

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021



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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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 (the Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, were audited by other auditors whose report has been furnished to us. We have applied audit procedures on the conversion adjustments only to conform the presentation of the financial statements of the discretely presented components units to accounting standards issued by the Government Accounting Standards Board. Our opinion, insofar as it relates to the amounts included for the discretely presented component unit, prior to these conversion adjustments, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The audit of the discretely presented component unit was not performed in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business type activities and the discretely presented component unit of the Authority as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the Schedule of the Authority's Proportionate Share of the Net Pension Liability on page 40, the Schedule of the Authority's Pension Contributions on page 41, the Schedule of the Authority's Proportionate Share of the Net OPEB Liability on page 42 and the Schedule of the Authority's OPEB Contributions on page 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The financial data schedules and the schedule of expenditures of federal awards, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the 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*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The financial data schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
June 6, 2022

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

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, 2021.

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 \$57,513,140 at June 30, 2021.
- The total net position of the Authority increased from \$50,659,654 at June 30, 2020 to \$57,513,140 at June 30, 2021. The total unrestricted net position at June 30, 2021 is \$16,570,143. This amount may be used to meet the Authority's ongoing obligations.
- Total assets and deferred outflow of resources increased from \$63,217,144 at June 30, 2020 to \$73,784,039 at June 30, 2021, an increase of \$10,566,895.
- Net capital assets increased from \$37,750,472 at June 30, 2020 to \$41,374,534 at June 30, 2021. This increase of \$3,624,062 was the result of current year additions exceeding fiscal year depreciation expense and disposals.
- Total liabilities and deferred inflows of resources increased from \$12,557,490 at June 30, 2020 to \$16,270,899 at June 30, 2021, an increase of \$3,713,409.
- Revenues for fiscal year 2021 from all programs totaling \$78,202,011 consisted of federal grants and subsidies of \$70,147,813, and rental, interest, and other income of \$8,054,198. This represents an increase of \$22,675,481 in comparison to the total revenues of \$55,526,530 from fiscal year 2020.
- Total expenses for all programs for fiscal year 2021 were \$71,348,525. This represents an increase in expenses of \$16,332,088 from the total fiscal year 2020 expenses of \$55,016,437.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

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, 2021**

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 2021 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 January 31, 2022.

Section 8 Moderate Rehabilitation Program – Under the Section 8 Moderate Rehabilitation Program, the Authority administers contracts with landlords. This program is similar to the Housing Choice Voucher Program. The last of the contracts under this program expired in fiscal year 2020.

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.

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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.

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, 2021**

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 \$6,853,486 to \$57,513,140 in fiscal year 2021, from \$50,659,654 in fiscal year 2020.

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

	2021	2020	Dollar Change	Total % Change
Assets and Deferred Outflows:				
Current Assets	\$ 30,629,040	\$ 23,481,292	\$ 7,147,748	30.4 %
Notes Receivable	603,000	692,000	(89,000)	(12.9)
Capital Assets	41,374,534	37,750,472	3,624,062	9.6
Other Assets	24,548	-	24,548	100.0
Deferred Outflows	1,152,917	1,293,380	(140,463)	(10.9)
Total Assets and Deferred Outflows	<u>73,784,039</u>	<u>63,217,144</u>	<u>10,566,895</u>	16.7
Liabilities and Deferred Inflows:				
Current Liabilities	7,321,311	3,186,535	4,134,776	129.8
Noncurrent Liabilities	8,412,086	8,690,149	(278,063)	(3.2)
Deferred Inflows	537,502	680,806	(143,304)	(21.0)
Total Liabilities and Deferred Inflows	<u>16,270,899</u>	<u>12,557,490</u>	<u>3,713,409</u>	29.6
Net Position:				
Net Investment in Capital Assets	40,879,139	36,257,352	4,621,787	12.7
Restricted	63,858	-	63,858	100.0
Unrestricted Net Position	16,570,143	14,402,302	2,167,841	15.1
Total Net Position	<u>\$ 57,513,140</u>	<u>\$ 50,659,654</u>	<u>\$ 6,853,486</u>	13.5

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

- Current assets increased \$7,147,748, or 30.4%. Cash and investments increased \$7,451,248. The increase was due primarily to increases in CRF, ERA, and HCV CARES funding received but not spent. Current assets also increased as a result of increased accounts receivable from other governments of \$1,303,647, driven by ERA funding earned but not received. The increases in current assets were net a decrease in the amounts due from component unit of \$1,753,774.
- Notes receivable decreased \$89,000, or 12.9%. The decrease was due to forgiveness on homeownership notes. 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 increase 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
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- Current liabilities increased \$4,134,776 or 129.8%. The increase was primarily due an increase in unearned revenue of \$5,016,718 in connection with COVID-19 relief funding received and not spent, net a decrease in (1) accounts payable of \$744,564 because of the timing of construction in progress invoices received after year end and (2) a decrease in the current portion of notes payable as a result of the payoff of the Wells Fargo bond as shown in table 4.
- Noncurrent liabilities decreased \$278,063 or 3.2%. The decrease was primarily due to a \$263,907 decrease in the long-term portion of notes payable. See table 4 for current year debt activity.

For more detailed information concerning the statement of net position for fiscal year 2021 see the statement of net position on page 13 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,**

	2021	2020	Dollar Change	Total % Change
Revenues:				
Grants	\$ 70,147,813	\$ 47,125,882	\$ 23,021,931	48.9 %
Rental Income	7,048,401	6,948,842	99,559	1.4
Interest Income	7,315	144,940	(137,625)	(95.0)
Other Income	998,482	1,306,866	(308,384)	(23.6)
Total Revenues	<u>78,202,011</u>	<u>55,526,530</u>	<u>22,675,481</u>	40.8
Expenses:				
Administrative	5,820,636	6,510,609	(689,973)	(10.6)
Utilities	983,870	962,700	21,170	2.2
Maintenance	2,793,510	2,651,008	142,502	5.4
Tenant Services	819,912	204,117	615,795	301.7
Housing Assistance Payments	57,110,524	40,945,559	16,164,965	39.5
General	1,099,883	1,019,607	80,276	7.9
Interest Expense	28,439	30,839	(2,400)	(7.8)
Depreciation	2,691,751	2,691,998	(247)	(0.0)
Total Expenses	<u>71,348,525</u>	<u>55,016,437</u>	<u>16,332,088</u>	29.7
Increase (Decrease) in Net Position	<u>\$ 6,853,486</u>	<u>\$ 510,093</u>	<u>\$ 6,343,393</u>	1243.6

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Significant revenue and expense activity changes were as follows:

- Grants increased \$23,021,931 or 48.9%. The increases were due to various programs. There were increases in the Housing Choice Voucher (\$8,011,692) and Housing Assistance Payments program funding (\$2,198,606), consistent with the increase in housing assistance payments for the respective programs. \$13,478,628 of the remaining increase was due to new funding in connection with COVID-19 pandemic response. The new funding included supplemental CARES funding from HUD and other local government grants received under the CDBG, CRF, and ERA programs.
- Interest income decreased \$137,625 or 95.0% as a result of a decrease in the Authority's investment portfolio and a decrease in the interest rate.
- Other income decreased \$308,384 or 23.6%. Due to its nature, we do not expect other income to remain consistent. The decrease was primarily due to non-recurring insurance proceeds received during the previous fiscal year.
- Administrative expenses decreased \$689,973 or 10.6%. The decrease was primarily due a decrease in administrative employee benefits.
- Tenant services increased \$615,795 or 301.7%. \$457,931 of the increase was due to HUD-funded CARES programs that are appropriately grouped to tenant services per HUD requirements. The remaining increase was due to reclassifications made in the current fiscal year from other line items.
- Housing assistance payments increased \$16,164,965 or 39.5%. \$12,447,723 of the increase is in connection with COVID-19 response funded under the CDBG, CRF, and ERA programs. The remaining increase is primarily the Housing Choice Voucher and Housing Assistance Payments programs.

For more detail concerning the statement of revenues, expenses, and changes in net position for the fiscal year 2021, see the statement of revenues, expenses, and changes in net position on page 14 of this report.

**HOUSING AUTHORITY OF THE CITY OF RENO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Capital Assets and Debt Administration

Capital Assets

As of year-end, the Authority had \$41,374,534 of net capital assets as is reflected in the following Table 3, which represents a net increase of \$3,624,062 from the 2020 fiscal year's ending balance.

TABLE 3

	2021	2020	Dollar Change	Total % Change
Land	\$ 13,700,052	\$ 8,628,748	\$ 5,071,304	58.8 %
Buildings	86,068,831	84,725,703	1,343,128	1.6
Furniture and Equipment	2,630,370	1,830,590	799,780	43.7
Construction in Progress	13,496	1,022,565	(1,009,069)	(98.7)
Less: Accumulated Depreciation	<u>(61,038,215)</u>	<u>(58,457,134)</u>	<u>(2,581,081)</u>	4.4
Net Capital Assets	<u>\$ 41,374,534</u>	<u>\$ 37,750,472</u>	<u>\$ 3,624,062</u>	9.6

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 \$495,395 of long-term notes and bonds payable as is reflected in the following Table 4, which represents a net decrease of \$517,407 from the 2020 fiscal year's ending balance.

TABLE 4

	2021	2020	Dollar Change	Total % Change
Bonds Payable	\$ -	\$ 502,500	\$ (502,500)	(100.0)%
Notes Payable	<u>495,395</u>	<u>510,302</u>	<u>(14,907)</u>	(2.9)
Total Bonds and Notes Payable	<u>\$ 495,395</u>	<u>\$ 1,012,802</u>	<u>\$ (517,407)</u>	(51.1)

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, 2021**

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 improve after global recession. In the Reno-Sparks region the December 2020 unemployment rate stood at 4.4%. This is below the national unemployment rate of 6.7%.
- 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 2021, the Authority does not anticipate significant reductions in federal grant funding for fiscal 2021 versus the funding received for its 2020 fiscal year. In addition to federal grant funding, the Authority has received a significant amount of CARES Act funding in FY21 to administer an emergency rental assistance program.
- 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 FY21 at an average of 3.18%. The average rents in the Washoe County market have continued to increase compared to fiscal year 2020, with average rents at \$1,557. 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 Ms. Amy Jones, 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, 2021 AND DECEMBER 31, 2020, RESPECTIVELY

ASSETS	Enterprise Fund	Discrete Component Unit
	<u> </u>	<u> </u>
CURRENT ASSETS		
Cash and Investments - Unrestricted	\$ 26,288,758	\$ 184,970
Cash and Investments - Restricted	490,536	23,100
Accounts Receivable - Other Governments	1,891,189	-
Accounts Receivable, Net	383,505	8,226
Current Portion of Notes Receivable	33,000	-
Due from Component Unit	1,069,777	-
Prepaid Expenses and Other Assets	<u>472,275</u>	<u>110,312</u>
Total Current Assets	30,629,040	326,608
NONCURRENT ASSETS		
Notes Receivable	603,000	-
Capital Assets, Net	41,374,534	12,505,388
Other Assets	<u>24,548</u>	<u>42,479</u>
Total Noncurrent Assets	<u>42,002,082</u>	<u>12,547,867</u>
Total Assets	72,631,122	12,874,475
DEFERRED OUTFLOWS OF RESOURCES		
OPEB Related Outflows	236,614	-
Pension Related Outflows	<u>916,303</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>1,152,917</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	73,784,039	12,874,475
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	286,817	5,849
Due to Other Governments	454,810	-
Tenant Security Deposits	490,536	23,100
Accrued Payroll	157,321	-
Unearned Revenue	5,521,057	-
Accrued Interest Payable	12,262	131,012
Notes Payable - Current	7,131	-
Compensated Absences - Current	35,077	-
Other Current Liabilities	356,300	-
Due to Primary Government	-	-
Total Current Liabilities	<u>7,321,311</u>	<u>159,961</u>
NONCURRENT LIABILITIES		
Compensated Absences, Net of Current Portion	324,429	-
Notes Payable, Net of Current Portion	488,264	10,814,983
Net Pension Liability	6,489,729	-
Net OPEB Liability	968,625	-
Other Noncurrent Liabilities	<u>141,039</u>	<u>1,760,596</u>
Total Noncurrent Liabilities	<u>8,412,086</u>	<u>12,575,579</u>
Total Liabilities	15,733,397	12,735,540
DEFERRED INFLOWS OF RESOURCES - Pension	<u>537,502</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>16,270,899</u>	<u>12,735,540</u>
NET POSITION		
Net Investment in Capital Assets	40,879,139	1,690,405
Restricted	63,858	-
Unrestricted	<u>16,570,143</u>	<u>(1,551,470)</u>
Total Net Position	<u>\$ 57,513,140</u>	<u>\$ 138,935</u>

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, 2021 AND DECEMBER 31, 2020, RESPECTIVELY**

