

**HOUSING AUTHORITY OF THE CITY OF RENO  
(RENO, NEVADA)**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Housing Authority of the City of Reno  
Reno, Nevada

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Reno (Reno Housing Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Reno Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Reno Housing Authority, as of June 30, 2022, 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.

We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it related to the amounts included for the discretely presented component units is based solely on the reports of the other auditors.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Reno Housing Authority 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 Reno Housing Authority'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.

***Auditors' 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 auditors' 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 GAAS 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 GAAS 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 Reno Housing Authority'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 Reno Housing Authority'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 management's discussion and analysis, schedule of the Authority's proportionate share of the net pension liability, schedule of the Authority's pension contributions, schedule of the Authority's proportionate share of the net OPEB liability, and schedule of the Authority's OPEB contributions 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 GAAS, 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 Reno Housing Authority's basic financial statements. 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 financial data schedule 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 GAAS. In our opinion, 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 financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Commissioners  
Housing Authority of the City of Reno

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2023, on our consideration of the Reno Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Reno Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Reno Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 23, 2023

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

As management of the Housing Authority of the City of Reno (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

**Financial Highlights**

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the fiscal year resulting in a net position of \$58,735,322 at June 30, 2022.
- The total net position of the Authority increased from \$57,513,140 at June 30, 2021 to \$58,735,322 at June 30, 2022. The total unrestricted net position at June 30, 2022 is \$17,769,627. This amount may be used to meet the Authority's ongoing obligations.
- Total assets and deferred outflow of resources increased from \$73,784,039 at June 30, 2021 to \$76,238,799 at June 30, 2022, an increase of \$2,454,760.
- Net capital assets decreased from \$41,374,534 at June 30, 2021 to \$40,998,370 at June 30, 2022. This decrease of \$376,164 was the result of current year depreciation expense exceeding current year additions.
- Total liabilities and deferred inflows of resources increased from \$16,270,899 at June 30, 2021 to \$17,503,477 at June 30, 2022, an increase of \$1,232,578.
- Revenues for fiscal year 2022 from all programs totaling \$76,313,794 consisted of federal grants and subsidies of \$68,260,755, and rental, interest, and other income of \$8,053,039. This represents a decrease of \$1,888,217 in comparison to the total revenues of \$78,202,011 from fiscal year 2021.
- Total expenses for all programs for fiscal year 2022 were \$75,091,612. This represents an increase in expenses of \$3,743,087 from the total fiscal year 2021 expenses of \$71,348,525.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which are comprised of the proprietary funds – statement of net position, statement of revenues, expenses, and changes in net position, and the statement of cash flows.

***Government-Wide Financial Statements***

The statement of net position, and the statement of revenues, expenses, and changes in net position report information about the Authority's activities. These two statements report the net position of the Authority and changes in net position. The Authority's net position, (the difference between assets and liabilities), is one way to measure financial health or financial position of the Authority. Over time, increases or decreases in the Authority's net position is one indicator of whether its financial health is improving or deteriorating. However, other nonfinancial factors such as changes in economic conditions, population growth, and new or changed government legislation, should be taken into consideration to determine the overall financial condition of the Authority.

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis in evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its grant revenues, rental income, and other charges and profitability. The final required financial statement is the statement of cash flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

As previously stated, enterprise funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of the enterprise funds are included on the statement of net position. The focus of enterprise funds is on income measurement, which together with the maintenance of equity, is an important financial indicator.



**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**The Authority's Programs**

*Moving-To-Work Program* – Effective July 1, 2014, the Authority began administering the Moving-To-Work Demonstration Program (MTW). The MTW Program is a demonstration program recently implemented and funded by the U.S. Department of Housing and Urban Development (HUD). The MTW program was awarded to the Authority under a five-year funding agreement which became effective on June 27, 2014 and expires June 30, 2028. The Authority's MTW Demonstration Program applies to several of the Authority's programs that were previously administered under other HUD funded programs. The MTW program replaces the Housing Choice Voucher Program, the Public and Indian Housing Program, and the Public Housing Capital Fund Program that were administered by the Authority during its fiscal year 2014 and previous fiscal years.

Programs other than the MTW Program administered by the Authority during fiscal year 2022 include the following:

*Section 8 Housing Assistance Payments Program* – Under the Section 8 Housing Assistance Payments Program the Authority is the Contract Administrator for the state of Nevada charged with carrying out 16 incentive Based Performance Standards for HUD. Typical standards include approving tenant payments, processing rental adjustments, life threatening and nonlife threatening health and safety issues, and conducting Management and Occupancy Reviews. Approximately 37 projects and 3,174 units are covered by this contract. The contract started October 1, 2000 with an initial two-year period and three one-year renewal options. Since then, the Authority has been awarded several renewals, the most recent of which expires July 31, 2023.

*Business Activities* – This represents non-HUD resources developed from a variety of activities that consist basically of housing units not receiving Federal financial assistance.

*Resident Opportunity and Supportive Services* – This is a grant from HUD designed to help provide tenants with skills necessary to seek, obtain and maintain better employment.

*Shelter Plus Care* – Shelter Plus Care is a program where the Authority can obtain contract funding through the state of Nevada and provide physical inspections.

*Community Development Block Grants / Economic Development Initiative* – The Economic Development Initiative Special Project Grant is a program to carry out projects to redevelop abandoned, idled or underutilized real property.

*Neighborhood Stabilization Programs (NSP)* – This program was established for the purpose of stabilizing communities that had suffered from property foreclosures and abandonment. The stabilization is to be achieved through the purchase and redevelopment of foreclosed and abandoned homes and residential properties.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

*Emergency Rental Assistance (ERA) Program* – The Authority was a subrecipient of ERA funds in order to provide financial assistance for rent, rent arrears, utilities and home energy costs, utilities and home energy costs arrears, and other expenses related to housing incurred due, directly or indirectly, to the novel coronavirus disease.

*Coronavirus Relief Funds (CRF) Program* – The Authority was a subrecipient of CRF funds in order to provide rental assistance to households affected by the COVID-19 pandemic in order to prevent evictions of those struggling financially.

*Emergency Housing Vouchers (EHV)* – The American Rescue Plan Act of 2021 (ARP), provided relief to address the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, individuals, and businesses. Section 3202 of the ARP provided appropriations for new incremental Emergency Housing Voucher (EHVs), the renewal of those EHVs, and fees for the cost of administering the EHVs and other eligible expenses defined by notice to prevent, prepare for, and respond to coronavirus to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners.

*HCV CARES Act Funding (HCV CARES)* – The HCV CARES program is a HUD-funded program for COVID-19 pandemic response. It includes supplemental funds provided under the CARES Act to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by coronavirus. This program ended in fiscal year 2022.

**Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Required Supplementary Information**

The Schedule of Authority's Proportionate Share of Net OPEB Liability, the Schedule of the Authority's OPEB Contributions, the Schedule of the Authority's Proportionate Share of Net Pension Liability, the Schedule of the Authority's Pension Plan Contributions, and the Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by the U.S. Office of Management, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Governmental Accounting Standards Board (GASB), and the U.S. Department of HUD regulations. These schedules can be found in the Supplementary Information sections of this report.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Net Position**

A summary of the Authority's statements of net position is presented in Table 1. As can be seen from Table 1, the net position increased \$1,222,182 to \$58,735,322 in fiscal year 2022, from \$57,513,140 in fiscal year 2021.

**TABLE 1  
Condensed Statements of Net Position  
June 30,**

	2022	2021	Dollar Change	Total % Change
<b>Assets and Deferred Outflows:</b>				
Current Assets	\$ 31,665,476	\$ 30,629,040	\$ 1,036,436	3.4 %
Notes Receivable	153,000	603,000	(450,000)	(74.6)
Capital Assets	40,998,370	41,374,534	(376,164)	(0.9)
Other Assets	28,834	24,548	4,286	17.5
Deferred Outflows	3,042,119	1,152,917	1,889,202	163.9
<b>Total Assets and Deferred Outflows</b>	<b>75,887,799</b>	<b>73,784,039</b>	<b>2,103,760</b>	<b>2.9</b>
<b>Liabilities and Deferred Inflows:</b>				
Current Liabilities	7,248,125	7,321,311	(73,186)	(1.0)
Noncurrent Liabilities	6,291,137	8,412,086	(2,120,949)	(25.2)
Deferred Inflows	3,964,215	537,502	3,426,713	637.5
<b>Total Liabilities and Deferred Inflows</b>	<b>17,503,477</b>	<b>16,270,899</b>	<b>1,232,578</b>	<b>7.6</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	40,510,765	40,879,139	(368,374)	(0.9)
Restricted	454,930	63,858	391,072	612.4
Unrestricted Net Position	17,769,627	16,570,143	1,199,484	7.2
<b>Total Net Position</b>	<b>\$ 58,735,322</b>	<b>\$ 57,513,140</b>	<b>\$ 1,222,182</b>	<b>2.1</b>

The more significant changes to the components of the statement of net position are as follows:

- Current assets increased \$1,036,436, or 3.4%. The change was primarily due to an increase in cash and investments of \$2,388,629, net a decrease in accounts receivable (other governments, due from component unit, and other) of \$1,457,212.
- Notes receivable decreased \$99,000, or 16.4%. The decrease was due to forgiveness on homeownership notes and a \$50,000 payment received on the Sutro Affordable Housing, LLC note. For more detail pertaining to the Authority's notes receivable please see Note 3 to the financial statements in this report.
- See Table 3 for a breakout of the decrease in capital assets.
- Changes in deferred outflows and inflows were due to updated actuarial reports for the Authority's pension and other post-employment benefit plans.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

- Current liabilities remained consistent. The decrease in unearned revenue of \$875,414, as a result of the utilization of pandemic-relief funds, was offset by an increase in amounts due to other governments and other current liabilities of \$543,817 and \$198,587, respectively.
- Noncurrent liabilities decreased \$2,120,949 or 25.2%. The decrease was primarily due to decreases in the Authority's net pension and OPEB liabilities of \$1,976,992 and \$163,713, respectively, as a result of updated actuarial reports for the Authority's pension and other post-employment benefit plans.

For more detailed information concerning the statement of net position for fiscal year 2022 see the statement of net position on page 14 of this report.

The following schedule compares the revenues and expenses for the current and previous fiscal years. The Authority is only engaged in business-type activities.

**TABLE 2  
Statements of Revenues, Expenses, and  
Changes in Net Position  
Years Ended June 30,**

	<u>2022</u>	<u>2021</u>	Dollar Change	Total % Change
Revenues:				
Grants	\$ 68,260,755	\$ 70,147,813	\$ (1,887,058)	(2.7)%
Rental Income	7,447,803	7,048,401	399,402	5.7
Interest Income	43,173	7,315	35,858	490.2
Other Income	<u>562,063</u>	<u>998,482</u>	<u>(436,419)</u>	<u>(43.7)</u>
Total Revenues	76,313,794	78,202,011	(1,888,217)	(2.4)
Expenses:				
Administrative	6,388,805	5,820,636	568,169	9.8
Utilities	1,022,238	983,870	38,368	3.9
Maintenance	3,445,810	2,793,510	652,300	23.4
Tenant Services	595,069	819,912	(224,843)	(27.4)
Housing Assistance Payments	59,703,284	57,110,524	2,592,760	4.5
General	1,115,421	1,099,883	15,538	1.4
Interest Expense	2,996	28,439	(25,443)	(89.5)
Depreciation	<u>2,817,989</u>	<u>2,691,751</u>	<u>126,238</u>	<u>4.7</u>
Total Expenses	<u>75,091,612</u>	<u>71,348,525</u>	<u>3,743,087</u>	<u>5.2</u>
Increase in Net Position	<u>\$ 1,222,182</u>	<u>\$ 6,853,486</u>	<u>\$ (5,631,304)</u>	<u>(82.2)</u>

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Significant revenue and expense activity changes were as follows:

- Grants decreased \$1,887,058 or 2.7%. There was a \$5,751,060 decrease in HUD operating grants, net a \$1,071,055 increase in HUD capital grants and a \$2,792,947 increase in other government grants in connection with pandemic relief funding.
- Other income decreased \$436,419 or 43.7%. Due to its nature, we do not expect other income to remain consistent. The decrease was primarily due to a one-time developer fee earned in the prior year and other miscellaneous one-time revenues.
- Administrative expenses increased \$568,169 or 9.8%. The increase was primarily due an increase in office expenses
- Maintenance expenses increased \$652,300 or 23.4%. The increase was primarily due an increase in vacancy cleaning, landscaping, and pest control.
- Tenant services decreased \$224,843 or 27.4%. The decrease was primarily due to a decrease in available HUD-CARES program funds that were required to be grouped to tenant services per HUD requirements.
- Housing assistance payments increased \$2,592,760 or 4.5%. \$7,152,682 of the increase is in connection with additional COVID-19 response funded under the ERA program. The increase was offset by a decrease of \$4,318,857 and \$362,360 under the CRF and CDBG programs, respectively, due to the programs ending.

