compensated absences	10,263
Increase in unearned revenue	34,908
Increase in accrued liabilities	5,748
Other revenue and expense reported as nonoperating	3,256
	<u><u>\$ 1,186,171</u></u>

The accompanying notes are an integral part of these basic financial statements.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

A - Summary of Significant Accounting Policies and Organization:

1. **Organization:** Alachua County Housing Authority (“the Authority”) is a public body corporate and politic pursuant to Chapter 421 Laws of the State of Florida which was organized to provide low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies.
2. **Reporting Entity:** In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14, (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity has the following component units.

During 2013, the Authority created Alachua Housing Developer, LLC (the Development LLC) to facilitate partnerships with private developers to create affordable housing. In 2022, the Authority created ACHA Merrillwood I, to apply for tax credits. There was no financial activity for these units in year ended December 31, 2022.

3. **Summary of HUD and Other Authority Programs:** The accompanying basic financial statements consist of the activities of the housing programs subsidized by HUD and Authority owned entities. A summary of each of these programs is provided below.
 - a) **Low Rent Public Housing:** This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.
 - b) **Modernization and Development:** Substantially all additions to land, buildings, and equipment are accomplished through the Capital Fund Program. These programs add to, replace or materially upgrade deteriorated portions of the Authority's housing units. Funding is provided through programs established by HUD.
 - c) **Housing Assistance Payments Programs:** Housing Assistance Payments Programs utilize existing privately-owned family rental housing units to provide decent and affordable housing to low-income families. The Section 8 Housing Choice Vouchers Program (HCV), Section 8 Moderated Rehabilitation Single Room Occupancy Program (SRO) and the Mainstream Disabled Voucher Program are funded through federal housing assistance contribution from HUD for the difference between the approved landlord contract rent and the rent paid by the tenant. In addition, the Authority receives an administrative fee to cover operating expenses.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

3. Summary of HUD and Other Authority Programs: (Continued)

d) Tenant Based Rental Assistance: The TBRA program provides for 24 months of housing assistance payments to private owners of residential units on behalf of eligible homeless families who have children in the Alachua County School District. The payments cover the difference between the maximum rental on a dwelling unit and the amount of rent contribution by a participating family. The cost of security and utility deposits are also covered in addition to related administrative expenses. Florida Housing Finance Corporation contributions for the year ended December 31, 2022 were \$179,814.

4. Basis of Presentation and Accounting: In accordance with uniform financial reporting standards for HUD housing programs, the basic financial statements are prepared in accordance with U. S. generally accepted accounting principles (GAAP).

Based upon compelling reasons offered by HUD, the Authority reports its basic financial statements as a special purpose government engaged solely in business-type activities, which is similar to the governmental proprietary fund type (Enterprise Fund), which uses the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

Generally accepted accounting principles for state and local governments requires that resources be classified for accounting and reporting purposes into the following three net position categories:

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted - Net position whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or they expire by the passage of time. Such assets include assets restricted for capital acquisitions and debt service.

Unrestricted – Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority Board or may otherwise be limited by contractual agreements with outside parties.

5. Budgets: Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The Capital Fund budgets are adopted on a “project length” basis. Budgets are not, however, legally adopted nor legally required for basic financial statement presentation.

6. Cash and Cash Equivalents: For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable Certificates of Deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

- 7. Interprogram Receivables and Payables:** Interprogram receivables/payables, when present, are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all interprogram balances net zero. Offsetting due to/due from balances are eliminated for the basic financial statement presentation.
- 8. Investments:** Investments, when present, are recorded at fair value. Investment instruments consist only of items specifically approved for public housing agencies by HUD. Investments are either insured or collateralized using the dedicated method. Under the dedicated method of collateralization, all deposits and investments over the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name. It is the Authority's policy that all funds on deposit are collateralized in accordance with both HUD requirements and requirements of the State of Florida.
- 9. Inventories:** Inventories (consisting of materials and supplies) are valued at cost using the first in, first out (FIFO) method. If inventory falls below cost due to damage, deterioration or obsolescence, the Authority establishes an allowance for obsolete inventory. In accordance with the consumption method, inventory is expensed when items are actually placed in service.
- 10. Prepaid Items:** Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid items.
- 11. Use of Estimates:** The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- 12. Fair Value of Financial Instruments:** The carrying amount of the Authority's financial instruments at December 31, 2022 including cash, investments, accounts receivable, and accounts payable closely approximates fair value.
- 13. Capital Assets:**
 - a. Book Value:** All purchased fixed assets are valued at cost when historical records are available. When no historical records are available, fixed assets are valued at estimated historical cost.

Land values were derived from development closeout documentation.