	Enterprise Fund	Discrete Component Unit
OPERATING REVENUES		
HUD Operating Grants	\$ 56,995,003	\$ -
Rental Income	7,048,401	122,179
Other Government Grants	12,727,904	-
Other Revenue	998,482	249,929
Total Operating Revenues	77,769,790	372,108
OPERATING EXPENSES		
Administrative	5,820,636	98,714
Utilities	983,870	25,062
Maintenance	2,793,510	10,298
Tenant Services	819,912	-
General	1,099,883	103,649
Housing Assistance Payments	57,110,524	-
Depreciation	2,691,751	220,266
Total Operating Expenses	71,320,086	457,989
OPERATING INCOME	6,449,704	(85,881)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	7,315	-
Interest Expense	(28,439)	(199,277)
Total Nonoperating Expenses	(21,124)	(199,277)
Capital Grants	424,906	-
CHANGE IN NET POSITION	6,853,486	(285,158)
Net Position - Beginning of Year	50,659,654	424,093
NET POSITION - END OF YEAR	\$ 57,513,140	\$ 138,935

See accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE CITY OF RENO
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	<u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Grants	\$ 73,561,676
Cash Received from Rents	9,042,389
Other Cash Receipts	826,581
Cash Payments to Employees for Services	(6,008,733)
Cash Payments to Suppliers for Goods and Services	(6,486,703)
Cash Payments to Landlords	<u>(57,110,524)</u>
Net Cash Provided by Operating Activities	13,824,686
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(6,457,804)
Disposal of Capital Assets	141,991
Capital Grants Received	424,906
Principal Paid on Capital Debt	(517,407)
Interest Paid on Capital Debt	<u>(28,439)</u>
Net Cash Used by Capital and Related Financing Activities	(6,436,753)
CASH FLOWS FROM INVESTING ACTIVITIES	
Repayment of Notes Receivables	56,000
Interest Received	<u>7,315</u>
Net Cash Provided by Investing Activities	<u>63,315</u>
NET INCREASE IN CASH AND INVESTMENTS	7,451,248
Cash and Investments - Beginning of Year	<u>19,328,046</u>
CASH AND INVESTMENTS - END OF YEAR	<u><u>\$ 26,779,294</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 6,449,704
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	2,691,751
Provision for Bad Debts	256,788
(Increase) Decrease in:	
Accounts Receivable Other Governments	(1,303,647)
Accounts Receivable	1,548,430
Prepaid Expenses	(189,619)
Deferred Outflows/Inflows of Resources	(2,841)
Increase (Decrease) in:	
Accounts Payable and Accrued Liabilities	(786,366)
Due to Other Governments	125,698
Tenant Security Deposits	16,869
Compensated Absences	(2,778)
Unearned Revenue	5,016,718
Pension Liability	32,589
OPEB Liability	<u>(28,610)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 13,824,686</u></u>

See accompanying Notes to Financial Statements.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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, 2021 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 9th 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, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition of Reporting Entity (Continued)

At June 30, 2021, the Authority was administering the following programs which consisted of 7,393 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
Total Units Administered under Other Programs	4,118
Total Units Administered at June 30, 2021	7,393

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, 2021

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.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position (Continued)

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.

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.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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)*.

Effect of New Pronouncements

For the fiscal year ended June 30, 2021, the Authority has adopted the following GASB statements:

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying activities for state and local governments, focusing on (1) whether the government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. The implementation of this Statement had no impact on the Authority.

GASB Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61*. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The implementation of this Statement had no impact on the Authority.

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.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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, 2021 are as follows:

Cash and Cash Equivalents	\$ 21,788,456
Money Market Mutual Funds	<u>4,990,838</u>
Total Cash and Investments	<u><u>\$ 26,779,294</u></u>

The \$4,990,838 of money market mutual funds are carried at amortized cost. Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows.

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 \$21,788,456 of cash and cash equivalents consists of \$22,123,594 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, 2021, 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>\$ 4,990,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,990,838</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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, 2021 for each Authority investment type is provided by Standard and Poor's.

Discretely Presented Component Unit – Sutro Affordable Housing, LLC

The \$208,070 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.

NOTE 3 NOTES RECEIVABLE

The following is a summary of the Authority's changes in notes receivable for the fiscal year ended June 30, 2021:

	Balance 6/30/20	Disbursements	Receipts/ Forgiveness	Balance 6/30/2021
Homeownership Notes	\$ 291,000	\$ -	\$ (89,000)	\$ 202,000
Sutro Affordable Housing, LLC	401,000	-	-	401,000
Total Notes Receivable	<u>\$ 692,000</u>	<u>\$ -</u>	<u>\$ (89,000)</u>	<u>\$ 603,000</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, 2021 was \$202,000.

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, 2021 was \$401,000.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021:

	Balance 6/30/20	Additions	Deletions	Transfers	Balance 6/30/2021
Not Being Depreciated:					
Land	\$ 8,628,748	\$ 5,177,000	\$ -	\$ (105,696)	\$ 13,700,052
Construction in Progress	1,022,565	-	-	(1,009,069)	13,496
Total Not Being Depreciated	9,651,313	5,177,000	-	(1,114,765)	13,713,548
Depreciable					
Buildings and Improvements	84,725,703	1,008,018	-	335,110	86,068,831
Equipment	1,830,590	272,786	(252,661)	779,655	2,630,370
Total Depreciable Capital Assets	86,556,293	1,280,804	(252,661)	1,114,765	88,699,201
Less Accumulated Depreciation:					
Buildings and Improvements	(57,234,323)	(2,526,370)	110,670	-	(59,650,023)
Equipment	(1,222,811)	(165,381)	-	-	(1,388,192)
Total Accumulated Depreciation	(58,457,134)	(2,691,751)	110,670	-	(61,038,215)
Total Capital Assets, Being Depreciated, Net					
	28,099,159	(1,410,947)	(141,991)	1,114,765	27,660,986
Total Capital Assets, Net					
	<u>\$ 37,750,472</u>	<u>\$ 3,766,053</u>	<u>\$ (141,991)</u>	<u>\$ -</u>	<u>\$ 41,374,534</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, 2020:

	Balance 6/30/20	Additions	Deletions	Transfers	Balance 12/31/2020
Not Being Depreciated:					
Land	\$ 800,000	\$ -	\$ -	\$ 594,064	\$ 1,394,064
Construction in Progress	11,108,029	-	-	(11,108,029)	-
Total Not Being Depreciated	11,908,029	-	-	(10,513,965)	1,394,064
Depreciable					
Buildings and Improvements	-	587,954	-	10,513,965	11,101,919
Equipment	-	229,671	-	-	229,671
Total Depreciable Capital Assets	-	817,625	-	10,513,965	11,331,590
Less Accumulated Depreciation:					
Buildings and Improvements	-	(197,299)	-	-	(197,299)
Equipment	-	(22,967)	-	-	(22,967)
Total Accumulated Depreciation	-	(220,266)	-	-	(220,266)
Total Capital Assets, Being Depreciated, Net					
	-	597,359	-	10,513,965	11,111,324
Total Capital Assets, Net					
	<u>\$ 11,908,029</u>	<u>\$ 597,359</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,505,388</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM LIABILITIES