For more detail concerning the statement of revenues, expenses, and changes in net position for the fiscal year 2022, see the statement of revenues, expenses, and changes in net position on page 15 of this report.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Capital Assets and Debt Administration**

Capital Assets

As of year-end, the Authority had \$40,998,370 of net capital assets as is reflected in the following Table 3, which represents a net decrease of \$376,164 from the 2021 fiscal year's ending balance.

**TABLE 3**

	2022	2021	Dollar Change	Total % Change
Land	\$ 13,700,052	\$ 13,700,052	\$ -	- %
Buildings	87,059,327	86,068,831	990,496	1.2
Furniture and Equipment	2,983,799	2,630,370	353,429	13.4
Construction in Progress	1,110,493	13,496	1,096,997	8128.3
Less: Accumulated Depreciation	<u>(63,855,301)</u>	<u>(61,038,215)</u>	<u>(2,817,086)</u>	4.6
Net Capital Assets	<u>\$ 40,998,370</u>	<u>\$ 41,374,534</u>	<u>\$ (376,164)</u>	(0.9)

For more detail pertaining to the Authority's capital assets please see Note 4 to the financial statements in this report.

Debt Administration

As of year-end, the Authority had \$487,605 of long-term notes as is reflected in the following Table 4, which represents a net decrease of \$7,790 from the 2021 fiscal year's ending balance.

**TABLE 4**

	2022	2021	Dollar Change	Total % Change
Total Notes Payable	<u>\$ 487,605</u>	<u>\$ 495,395</u>	<u>\$ (7,790)</u>	(1.6)

For more detail pertaining to the Authority's bonds and notes payable, please see Note 6 to the financial statements in this report.

**HOUSING AUTHORITY OF THE CITY OF RENO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Economic Factors**

Significant economic factors affecting the Authority and its goals to provide affordable housing to the residents of Washoe County, which includes the City of Reno and City of Sparks, include:

- Local economic and employment trends that affect resident incomes correlate to the amount of rental income earned by the Authority. Washoe County (including Reno and Sparks) continues to recover from the COVID pandemic. In the Reno-Sparks region the December 2021 unemployment rate stood at 5.4%. This is above the national unemployment rate of 3.9%
- The Authority receives a majority of its federal grant funding each year from HUD. The Authority's financial operations are significantly affected by the annual appropriations from HUD. Based upon authorized funding notifications received from HUD for fiscal year 2023, the Authority does not anticipate significant reductions in federal grant funding for fiscal 2023 versus the funding received for its 2022 fiscal year.
- Local property rental availability and rental rates influences the amounts of Housing Assistance Payments required by the Authority to subsidize tenants' rents under several of the Authority's most significant federally funded programs. The vacancy rate in the Washoe County's rental market has remained relatively low during FY22 at an average of 2.71%. The average rents in the Washoe County market have continued to increase compared to fiscal year 2021, with average rents at \$1,640. The construction and real estate sector continue to hold the higher percentage growth in Washoe County and statewide.

**Request for information**

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Dr. Hilary Lopez, Executive Director, Housing Authority of the City of Reno, 1525 E. Ninth Street, Reno, NV 89512, telephone number (775) 329-3630.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**STATEMENTS OF NET POSITION—BUSINESS-TYPE ACTIVITIES AND DISCRETELY**  
**PRESENTED COMPONENT UNITS**  
**JUNE 30, 2022 AND DECEMBER 31, 2021, RESPECTIVELY**

	Enterprise Fund	Discrete Component Unit
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Investments - Unrestricted	\$ 23,764,929	\$ 256,528
Cash and Investments - Restricted	5,402,994	226,973
Accounts Receivable - Other Governments	1,199,620	-
Accounts Receivable, Net	272,246	-
Current Portion of Notes Receivable	28,664	-
Accrued Interest	38,425	-
Due from Component Unit	415,393	-
Prepaid Expenses and Other Assets	543,205	144,646
Total Current Assets	31,665,476	628,147
<b>NONCURRENT ASSETS</b>		
Notes Receivable	153,000	-
Note Receivable from Component Unit	351,000	-
Capital Assets not being Depreciated	14,810,545	1,394,064
Capital Assets being Depreciated, Net	26,187,825	10,689,691
Other Assets	28,834	-
Total Noncurrent Assets	41,531,204	12,083,755
Total Assets	73,196,680	12,711,902
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
OPEB Related Outflows	169,248	-
Pension Related Outflows	2,872,871	-
Total Deferred Outflows of Resources	3,042,119	-
Total Assets and Deferred Outflows of Resources	76,238,799	12,711,902
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	351,724	150
Due to Other Governments	998,627	-
Tenant Security Deposits	501,337	16,900
Accrued Payroll	138,089	-
Unearned Revenue	4,645,643	-
Accrued Interest Payable	9,774	186,683
Notes Payable - Current	7,100	60,273
Compensated Absences - Current	40,944	-
Other Current Liabilities	554,887	-
Due to Primary Government	-	629,323
Total Current Liabilities	7,248,125	893,329
<b>NONCURRENT LIABILITIES</b>		
Compensated Absences, Net of Current Portion	369,683	-
Notes Payable, Net of Current Portion	480,505	3,275,985
Net Pension Liability	4,512,737	-
Net OPEB Liability	804,912	-
Other Noncurrent Liabilities	123,300	-
Due to Primary Government	-	429,707
Total Noncurrent Liabilities	6,291,137	3,705,692
Total Liabilities	13,539,262	4,599,021
<b>DEFERRED INFLOWS OF RESOURCES</b>		
OPEB Related Inflows	110,125	-
Pension Related Inflows	3,854,090	-
Total Deferred Inflows of Resources	3,964,215	-
Total Liabilities and Deferred Inflows of Resources	17,503,477	4,599,021
<b>NET POSITION</b>		
Net Investment in Capital Assets	40,510,765	8,747,497
Restricted	454,930	210,073
Unrestricted	17,769,627	(844,689)
Total Net Position	\$ 58,735,322	\$ 8,112,881

See accompanying Notes to Financial Statements.



**HOUSING AUTHORITY OF THE CITY OF RENO**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION—**  
**BUSINESS-TYPE ACTIVITIES AND DISCRETELY PRESENTED COMPONENT UNIT**  
**YEAR ENDED JUNE 30, 2022 AND DECEMBER 31, 2021, RESPECTIVELY**

	Enterprise Fund	Discrete Component Unit
	<u>                    </u>	<u>                    </u>
<b>OPERATING REVENUES</b>		
HUD Operating Grants	\$ 51,243,943	\$ -
Rental Income	7,447,803	418,388
Other Government Grants	15,520,851	-
Other Revenue	562,063	8,565,623
Total Operating Revenues	<u>74,774,660</u>	<u>8,984,011</u>
<b>OPERATING EXPENSES</b>		
Administrative	6,388,805	189,783
Utilities	1,022,238	60,693
Maintenance	3,445,810	83,213
Tenant Services	595,069	-
General	1,115,421	23,012
Housing Assistance Payments	59,703,284	-
Depreciation	2,817,989	441,471
Total Operating Expenses	<u>75,088,616</u>	<u>798,172</u>
<b>OPERATING INCOME (LOSS)</b>	(313,956)	8,185,839
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Income	43,173	1
Interest Expense	(2,996)	(211,894)
Total Nonoperating Revenues (Expenses)	<u>40,177</u>	<u>(211,893)</u>
Capital Contributions	<u>1,495,961</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	1,222,182	7,973,946
Net Position - Beginning of Year	<u>57,513,140</u>	<u>138,935</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 58,735,322</u>	<u>\$ 8,112,881</u>

See accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF RENO  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2022**

	<u>Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Grants	\$ 67,124,766
Cash Received from Rents	8,273,856
Other Cash Receipts	474,029
Cash Payments to Employees for Services	(6,830,129)
Cash Payments to Suppliers for Goods and Services	(6,140,468)
Cash Payments to Landlords	(59,703,284)
Net Cash Provided by Operating Activities	<u>3,198,770</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of Capital Assets	(2,452,543)
Proceeds Disposal of Capital Assets	10,718
Capital Grants Received	1,495,961
Principal Paid on Capital Debt	(7,790)
Interest Paid on Capital Debt	(2,996)
Net Cash Used by Capital and Related Financing Activities	<u>(956,650)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Repayment of Notes Receivables	103,336
Interest Received	43,173
Net Cash Provided by Investing Activities	<u>146,509</u>
<b>NET INCREASE IN CASH AND INVESTMENTS</b>	2,388,629
Cash and Investments - Beginning of Year	<u>26,779,294</u>
<b>CASH AND INVESTMENTS - END OF YEAR</b>	<u><u>\$ 29,167,923</u></u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (313,956)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	2,817,989
Provision for Bad Debts	134,305
(Increase) Decrease in:	
Accounts Receivable Other Governments	691,569
Accounts Receivable	592,913
Prepaid Expenses	(75,216)
Deferred Outflows - Pension	(1,956,568)
Deferred Outflows - OPEB	67,366
Deferred Inflows - Pension	3,316,588
Deferred Inflows - OPEB	110,125
Increase (Decrease) in:	
Accounts Payable and Accrued Liabilities	224,035
Due to Other Governments	543,817
Tenant Security Deposits	10,801
Compensated Absences	51,121
Unearned Revenue	(875,414)
Net Pension Liability	(1,976,992)
Net OPEB Liability	(163,713)
Net Cash Provided by Operating Activities	<u><u>\$ 3,198,770</u></u>

See accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Housing Authority of the City of Reno (the Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental agencies. The following is a summary of the more significant policies.

**Definition of Reporting Entity**

The Authority was established on August 8, 1940 by a resolution of the City of Reno City Council. The Authority is a public body corporate and politically organized pursuant to the laws of Chapter 315 of the state of Nevada. The Authority is governed by a five-member board of commissioners. The City Council appoints the members of the board of commissioners to four-year terms.

Although they are legally separate entities from the Authority, the Washoe Affordable Housing Corporation, Transitional Housing Corporation, and Sutro Management, LLC are reported as if they were part of the Authority because they are solely owned by the Authority and their sole purpose is to work in conjunction with the Authority to assist with the provision of housing for low and moderate income individuals, and the members of the board of commissioners of the Authority act as members of the board of directors of these corporations. Therefore, the financial information of the Washoe Affordable Housing Corporation, the Transitional Housing Corporation, and Sutro Management, LLC are included in the accompanying financial statements as blended component units of the Authority.

Sutro Management, LLC is the .01% general partner of Sutro Affordable Housing, LLC. Sutro Affordable Housing, LLC's purpose is to develop, own and operate an apartment complex (Willie J. Wynn Apartments). The financial information of Sutro Affordable Housing, LLC is included in the accompanying financial statements as a discretely presented component unit of the Authority. Sutro Affordable Housing, LLC has a calendar year-end and accordingly, the amounts included are as of and for the respective year-end that falls within the Authority's June 30, 2022 fiscal year-end. Separate financial statements are issued for the discretely presented component unit, prepared in accordance with Financial Accounting Standards Board (FASB) guidance, and can be obtained by contacting the Director of Administration at the Authority, 1525 East 9<sup>th</sup> Street, Reno, Nevada 89512.

Effective July 1, 2013, the Authority began participating in HUD's Moving to Work (MTW) Demonstration Program. The MTW program primarily consists of grant funding and expenditures that were received and incurred under the Authority's previous Housing Choice Voucher Program, the Public and Indian Housing Program, and the Capital Fund Program. The program provides the Authority greater flexibility in combining its HUD funding among the Authority's administrative, capital, and development activities. The MTW Program also exempts the Authority from many previous required regulations and reporting requirements.

**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Definition of Reporting Entity (Continued)**

At June 30, 2022, the Authority was administering the following programs which consisted of 7,408 units of low and moderate-income housing:

	Number of Units
Moving to Work Program:	
Housing Complexes:	
Mineral Manor	144
Tom Sawyer Village	100
Silverada Manor	149
Stead Manor	67
Hawk View Apartments	99
Essex Manor	105
Myra Birch Manor	53
John McGraw Court	34
Vouchers	2,524
Total Units Administered under the Moving to Work Program	3,275
Other Administered Programs:	
Veterans Affairs Special Vouchers	303
Special Allocations	3,174
Business Activities	341
Neighborhood Stabilization Programs I and II	128
Economic Development Initiative - Special Projects	11
Dollar Home Sales	24
Emergency Housing Vouchers	137
Foster Youth Independence Vouchers	15
Total Units Administered under Other Programs	4,133
Total Units Administered at June 30, 2022	7,408

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows) report the financial information of the Authority's operation as a whole.