Donated fixed assets are recorded at their fair value at the time they are received.

Donor imposed restrictions are deemed to expire as the asset depreciates.

All normal expenditures of preparing an asset for use are capitalized when they meet or exceed the capitalization threshold.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

13. Capital Assets: (Continued)

- b. Depreciation:** The cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year of completion.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

Buildings	40 years
Building modernization	15 years
Furniture and equipment	5-10 years

- c. Maintenance and Repairs Expenditures:** Maintenance and repairs expenditures are charged to operations when incurred. Betterments in excess of \$5,000 are capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.
- d. Impairment of Long-Lived Assets:** The Authority has been and is currently involved in various activities in conjunction with its modernization programs. In accordance with *Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets"*. Under the provisions of the statement, long-lived assets are to be reviewed for impairment. Application for measurement of long-lived assets should be at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or discontinued operations. The Authority has reviewed and determined there was no impairment of long-lived assets during year ending December 31, 2022.
- 14. Compensated Absences:** Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with *GASB Statement No. 16*. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.
- 15. Litigation Losses:** The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable, and the loss is reasonably estimable.
- 16. Annual Contribution Contracts:** Annual Contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

A - Summary of Significant Accounting Policies and Organization: (Continued)

- 17. Risk Management:** The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance, general liability, fire and extended coverage, fidelity bond, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.
- 18. Use of Restricted Assets:** It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.
- 19. Operating Revenues and Expenses:** The principal operating revenues of the Authority's Enterprise Fund are charges to customers for rents and services. Operating expenses for the Authority's Enterprise Fund include the cost of providing housing and services, administrative expenses and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

- B - Deposits and Investments:** For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and non-negotiable Certificates of Deposit to be cash equivalents. There were no noncash investing, capital and financing activities during the year.

1. HUD Deposit and Investment Restrictions

HUD requires authorities to invest excess HUD program funds in obligations of the United States, certificates of deposit or any other federally insured instruments.

HUD also requires that deposits of HUD program funds be fully insured or collateralized at all times. Acceptable security includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

2. Risk Disclosures

- a. Interest Rate Risk:** As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the Authority's investment portfolio to maturities not to exceed two years at time of purchase.

At December 31, 2022, the Authority's deposits and investments were not limited and all of which are either available on demand or have maturities of less than two years.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

B - Deposits and Investments: (Continued)

- b. Credit Risk:** This is risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority's investment policy is that none of its total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and instrumentalities.

- c. Custodial Credit Risk:** This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are held by the counterparty.

The carrying amounts of the Authority's cash deposits were \$2,488,729 at December 31, 2022. Bank balances before reconciling items were \$2,578,441 at that date, the total amount of which was collateralized or insured with securities held by an unaffiliated banking institution in the Authority's name. The Authority's investments consist of certificates of deposit with original maturities greater than three (3) months of \$3,565,649.

C - Accounts Receivable:

Dwelling rents (net of allowance for doubtful accounts of \$24,070)	\$ 36,457
Miscellaneous (net of allowance for doubtful accounts of \$1,060)	<u>3,927</u>
	<u>\$ 40,384</u>

D - Due From Other Governments:

Other Public Housing Authorities (net of allowance for doubtful accounts of \$9,127)	\$ 4,421
U.S. Department of Housing and Urban Development (HUD)	110,383
County of Alachua Florida	<u>6,808</u>
	<u>\$ 121,612</u>

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

E - Land, Buildings and Equipment:

	<u>Balance December 31, 2021</u>	<u>Additions</u>	<u>Retirements & Dispositions</u>	<u>Transfers</u>	<u>Balance December 31, 2022</u>
Not being depreciated:					
Land	\$ 1,834,215	\$ -	\$ -	\$ -	\$ 1,834,215
Construction in progress	434,061	98,968	-	(425,911)	107,118
Total not being depreciated	2,268,276	98,968	-	(425,911)	1,941,333
Depreciable:					
Buildings & improvements	17,778,095	479,470	(30,639)	425,911	18,652,837
Accumulated depreciation	(12,646,220)	(479,731)	18,374	-	(13,107,577)
Net buildings & improvements	5,131,875	(261)	(12,265)	425,911	5,545,260
Equipment	324,207	81,082	(39,719)	-	365,570
Accumulated depreciation	(278,531)	(15,734)	39,719	-	(254,546)
Net equipment	45,676	65,348	-	-	111,024
Net depreciable assets	5,177,551	65,087	(12,265)	425,911	5,656,284
TOTAL	\$ 7,445,827	\$ 164,055	\$ (12,265)	\$ -	\$ 7,597,617

F - Due to Other Governments:

U.S. Department of Housing and Urban Development (HUD) \$ 48,777

G- Unearned Revenue:

Prepaid Tenant Rents \$ 15,610
HAP/Admin – TBRA 8,817
Alachua County 50,000

\$ 74,427

H- Long-Term Debt:

At December 31, 2022, long-term debt consists of the following:

Sunshine Inn Note Payable – The Authority entered into two notes payable of \$663,000 and \$135,364 through SunTrust Bank on September 22, 2015. The notes have an interest rate of 4.50% and 5% respectively and are payable over five (5) years with the final payment to be made on September 22, 2030. The notes are secured by the land, building, improvements and fixtures related to the Sunshine Inn. The Authority has also pledged rental revenues received from Sunshine Inn to repay the mortgage balance outstanding at December 31, 2022. The \$663,000 loan (Note 1) is a term loan containing annual payments as listed below:

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

H - Long-Term Debt: (Continued)

Alachua County Housing Coalition – The Authority converted a previously accrued liability of \$40,200 to a Long-Term debt effective January 1, 2016. The note agreement has no interest rate and is payable at \$350/month with the final payment due June 1, 2025. There is no security involved in the structure of this converted debt.

	<u>Note 1</u>	<u>Note 3</u>	<u>Total</u>
Holder	SunTrust	Alachua County Housing Coalition	
Maturity Date	September 22, 2030	June 1, 2025	
Interest Rate	4.50%	0.00%	
Original Amount	\$ 663,000	\$ 40,200	\$ 703,200
Monthly Payment	\$ 5,094	\$ 350	\$ 5,444
December 31, 2022 balance	\$ 400,966	\$ 10,800	\$ 411,766
Interest Expense for the year ended:			
December 31, 2022	\$ 19,289	\$ -	\$ 19,289

	<u>Note 1</u>	<u>Note 3</u>	<u>Total</u>
2023	\$ 44,150	\$ 4,200	\$ 48,350
2024	46,207	4,200	50,407
2025	48,320	2,400	50,720
2026	50,611	-	50,611
2027	52,969	-	52,969
2028-2030	158,709	-	158,709
	400,966	10,800	411,766
Less: Current Portion	44,150	4,200	48,350
Total	\$ 356,816	\$ 6,600	\$ 363,416

* Note 1 is a term loan containing a final balloon payment of approximately \$480,337 on September 22, 2020. The Authority refinanced the outstanding balance on the date due.

Interest expense for the year ended December 31, 2022 was \$19,289. There was no capitalized interest expense for the year ended December 31, 2022.

The debt is secured by the property purchased in conjunction with the above financing as reported above.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

I - Capitalized Leases:

During the fiscal year, the Authority implemented GASB 87 – Leases. The Authority is leasing two postage machines and two copy machines. The main office postage machine has a quarterly payment of \$462.63 with a 1.50% interest rate which began July 1, 2018. The Sunshine Inn postage machine has a quarterly payment of \$90.00 with an 8.56% interest rate which began June 1, 2022. The copy machines have a monthly payment of \$517.26 with a 17.16% interest rate which began June 8, 2018.

The future lease payment maturity schedule is presented below:

Postage Machine Main Office:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2023	\$ 920	\$ 5	\$ 925

Postage Machine Sunshine Inn:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2023	\$ 307	\$ 53	\$ 360
2024	334	26	360
2025	88	2	90
	<u>\$ 729</u>	<u>\$ 81</u>	<u>\$ 810</u>

Copy Machine Main Office:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2023	\$ 5,204	\$ 1,003	\$ 6,207
2024	2,954	142	3,096
	<u>\$ 8,158</u>	<u>\$ 1,145</u>	<u>\$ 9,303</u>

Total

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2023	\$ 6,431	\$ 1,061	\$ 7,492
2024	3,288	168	3,456
2025	88	2	90
	<u>9,807</u>	<u>\$ 1,231</u>	<u>\$ 11,038</u>
Less current	<u>6,431</u>		
Long Term	<u>\$ 3,376</u>		

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

J - Schedule of Changes in Noncurrent Liabilities:

	Balance at		Year Ended		December 31, 2022	
	December 31, 2021		December 31, 2022		December 31, 2022	
	Long-term Portion	Current Portion	Additions	Payments	Current Portion	Long-term Portion
Notes payable	\$ 411,765	\$ 46,384	\$ 9,808	\$ (46,384)	\$ 54,781	\$ 366,792
Accrued compensated absences	178,999	89,500	44,285	(13,494)	99,763	199,527
	<u>\$ 590,764</u>	<u>\$ 135,884</u>	<u>\$ 54,093</u>	<u>\$ (59,878)</u>	<u>\$ 154,544</u>	<u>\$ 566,319</u>

K - Annual Contributions by Federal Agencies:

Low Rent Public Housing - Pursuant to the Annual Contributions Contract, HUD contributes an operating subsidy approved in the operating budget under the Annual Contributions Contract. HUD operating subsidy contributions for the year ended December 31, 2022 were \$1,893,144. HUD also contributed additional funds for modernization and operations in the amount of \$1,168,043 for the year ended December 31, 2022.