Enterprise Fund

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021:

	Balance 6/30/20	Additions	Deletions	Balance 6/30/21	Current Portion
Revenue Refunding Bonds	\$ 502,500	\$ -	\$ (502,500)	\$ -	\$ -
Notes from Direct Borrowings	510,302	-	(14,907)	495,395	7,131
Compensated Absences	433,756	265,669	(339,919)	359,506	35,077
Total	<u>\$ 1,446,558</u>	<u>\$ 265,669</u>	<u>\$ (857,326)</u>	<u>\$ 854,901</u>	<u>\$ 42,208</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 for the year ended December 31, 2020:

	Balance 6/30/20	Additions	Deletions	Balance 12/31/20	Current Portion
Developer Fee Payable	\$ 647,500	\$ 277,500	\$ -	\$ 925,000	\$ -
Due to RHA	415,392	394,380	-	809,772	-
Management Fees Payable	-	25,824	-	25,824	-
Total	<u>\$ 1,062,892</u>	<u>\$ 697,704</u>	<u>\$ -</u>	<u>\$ 1,760,596</u>	<u>\$ -</u>

NOTE 6 LONG-TERM DEBT

Enterprise Fund

The bonds payable consisted of Multifamily Housing Revenue Refunding Bonds payable to Wells Fargo Brokerage Services, LLC. Interest accrues on the bonds at 4.95% per annum. The bonds mature on July 1, 2021. The outstanding balance on the bonds at June 30, 2021 was \$-0-.

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>
2022	\$ 7,131	\$ 5,473	\$ 12,604
2023	8,026	5,239	13,265
2024	8,266	4,999	13,265
2025	8,514	4,751	13,265
2026	8,770	4,495	13,265
2027-2031	90,967	25,358	116,325
2032-2036	263,585	49,569	313,154
2037-2041	100,136	5,141	105,277
Total	<u>\$ 495,395</u>	<u>\$ 105,025</u>	<u>\$ 600,420</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Enterprise Fund (Continued)

Notes from direct borrowings at June 30, 2021 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, 2021 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, 2021 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, 2021 was \$182,502

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, 2020:

	Balance 6/30/20	Additions	Deletions	Balance 12/31/20	Current Portion
Direct Borrowings:					
HOME Loan	\$ 990,250	\$ -	\$ (250)	\$ 990,000	\$ -
LIHTF Loan	400,000	-	-	400,000	-
RHA Loan	401,000	-	-	401,000	-
AHP Loan	440,000	-	-	440,000	-
Wells Fargo Construction Loan	7,232,242	1,351,741	-	8,583,983	-
Total	<u>\$ 9,463,492</u>	<u>\$ 1,351,741</u>	<u>\$ (250)</u>	<u>\$10,814,983</u>	<u>\$ -</u>

Notes from direct borrowings at December 31, 2020 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, 2020, the outstanding principal balance of the HOME Loan was \$990,000 and accrued interest was \$51,111. During the Period, interest expense was \$51,111, of which \$27,155 was capitalized to fixed assets.

HOUSING AUTHORITY OF THE CITY OF RENO
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JUNE 30, 2021

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, 2020, the outstanding principal balance of the LIHTF Loan was \$400,000 and accrued interest was \$20,548. During the Period, interest expense was \$20,548, of which \$11,220 was capitalized to fixed assets.

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, 2020, accrued interest was \$20,083. During the Period, interest expense was \$20,083, of which \$14,813 was capitalized to fixed assets.

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, 2020, the outstanding principal balance of the AHP Loan was \$440,000 and accrued interest was \$22,603. During the Period, interest expense was \$22,603.

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 shall be secured by a deed of trust on the Project, bear interest at a rate of 5.77% per annum and mature 18 years from the date of conversion. As of December 31, 2020, the Permanent Loan has not been funded.

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, 2020, accrued interest was \$16,667. During the Period, interest expense was \$182,528, of which \$89,571 was capitalized to fixed assets. The outstanding balance on the note at December 31, 2020 was \$8,583,983.

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 \$359,506 has been valued and recorded by the Authority as of June 30, 2021.

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 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.

**HOUSING AUTHORITY OF THE CITY OF RENO
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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, 2021 are summarized as follows:

	Miscellaneous Plans	
	Prior to	On or After
	<u>January 1, 2010</u>	<u>January 1, 2010</u>
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	65	65
Retirement Age	2.5% to 2.67%	2.5%
Monthly Benefits, as a Percent of Eligible Compensation	21.50%	28.1%

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, 2019, the regular employer-pay contribution (EPC) rate is 29.25%.

The Authority's employer and employee contractually required contributions to the plan were \$1,034,916 for the period ended June 30, 2021. Employer contributions were \$517,458 for the period ended June 30, 2021.

**HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
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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, 2020, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The NPL of \$6,489,729 is measured as a proportionate share of the NPL of \$13,928,336,726 (or .04659%).

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, 2020.

Deferred Inflows/Outflows – For the year ended June 30, 2021, the Authority recognized a pension expense of \$5,688. At June 30, 2021, 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	\$ 517,458	\$ -
Differences Between Actual and Expected Experience	201,631	83,798
Changes in Assumptions	182,289	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	245,154
Adjustment Due to Differences in Proportions	14,925	208,550
Total	\$ 916,303	\$ 537,502

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

Of the \$916,303 reported as deferred outflows of resources, \$517,458 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, 2022. 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
2022	\$ 258,852
2023	(128,792)
2024	(148,739)
2025	(104,064)
2026	(14,863)
2027	(1,051)

**HOUSING AUTHORITY OF THE CITY OF RENO
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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, 2020, 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	7.50%
Inflation Rate	2.75%
Payroll Growth	5.00%, including inflation
Productivity Pay Increases	0.50%
Projected Salary Increases	4.25% to 9.15%, for regular members to 13.90% for Police/Fire members, varying by service, including inflation and productivity Increases
Other Assumptions	Same as those used in the June 30, 2020 funding actuarial valuation

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of the experience study for the period July 1, 2012 to June 30, 2016.

Discount Rate – The discount rate used to measure the total pension liability was 7.50% as of June 30, 2020. 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, 2020.