For financial reporting purposes, the Authority reports all of its operations as a single business-type activity in a single-enterprise housing fund. Therefore, for the Authority the government-wide and fund financial statements are the same. These basic financial statements are presented in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to what is being measured; basic of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basic of accounting relate to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place. Nonexchange transactions are those in which the Authority receives value without directly giving equal value in exchange. These transactions include revenues from federal, state, and local assistance programs. Revenues from these sources are recognized in the fiscal year in which all eligibility requirements have been met.

Program revenues include grants and contributions that are restricted to the operations of a particular program. Revenues that are not classified as program revenues are presented as general revenues. Revenues such as rents and other miscellaneous fees are recorded as operating revenues. Revenues such as governmental grants and investments earnings are recorded as nonoperating revenues. Operating expenses for proprietary funds include the cost of sales and services, housing assistance payments to landlords, administrative expenses, and depreciation on capital assets. Expenses not meeting this definition are reported as nonoperating expenses.

**Estimates**

Management of the Authority has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare the financial statements. Actual results may differ from those estimates.

**Budgets and Budgetary Accounting**

Each year the Authority's board of commissioners adopts an operating budget. This budget may be revised during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of adoption of the annual budget by the Authority's board of commissioners.

**Assets, Liabilities, and Net Position**

**Cash and Cash Equivalents**

For purposes of the accompanying statement of cash flows all highly liquid cash and investments with a maturity of three months or less when purchased and cash restricted by federal governmental requirements are considered cash and cash equivalents.

Cash and cash equivalents include amounts in demand deposits and savings accounts. All of the Authority's investments can be converted to cash in a relatively short amount of time. Therefore, all cash and investments and amounts of restricted cash are reported in the statement of cash flows.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, and Net Position (Continued)**

Restricted Assets

Restricted cash, cash equivalents, and investments, represent deposits that are used for replacement reserves, security deposit payable amounts to tenants, and amounts that are required by grants from HUD to be used only to provide housing assistance for individuals and families that meet various income, age, and employment standards.

Receivables

All receivables are reported at their gross value and are reduced by an allowance for doubtful accounts if such an amount is considered applicable.

Prepaid Assets

Payments to vendors for goods and services that will benefit periods beyond the fiscal year-end are recorded as prepaid assets.

Capital Assets

Capital assets which include land, buildings, improvements, and furniture and equipment, are reported at historical costs. Contributed capital assets are recorded at acquisition value at the time received. Interest expense during any development periods is capitalized.

Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterments are charged to the property accounts.

Depreciation is charged to operations using the straight-line method based on the useful life of the related asset. The estimated useful lives of the various asset categories are as follows:

Buildings	30 Years
Improvements	15 Years
Equipment	5 to 10 Years

Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay.

Regular full-time employees earn from 13 to 29 vacation days per year depending upon their length of employment. Each employee also earns 13 sick leave days per year. Unused annual leave may be accumulated not to exceed between 26 – 58 days. Unused sick leave will be allowed to accumulate up to 188 days; however, upon termination one half of sick leave accrued to a maximum 50 days is paid to the employee. An employee terminating employment shall be paid for any accumulated annual and sick leave at their current hourly rate of pay.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, and Net Position (Continued)**

Taxes

The Authority is exempt from federal and state income taxes. The Authority is also exempt from property taxes but makes payments in lieu of taxes on its public housing units.

Net Position

Net position represents the differences between assets and deferred outflows and liabilities and deferred inflows. Net position consists of net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets consists of capital assets, net of depreciation, reduced by outstanding balances of borrowings used for the construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. It is the Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position includes separate sections for deferred outflows and inflows of resources. These separate sections represent a consumption or acquisition of net position that applies to future periods and will not be recognized as outflows (expenses) or inflows (revenues) until that time.

**Pensions**

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

**Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the total OPEB liability for the plans, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an actuarial valuation conducted by the Authority and are accounted for in accordance with the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS**

**Policies**

Nevada law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under Nevada law this collateral is held in a separate investment pool by another institution in the Authority's name and places the Authority ahead of general creditors of the institution.

The Authority and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments* or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system.

The Authority's investments are carried at fair value as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end, and it includes the effects of those adjustments in income for that fiscal year.

Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows.

**Classification**

Cash and money market mutual funds investments are classified in the financial statements as shown below based on whether or not their use is restricted under the terms of the Authority debt instruments or agency agreements. Cash and investments as of June 30, 2022 are as follows:

Cash and Cash Equivalents	\$ 24,173,439
Money Market Mutual Funds	4,994,484
Total Cash and Investments	<u>\$ 29,167,923</u>

The money market mutual funds are carried at amortized cost. Cash and investments are considered to be liquid assets for purposes of measuring cash flows.



**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Nevada Government Code and the Authority’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provisions for deposits: The Nevada Government Code requires Nevada banks and savings and loan associations to secure the Authority’s deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral. The market value of mortgages must equal at least 150% of the face value of deposits. The market value of government securities must equal at least 110% of the face value of deposits. Such collateral must be held in the pledging bank’s trust department in a separate depository in an account for the Authority.

The \$24,173,439 of cash and cash equivalents consists of \$25,394,960 maintained on deposit in banks and \$808 of petty cash. Of the amounts deposited into bank checking and savings and money market accounts \$1,000,000 is covered by federal deposit insurance. As of June 30, 2022, all deposits were fully collateralized.

**Interest Rate Risk**

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Authority’s investments to market rate fluctuations is provided by the following table that shows the distribution of the Authority’s investments by maturity:

<u>Investment Type</u>	<u>12 Months or Less</u>	<u>One to Five Years</u>	<u>More than Five Years</u>	<u>Total</u>
Money Market Mutual Funds	<u>\$ 4,994,484</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,994,484</u>

**Disclosures of Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual rating as of June 30, 2022 for the Money Market Mutual Funds was AAAM by Standard and Poor’s and Aaa-mf by Moody’s.

**Discretely Presented Component Unit – Sutro Affordable Housing, LLC**

The \$483,501 of cash and cash equivalents consists solely of funds maintained in a checking account with Wells Fargo, \$250,000 of which is covered by federal deposit insurance.

**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 NOTES RECEIVABLE**

The following is a summary of the Authority's changes in notes receivable for the fiscal year ended June 30, 2022:

	Balance 6/30/2021	Disbursements	Receipts/ Forgiveness	Balance 6/30/2022	Current Portion
Homeownership Notes	\$ 235,000	\$ -	\$ (53,336)	\$ 181,664	\$ 28,664
Sutro Affordable Housing, LLC	401,000	-	(50,000)	351,000	-
Total Notes Receivable	<u>\$ 636,000</u>	<u>\$ -</u>	<u>\$ (103,336)</u>	<u>\$ 532,664</u>	<u>\$ 28,664</u>

The Authority issued 40 forgivable 0% interest homeownership loans from 2011 to 2015. The original loan amounts are \$15,000 per note and are forgivable at \$1,000 per annum. If the properties are sold in advance to the 15-year forgiveness period, the full unforgiven principal balance is collected. The outstanding balance on the homeownership notes at June 30, 2022 was \$181,664.

On April 15, 2019, the Authority issued a seller carry-back note to Sutro Affordable Housing, LLC in the principal amount of \$401,000. The outstanding principal balance of the note bears interest from the date of disbursement at 2.89% compounded annually. Commencing on June 1, 2021, and on June 1 of each year thereafter, repayments of the outstanding principal balance and accrued interest on the note are due in an amount equal to 33.33% of cash flow, first to accrued interest and second to principal. The outstanding balance on the note at June 30, 2022 was \$351,000.

**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 CAPITAL ASSETS**

**Enterprise Fund**

The following is a summary of the Authority's changes in capital assets for the fiscal year ended June 30, 2022:

	Balance 6/30/2021	Additions	Deletions	Balance 6/30/2022
Not Being Depreciated:				
Land	\$ 13,700,052	\$ -	\$ -	\$ 13,700,052
Construction in Progress	13,496	1,096,997	-	1,110,493
Total Not Being Depreciated	13,713,548	1,096,997	-	14,810,545
Depreciable				
Buildings and Improvements	86,068,831	990,496	-	87,059,327
Equipment	2,630,370	365,050	(11,621)	2,983,799
Total Depreciable Capital Assets	88,699,201	1,355,546	(11,621)	90,043,126
Less Accumulated Depreciation:				
Buildings and Improvements	(59,650,023)	(2,684,599)	-	(62,334,622)
Equipment	(1,388,192)	(133,390)	903	(1,520,679)
Total Accumulated Depreciation	(61,038,215)	(2,817,989)	903	(63,855,301)
Total Capital Assets, Being Depreciated, Net	27,660,986	(1,462,443)	(10,718)	26,187,825
Total Capital Assets, Net	<u>\$ 41,374,534</u>	<u>\$ (365,446)</u>	<u>\$ (10,718)</u>	<u>\$ 40,998,370</u>

**Discretely Presented Component Unit – Sutro Affordable Housing, LLC**

The following is a summary of Sutro Affordable Housing, LLC's changes in capital assets for the fiscal year ended December 31, 2021:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
Not Being Depreciated:				
Land	\$ 1,394,064	\$ -	\$ -	\$ 1,394,064
Construction in Progress	-	-	-	-
Total Not Being Depreciated	1,394,064	-	-	1,394,064
Depreciable				
Buildings and Improvements	11,101,919	19,838	-	11,121,757
Equipment	229,671	-	-	229,671
Total Depreciable Capital Assets	11,331,590	19,838	-	11,351,428
Less Accumulated Depreciation:				
Buildings and Improvements	(197,299)	(345,531)	-	(542,830)
Equipment	(22,967)	(95,940)	-	(118,907)
Total Accumulated Depreciation	(220,266)	(441,471)	-	(661,737)
Total Capital Assets, Being Depreciated, Net	11,111,324	(421,633)	-	10,689,691
Total Capital Assets, Net	<u>\$ 12,505,388</u>	<u>\$ (421,633)</u>	<u>\$ -</u>	<u>\$ 12,083,755</u>

**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 LONG-TERM LIABILITIES**

**Enterprise Fund**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Balance 6/30/21	Additions	Deletions	Balance 6/30/22	Current Portion
Notes from Direct Borrowings	\$ 495,395	\$ -	\$ (7,790)	\$ 487,605	\$ 7,100
Compensated Absences	412,095	318,258	(319,726)	410,627	40,944
Total	<u>\$ 907,490</u>	<u>\$ 318,258</u>	<u>\$ (327,516)</u>	<u>\$ 898,232</u>	<u>\$ 48,044</u>

**Discretely Presented Component Unit – Sutro Affordable Housing, LLC**

The following is a summary of changes in Sutro Affordable Housing, LLC's long-term liabilities due to the Authority for the year ended December 31, 2021:

	Balance 12/31/20	Additions	Deletions	Balance 12/31/21	Current Portion
Developer Fee Payable	\$ 925,000	\$ -	\$ (321,501)	\$ 603,499	\$ 603,499
Due to RHA	809,772	-	(380,065)	429,707	-
Management Fees Payable	25,824	(25,824)	25,824	25,824	25,824
Total Due to Primary Government	<u>\$ 1,760,596</u>	<u>\$ (25,824)</u>	<u>\$ (675,742)</u>	<u>\$ 1,059,030</u>	<u>\$ 629,323</u>

Between December 31, 2021 and June 30, 2022, Sutro Affordable Housing, LLC made payments totaling \$643,637 to the Authority for the outstanding developer fee, the management fee, and a portion of the amount due to RHA. The total due to the Authority as of June 30, 2022 was \$415,393.

**NOTE 6 LONG-TERM DEBT**

**Enterprise Fund**

Notes from direct borrowings at June 30, 2022 consist of the following:

Note payable to the City of Reno, due September 1, 2036, secured by a deed of trust on real estate located in Sparks, Nevada. Interest accrues at 1% per annum on the unpaid balance until September 1, 2036, at which time the remaining principal balance and accrued interest will be forgiven. There is no annual required payment of interest or principal. The outstanding balance at June 30, 2022 was \$162,893.

Note payable to the City of Reno-Washoe County Home Consortium, due April 1, 2041, secured by a junior deed of trust on real property located at 7900 Golden Valley Road, Reno, Nevada. Interest accrues on the note at 1.0% per annum as of May 1, 2026, with required annual principal and interest payments of \$10,000 beginning May 1, 2027. The balance outstanding on the loan at June 30, 2022 was \$150,000.