Housing Choice and Mainstream Voucher Cluster Programs - The Section 8 Housing Choice Voucher program provides for housing assistance payments to private owners of residential units on behalf of eligible low or very low-income families, including payments made on behalf of Veterans referred via the HUD-VASH Program and teens aging out of the foster care system. The Mainstream Voucher program provides assistance for families with disabilities. The payments cover the difference between the maximum rental on a dwelling unit and the amount of rent contribution by a participating family. HUD also funds related administrative expenses. HUD contributions for the year ended December 31, 2022 were \$9,168,602.

Section 8 Moderate Rehabilitation Single Room Occupancy - HUD provides for housing assistance payments to private owners of residential units on behalf of eligible low-income single individuals. The program payments cover the difference between the maximum rental on a dwelling unit and the amount of rent contribution by a participating family. HUD also funds related administrative expenses. HUD contributions for the year ended December 31, 2022 were \$101,495.

L - Defined Contribution Pension Plan: The Authority provides pension benefits for all its employees that work 1,000 hours annually through a defined contribution plan. The plan is administered by Mutual of America Life Insurance Company. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Board of Commissioners for the Authority is authorized to establish and amend plan benefits. Employees at least twenty-one (21) years old are eligible to participate one year from the date of employment. The Authority contributes 4.5% of the employee's compensation each month, while the employee does not contribute. The Authority's contributions for each employee (and interest allocated to the employee's account) are fully vested after 5 years of continuous service, or until age 65, whichever is first. In 2016, the Authority has amended their pension plan to comply with PIH Notice 2005-3 with respect to plan forfeitures. No plan costs were misapplied during the year.

The Authority's total payroll in fiscal year 2022 was \$1,398,951. The Authority's contributions were calculated using \$1,138,300. The Authority made the required contributions amounting to \$51,223.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

M - Other Post-Employment Benefits (OPEB): In relation to its employee benefit programs, the Authority does not provide any Other Post-Employment Benefits, as outlined under GASB 45, 68 or 75.

N - Economic Dependency: The Authority receives approximately 95% of its revenues from HUD. If the amount of revenues received from HUD falls below critical levels, the Authority's reserves could be adversely affected.

O - Commitments and Contingencies:

Legal - In the normal course of operations, the Authority may be party to various pending or threatened legal actions. Although the outcome of these lawsuits is not presently determinable, it is management's opinion that these matters will not have a material adverse effect on the financial condition of the Authority.

Grants and Contracts - The Authority participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority.

The Authority has received six (6) properties from Alachua County, Florida (the County), as part of the Neighborhood Stabilization Program. Each property is secured with a zero percent interest deferred mortgage loan, payable only if properties are sold prior to maturity of the mortgages on September 16, 2026. The balance is forgiven if the Authority maintains the units as permanent affordable rental housing for a period of 15 years. As of December 31, 2022, mortgages on the properties amount to \$745,000 with 4 years remaining until debt is forgiven. No liability has been recorded in the financial statements as it is unlikely that the properties will be sold prior to maturity of the mortgages.

P - Construction Commitments: The Authority is engaged in a modernization program funded by HUD. In this regard, the Authority has entered into construction-type contracts with approximately \$77,842 remaining until completion.

Q - Conduit Type Debt: Debt related to the original acquisition and early modernization of the public housing developments is funded, guaranteed and serviced by HUD. There is no debt or pledge of faith and credit on part of the Authority. Accordingly, this debt has not been recorded in the basic financial statements of the Authority. Additionally, HUD no longer provides debt service information to the Authority.

R - Leasing Activities (as Lessor): The Authority is the lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Revenues associated with these leases are recorded in the basic financial statements and schedules as "Rental Revenue". Rental Revenue per dwelling unit generally remains consistent from year to year but is affected by general economic conditions which impact personal income and local job availability.

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022
(Continued)

- S - Interprogram Transfers:** The Authority will make cash transfers between its various programs as outlined in the Federal Regulations and authorized and approved by the Authority's Board of Commissioners. There was \$50,000 in transfers from the Capital Fund Program to Low Income Housing Program during the year ended December 31, 2022.
- T - Subsequent Events:** Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through the date of the independent auditors' opinion and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.
- U - Related Party Transactions:** The Authority has entered into Interlocal Agreements with Alachua County and the City of Gainesville to provide services and receive access to resources for the benefit of individuals that are homeless or at risk of becoming homeless.