The following was the System’s board adopted policy target asset allocation as of June 30, 2020:

Asset Class	Allocation	Long-Term Expected Arithmetic Real Rate of Return*
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	100.0%	

*As of June 30, 2020 PERS’ Long-term inflation assumption was 2.75%

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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 7.50%, 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 (6.50%) or 1-percentage point higher (8.50%) than the current rate:

	Discount Rate – 1% (6.50%)	Current Discount Rate (7.50%)	Discount Rate +1% (8.50%)
Plan's Pension Liability	\$ 10,120,664	\$ 6,489,729	\$ 3,469,930

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, 2019, 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	37
Active Plan Members	65
Total Plan Members	102

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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, 2020 measurement date. For the year ending June 30, 2021, total Authority premiums plus implicit costs for the retiree medical program were \$62,559.

OPEB Liability

The Authority's OPEB liability of \$968,625 was measured as of June 30, 2021, and the total OPEB liability used to calculate the new OPEB liability was determined by an actuarial valuation as of July 1, 2019.

Changes in Net OPEB Liability			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance for June 30, 2020	\$ 997,235	\$ -	\$ 997,235
Service Cost	7,182	-	7,182
Interest	26,767	-	26,767
Employer Contributions to Trust	-	62,559	62,559
Benefit Payments Withdrawn from Trust	-	(62,559)	(62,559)
Benefit Payments	(62,559)	-	(62,559)
Net Changes in OPEB Liability	(28,610)	-	(28,610)
Total OPEB Liability - End of Period	\$ 968,625	\$ -	\$ 968,625

Actuarial Assumptions

The total OPEB liability in the July 1, 2019 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, 2019
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	2.75% net of OPEB plan investment expense, including inflation
Municipal Bond Rate	2.66% as of June 30, 2020 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG)
Single Equivalent Discount Rate	2.75%, net of OPEB plan investment expense, including inflation
Inflation	2.50% as of June 30, 2020 and for future periods
Salary Increases	3.00% annually as of June 30, 2020 and for future periods
Cost of Living Adjustment	N/A
Pre-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females
Post-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females
Disabled Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions (Continued)

The actuarial assumptions used to calculate the actuarial accrued liability and the service cost primarily reflect the latest experience studies of a large State Municipal Retirement System issued in 2014 and their most recent analysis of retiree mortality during 2015 and 2016.

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 2.75%, 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 (1.75%) or 1-percentage-point higher (3.75%) than the current discount rate:

	1% Decrease (1.75)%	Current Discount (2.75)%	1% Increase (3.75)%
Total OPEB Liability	\$ 1,084,016	\$ 968,625	\$ 877,148

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:

	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	\$ 871,200	\$ 968,625	\$ 1,084,606

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

For the year ended June 30, 2021, the Authority recognized an OPEB credit of \$4,550. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 138,903	\$ -
Changes of Assumptions	67,328	-
Contributions Subsequent to Measurement Date	30,383	-
Total	\$ 236,614	\$ -

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions (Continued)

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>
2022	54,443
2023	54,443
2024	46,477
2025	37,123
2026	13,745

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, 2021, three employees participated in the plan. Employee and employer contributions of \$7,407 and \$9,617, respectively, were made during the fiscal year ending June 30, 2021. Plan assets totaled \$326,977 as of June 30, 2021.

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
ASSETS							
Cash and Investments	\$ 3,166,434	\$ 7,281	\$ 13,200	\$ 3,186,915	\$ 23,592,379	\$ -	\$ 26,779,294
Other Current Assets	46,708	-	-	46,708	3,803,038	-	3,849,746
Noncurrent Assets	-	-	-	-	627,548	-	627,548
Capital Assets	21,088	-	-	21,088	41,353,446	-	41,374,534
Interprogram Due From	-	-	-	-	3,246,661	(3,246,661)	-
Deferred Outflows	-	-	-	-	1,152,917	-	1,152,917
Total Assets and Deferred Outflows	<u>\$ 3,234,230</u>	<u>\$ 7,281</u>	<u>\$ 13,200</u>	<u>\$ 3,254,711</u>	<u>\$ 73,775,989</u>	<u>\$ (3,246,661)</u>	<u>\$ 73,784,039</u>
LIABILITIES							
Current Liabilities	18,974	-	-	18,974	7,302,337	-	7,321,311
Noncurrent Liabilities	-	-	-	-	8,412,086	-	8,412,086
Interprogram Due To	-	-	-	-	3,246,661	(3,246,661)	-
Deferred Inflows	-	-	-	-	537,502	-	537,502
Total Liabilities and Deferred Inflows	<u>18,974</u>	<u>-</u>	<u>-</u>	<u>18,974</u>	<u>19,498,586</u>	<u>(3,246,661)</u>	<u>16,270,899</u>
NET POSITION							
Net Investment in Capital Assets	21,088	-	-	21,088	40,858,051	-	40,879,139
Restricted	-	-	-	-	63,858	-	63,858
Unrestricted	3,194,168	7,281	13,200	3,214,649	13,355,494	-	16,570,143
Total Net Position	<u>3,215,256</u>	<u>7,281</u>	<u>13,200</u>	<u>3,235,737</u>	<u>54,277,403</u>	<u>-</u>	<u>57,513,140</u>
Total Liabilities and Net Position	<u>\$ 3,234,230</u>	<u>\$ 7,281</u>	<u>\$ 13,200</u>	<u>\$ 3,254,711</u>	<u>\$ 73,775,989</u>	<u>\$ (3,246,661)</u>	<u>\$ 73,784,039</u>

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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
OPERATING REVENUES							
Grants	\$ 26,712,447	\$ -	\$ -	\$ 26,712,447	\$ 71,471,285	\$ (28,460,825)	\$ 69,722,907
Rental Income	-	-	-	-	7,048,401	-	7,048,401
Other Revenue	15,065	-	13,200	28,265	1,137,857	(167,640)	998,482
Total Operating Revenue	26,727,512	-	13,200	26,740,712	79,657,543	(28,628,465)	77,769,790
OPERATING EXPENSES							
Administrative	632,564	251	-	632,815	7,103,839	(1,916,018)	5,820,636
Utilities	4,266	-	-	4,266	979,604	-	983,870
Maintenance	20,499	-	-	20,499	2,773,011	-	2,793,510
Tenant Services	-	-	-	-	819,912	-	819,912
General Expenses	2,018	-	-	2,018	27,810,312	(26,712,447)	1,099,883
Housing Assistance Payments	25,845,401	-	-	25,845,401	31,265,123	-	57,110,524
Depreciation	4,884	-	-	4,884	2,686,867	-	2,691,751
Total Operating Expenses	26,509,632	251	-	26,509,883	73,438,668	(28,628,465)	71,320,086
Operating Income (Loss)	217,880	(251)	13,200	230,829	6,218,875	-	6,449,704
Total Nonoperating Revenues/(Expenses)	157	36	-	193	(21,317)	-	(21,124)
Income (Loss) Before Capital Grants	218,037	(215)	13,200	231,022	6,197,558	-	6,428,580
Capital Grants	-	-	-	-	424,906	-	424,906
CHANGE IN NET POSITION	218,037	(215)	13,200	231,022	6,622,464	-	6,853,486
Total Net Position - Beginning of Year	2,997,219	7,496	-	3,004,715	47,654,939	-	50,659,654
TOTAL NET POSITION - END OF YEAR	\$ 3,215,256	\$ 7,281	\$ 13,200	\$ 3,235,737	\$ 54,277,403	\$ -	\$ 57,513,140
Net Cash Provided (Used) by:							
Operating Activities	\$ 152,639	\$ (224,861)	\$ 13,200	\$ (59,022)	\$ 13,883,708	\$ -	\$ 13,824,686
Capital and Related Financing Activities	-	-	-	-	(6,436,753)	-	(6,436,753)
Investing Activities	157	36	-	193	63,122	-	63,315
Net Increase/ (Decrease) in Cash and Cash Equivalents	152,796	(224,825)	13,200	(58,829)	7,510,077	-	7,451,248
Cash and Cash Equivalents - Beginning of Year	3,013,638	232,106	-	3,245,744	16,082,302	-	19,328,046
Cash and Cash Equivalents - End of Year	\$ 3,166,434	\$ 7,281	\$ 13,200	\$ 3,186,915	\$ 23,592,379	\$ -	\$ 26,779,294