Note payable to the City of Reno-Washoe County Home Consortium, due April 1, 2033, secured by a junior deed of trust on real property located at 7900 Golden Valley Road, Reno, Nevada. Interest accrues on the note at a rate of 8.6% on the first \$200,000 and 3.0% on the remaining \$60,000 per annum. Required annual principal and interest payments are \$9,300. The balance outstanding on the loan at June 30, 2022 was \$174,712.

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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**Enterprise Fund (Continued)**

Notes from direct borrowings debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Required Payments</u>
2023	\$ 7,100	\$ 5,239	\$ 12,339
2024	8,266	4,999	13,265
2025	8,514	4,751	13,265
2026	8,770	4,495	13,265
2027	17,533	5,732	23,265
2028-2032	92,749	23,576	116,325
2033-2037	265,699	47,455	313,154
2038-2042	78,974	3,304	82,278
Total	<u>\$ 487,605</u>	<u>\$ 99,551</u>	<u>\$ 587,156</u>

**Discretely Presented Component Unit – Sutro Affordable Housing, LLC**

The following is a summary of changes in Sutro Affordable Housing, LLC's long-term debt from direct borrowings for the year ended December 31, 2021:

	<u>Balance 12/31/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/21</u>	<u>Current Portion</u>
Direct Borrowings:					
HOME Loan	\$ 990,000	\$ 9,367	\$ -	\$ 999,367	\$ -
LIHTF Loan	400,000	-	-	400,000	-
RHA Loan	401,000	-	-	401,000	50,000
AHP Loan	440,000	-	-	440,000	-
Wells Fargo Construction Loan	8,583,983	-	(8,583,983)	-	-
Wells Fargo Permanent Loan	-	1,095,891	-	1,095,891	10,273
Total	<u>\$ 10,814,983</u>	<u>\$ 1,105,258</u>	<u>\$ (8,583,983)</u>	<u>\$ 3,336,258</u>	<u>\$ 60,273</u>

Notes from direct borrowings at December 31, 2021 consist of the following:

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with the City of Reno in the amount of \$1,000,000 (the HOME Loan). Under the terms of the agreement, the HOME Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears simple interest at a rate of 3% per annum. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, the outstanding principal balance of the HOME Loan was \$999,367 and accrued interest was \$80,811. During the Period, interest expense was \$29,700.

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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**Discretely Presented Component Unit – Sutro Affordable Housing, LLC (Continued)**

On April 15, 2019, Sutro Affordable Housing, LLC entered into a second promissory note with the City of Reno in the amount of \$400,000 (the LIHTF Loan). Under the terms of the agreement, the LIHTF Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears simple interest at a rate of 3% per annum. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, the outstanding principal balance of the LIHTF Loan was \$400,000 and accrued interest was \$32,548. During the Period, interest expense was \$12,000.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with RHA in the amount of \$401,000 (the RHA Loan). Under the terms of the agreement, the RHA Loan is secured by a deed of trust on the Project, matures on June 1, 2049 and bears interest at a rate of 2.89%, compounded annually. Commencing on June 1, 2021 and annually thereafter, payments shall be made in the amount of 33.3% from available cash flow, as defined in the Operating Agreement. As of December 31, 2021, accrued interest was \$32,252. During the Period, interest expense was \$12,169.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a promissory note with Wells Fargo Financial National Bank in the amount of \$440,000 (the AHP Loan) from funds provided by the Federal Home Loan Bank of San Francisco pursuant to the regulations governing the Affordable Housing Program (AHP). Under the terms of the agreement, the AHP Loan is secured by a deed of trust on the Project, bears interest at a rate of 3% per annum and payment is due in full on April 15, 2049. As of December 31, 2021, the outstanding principal balance of the AHP Loan was \$440,000 and accrued interest was \$35,803. During the Period, interest expense was \$13,200.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a loan commitment with Wells Fargo Bank, National Association (Wells Fargo) in the amount of \$1,100,000 (the Permanent Loan). The Permanent Loan is secured by a deed of trust on the Project, bears interest at a rate of 5.77% per annum and matures on July 1, 2039. As of December 31, 2021, the outstanding principal balance was \$1,095,891 and accrued interest was \$5,269. During the Period, interest expense was \$26,407.

On April 15, 2019, Sutro Affordable Housing, LLC entered into a loan agreement with Wells Fargo in the amount of \$9,500,000 (the Construction Loan). The Construction Loan is secured by a deed of trust on the Project, bears interest at a rate of one-month LIBOR plus 2.10% per annum and matures on April 15, 2021. Commencing on May 1, 2019, monthly interest only payments are due and payable on the first day of each month. As of December 31, 2021, accrued interest was \$-0-. During the Period, interest expense was \$95,254. The outstanding balance on the loan at December 31, 2021 was \$-0-. During 2021, the Construction Loan converted to the Permanent Loan.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
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**NOTE 7 COMPENSATED ABSENCES**

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave up to a maximum of two years of earned vacation hours and to accumulate earned but unused sick leave up to a maximum of 400 hours. This leave will be used in future periods or paid to employees upon separation from the Authority: vacation hours are payable at the employee's payroll rate and sick leave is payable at one-half the employee's payroll rate. Combined long-term and short-term accrued vacation and sick leave totaling \$410,627 has been valued and recorded by the Authority as of June 30, 2022.

**NOTE 8 EMPLOYEES RETIREMENT PLAN**

**General Information about the Pension Plan**

**Plan Descriptions** – Public Employee Retirement System of Nevada (PERS) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system. The system was established by the Nevada Legislature in 1947, effective July 1, 1948. The system is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report (ACFR) available on the PER's website at [www.nvpers.org](http://www.nvpers.org) under QuickLinks – Publications.

**Benefits Provided** – Benefits, as required by the Nevada Revised Statutes, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. The system offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

**Vesting** – Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with 30 years of service.

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**NOTE 8 EMPLOYEES RETIREMENT PLAN (CONTINUED)**

**General Information about the Pension Plan (Continued)**

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation, however, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit up to 90% of average compensation.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous Plans	
	Prior to	On or After
	January 1, 2010	January 1, 2010
Hire Date	2.67% @ 65	2.5% at 65
Benefit Formula	5 Years of Service	5 Years of Service
Benefit Vesting Formula	Monthly for Life	Monthly for Life
Benefit Payments	2.5% to 2.67%	2.5%
Monthly Benefits, as a Percent of Eligible Compensation	21.50%	28.1%
Retirement Age	65	65

**Contributions** – The Authority, for establishing and amending the obligation to make contribution and member contribution rates, is set by stature. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one or two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS286.421 and 286.450.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

Effective July 1, 2021, the regular employer-pay contribution (EPC) rate is 29.75%.

The Authority's employer and employee contractually required contributions to the plan were \$1,080,717 for the period ended June 30, 2022. Employer contributions were \$540,359 for the period ended June 30, 2022.



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**NOTE 8 EMPLOYEES RETIREMENT PLAN (CONTINUED)**

**General Information about the Pension Plan (Continued)**

**Net Pension Liability** – The net pension liability (NPL) was measured as of June 30, 2021, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The NPL of \$4,512,737 is measured as a proportionate share of the NPL of \$9,119,297,102 (or .04949%).

The employer allocation percentage of the NPL was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the NPL is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2021.

**Deferred Inflows/Outflows** – For the year ended June 30, 2022, the Authority recognized a pension expense of \$5,688. At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 540,359	\$ -
Differences Between Actual and Expected Experience	499,874	31,759
Changes in Assumptions	1,498,306	-
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	-	3,682,250
Adjustment Due to Differences in Proportions	334,332	140,081
Total	<u>\$ 2,872,871</u>	<u>\$ 3,854,090</u>

**Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

Of the \$2,872,871 reported as deferred outflows of resources, \$540,359 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ended June 30,</u>	Deferred Outflows (Inflows) of Resources
2023	\$ (454,535)
2024	(447,087)
2025	(463,768)
2026	(497,073)
2027	299,071
2028	41,814

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**NOTE 8 EMPLOYEES RETIREMENT PLAN (CONTINUED)**

**Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability** – The System’s net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions:

Discount Rate	7.25%
Inflation Rate	2.50%
Payroll Growth	3.50%, including inflation
Productivity Pay Increases	0.50% plus
Projected Salary Increases	1.20% to 6.10%, for regular members varying by years of service
Other Assumptions	Same as those used in the June 30, 2020 funding actuarial valuation

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the June 30, 2020 experience study dated September 10, 2021.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan’s current funding policy and cost-sharing mechanism between employers and members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine total pension liability as of June 30, 2021.

The following was the System’s board adopted policy target asset allocation as of June 30, 2021:

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-Term Expected Arithmetic Real Rate of Return*</u>
U.S. Stocks	42.0%	5.50%
International Stocks	18.0%	5.50%
U.S. Bonds	28.0%	0.75%
Private Markets	12.0%	6.65%
Total	<u>100.0%</u>	

\*As of June 30, 2021 PERS’ Long-term inflation assumption was 2.50%

**HOUSING AUTHORITY OF THE CITY OF RENO  
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**NOTE 8 EMPLOYEES RETIREMENT PLAN (CONTINUED)**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Authority's proportionate share of the net pension liability, calculated using the discount rate of 7.25%, as well as what the Authority's proportionate share of the net pension liability/ (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	Discount Rate – 1% (6.25%)	Current Discount Rate (7.25%)	Discount Rate +1% (8.25%)
Plan's Pension Liability	\$ 8,984,715	\$ 4,512,737	\$ 823,721

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan's fiduciary net position is available in the separately issued PERS ACFR, available on the PERS website.

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan Information**

Eligible retirees may receive coverage through the Public Employee Benefit Program (PEBP). PEBP is an agent multiple-employer defined benefit plan administered by the nine member governing board that provides medical, prescription, dental, vision, and life insurance benefits to retirees. Eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the Authority is obligated to provide postemployment benefits is limited to eligible employees who retired from the Authority prior to September 1, 2008. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Public Employee Benefit Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701 or by calling (775) 684-7000.

**Benefits Provided**

The Authority is required to provide a subsidy based on years of service for its retirees that have enrolled in the PEBP. The subsidy is paid on a pay-as-you-go basis and is based on years of service and medical plan elected.

**Employees Covered by Benefit Terms**

As of July 1, 2021, the date of the latest actuarial valuation, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefit Payments	16
Active Plan Members	83
Total Plan Members	99

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**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Contributions**

The contribution requirements of plan members and the Authority are established and may be amended through Authority ordinances. The Authority contributed \$-0- beyond the pay-as-you-go cost for the period ending on the June 30, 2022 measurement date. For the year ending June 30, 2022, total Authority premiums plus implicit costs for the retiree medical program were \$68,888.

**OPEB Liability**

The Authority's OPEB liability of \$804,912 was measured as of June 30, 2022, and the total OPEB liability used to calculate the new OPEB liability was determined by an actuarial valuation as of July 1, 2021.

Changes in Net OPEB Liability			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance for June 30, 2021	\$ 968,625	\$ -	\$ 968,625
Service Cost	7,744	-	7,744
Interest	25,909	-	25,909
Difference Between Expected and Actual Experience	(119,934)	-	(119,934)
Changes in Assumptions	(8,544)	-	(8,544)
Employer Contributions to Trust	-	68,888	68,888
Benefit Payments Withdrawn from Trust	-	(68,888)	(68,888)
Benefit Payments including Implicit Cost	(68,888)	-	(68,888)
Net Changes in OPEB Liability	(163,713)	-	(163,713)
Total OPEB Liability - End of Period	\$ 804,912	\$ -	\$ 804,912

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**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Actuarial Assumptions**

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Valuation Date	July 1, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset-Valuation Method	Market Value of Assets at the Measurement Date
Investment Rate of Return	N/A
Discount Rate	4.09% net of OPEB plan investment expense, including inflation
Municipal Bond Rate	4.09% as of June 30, 2022 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG)
Inflation Rate	2.50% as of June 30, 2022 and for future periods
Compensation Increases	3.00% annually as of June 30, 2022 and for future periods
Cost of Living Adjustment	N/A
Pre-Retirement Mortality	General: PubG-2010 Mortality Table for Employees projected generationally with scale MP-2020 for males and females
Post-Retirement Mortality	General: PubG-2010 Mortality Table for Healthy Annuitants projected generationally with scale MP-2020 for males and females
Disabled Mortality	General: PubG-2010 Mortality Table for Disabled Annuitants projected generationally with scale MP-2020 for males and females

The actuarial assumptions used to calculate the actuarial accrued liability and the service cost primarily reflect the latest experience studies published by the SOA.

The Authority has not established a formal Investment Policy. There are no assets in a trust and this is a pay-as-you-go plan.