The Authority is a member agency of the Alachua County Coalition for the Homeless and Hungry (the Coalition).

SUPPLEMENTARY INFORMATION

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

COMBINING SCHEDULE OF NET POSITION
DECEMBER 31, 2022

14.228

	Community Dev Grant/State's Program	14.239 Home Investment Partnerships Program	14.249 Sec 8 Mod Rehab Single Room Occupancy	14.871 Housing Choice Vouchers	14.879 Mainstream Voucher Program	1 Business Activities	Total 2022
ASSETS							
Current assets							
Cash and cash equivalents, unrestricted	\$ 759,326	\$ 31,092	\$ 21,223	\$ 78,542	\$ 246,793	\$ 256,744	\$ 1,979,057
Cash and cash equivalents, restricted	309,300	5,600	-	-	-	18,644	509,672
Investments, unrestricted	3,059,019	-	-	-	-	506,630	3,565,649
Accounts receivable, net of allowance	30,956	1,025	-	3,841	-	4,562	40,384
Due from other governments	104,203	6,808	-	10,601	-	-	121,612
Due from/to other programs	436,000	-	-	-	-	(436,000)	-
Inventories, net of obsolescence	52,319	-	-	-	-	2,648	54,967
Prepaid expense	11,811	231	-	621	-	-	12,663
Total current assets	4,762,934	44,756	21,223	78,542	246,793	353,228	6,284,004
Noncurrent assets							
Other assets							
Capitalized leases	8,888	-	-	-	-	-	8,888
Capital assets							
Not being depreciated	1,322,457	133,876	-	-	-	485,000	1,941,333
Depreciable, net	4,238,157	456,763	-	24,918	-	936,446	5,656,284
Total capital assets, net	5,560,614	590,639	-	24,918	-	1,421,446	7,597,617
Total noncurrent assets	5,569,502	590,639	-	24,918	-	1,421,446	7,606,505
Total assets	10,332,436	635,395	21,223	78,542	246,793	1,774,674	13,890,509
Deferred Outflow of Resources							
Total Assets and Deferred Outflow of Resources	10,332,436	635,395	21,223	78,542	246,793	1,774,674	13,890,509

LIABILITIES

Current liabilities

Vendors and contractors payable	106,799	550	-	3	8,928	3,270	6,223	125,773
Accrued wages/taxes payable	20,197	-	245	92	7,311	632	179	28,656
Accrued compensated absences	70,795	-	-	-	28,968	-	-	99,763
Accrued interest payable	-	-	-	-	-	-	501	501
Due to other governments	-	-	-	22,318	-	26,459	-	48,777
Unearned revenue	12,553	1,257	8,817	-	152	-	51,648	74,427
Notes and bonds payable	6,431	-	-	-	-	-	48,350	54,781
Other current liabilities	15,814	-	-	-	-	-	-	15,814
Other accrued liabilities	-	-	-	-	-	-	989	989
Resident security deposits	117,450	5,600	-	-	-	-	18,644	141,694
Total current liabilities	350,039	7,407	9,062	22,413	45,359	30,361	126,534	591,175

Noncurrent liabilities

Notes and bonds payable	3,376	-	-	-	-	-	363,416	366,792
Accrued compensated absences	141,590	-	-	-	57,937	-	-	199,527
Total noncurrent liabilities	144,966	-	-	-	57,937	-	363,416	566,319

Total liabilities

	495,005	7,407	9,062	22,413	103,296	30,361	489,950	1,157,494
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Deferred Inflow of Resources

Total Liabilities and Deferred Inflow of Resources	495,005	7,407	9,062	22,413	103,296	30,361	489,950	1,157,494
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NET POSITION

Net investment in capital assets	5,560,614	590,639	-	-	24,918	-	1,009,680	7,185,851
Restricted	-	-	-	-	176,128	-	-	176,128
Unrestricted	4,276,817	37,349	12,161	56,129	497,104	216,432	275,044	5,371,036
Total net position	\$ 9,837,431	\$ 627,988	\$ 12,161	\$ 56,129	\$ 698,150	\$ 216,432	\$ 1,284,724	\$ 12,733,015