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JUNE 30, 2021**

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 June 6, 2022 June 6, 2022, 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.

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 PENDING GASB PRONOUNCEMENTS

GASB routinely issues standards that will become effective in future years. The following is a list of standards that have been issued that management has determined may have an impact on future financial statements of the Authority. Management is currently evaluating the specific impact of these Standards.

GASB Statement No. 87, Leases

The primary objective of this Statement is to improve accounting and financial reporting for leases by governments. It will require recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. This Statement is effective for the fiscal year ending June 30, 2022

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement is effective for the period ending June 30, 2022.

GASB Statement No. 91, Conduit Debt Obligations

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associates with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement is effective for the period ending June 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2021**

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%

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

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30, 2021**

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%

Valuation Date

June 30, 2020

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

2.75%

Payroll Growth

5.50% per year for Regular employees
6.50% per year for Police/Fire employees

Salary Increase

Regular: 4.25% to 9.15%, depending on service
Police/Fire: 4.55% to 13.90%, depending on service
Rates include inflation and productivity increases

Investment Rate of Return

7.50%

*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 CHANGES IN THE AUTHORITY'S NET OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2021

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

	Last 10 Years*			
	June 30,2021	June 30,2020	June 30,2019	June 30,2018
Service Cost	\$ 7,182	\$ 6,281	\$ 15,551	\$ 13,829
30 Year Level Dollar Amortization of NOL	46,555	47,930	23,999	27,259
Actuarial Determined Contribution	53,737	54,211	39,550	41,088
Contributions in Relation to the Actuarially Determined Contribution	(62,559)	(63,505)	(39,550)	(41,088)
Contribution Deficiency	<u>\$ (8,822)</u>	<u>\$ (9,294)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 3,437,650	\$ 3,337,524	\$ 3,687,965	\$ 3,580,549
Contribution as a % of Covered Employee Payroll	1.82%	1.90%	1.07%	1.15%
Discount Rate	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, 2021**

<u>Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<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	\$ -	\$ 26,712,447
Section 8 Rental Moderate Rehabilitation Program – SRO	14.249	N/A	-	11,829
Total Section 8 Project-Based Cluster			-	26,724,276
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers – COVID-19 Emergency Housing Vouchers	14.871	N/A	-	1,551
Total Housing Voucher Cluster			-	1,551
Resident Opportunities Supportive Services	14.870	N/A	-	111,138
Moving to Work Demonstration (MTW) Program:				
MTW Demonstration Program for Low Rent	14.OPS	N/A	-	1,717,039
MTW Demonstration Program for Capital Fund	14.CFP	N/A	-	631,741
MTW Demonstration Program for HCV Program	14.HCV	N/A	-	27,427,548
COVID-19 Public Housing Cares Funding	14.PHC	N/A	-	195,525
COVID-19 HCV CARES Act Funding	14.HCC	N/A	-	556,229
Total MTW Program			-	30,528,082
Pass-through from the City of Sparks:				
CDBG - Entitlement Grants Cluster:				
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	Unknown	-	363,136
Total CDBG - Entitlement Grants Cluster			-	363,136
Total U.S. Department of Housing and Urban Development				
			-	57,728,183
<u>Department of Treasury</u>				
Pass-through from the City of Reno:				
COVID-19 Coronavirus Relief Fund	21.019	Unknown	-	2,821,611
Pass-through from the City of Sparks:				
COVID-19 Coronavirus Relief Fund	21.019	Unknown	-	1,143,467
Pass-through from the State of Nevada:				
COVID-19 Coronavirus Relief Fund	21.019	Unknown	-	4,606,409
Total COVID-19 Coronavirus Relief Fund			-	8,571,487
Pass-through from the State of Nevada:				
COVID-19 Emergency Rental Assistance	21.023	Unknown	-	2,185,215
Pass-through from Washoe County				
COVID-19 Emergency Rental Assistance	21.023	Unknown	-	1,608,066
Total COVID-19 Emergency Rental Assistance			-	3,793,281
Total Department of Treasury				
			-	12,364,768
Total Expenditures of Federal Awards				
			\$ -	\$ 70,092,951

HOUSING AUTHORITY OF THE CITY OF RENO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

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, 2021. 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, 2021. See the accompanying schedule.

NOTE 5 NONCASH FEDERAL ASSISTANCE

The Authority did not receive any noncash Federal assistance for the year ended June 30, 2021.