*Sensitivity of the Authority's OPEB Liability to Changes in the Discount Rate*

The following presents the Authority's OPEB liability calculated using the discount rate of 4.09%, as well as what the Authority's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

	1% Decrease (3.09)%	Current Discount (4.09)%	1% Increase (5.09)%
Total OPEB Liability	\$ 883,620	\$ 804,912	\$ 738,339

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**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Actuarial Assumptions (Continued)**

*Sensitivity of the Authority's OPEB liability to Changes in the Healthcare Cost Trend Rates*

The following presents the Authority's OPEB liability as well as what the Authority's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 737,073	\$ 804,912	\$ 883,922

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

For the year ended June 30, 2022, the Authority recognized an OPEB expense of \$13,778. At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 99,866	\$ 102,801
Changes of Assumptions	51,922	7,324
Contributions Subsequent to Measurement Date	17,460	-
Total	\$ 169,248	\$ 110,125

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 36,090
2024	28,124
2025	18,770
2026	(4,608)
2027	(18,353)
2028	(18,360)

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**NOTE 10 WASHOE AFFORDABLE HOUSING CORPORATION 401(K) PROFIT SHARING PLAN**

Washoe Affordable Housing Corporation (Washoe), a blended component unit of the Authority, has established a 401(k) profit sharing plan. Eligible contributions include employee salary deferrals including Roth 401(k) deferrals, rollover contributions, employer matching contributions, and employer profit sharing contributions. Washoe employees, that are not union employees, are eligible when they have completed six months of service and have attained age 21. For the fiscal year ending June 30, 2022, three employees participated in the plan. Employee and employer contributions of \$5,771 and \$8,984, respectively, were made during the fiscal year ending June 30, 2021. Plan assets totaled \$280,296 as of June 30, 2022.

**NOTE 11 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS**

	Washoe Affordable Housing Corporation	Transitional Housing Corporation	Sutro Management, LLC	Blended Component Unit Total	Total Primary Government	Eliminations	Total
<b>ASSETS</b>							
Cash and Investments	\$ 3,432,278	\$ 7,114	\$ 26,796	\$ 3,466,188	\$ 25,701,735	\$ -	\$ 29,167,923
Other Current Assets	186,959	-	-	186,959	2,310,594	-	2,497,553
Noncurrent Assets	-	-	-	-	181,834	-	181,834
Capital Assets	15,569	-	-	15,569	40,982,801	-	40,998,370
Interprogram Due from	-	-	-	-	1,747,564	(1,747,564)	-
Deferred Outflows	-	-	-	-	3,042,119	-	3,042,119
Total Assets and Deferred Outflows	<u>\$ 3,634,806</u>	<u>\$ 7,114</u>	<u>\$ 26,796</u>	<u>\$ 3,668,716</u>	<u>\$ 73,966,647</u>	<u>\$ (1,747,564)</u>	<u>\$ 75,887,799</u>
<b>LIABILITIES</b>							
Current Liabilities	18,029	-	-	18,029	7,230,096	-	7,248,125
Noncurrent Liabilities	-	-	-	-	6,291,137	-	6,291,137
Interprogram Due To	-	-	-	-	1,747,564	(1,747,564)	-
Deferred Inflows	-	-	-	-	3,964,215	-	3,964,215
Total Liabilities and Deferred Inflows	<u>18,029</u>	<u>-</u>	<u>-</u>	<u>18,029</u>	<u>19,233,012</u>	<u>(1,747,564)</u>	<u>17,503,477</u>
<b>NET POSITION</b>							
Net Investment in Capital Assets	15,569	-	-	15,569	40,495,196	-	40,510,765
Restricted	-	-	-	-	454,930	-	454,930
Unrestricted	3,601,208	7,114	26,796	3,635,118	14,134,509	-	17,769,627
Total Net Position	<u>3,616,777</u>	<u>7,114</u>	<u>26,796</u>	<u>3,650,687</u>	<u>55,084,635</u>	<u>-</u>	<u>58,735,322</u>
Total Liabilities and Net Position	<u>\$ 3,634,806</u>	<u>\$ 7,114</u>	<u>\$ 26,796</u>	<u>\$ 3,668,716</u>	<u>\$ 74,317,647</u>	<u>\$ (1,747,564)</u>	<u>\$ 76,238,799</u>

**HOUSING AUTHORITY OF THE CITY OF RENO**  
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**NOTE 11 CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS  
(CONTINUED)**

	Washoe Affordable Housing Corporation	Transitional Housing Corporation	Sutro Management, LLC	Blended Component Unit Total	Total Primary Government	Eliminations	Total
<b>OPERATING REVENUES</b>							
Grants	\$ 26,778,697	\$ -	\$ -	\$ 26,778,697	\$ 68,872,560	\$ (28,886,463)	\$ 66,764,794
Rental Income	-	-	-	-	7,447,803	-	7,447,803
Other Revenue	132,587	-	13,596	146,183	583,520	(167,640)	562,063
Total Operating Revenue	26,911,284	-	13,596	26,924,880	76,903,883	(29,054,103)	74,774,660
<b>OPERATING EXPENSES</b>							
Administrative	635,446	250	-	635,696	8,028,515	(2,275,406)	6,388,805
Utilities	5,402	-	-	5,402	1,016,836	-	1,022,238
Maintenance	20,789	-	-	20,789	3,425,021	-	3,445,810
Tenant Services	-	-	-	-	595,069	-	595,069
General Expenses	2,509	-	-	2,509	27,891,609	(26,778,697)	1,115,421
Housing Assistance Payments	25,840,449	-	-	25,840,449	33,862,835	-	59,703,284
Depreciation	5,519	-	-	5,519	2,812,470	-	2,817,989
Total Operating Expenses	26,510,114	250	-	26,510,364	77,632,355	(29,054,103)	75,088,616
Operating Income (Loss)	401,170	(250)	13,596	414,516	(728,472)	-	(313,956)
Total Nonoperating Revenues/(Expenses)	351	83	-	434	39,743	-	40,177
Income (Loss) Before Capital Grants	401,521	(167)	13,596	414,950	(688,729)	-	(273,779)
Capital Grants	-	-	-	-	1,495,961	-	1,495,961
<b>CHANGE IN NET POSITION</b>	401,521	(167)	13,596	414,950	807,232	-	1,222,182
Total Net Position - Beginning of Year	3,215,256	7,281	13,200	3,235,737	54,277,403	-	57,513,140
<b>TOTAL NET POSITION - END OF YEAR</b>	<u>\$ 3,616,777</u>	<u>\$ 7,114</u>	<u>\$ 26,796</u>	<u>\$ 3,650,687</u>	<u>\$ 55,084,635</u>	<u>\$ -</u>	<u>\$ 58,735,322</u>
<b>Net Cash Provided (Used) by:</b>							
Operating Activities	\$ 265,493	\$ (250)	\$ 13,596	\$ 278,839	\$ 2,919,931	\$ -	\$ 3,198,770
Capital and Related Financing Activities	-	-	-	-	(956,650)	-	(956,650)
Investing Activities	351	83	-	434	146,075	-	146,509
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	265,844	(167)	13,596	279,273	2,109,356	-	2,388,629
Cash and Cash Equivalents - Beginning of Year	3,166,434	7,281	13,200	3,186,915	23,592,379	-	26,779,294
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 3,432,278</u>	<u>\$ 7,114</u>	<u>\$ 26,796</u>	<u>\$ 3,466,188</u>	<u>\$ 25,701,735</u>	<u>\$ -</u>	<u>\$ 29,167,923</u>



**HOUSING AUTHORITY OF THE CITY OF RENO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 JOINT POWERS AGREEMENTS**

**Property and Liability Insurance**

The Authority participates in a joint venture under a Joint Powers Agreement (JPA) with the Housing Authorities Risk Retention Pool (HARRP). HARRP was formed to provide property and liability insurance coverage for member housing authorities. The relationship between the Authority and HARRP is such that HARRP is not a component unit of the Authority for financial reporting purposes.

The Authority is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. Settlements have not exceeded insurance coverage in each of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior fiscal year.

**NOTE 13 CONTINGENT LIABILITIES**

**Federal Grants**

The Authority has received funds from various federal, state, and local grant programs. It is possible that at some future date it may be determined that the Authority was not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

**Pending Legal Matters**

As of March 23, 2023, the date that the financial statements were available to be issued, the Authority had outstanding litigation cases that had not yet been resolved. The Authority has assessed the likelihood of such cases resulting in monetary settlement to be minimal and as such has not recorded an associated liability as fiscal year-end.

**REQUIRED SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY**

**Last 10 Years\***

Measurement Date Year Ended	Authority's Proportion of Net Pension Liability	Authority's Proportion Share of Net Pension Liability	Authority Covered Payroll	Authority's Proportion Share of Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the total Pension Liability
June 30, 2015	0.049868%	\$ 5,714,641	\$ 2,853,604	200%	75.1%
June 30, 2016	0.048670%	\$ 6,549,310	\$ 2,948,118	222%	72.2%
June 30, 2017	0.048180%	\$ 6,407,288	\$ 2,943,630	218%	74.4%
June 30, 2018	0.047640%	\$ 6,497,107	\$ 3,158,514	206%	75.2%
June 30, 2019	0.047350%	\$ 6,457,140	\$ 3,251,213	199%	76.5%
June 30, 2020	0.046590%	\$ 6,489,729	\$ 3,337,524	194%	77.0%
June 30, 2021	0.049490%	\$ 4,512,737	\$ 3,437,650	131%	86.5%

\*Fiscal year ending June 30, 2015 was the first year of implementation, therefore only seven years are shown.

**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS**

**Last 10 Years\***

Fiscal Year Ended	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered - Payroll	Contributions as a Percentage of Covered - Payroll
June 30, 2015	\$ 367,402	\$ (367,402)	\$ -	\$ 2,853,604	25.8%
June 30, 2016	\$ 412,737	\$ (412,737)	\$ -	\$ 2,948,118	28.1%
June 30, 2017	\$ 398,113	\$ (466,731)	\$ (68,618)	\$ 2,943,630	29.4%
June 30, 2018	\$ 441,894	\$ (441,894)	\$ -	\$ 3,158,514	14.0%
June 30, 2019	\$ 455,857	\$ (455,857)	\$ -	\$ 3,251,213	14.0%
June 30, 2020	\$ 485,731	\$ (485,731)	\$ -	\$ 3,337,524	14.6%
June 30, 2021	\$ 517,458	\$ (517,458)	\$ -	\$ 3,437,650	15.1%
June 30, 2022	\$ 540,359	\$ (540,359)	\$ -	\$ 3,636,992	14.9%

Valuation Date

June 30, 2021

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

Individual Entry Age Normal

Amortization Method

Level Percentage of Payroll

Asset Valuation Method

Market value of assets less unrecognized returns in each of the last five years.

Inflation

2.50%

Payroll Growth

3.50%, including inflation

Salary Increase

Regular: 4.20% to 9.10%, depending on service

Rates include inflation and productivity increases

Investment Rate of Return

7.25%

\*Fiscal year ending June 30, 2015 was the first year of implementation, therefore only eight years are shown.

**HOUSING AUTHORITY OF THE CITY OF RENO**  
**SCHEDULE OF CHANGES IN THE AUTHORITY'S NET OPEB LIABILITY AND RELATED RATIOS**

	Last 10 Years*				
Valuation Date	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
For the Reporting Period and Fiscal Year Ending on:	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Service Cost	\$ 7,744	\$ 7,182	\$ 6,281	\$ 15,551	\$ 13,829
Interest	25,909	26,767	26,809	27,584	23,976
Changes of Benefit Terms	-	-	-	-	-
Difference Between Expected and Actual Experience	(119,934)	-	138,343	-	113,274
Changes in Assumptions	(8,544)	-	98,140	-	-
Benefit Payments	<u>(68,888)</u>	<u>(62,559)</u>	<u>(63,505)</u>	<u>(48,647)</u>	<u>(50,739)</u>
Net Changes in OPEB Liability	<u>(163,713)</u>	<u>(28,610)</u>	<u>206,068</u>	<u>(5,512)</u>	<u>100,340</u>
Total OPEB Liability - Beginning of Period	968,625	997,235	791,167	796,679	663,411
Prior Period Adjustment	-	-	-	-	32,928
Total OPEB Liability - End of Period	<u>\$ 804,912</u>	<u>\$ 968,625</u>	<u>\$ 997,235</u>	<u>\$ 791,167</u>	<u>\$ 796,679</u>
Covered Employee Payroll	4,130,166	3,437,650	3,337,524	3,687,965	3,580,549
Plan NOL as % of Covered Employee Payroll	19.49%	28.18%	29.88%	21.45%	22.25%

\*Information prior to fiscal year 2018 was not available. The Authority will accumulate each year until ten years of data becomes available.