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

14.228

	Community Dev Block Grant/State's Program	14.239 Home Investment Program	14.249 Sec 8 Mod Rehab Single Room Occupancy	14.871 Housing Choice Vouchers	14.879 Mainstream Voucher Program	1 Business Activities	Total 2022
Operating revenues							
Rental revenue	\$ 223,110	\$ -	\$ -	\$ -	\$ -	\$ 243,061	\$ 534,295
HUD grants	2,495,014	179,814	101,495	7,118,869	1,910,418	-	11,805,610
Other revenue	44,376	1,075	706	139,315	-	479,723	665,195
Total operating revenues	2,762,500	180,520	101,495	7,258,184	1,910,418	722,784	13,005,100
Operating expenses							
Administrative	1,090,389	13,367	21,011	27,241	185,377	72,898	1,892,764
Utilities	26,515	60	-	-	-	35,341	61,916
Ordinary maintenance & operation	1,161,358	30,824	-	2,867	-	55,487	1,250,536
Insurance	134,015	4,417	-	6,738	-	10,350	155,520
General expenses	151,370	8,671	166,967	94,400	1,516	4,030	426,954
Housing assistance payments	-	-	71,422	6,414,298	1,643,570	-	8,129,290
Depreciation	411,261	15,572	-	4,484	-	64,148	495,465
Total operating expenses	2,974,908	187,978	98,663	7,005,268	1,830,463	242,254	12,412,445
Operating income (loss)	(212,408)	(7,458)	2,832	252,916	79,955	480,530	592,655
Nonoperating revenues (expenses)							
Interest revenue, unrestricted	23,923	-	8	82	20	6,634	30,667
Interest expense	(3,152)	-	-	-	-	(19,289)	(22,441)
Fraud recovery	2,981	-	-	275	-	-	3,256
Gain/(loss) on disposition of capital assets	513	-	-	-	-	(12,265)	(11,752)
Total nonoperating revenues	24,265	-	8	357	20	(24,920)	(270)
Income (loss) before contributions and transfers	(188,143)	(7,458)	2,840	253,273	79,975	455,610	592,385
Capital contributions	566,173	-	-	-	-	-	566,173
Increase (decrease) in net position	378,030	(3,712)	2,840	253,273	79,975	455,610	1,158,558
Net position, beginning of year	9,459,401	631,700	19,619	444,877	136,457	829,114	11,574,457
Net position, end of year	\$ 9,837,431	\$ 627,988	\$ 12,161	\$ 698,150	\$ 216,432	\$ 1,284,724	\$ 12,733,015

Alachua County (FL070)
Gainesville, FL
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	1 Business Activities	14.228 Community Development Block Grants/State's Program	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$759,326	\$256,744	\$31,092	\$246,793	\$21,223	\$585,337	\$78,542	\$1,979,057		\$1,979,057
112 Cash - Restricted - Modernization and Development	\$191,850							\$191,850		\$191,850
113 Cash - Other Restricted										
114 Cash - Tenant Security Deposits	\$117,450	\$18,644	\$5,600			\$176,128		\$176,128		\$176,128
115 Cash - Restricted for Payment of Current Liabilities								\$141,694		\$141,694
100 Total Cash	\$1,068,626	\$275,388	\$36,692	\$246,793	\$21,223	\$761,465	\$78,542	\$2,488,729	\$0	\$2,488,729
121 Accounts Receivable - PHA Projects						\$13,548		\$13,548		\$13,548
122 Accounts Receivable - HUD Other Projects	\$104,203					\$6,180	\$0	\$110,383		\$110,383
124 Accounts Receivable - Other Government			\$6,808					\$6,808		\$6,808
125 Accounts Receivable - Miscellaneous	\$1,146					\$3,841		\$4,987		\$4,987
126 Accounts Receivable - Tenants	\$51,169	\$8,283	\$1,075					\$60,527		\$60,527
126.1 Allowance for Doubtful Accounts - Tenants	-\$20,299	-\$3,721	-\$50					-\$24,070		-\$24,070
126.2 Allowance for Doubtful Accounts - Other	-\$1,060	\$0	\$0	\$0	\$0	-\$9,127	\$0	-\$10,187		-\$10,187
127 Notes, Loans, & Mortgages Receivable - Current										
128 Fraud Recovery	\$4,835					\$715		\$5,550		\$5,550
128.1 Allowance for Doubtful Accounts - Fraud	-\$4,835					-\$715		-\$5,550		-\$5,550
129 Accrued Interest Receivable										
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$135,159	\$4,562	\$7,853	\$0	\$0	\$14,442	\$0	\$161,996	\$0	\$161,996
131 Investments - Unrestricted	\$3,059,019	\$506,630						\$3,565,649		\$3,565,649
132 Investments - Restricted										
135 Investments - Restricted for Payment of Current Liability										
142 Prepaid Expenses and Other Assets	\$11,811		\$231			\$621		\$12,663		\$12,663
143 Inventories	\$61,552	\$2,675						\$64,227		\$64,227
143.1 Allowance for Obsolete Inventories	-\$9,233	-\$27						-\$9,260		-\$9,260
144 Inter Program Due From	\$436,000							\$436,000	-\$436,000	\$0
145 Assets Held for Sale										
150 Total Current Assets	\$4,762,934	\$789,228	\$44,756	\$246,793	\$21,223	\$776,528	\$78,542	\$6,720,004	-\$436,000	\$6,284,004
161 Land	\$1,215,339	\$485,000	\$133,876					\$1,834,215		\$1,834,215
162 Buildings	\$16,280,178	\$1,626,166	\$623,668					\$18,530,032		\$18,530,032