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	LIPH-CARES	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Housing Investment Partnerships
CURRENT ASSETS														
Cash:														
111	Unrestricted	\$ 880,591	\$ -	\$ -	\$ -	\$ 1,475,309	\$ -	\$ -	\$ -	\$ 53,181	\$ 54,026	\$ 16,710	\$ 2,808,198	\$ 403,254
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	-	-	-
113	Other restricted	9,637	-	-	-	54,221	384,703	-	-	-	-	-	-	-
114	Tenant security deposits	223,119	-	-	-	-	-	-	-	-	-	-	102,644	10,360
115	Cash - restricted for payment of current liability	-	-	-	-	-	-	-	-	9,771	-	-	-	-
100	Total cash	1,113,347	-	-	-	1,529,530	384,703	-	-	62,952	54,026	16,710	2,910,842	413,614
Accounts and notes receivable:														
121	PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
122	HUD other projects	-	-	-	-	-	-	-	-	-	-	-	-	-
124	Other government	-	-	-	-	39,305	-	-	-	-	-	-	-	-
125	Miscellaneous	33,765	-	-	-	3,676	-	-	-	3	-	-	-	-
126	Tenants	195,856	-	-	-	391,636	-	-	-	285	-	570	23,610	7,749
126.1	Allowance for doubtful accounts - tenants	(106,270)	-	-	-	(287,896)	-	-	-	-	-	-	(15,001)	(2,421)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-	-	-	-	-	-
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	-	33,000	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	123,351	-	-	-	146,721	-	-	-	288	-	570	41,609	5,328
131	Investments - unrestricted	-	-	-	-	48	-	-	-	-	-	-	2,782,849	-
132	Investments - restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	14,706	-	-	-	1,575	-	-	-	-	-	-	23,832	-
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	-	-	-	-	-	-	10,696	1,457	-	-	49,266
150	Total current assets	1,251,404	-	-	-	1,677,874	384,703	-	-	73,936	55,483	17,280	5,759,132	468,208
NONCURRENT ASSETS														
Fixed assets:														
161	Land	2,273,745	-	-	-	-	-	-	-	-	-	-	2,901,945	143,190
162	Buildings	52,348,471	-	-	-	49,195	-	-	-	-	-	-	13,588,203	1,492,957
163	Furniture, equipment and mach - dwellings	1,141,411	-	-	-	344,403	-	-	-	-	-	-	88,575	-
165	Leasehold Improvements	106,638	-	-	-	-	-	-	-	-	-	-	97,480	-
164	Furniture, equipment and mach - admin.	632,962	-	-	-	-	-	-	-	-	-	-	2,711	-
166	Accumulated depreciation	(45,473,689)	-	-	-	(66,680)	-	-	-	-	-	-	(4,116,837)	(467,281)
167	Construction in progress	13,496	-	-	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	11,043,034	-	-	-	326,918	-	-	-	-	-	-	12,562,077	1,168,866
171	Notes, loans and mortgages receivable -noncurrent	-	-	-	-	-	-	-	-	-	-	-	202,000	-
174	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
176	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total noncurrent assets	11,043,034	-	-	-	326,918	-	-	-	-	-	-	12,764,077	1,168,866
200	Deferred Outflow of Resources	343,336	-	-	-	360,965	-	-	-	-	-	-	45,754	3,135
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES														
290		\$ 12,637,774	\$ -	\$ -	\$ -	\$ 2,365,757	\$ 384,703	\$ -	\$ -	\$ 73,936	\$ 55,483	\$ 17,280	\$ 18,568,963	\$ 1,640,209

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

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
CURRENT ASSETS														
Cash:														
111	Unrestricted	\$ 2,698	\$ -	\$ 6,840,307	\$ 3,186,915	\$ 8,563	\$ -	\$ 53,249	\$ -	\$ 11,155	\$ -	\$ 15,794,156	\$ 184,970	\$ 15,979,126
112	Restricted - modernization and development	-	-	-	-	-	-	-	-	-	-	-	-	-
113	Other restricted	-	-	-	-	-	4,805,682	239,750	-	-	-	5,493,993	-	5,493,993
114	Tenant security deposits	17,690	-	136,723	-	-	-	-	-	-	-	490,536	23,100	513,636
115	Cash - restricted for payment of current liability	-	-	-	-	-	-	-	-	-	-	9,771	-	9,771
100	Total cash	20,388	-	6,977,030	3,186,915	8,563	4,805,682	292,999	-	11,155	-	21,788,456	208,070	21,996,526
Accounts and notes receivable:														
121	PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
122	HUD other projects	-	10,602	-	23,025	-	-	-	-	-	-	33,627	-	33,627
124	Other government	-	-	-	1,360	-	19,352	-	1,797,545	-	-	1,857,562	-	1,857,562
125	Miscellaneous	-	-	1,113,782	-	2,934	-	-	-	-	-	1,154,160	8,226	1,162,386
126	Tenants	6,965	-	96,892	-	5,234	-	-	-	-	-	728,797	-	728,797
126.1	Allowance for doubtful accounts - tenants	-	-	(18,087)	-	-	-	-	-	-	-	(429,675)	-	(429,675)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-	-	-	-	-	-
127	Notes, loans, and mortgages receivable - current	-	-	-	-	-	-	-	-	-	-	33,000	-	33,000
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for uncollectibles	6,965	10,602	1,192,587	24,385	8,168	19,352	-	1,797,545	-	-	3,377,471	8,226	3,385,697
131	Investments - unrestricted	-	-	1,593,581	-	614,360	-	-	-	-	-	4,990,838	-	4,990,838
132	Investments - restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	22,605	-	5,416	22,323	381,818	-	-	-	-	-	472,275	110,312	582,587
143	Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
144	Inter-program - due from	-	-	2,542,072	-	643,170	-	-	-	-	(3,246,661)	-	-	-
150	Total current assets	49,958	10,602	12,310,686	3,233,623	1,656,079	4,825,034	292,999	1,797,545	11,155	(3,246,661)	30,629,040	326,608	30,955,648
NONCURRENT ASSETS														
Fixed assets:														
161	Land	322,400	-	8,058,772	-	-	-	-	-	-	-	13,700,052	1,394,064	15,094,116
162	Buildings	1,868,322	-	15,411,703	35,172	932,973	-	-	-	-	-	85,726,996	11,101,919	96,828,915
163	Furniture, equipment and mach - dwellings	-	-	118,676	-	10,460	-	-	-	-	-	1,703,525	229,671	1,933,196
165	Leasehold Improvements	25,754	-	111,963	-	-	-	-	-	-	-	341,835	-	341,835
164	Furniture, equipment and mach - admin.	-	-	-	62,761	219,391	-	-	9,020	-	-	926,845	-	926,845
166	Accumulated depreciation	(569,636)	-	(9,191,903)	(76,845)	(1,075,344)	-	-	-	-	-	(61,038,215)	(220,266)	(61,258,481)
167	Construction in progress	-	-	-	-	-	-	-	-	-	-	13,496	-	13,496
168	Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	1,646,840	-	14,509,211	21,088	87,480	-	-	9,020	-	-	41,374,534	12,505,388	53,879,922
171	Notes, loans and mortgages receivable -noncurrent	-	-	401,000	-	-	-	-	-	-	-	603,000	-	603,000
174	Other assets	-	-	23,684	-	-	-	-	864	-	-	24,548	42,479	67,027
176	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total noncurrent assets	1,646,840	-	14,933,895	21,088	87,480	-	-	9,884	-	-	42,002,082	12,547,867	54,549,949
200	Deferred Outflow of Resources	2,814	-	112,700	-	284,213	-	-	-	-	-	1,152,917	-	1,152,917
TOTAL ASSETS AND DEFERRED														
290	OUTFLOWS OF RESOURCES	\$ 1,699,612	\$ 10,602	\$ 27,357,281	\$ 3,254,711	\$ 2,027,772	\$ 4,825,034	\$ 292,999	\$ 1,807,429	\$ 11,155	\$ (3,246,661)	\$ 73,784,039	\$ 12,874,475	\$ 86,658,514