**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS**

**Last 10 Years\***

	<u>June 30,2022</u>	<u>June 30,2021</u>	<u>June 30,2020</u>	<u>June 30,2019</u>	<u>June 30,2018</u>
Service Cost	\$ 7,744	\$ 7,182	\$ 6,281	\$ 15,551	\$ 13,829
30 Year Level Dollar Amortization of NOL	31,126	46,555	47,930	23,999	27,259
Actuarial Determined Contribution	38,870	53,737	54,211	39,550	41,088
Contributions in Relation to the Actuarially Determined Contribution	(68,888)	(62,559)	(63,505)	(39,550)	(41,088)
Contribution Deficiency	<u>\$ (30,018)</u>	<u>\$ (8,822)</u>	<u>\$ (9,294)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 4,130,166	\$ 3,437,650	\$ 3,337,524	\$ 3,687,965	\$ 3,580,549
Contribution as a % of Covered Employee Payroll	1.67%	1.82%	1.90%	1.07%	1.15%
Discount Rate	4.09%	2.75%	2.75%	3.50%	3.50%

\*Information prior to fiscal year 2018 was not available. The Authority will accumulate each year until ten years of data becomes available.

**OTHER SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>Department of Housing and Urban Development (HUD)</u>				
Direct Programs:				
Section 8 Project Based Cluster:				
Section 8 Housing Assistance Payments Program	14.195	N/A	\$ -	\$ 26,778,697
Total Section 8 Project-Based Cluster			-	26,778,697
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers –				
COVID-19 Emergency Housing Vouchers	14.871	N/A	-	207,800
Total Housing Voucher Cluster			-	207,800
Resident Opportunities Supportive Services	14.870	N/A	-	129,365
Moving to Work Demonstration (MTW) Program:				
MTW Demonstration Program for Low Rent	14.881	N/A	-	1,610,419
MTW Demonstration Program for Capital Fund	14.OPS	N/A	-	2,142,313
MTW Demonstration Program for HCV Program	14.CFP	N/A	-	21,181,087
COVID-19 HCV CARES Act Funding	14.HCV	N/A	-	384,703
Total MTW Program	14.HCC	N/A	-	25,318,522
Pass-through from the City of Sparks:				
CDBG - Entitlement Grants Cluster:				
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	JC8PKJTfNM86	-	11,155
Total CDBG - Entitlement Grants Cluster			-	11,155
Total U.S. Department of Housing and Urban Development			-	52,445,539
<u>Department of Treasury</u>				
Pass-through from the City of Reno:				
COVID-19 Coronavirus Relief Fund	21.019	M3Q3R666XNF7	-	4,229,536
Pass-through from the City of Sparks:				
COVID-19 Coronavirus Relief Fund	21.019	JC8PKJTfNM86	-	796
Pass-through from the State of Nevada:				
COVID-19 Coronavirus Relief Fund	21.019	F99FYNEGXSH9	-	3,016
Total COVID-19 Coronavirus Relief Fund			-	4,233,348
Pass-through from the City of Reno:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	M3Q3R666XNF7	-	125,590
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			-	125,590
Pass-through from the State of Nevada:				
COVID-19 Emergency Rental Assistance	21.023	F99FYNEGXSH9	-	6,377,969
Pass-through from Washoe County				
COVID-19 Emergency Rental Assistance	21.023	GPR1NY74XPQ5	-	4,772,789
Total COVID-19 Emergency Rental Assistance			-	11,150,758
Total Department of Treasury			-	15,509,696
Total Expenditures of Federal Awards			\$ -	\$ 67,955,235



**HOUSING AUTHORITY OF THE CITY OF RENO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2022**

**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 Reno (the Authority) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 assets, or cash flows of the 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 for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 INDIRECT COST RATE**

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

**NOTE 4 SUBRECIPIENTS**

The Authority did not pass-through any federal awards to subrecipients. The Authority was a recipient of COVID-19 federal awards passed through from other entities for the year ended June 30, 2022. See the accompanying schedule.

**NOTE 5 NONCASH FEDERAL ASSISTANCE**

The Authority did not receive any noncash federal assistance for the year ended June 30, 2022.

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Coronavirus State and Local Fiscal Recovery Funds	Housing Investment Partnerships
<b>CURRENT ASSETS</b>														
Cash:														
111	Unrestricted	\$ 200,000	\$ -	\$ -	\$ -	\$ 1,109,190	\$ -	\$ -	\$ -	\$ -	\$ 14,430	\$ 4,500,827	\$ -	\$ 487,203
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	-	2,874,410	-
113	Other restricted	56,269	-	-	-	92,616	-	-	-	-	-	-	-	-
114	Tenant security deposits	223,601	-	-	-	-	-	-	-	-	-	115,315	-	10,540
100	Total cash	479,870	-	-	-	1,201,806	-	-	-	-	14,430	4,616,142	2,874,410	497,743
Accounts and notes receivable:														
122	HUD other projects	201,540	-	-	-	102,176	-	-	-	-	-	-	-	-
124	Other government	-	-	-	-	-	-	-	-	-	-	-	-	-
125	Miscellaneous	30,458	-	-	-	524	-	-	-	-	-	19,590	-	-
126	Tenants	175,445	-	-	-	322,728	-	-	-	-	570	7,317	-	2,475
126.1	Allowance for doubtful accounts - tenants	(106,269)	-	-	-	(287,896)	-	-	-	-	-	(15,001)	-	(2,421)
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	28,664	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	301,174	-	-	-	137,532	-	-	-	-	570	40,570	-	54
131	Investments - unrestricted	532,412	-	-	-	-	-	-	-	-	-	1,394,460	-	-
142	Prepaid expenses and other assets	11,598	-	-	-	18,349	-	-	-	-	-	13,188	-	-
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Total current assets	1,325,054	-	-	-	1,357,687	-	-	-	-	15,000	6,064,360	2,874,410	497,797
<b>NONCURRENT ASSETS</b>														
Fixed assets:														
161	Land	2,273,745	-	-	-	-	-	-	-	-	-	2,901,945	-	143,190
162	Buildings	52,900,714	-	-	-	84,357	-	-	-	-	-	13,781,739	-	1,524,230
163	Furniture, equipment and mach - dwellings	1,298,296	-	-	-	366,900	-	-	-	-	-	103,110	-	-
165	Leasehold Improvements	318,210	-	-	-	-	-	-	-	-	-	100,187	-	-
164	Furniture, equipment and mach - admin.	692,132	-	-	-	-	-	-	-	-	-	2,711	-	-
166	Accumulated depreciation	(46,946,625)	-	-	-	(120,308)	-	-	-	-	-	(4,642,976)	-	(534,338)
167	Construction in progress	960,000	-	-	-	-	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	11,496,472	-	-	-	330,949	-	-	-	-	-	12,246,716	-	1,133,082
171	Notes, loans and mortgages receivable -noncurrent	-	-	-	-	-	-	-	-	-	-	153,000	-	-
174	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total noncurrent assets	11,496,472	-	-	-	330,949	-	-	-	-	-	12,399,716	-	1,133,082
200	Deferred Outflow of Resources	940,125	-	-	-	927,222	-	-	-	-	-	116,186	-	9,829
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>														
290		\$ 13,761,651	\$ -	\$ -	\$ -	\$ 2,615,858	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 18,580,262	\$ 2,874,410	\$ 1,640,708

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Coronavirus Relief Fund	Emergency Housing Vouchers	Emergency Rental Assistance	Community Development Block Grant	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
<b>CURRENT ASSETS</b>														
Cash:														
111	Unrestricted	\$ -	\$ -	\$ 9,130,715	\$ 2,850,368	\$ 424,988	\$ -	\$ 52,724	\$ -	\$ -	\$ -	\$ 18,770,445	\$ 256,528	\$ 19,026,973
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	2,874,410	210,073	3,084,483
113	Other restricted	-	-	58,280	-	-	573,011	545,795	701,276	-	-	2,027,247	-	2,027,247
114	Tenant security deposits	17,890	-	133,991	-	-	-	-	-	-	-	501,337	16,900	518,237
100	Total cash	17,890	-	9,322,986	2,850,368	424,988	573,011	598,519	701,276	-	-	24,173,439	483,501	24,656,940
Accounts and notes receivable:														
122	HUD other projects	-	11,460	-	159,652	-	-	-	-	-	-	474,828	-	474,828
124	Other government	-	-	-	-	-	-	-	724,792	-	-	724,792	-	724,792
125	Miscellaneous	-	-	413,828	4,275	16,228	-	-	-	-	-	484,903	-	484,903
126	Tenants	440	-	111,737	-	11,698	-	-	-	-	-	632,410	-	632,410
126.1	Allowance for doubtful accounts - tenants	-	-	(18,087)	-	-	-	-	-	-	-	(429,674)	-	(429,674)
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	28,664	-	28,664
129	Accrued interest receivable	-	-	38,425	-	-	-	-	-	-	-	38,425	-	38,425
120	Total receivables, net of allowances for uncollectibles	440	11,460	545,903	163,927	27,926	-	-	724,792	-	-	1,954,348	-	1,954,348
131	Investments - unrestricted	-	-	1,993,798	615,820	457,994	-	-	-	-	-	4,994,484	-	4,994,484
142	Prepaid expenses and other assets	13,906	-	2,919	23,032	460,213	-	-	-	-	-	543,205	144,646	687,851
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	1,747,564	-	-	-	-	-	-	(1,747,564)	-	-	-
150	Total current assets	32,236	11,460	13,613,170	3,653,147	1,371,121	573,011	598,519	1,426,068	-	(1,747,564)	31,665,476	628,147	32,293,623
<b>NONCURRENT ASSETS</b>														
Fixed assets:														
161	Land	322,400	-	8,058,772	-	-	-	-	-	-	-	13,700,052	1,394,064	15,094,116
162	Buildings	1,895,784	-	15,460,207	35,172	932,973	-	-	-	-	-	86,615,176	11,121,757	97,736,933
163	Furniture, equipment and mach - dwellings	-	-	118,676	-	10,460	-	-	-	-	-	1,897,442	229,671	2,127,113
165	Leasehold Improvements	25,754	-	-	-	-	-	-	-	-	-	444,151	-	444,151
164	Furniture, equipment and mach - admin.	-	-	111,963	62,761	216,790	-	-	-	-	-	1,086,357	-	1,086,357
166	Accumulated depreciation	(639,231)	-	(9,785,195)	(82,364)	(1,104,264)	-	-	-	-	-	(63,855,301)	(661,737)	(64,517,038)
167	Construction in progress	-	-	150,493	-	-	-	-	-	-	-	1,110,493	-	1,110,493
160	Total fixed assets, net of accumulated depreciation	1,604,707	-	14,114,916	15,569	55,959	-	-	-	-	-	40,998,370	12,083,755	53,082,125
171	Notes, loans and mortgages receivable -noncurrent	-	-	351,000	-	-	-	-	-	-	-	504,000	-	504,000
174	Other assets	-	-	28,834	-	-	-	-	-	-	-	28,834	-	28,834
180	Total noncurrent assets	1,604,707	-	14,494,750	15,569	55,959	-	-	-	-	-	41,531,204	12,083,755	53,614,959
200	Deferred Outflow of Resources	8,824	-	312,446	-	727,487	-	-	-	-	-	3,042,119	-	3,042,119
<b>TOTAL ASSETS AND DEFERRED</b>														
290	<b>OUTFLOWS OF RESOURCES</b>	<u>\$ 1,645,767</u>	<u>\$ 11,460</u>	<u>\$ 28,420,366</u>	<u>\$ 3,668,716</u>	<u>\$ 2,154,567</u>	<u>\$ 573,011</u>	<u>\$ 598,519</u>	<u>\$ 1,426,068</u>	<u>\$ -</u>	<u>\$ (1,747,564)</u>	<u>\$ 76,238,799</u>	<u>\$ 12,711,902</u>	<u>\$ 88,950,701</u>