Alachua County (FL070)
Gainesville, FL

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	1 Business Activities	14.228 Community Development Block Grants/State's Program	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$223,110	\$243,061	\$68,124					\$534,295		\$534,295
70400 Tenant Revenue - Other	\$44,369	\$18,495	\$1,075					\$63,939		\$63,939
70500 Total Tenant Revenue	\$267,479	\$261,556	\$69,199	\$0	\$0	\$0	\$0	\$598,234	\$0	\$598,234
70600 HUD PHA Operating Grants	\$2,495,014			\$1,910,418	\$179,814	\$7,118,869	\$101,495	\$11,805,610		\$11,805,610
70610 Capital Grants	\$566,173							\$566,173		\$566,173
70710 Management Fee										
70720 Asset Management Fee										
70730 Book Keeping Fee										
70740 Front Line Service Fee										
70750 Other Fees										
70700 Total Fee Revenue								\$0	\$0	\$0
70800 Other Government Grants										
71100 Investment Income - Unrestricted	\$23,923	\$6,634		\$20		\$82	\$8	\$30,667		\$30,667
71200 Mortgage Interest Income										
71300 Proceeds from Disposition of Assets Held for Sale										
71310 Cost of Sale of Assets										
71400 Fraud Recovery	\$2,981					\$275		\$3,256		\$3,256
71500 Other Revenue	\$7	\$461,228			\$706	\$139,315		\$601,256		\$601,256
71600 Gain or Loss on Sale of Capital Assets	\$513							\$513		\$513
72000 Investment Income - Restricted										
70000 Total Revenue	\$3,356,090	\$729,418	\$69,199	\$1,910,438	\$180,520	\$7,258,541	\$101,503	\$13,605,709	\$0	\$13,605,709
91100 Administrative Salaries	\$375,216	\$8,674		\$35,150	\$11,636	\$289,763	\$4,289	\$724,728		\$724,728
91200 Auditing Fees	\$15,000	\$3,000	\$840	\$3,000	\$600	\$3,000	\$2,000	\$27,440		\$27,440
91300 Management Fee			\$0					\$0		\$0
91310 Book-keeping Fee			\$0					\$0		\$0
91400 Advertising and Marketing										
91500 Employee Benefit contributions - Administrative	\$101,297	\$2,563		\$7,429	\$3,274	\$113,808	\$840	\$229,211		\$229,211
91600 Office Expenses	\$244,916	\$28,453	\$1,777	\$3,909	\$44	\$46,885	\$335	\$326,319		\$326,319
91700 Legal Expense	\$31,572	\$23,977						\$55,549		\$55,549

96200 Other General Expenses	\$1,649	\$8,646	\$1,516	\$166,967	\$19,492	\$198,270	\$198,270
96210 Compensated Absences	\$69,313				\$65,993	\$155,306	\$155,306
96300 Payments in Lieu of Taxes	\$27,646					\$27,646	\$27,646
96400 Bad debt - Tenant Rents	\$31,702	\$4,030	\$25		\$8,915	\$44,672	\$44,672
96500 Bad debt - Mortgages							
96600 Bad debt - Other	\$1,060					\$1,060	\$1,060
96800 Severance Expense							
96000 Total Other General Expenses	\$151,370	\$4,030	\$8,671	\$166,967	\$94,400	\$426,954	\$426,954
96710 Interest of Mortgage (or Bonds) Payable		\$19,289				\$19,289	\$19,289
96720 Interest on Notes Payable (Short and Long Term)	\$3,152					\$3,152	\$3,152
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$3,152	\$19,289	\$0	\$0	\$0	\$22,441	\$22,441
96900 Total Operating Expenses	\$2,566,799	\$209,660	\$57,339	\$187,978	\$586,486	\$3,822,396	\$3,822,396
97000 Excess of Operating Revenue over Operating Expenses	\$789,291	\$519,758	\$11,860	-\$7,456	\$6,672,055	\$9,783,313	\$9,783,313
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments			\$1,643,570		\$6,288,492	\$71,422	\$8,003,484
97350 HAP Portability-In					\$125,806	\$125,806	\$125,806
97400 Depreciation Expense	\$411,261	\$64,148	\$15,572		\$4,484	\$495,465	\$495,465
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$2,978,060	\$273,808	\$72,911	\$187,978	\$7,005,268	\$12,447,151	\$12,447,151
10010 Operating Transfer In	\$50,000					\$50,000	\$0
10020 Operating transfer Out	-\$50,000					-\$50,000	\$0
10030 Operating Transfers from/to Primary Government							
10040 Operating Transfers from/to Component Unit							
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss							
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In							

ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Federal Grantor:

<u>Assistance Listing Number</u>	<u>Program Title</u>	<u>Pass Through Entity</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development			
14.249	Section 8 Moderate Rehabilitation Single Room Occupancy	NA	<u>\$ 101,495</u>
	Housing Choice Voucher Cluster		
14.871	Housing Choice Voucher Program	NA	7,118,869
14.871	Housing Choice Voucher-Pass thru	Other PHA's	139,315
	Total Housing Choice Voucher Program	NA	<u>7,258,184</u>
14.879	Mainstream Vouchers	NA	<u>1,910,418</u>
	Total Housing Choice Voucher Cluster		<u>9,168,602</u>
14.872	Capital Fund Program	NA	1,168,043
14.239	HOME Investment Partnership Program	State of Florida	179,814
14.850	Low Rent Public Housing	NA	1,893,144
	Total U.S. Department of HUD		<u>12,511,098</u>
	Total Federal Awards Expenditures		<u><u>\$ 12,511,098</u></u>

Notes to the Schedule of Expenditures of Federal Awards

A. Basis of Accounting

This schedule is prepared on the accrual basis of accounting.

B. Basis of Presentation

The accompanying Schedule of Federal Awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2022.

The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Title 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.

C. Other Matters - Indirect Costs

The Authority has not elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

D. Reconciliation of Total Federal Awards Expenditures to Financial Data Schedule

FDS line 70600	HUD PHA Grants	\$ 11,805,610
FDS line 70610	Capital Grants	566,173
FDS line 715	HCVP other income	139,315
		<u><u>\$ 12,511,098</u></u>

SINGLE AUDIT SECTION

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Alachua County Housing Authority
Gainesville, Florida

HUD, Jacksonville Area Office
Charles Bennett Federal Building
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

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 the business-type activities of Alachua County Housing Authority ("the Authority"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 12, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.


Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
June 12, 2023

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Board of Commissioners
Alachua County Housing Authority
Gainesville, Florida

HUD, Jacksonville Area Office
Charles Bennett Federal Building
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

Report on Compliance for Each Major Program

We have audited Alachua County Housing Authority's ("the Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended December 31, 2022.

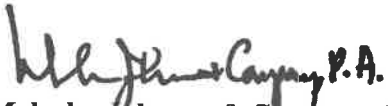
Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

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


Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
June 12, 2023

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INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Alachua County Housing Authority
Gainesville, Florida

HUD, Jacksonville Area Office
Charles Bennett Federal Building
400 W. Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

We have performed the procedures enumerated below to assist Alachua County Housing Authority (“the Authority”) as of December 31, 2022 to determine whether the electronic submission of certain information agrees with related hard copy documents included within the OMB Uniform Guidance reporting package. The Authority’s management is responsible for the accuracy and completeness of the electronic submission.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of comparing the electronic submission of the items listed in the “UFRS Rule Information” column with the corresponding printed documents listed in the “Hard Copy Documents” column. The results of the performance of our agreed-upon procedure indicate agreement of electronically submitted information and hard copy documents. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

We perform an audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), for the Authority as of and for the year ended December 31, 2022 and have issued our report thereon dated June 12, 2023. The information in the “Hard Copy Documents” column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Authority’s Financial Data Schedule (FDS) dated June 12, 2023, was expressed in relation to the basic financial statement of the Authority taken as a whole. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the comparison of the electronic submission to the hard copy documents. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Alachua County Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.


Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
June 12, 2023

**ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Basic Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
~ Material weakness(es) identified?	No
~ Significant deficiency(s) identified that are not considered to be material weakness(es)?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
14.871	Housing Choice Voucher Program
14.879	Mainstream Voucher Program

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Continued)**

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

There are no Basic Financial Statement Findings reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Finding and Questioned Costs.

**ALACHUA COUNTY HOUSING AUTHORITY
Gainesville, Florida**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2022**

There were no Prior Year Audit Findings.