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Coronavirus State and Local Fiscal Recovery Funds	Housing Investment Partnerships
<b>CURRENT LIABILITIES</b>														
312	Accounts payable <= 90 days	\$ 129,132	\$ -	\$ -	\$ -	\$ 17,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,277	\$ -	\$ 140
321	Accrued wage/payroll taxes payable	-	-	-	-	-	-	-	-	-	-	-	-	-
322	Accrued compensated absences - current	13,219	-	-	-	15,769	-	-	-	-	-	2,307	-	81
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-
331	Accounts payable - HUD	-	-	-	-	-	-	-	-	-	-	-	-	-
333	Accounts payable - Other Government	425,616	-	-	-	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	223,601	-	-	-	-	-	-	-	-	-	115,315	-	10,540
342	Unearned revenues	39,030	-	-	-	-	-	-	-	-	-	11,624	2,874,410	37
343	Current portion of LT debt - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-
344	Current portion of LT debt- operating	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	56,143	-	-	-	125,520	-	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	-	-
347	Interprogram - due to	1,503,110	-	-	-	-	-	-	-	-	-	-	-	-
310	Total current liabilities	2,389,851	-	-	-	158,984	-	-	-	-	-	142,523	2,874,410	10,798
<b>NONCURRENT LIABILITIES</b>														
351	Long-term debt, net of current - capital	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	47,673	-	-	-	75,627	-	-	-	-	-	-	-	-
354	Accrued compensated absences - noncurrent	118,976	-	-	-	141,553	-	-	-	-	-	21,831	-	728
357	Accrued Pension and OPEB Liabilities	1,605,106	-	-	-	1,649,011	-	-	-	-	-	208,177	-	15,439
350	Total noncurrent liabilities	1,771,755	-	-	-	1,866,191	-	-	-	-	-	230,008	-	16,167
300	Total liabilities	4,161,606	-	-	-	2,025,175	-	-	-	-	-	372,531	2,874,410	26,965
400	Deferred Inflow of Resources	1,233,383	-	-	-	1,202,151	-	-	-	-	-	150,302	-	13,186
	Total Liabilities and Deferred Inflow of Resources	5,394,989	-	-	-	3,227,326	-	-	-	-	-	522,833	2,874,410	40,151
<b>NET POSITION</b>														
508.4	Net investment in capital assets	11,496,472	-	-	-	330,949	-	-	-	-	-	12,246,716	-	1,133,082
511.4	Restricted net position	56,269	-	-	-	92,616	-	-	-	-	-	-	-	-
512.4	Unrestricted net position	(3,186,079)	-	-	-	(1,035,033)	-	-	-	-	15,000	5,810,713	-	467,475
513	Total net position	8,366,662	-	-	-	(611,468)	-	-	-	-	15,000	18,057,429	-	1,600,557
600	<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>\$ 13,761,651</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,615,858</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ 18,580,262</b>	<b>\$ 2,874,410</b>	<b>\$ 1,640,708</b>

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Coronavirus Relief Fund	Emergency Housing Vouchers	Emergency Rental Assistance	Community Development Block Grant	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
<b>CURRENT LIABILITIES</b>														
312	Accounts payable <= 90 days	\$ 9,726	\$ -	\$ 139,019	\$ 2,028	\$ 33,974	\$ -	\$ -	\$ 6,733	\$ -	\$ -	\$ 351,724	\$ 150	\$ 351,874
321	Accrued wage/payroll taxes payable	-	-	123,795	14,294	-	-	-	-	-	-	138,089	-	138,089
322	Accrued compensated absences - current	81	-	553	-	8,934	-	-	-	-	-	40,944	-	40,944
325	Accrued interest payable	-	-	9,774	-	-	-	-	-	-	-	9,774	186,683	196,457
331	Accounts payable - HUD	-	-	-	-	-	-	-	-	-	-	-	-	-
333	Accounts payable - Other Government	-	-	-	-	-	573,011	-	-	-	-	998,627	-	998,627
341	Tenant security deposits	17,890	-	133,991	-	-	-	-	-	-	-	501,337	16,900	518,237
342	Unearned revenues	3,177	-	58,280	-	-	-	239,750	1,419,335	-	-	4,645,643	-	4,645,643
343	Current portion of LT debt - capital projects	-	-	7,100	-	-	-	-	-	-	-	7,100	60,273	67,373
344	Current portion of LT debt - operating	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	371,517	1,707	-	-	-	-	-	-	554,887	603,499	1,158,386
346	Accrued Liabilities - Other	-	-	-	-	-	-	-	-	-	-	-	25,824	25,824
347	Interprogram - due to	232,994	11,460	-	-	-	-	-	-	-	(1,747,564)	-	-	-
310	Total current liabilities	263,868	11,460	844,029	18,029	42,908	573,011	239,750	1,426,068	-	(1,747,564)	7,248,125	893,329	8,141,454
<b>NONCURRENT LIABILITIES</b>														
351	Long-term debt, net of current - capital	-	-	480,505	-	-	-	-	-	-	-	480,505	3,275,985	3,756,490
353	Noncurrent liabilities - other	-	-	-	-	-	-	-	-	-	-	123,300	429,707	553,007
354	Accrued compensated absences - noncurrent	728	-	5,458	-	80,409	-	-	-	-	-	369,683	-	369,683
357	Accrued Pension and OPEB Liabilities	13,860	-	529,296	-	1,296,760	-	-	-	-	-	5,317,649	-	5,317,649
350	Total noncurrent liabilities	14,588	-	1,015,259	-	1,377,169	-	-	-	-	-	6,291,137	3,705,692	9,996,829
300	Total liabilities	278,456	11,460	1,859,288	18,029	1,420,077	573,011	239,750	1,426,068	-	(1,747,564)	13,539,262	4,599,021	18,138,283
400	Deferred Inflow of Resources	11,836	-	410,809	-	942,548	-	-	-	-	-	3,964,215	-	3,964,215
	Total Liabilities and Deferred Inflow of Resources	290,292	11,460	2,270,097	18,029	2,362,625	573,011	239,750	1,426,068	-	(1,747,564)	17,503,477	4,599,021	22,102,498
<b>NET POSITION</b>														
508.4	Net investment in capital assets	1,604,707	-	13,627,311	15,569	55,959	-	-	-	-	-	40,510,765	8,747,497	49,258,262
511.4	Restricted net position	-	-	-	-	-	-	306,045	-	-	-	454,930	210,073	665,003
512.4	Unrestricted net position	(249,232)	-	12,522,958	3,635,118	(264,017)	-	52,724	-	-	-	17,769,627	(844,689)	16,924,938
513	Total net position	1,355,475	-	26,150,269	3,650,687	(208,058)	-	358,769	-	-	-	58,735,322	8,112,881	66,848,203
600	<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>\$ 1,645,767</b>	<b>\$ 11,460</b>	<b>\$ 28,420,366</b>	<b>\$ 3,668,716</b>	<b>\$ 2,154,567</b>	<b>\$ 573,011</b>	<b>\$ 598,519</b>	<b>\$ 1,426,068</b>	<b>\$ -</b>	<b>\$ (1,747,564)</b>	<b>\$ 76,238,799</b>	<b>\$ 12,711,902</b>	<b>\$ 88,950,701</b>

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Coronavirus State and Local Fiscal Recovery Funds	Housing Investment Partnerships
<b>REVENUE</b>														
70300	Net tenant rental revenue	\$ 2,813,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,134,727	\$ -	\$ 107,913
70400	Tenant revenue - other	279,511	-	-	-	-	-	-	-	-	-	6,762	-	2,512
70500	Total tenant revenue	3,092,765	-	-	-	-	-	-	-	-	-	1,141,489	-	110,425
70600	HUD PHA operating grants	-	1,610,419	21,181,087	646,352	-	384,703	26,778,697	-	-	-	-	-	-
706.10	Capital grants	-	-	-	1,495,961	-	-	-	-	-	-	-	-	-
70710	Management fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70720	Asset Management fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other governmental grants	-	-	-	-	-	-	-	-	-	-	-	125,590	-
71100	Investment income - unrestricted	363	-	-	-	-	-	-	-	-	-	1,044	-	-
71400	Fraud recovery	-	-	-	-	88,034	-	-	-	-	-	-	-	-
71500	Other revenue	6,940	-	-	-	177,294	-	-	-	16,122	1,185	2,730	-	997
70000	Total revenue	3,100,068	1,610,419	21,181,087	2,142,313	265,328	384,703	26,778,697	-	16,122	1,185	1,145,263	125,590	111,422
<b>EXPENSES</b>														
Administrative:														
91100	Administrative salaries	470,767	-	-	-	1,006,025	60,214	-	-	-	-	47,994	-	366
91200	Auditing fees	29,694	-	-	-	7,091	-	-	-	-	-	-	-	-
91300	Management fee	928,944	-	-	-	362,044	-	-	-	-	-	106,983	-	7,888
91310	Bookkeeping fee	67,590	-	-	-	218,139	-	-	-	-	-	10,080	-	900
91400	Advertising	3,931	-	-	-	130	-	-	-	-	-	-	-	-
91500	Employee benefit contributions - admin	109,331	-	-	-	394,681	23,554	-	-	-	-	8,891	-	(1,928)
91600	Office expense	184,384	-	-	-	264,222	-	-	-	-	-	3,747	-	-
91700	Legal expense	2,231	-	-	-	1,976	-	-	-	-	-	282	-	247
91800	Travel	1,735	-	-	-	633	-	-	-	-	-	-	-	-
91900	Other	79,278	-	-	-	49,079	100,723	-	-	-	-	86,665	-	9
	Total administrative	1,877,885	-	-	-	2,304,020	184,491	-	-	-	-	264,642	-	7,482
92000	Asset Management Fee	29,880	-	-	-	-	-	-	-	-	-	-	-	-
Tenant services:														
92100	Salaries	61,649	-	-	-	-	-	-	-	-	-	-	-	-
92400	Other	269,380	-	-	-	8,450	141,369	-	-	-	-	-	-	-
	Total tenant services	331,029	-	-	-	8,450	141,369	-	-	-	-	-	-	-
Utilities:														
93100	Water	138,591	-	-	-	-	-	-	-	-	-	2,638	-	174
93200	Electricity	65,408	-	-	-	-	-	-	-	-	-	1,558	-	806
93300	Gas	46,793	-	-	-	-	-	-	-	-	-	1,591	-	632
93600	Sewer	372,818	-	-	-	-	-	-	-	-	-	40,553	-	5,408
93800	Other utilities expense	21,273	-	-	-	-	-	-	-	-	-	47	-	34
	Total utilities	644,883	-	-	-	-	-	-	-	-	-	46,387	-	7,054
Ordinary maintenance and operations:														
94100	Labor	514,131	-	-	-	-	-	-	-	-	-	74,323	-	3,756
94200	Materials and other	261,491	-	-	-	875	85	-	-	-	-	56,339	-	1,419
94300	Contracts	1,097,549	-	-	-	11,437	1,099	-	-	-	-	119,459	-	20,648
94500	Employee benefits contribution	326,208	-	-	-	-	-	-	-	-	-	48,712	-	1,852
	Total ordinary maintenance and operations	2,199,379	-	-	-	12,312	1,184	-	-	-	-	298,833	-	27,675

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Coronavirus Relief Fund	Emergency Housing Vouchers	Emergency Rental Assistance	Community Development Block Grant	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
<b>REVENUE</b>														
70300	Net tenant rental revenue	\$ 174,070	\$ -	\$ 2,904,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,134,135	\$ 396,264	\$ 7,530,399
70400	Tenant revenue - other	1,767	-	23,116	-	-	-	-	-	-	-	313,668	22,124	335,792
70500	Total tenant revenue	175,837	-	2,927,287	-	-	-	-	-	-	-	7,447,803	418,388	7,866,191
70600	HUD PHA operating grants	-	129,365	-	-	-	-	513,320	-	-	-	51,243,943	-	51,243,943
706.10	Capital grants	-	-	-	-	-	-	-	-	-	-	1,495,961	-	1,495,961
70710	Management fee	-	-	-	-	1,488,789	-	-	-	-	(1,488,789)	-	-	-
70720	Asset Management fee	-	-	-	-	29,880	-	-	-	-	(29,880)	-	-	-
70730	Bookkeeping fee	-	-	-	-	589,097	-	-	-	-	(589,097)	-	-	-
70800	Other governmental grants	-	-	-	26,778,697	-	4,233,348	-	11,150,758	11,155	(26,778,697)	15,520,851	-	15,520,851
71100	Investment income - unrestricted	-	-	40,610	434	722	-	-	-	-	-	43,173	1	43,174
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	88,034	-	88,034
71500	Other revenue	-	-	74,395	146,183	215,823	-	-	-	-	(167,640)	474,029	8,565,623	9,039,652
70000	Total revenue	175,837	129,365	3,042,292	26,925,314	2,324,311	4,233,348	513,320	11,150,758	11,155	(29,054,103)	76,313,794	8,984,012	85,297,806
<b>EXPENSES</b>														
Administrative:														
91100	Administrative salaries	802	84,024	106,727	214,202	1,159,736	72,783	13,423	228,541	11,155	-	3,476,759	55,202	3,531,961
91200	Auditing fees	-	-	-	2,216	5,318	-	-	20,000	-	-	64,319	-	64,319
91300	Management fee	17,353	-	172,251	-	-	-	1,548	-	-	(1,488,789)	108,222	47,011	155,233
91310	Bookkeeping fee	1,980	-	3,780	285,660	-	-	968	-	-	(589,097)	-	-	-
91400	Advertising	-	-	347	-	13,761	-	-	-	-	-	18,169	422	18,591
91500	Employee benefit contributions - admin	(1,464)	43,479	(32,190)	63,957	455,708	6,333	4,014	57,021	-	-	1,131,387	-	1,131,387
91600	Office expense	-	-	64,768	45,820	221,284	18,980	31,398	54,886	-	(167,640)	721,849	-	721,849
91700	Legal expense	52	-	9,287	1,125	84,340	150	-	-	-	-	99,690	24,402	124,092
91800	Travel	-	-	-	11,528	746	-	-	-	-	-	14,642	-	14,642
91900	Other	51,689	-	76,507	11,188	298,405	-	225	-	-	-	753,768	62,746	816,514
	Total administrative	70,412	127,503	401,477	635,696	2,239,298	98,246	51,576	360,448	11,155	(2,245,526)	6,388,805	189,783	6,578,588
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-	(29,880)	-	-	-
Tenant services:														
92100	Salaries	-	-	-	-	-	-	-	-	-	-	61,649	-	61,649
92400	Other	-	-	114,221	-	-	-	-	-	-	-	533,420	-	533,420
	Total tenant services	-	-	114,221	-	-	-	-	-	-	-	595,069	-	595,069
Utilities:														
93100	Water	84	-	39,308	84	2,783	-	-	-	-	-	183,662	-	183,662
93200	Electricity	45	-	33,858	1,509	15,019	-	-	-	-	-	118,203	-	118,203
93300	Gas	51	-	18,415	633	2,455	-	-	-	-	-	70,570	-	70,570
93600	Sewer	9,212	-	176,475	606	-	-	-	-	-	-	605,072	-	605,072
93800	Other utilities expense	6	-	2,577	2,570	18,224	-	-	-	-	-	44,731	60,693	105,424
	Total utilities	9,398	-	270,633	5,402	38,481	-	-	-	-	-	1,022,238	60,693	1,082,931
Ordinary maintenance and operations:														
94100	Labor	2,348	-	194,556	300	30,214	-	-	-	-	-	819,628	-	819,628
94200	Materials and other	1,903	-	162,909	48	7,464	4	-	-	-	-	492,537	83,213	575,750
94300	Contracts	15,624	-	323,641	20,441	70,860	-	98	1,646	-	-	1,682,502	-	1,682,502
94500	Employee benefits contribution	1,264	-	57,121	-	15,986	-	-	-	-	-	451,143	-	451,143
	Total ordinary maintenance and operations	21,139	-	738,227	20,789	124,524	4	98	1,646	-	-	3,445,810	83,213	3,529,023

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Coronavirus State and Local Fiscal Recovery Funds	Housing Investment Partnerships
<b>EXPENSES (Continued)</b>														
96110	Property insurance	\$ 157,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,107	\$ -	\$ 1,997
96120	Liability insurance	13,568	-	-	-	-	-	-	-	-	-	1,620	-	172
96130	Worker's Compensation	26,517	-	-	-	26,185	-	-	-	-	-	3,406	-	96
96140	All other insurance	23,399	-	-	-	1,284	-	-	-	-	-	3,516	-	237
96100	Total insurance premiums	220,667	-	-	-	27,469	-	-	-	-	-	31,649	-	2,502
General expenses:														
96200	Other general expenses	8,377	-	-	-	4,653	-	26,778,697	-	-	-	29,000	-	-
96210	Compensated absences	101,990	-	-	-	126,357	-	-	-	-	-	10,671	-	88
96300	Payment in lieu of taxes	227,719	-	-	-	-	-	-	-	-	-	639	-	55
96400	Bad debt - tenant rents	51,571	-	-	-	56,795	-	-	285	-	-	3,888	-	773
96000	Total general expenses	389,657	-	-	-	187,805	-	26,778,697	285	-	-	44,198	-	916
96710	Interest of mortgage payable	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
96700	Total interest expense and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total operating expenses	5,693,380	-	-	-	2,540,056	327,044	26,778,697	285	-	-	685,709	-	45,629
Excess of operating revenue over operating expenses														
97000		(2,593,312)	1,610,419	21,181,087	2,142,313	(2,274,728)	57,659	-	(285)	16,122	1,185	459,554	125,590	65,793
97300	Housing assistance payments	-	-	-	-	18,622,883	-	-	-	-	-	-	-	-
97350	HAP Portability-in	-	-	-	-	164,839	-	-	-	-	-	-	-	-
97400	Depreciation expense	1,472,937	-	-	-	54,530	-	-	-	-	-	526,139	-	67,057
90000	Total expenses	7,166,317	-	-	-	21,382,308	327,044	26,778,697	285	-	-	1,211,848	-	112,686
Other financing sources (uses):														
10010	Operating transfer in	286,492	-	-	-	24,933,819	-	-	-	-	-	-	-	-
10020	Operating transfer out	(286,492)	(1,610,419)	(21,181,087)	(2,142,313)	-	-	-	-	-	-	-	(125,590)	-
10093	Transfers between Program and Project - In	4,064,250	-	-	-	-	-	-	-	-	-	-	-	-
10094	Transfers between Program and Project - Out	-	-	-	-	(4,064,250)	-	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	4,064,250	(1,610,419)	(21,181,087)	(2,142,313)	20,869,569	-	-	-	-	-	-	(125,590)	-
10000	<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES</b>	<b>\$ (1,999)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (247,411)</b>	<b>\$ 57,659</b>	<b>\$ -</b>	<b>\$ (285)</b>	<b>\$ 16,122</b>	<b>\$ 1,185</b>	<b>\$ (66,585)</b>	<b>\$ -</b>	<b>\$ (1,264)</b>



**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	Coronavirus Relief Fund	Emergency Housing Vouchers	Emergency Rental Assistance	Community Development Block Grant	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
<b>EXPENSES (Continued)</b>														
96110	Property insurance	\$ 4,394	\$ -	\$ 50,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 236,825	\$ -	\$ 236,825
96120	Liability insurance	379	-	1,348	-	-	-	-	-	-	-	17,087	-	17,087
96130	Worker's Compensation	74	1,862	5,452	2,509	18,408	713	201	3,861	-	-	89,284	-	89,284
96140	All other insurance	522	-	1,817	-	9,576	-	-	-	-	-	40,351	-	40,351
96100	Total insurance premiums	5,369	1,862	58,761	2,509	27,984	713	201	3,861	-	-	383,547	-	383,547
General expenses:														
96200	Other general expenses	-	-	985	-	6,883	-	-	-	-	(26,778,697)	49,898	15,642	65,540
96210	Compensated absences	88	-	2,627	-	76,437	-	-	-	-	-	318,258	-	318,258
96300	Payment in lieu of taxes	186	-	814	-	-	-	-	-	-	-	229,413	-	229,413
96400	Bad debt - tenant rents	-	-	20,993	-	-	-	-	-	-	-	134,305	-	134,305
96000	Total general expenses	274	-	25,419	-	83,320	-	-	-	-	(26,778,697)	731,874	15,642	747,516
96710	Interest of mortgage payable	-	-	2,996	-	-	-	-	-	-	-	2,996	211,894	214,890
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	7,370	7,370
96700	Total interest expense and amortization	-	-	2,996	-	-	-	-	-	-	-	2,996	219,264	222,260
96900	Total operating expenses	106,592	129,365	1,611,734	664,396	2,513,607	98,963	51,875	365,955	11,155	(29,054,103)	12,570,339	568,595	13,138,934
97000	Excess of operating revenue over operating expenses	69,245	-	1,430,558	26,260,918	(189,296)	4,134,385	461,445	10,784,803	-	-	63,743,455	8,415,417	72,158,872
97300	Housing assistance payments	-	-	-	25,840,449	-	4,134,385	155,925	10,784,803	-	-	59,538,445	-	59,538,445
97350	HAP Portability-in	-	-	-	-	-	-	-	-	-	-	164,839	-	164,839
97400	Depreciation expense	69,595	-	593,292	5,519	28,820	-	-	-	-	-	2,817,989	441,471	3,259,460
90000	Total expenses	176,187	129,365	2,205,026	26,510,364	2,542,527	4,233,348	207,800	11,150,758	11,155	(29,054,103)	75,091,612	1,010,066	76,101,678
Other financing sources (uses):														
10010	Operating transfer in	-	-	125,590	-	-	-	-	-	-	(25,345,901)	-	-	-
10020	Operating transfer out	-	-	-	-	-	-	-	-	-	25,345,901	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	-	(4,064,250)	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	-	4,064,250	-	-	-
10100	Total other financing sources (uses)	-	-	125,590	-	-	-	-	-	-	-	-	-	-
10000	<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES</b>	<b>\$ (350)</b>	<b>\$ -</b>	<b>\$ 962,856</b>	<b>\$ 414,950</b>	<b>\$ (218,216)</b>	<b>\$ -</b>	<b>\$ 305,520</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,222,182</b>	<b>\$ 7,973,946</b>	<b>\$ 9,196,128</b>

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Coronavirus State and Local Fiscal Recovery Funds	Housing Investment Partnerships
<b>Memo Account Information</b>														
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	8,368,661	-	-	-	(541,079)	-	-	64,165	39,361	13,815	18,124,014	-	1,601,821
11040	Prior period adjustments, equity transfers correction	-	-	-	-	177,022	(57,659)	-	(63,880)	(55,483)	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit months available	9,012	-	-	-	38,939	-	-	-	-	-	1,344	-	144
11210	Number of unit months leased	8,746	-	-	-	36,213	-	-	-	-	-	1,319	-	126
11270	Excess cash	(1,579,530)	-	-	-	-	-	-	-	-	-	-	-	-
11620	Building purchases	559,732	-	-	-	-	-	-	-	-	-	-	-	-
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-

**HOUSING AUTHORITY OF THE CITY OF RENO  
FINANCIAL DATA SCHEDULES  
YEAR ENDED JUNE 30, 2022**

Line Item #	Accounts Description	Dollar Home Sales	Resident Opportunity and Supportive Services	Business Activities	Blended Component Unit	COCC	CRF	EHV	ERA	CDBG	Elimination	Total Enterprise Fund	Discrete Component Unit	Total Reporting Entity
<b>Memo Account Information</b>														
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000	\$ 102,000
11030	Beginning equity	1,355,825	-	25,187,413	3,235,737	10,158	-	53,249	-	-	-	57,513,140	138,935	57,652,075
11040	Prior period adjustments, equity transfers correction	-	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit months available	288	-	4,224	38,088	-	-	1,644	2,869	-	-	96,552	528	97,080
11210	Number of unit months leased	262	-	4,159	38,088	-	-	528	2,869	-	-	92,310	514	92,824
11270	Excess cash	-	-	-	-	-	-	-	-	-	-	(1,579,530)	-	(1,579,530)
11620	Building purchases	-	-	-	-	-	-	-	-	-	-	559,732	-	559,732
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-



**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  
Housing Authority of the City of Reno  
Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of the Housing Authority of the City of Reno (Reno Housing Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Reno Housing Authority's basic financial statements, and have issued our report thereon dated March 23, 2023. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit as described in our report on Reno Housing Authority's financial statements. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component unit or that are reported on separately by those auditors who audited the financial statements of the discretely presented component unit.

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

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

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

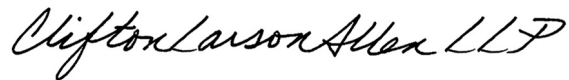
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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

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

***Purpose of This Report***

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



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 23, 2023



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners  
Housing Authority of the City of Reno  
Reno, Nevada

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

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

We have audited the Housing Authority of the City of Reno's (Reno Housing Authority) 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 Reno Housing Authority's major federal programs for the year ended June 30, 2022. Reno Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Reno Housing Authority's basic financial statements include the operations of a discretely presented component unit which may have received federal awards which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2022. Our audit, described below, did not include the operations of the discretely presented component units because other auditors were engaged to perform audits of compliance, if applicable.

In our opinion, Reno Housing 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 June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Reno Housing Authority and to meet our other 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 Reno Housing Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for 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 Reno Housing Authority's federal programs.

***Auditors' 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 Reno Housing Authority'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 GAAS, *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 Reno Housing Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Reno Housing Authority'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 Reno Housing Authority'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 Reno Housing Authority'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.

### **Report on 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 Auditors' 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 23, 2023



**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs**

**Assistance Listing Numbers**

21.019  
21.023

**Name of Federal Program or Cluster**

COVID-19 Coronavirus Relief Fund  
COVID-19 Emergency Rental Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 2,038,657

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no

**HOUSING AUTHORITY OF THE CITY OF RENO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2022**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Federal Award Findings and Questioned Costs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).