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	LIPH CARES	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Housing Investment Partnerships
CURRENT LIABILITIES														
312	Accounts payable <= 90 days	\$ -	\$ -	\$ -	\$ -	\$ 5,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45	\$ -	\$ -
321	Accrued wage/payroll taxes payable	-	-	-	-	-	-	-	-	-	-	-	-	-
322	Accrued compensated absences - current	11,787	-	-	-	13,482	-	-	-	-	-	-	1,190	72
325	Accrued interest payable	-	-	-	-	-	-	-	-	-	-	-	-	-
331	Accounts payable - HUD	-	-	-	-	-	-	-	-	9,771	16,122	-	-	-
333	Accounts Payable - Other Government	428,917	-	-	-	-	-	-	-	-	-	-	-	-
341	Tenant security deposits	223,119	-	-	-	-	-	-	-	-	-	-	102,644	10,360
342	Unearned revenues	38,389	-	-	-	-	384,703	-	-	-	-	-	11,038	3,265
343	Current portion of LT debt - capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-
344	Current portion of LT debt- Operating	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	39,718	-	-	-	65,000	-	-	-	-	-	-	-	-
346	Other liabilities	6,010	-	-	-	-	-	-	-	-	-	-	-	-
347	Interprogram - due to	971,143	-	-	-	163,270	-	-	-	-	-	3,420	-	-
310	Total current liabilities	1,719,083	-	-	-	246,993	384,703	-	-	9,771	16,122	3,465	114,872	13,697
NONCURRENT LIABILITIES														
351	Long-term debt, net of current - capital	-	-	-	-	-	-	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	12,279	-	-	-	72,698	-	-	-	-	-	-	-	-
354	Accrued compensated absences - noncurrent	106,088	-	-	-	121,012	-	-	-	-	-	-	19,466	649
357	Accrued Pension and OPEB Liabilities	2,263,310	-	-	-	2,303,960	-	-	-	-	-	-	290,381	22,203
350	Total noncurrent liabilities	2,381,677	-	-	-	2,497,670	-	-	-	-	-	-	309,847	22,852
300	Total liabilities	4,100,760	-	-	-	2,744,663	384,703	-	-	9,771	16,122	3,465	424,719	36,549
400	Deferred Inflow of Resources	168,353	-	-	-	162,173	-	-	-	-	-	-	20,230	1,839
	Total Liabilities & Deferred Inflow of Resources	4,269,113	-	-	-	2,906,836	384,703	-	-	9,771	16,122	3,465	444,949	38,388
NET POSITION														
508.4	Net investment in capital assets	11,043,034	-	-	-	326,918	-	-	-	-	-	-	12,562,077	1,168,866
511.4	Restricted net position	9,637	-	-	-	54,221	-	-	-	-	-	-	-	-
512.4	Unrestricted net position	(2,684,010)	-	-	-	(922,218)	-	-	-	64,165	39,361	13,815	5,561,937	432,955
513	Total net position	8,368,661	-	-	-	(541,079)	-	-	-	64,165	39,361	13,815	18,124,014	1,601,821
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 12,637,774	\$ -	\$ -	\$ -	\$ 2,365,757	\$ 384,703	\$ -	\$ -	\$ 73,936	\$ 55,483	\$ 17,280	\$ 18,568,963	\$ 1,640,209

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

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
CURRENT LIABILITIES														
312	Accounts payable <= 90 days	\$ -	\$ -	\$ 281,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286,817	\$ 5,849	\$ 292,666
321	Accrued wage/payroll taxes payable	-	-	140,622	16,699	-	-	-	-	-	-	157,321	-	157,321
322	Accrued compensated absences - current	72	-	505	-	7,969	-	-	-	-	-	35,077	-	35,077
325	Accrued interest payable	-	-	12,262	-	-	-	-	-	-	-	12,262	131,012	143,274
331	Accounts payable - HUD	-	-	-	-	-	-	-	-	-	-	25,893	-	25,893
333	Accounts Payable - Other Government	-	-	-	-	-	-	-	-	-	-	428,917	-	428,917
341	Tenant security deposits	17,690	-	136,723	-	-	-	-	-	-	-	490,536	23,100	513,636
342	Unearned revenues	8,733	-	6,645	-	-	4,813,115	239,750	4,264	11,155	-	5,521,057	-	5,521,057
343	Current portion of LT debt - capital projects	-	-	7,131	-	-	-	-	-	-	-	7,131	-	7,131
344	Current portion of LT debt - operating	-	-	-	-	-	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	243,297	1,709	-	-	-	-	-	-	349,724	-	349,724
346	Accrued Liabilities - Other	-	-	-	566	-	-	-	-	-	-	6,576	-	6,576
347	Interprogram - due to	295,061	10,602	-	-	-	-	-	1,803,165	-	(3,246,661)	-	-	-
310	Total current liabilities	321,556	10,602	828,716	18,974	7,969	4,813,115	239,750	1,807,429	11,155	(3,246,661)	7,321,311	159,961	7,481,272
NONCURRENT LIABILITIES														
351	Long-term debt, net of current - capital	-	-	488,264	-	-	-	-	-	-	-	488,264	10,814,983	11,303,247
352	Long-term debt, net of current - operating	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	-	-	44,143	-	-	11,919	-	-	-	-	141,039	1,760,596	1,901,635
354	Accrued compensated absences - noncurrent	649	-	4,866	-	71,699	-	-	-	-	-	324,429	-	324,429
357	Accrued Pension and OPEB Liabilities	19,932	-	747,684	-	1,810,884	-	-	-	-	-	7,458,354	-	7,458,354
350	Total noncurrent liabilities	20,581	-	1,284,957	-	1,882,583	11,919	-	-	-	-	8,412,086	12,575,579	20,987,665
300	Total liabilities	342,137	10,602	2,113,673	18,974	1,890,552	4,825,034	239,750	1,807,429	11,155	(3,246,661)	15,733,397	12,735,540	28,468,937
400	Deferred Inflow of Resources	1,650	-	56,195	-	127,062	-	-	-	-	-	537,502	-	537,502
	Total Liabilities and Deferred Inflow of Resources	343,787	10,602	2,169,868	18,974	2,017,614	4,825,034	239,750	1,807,429	11,155	(3,246,661)	16,270,899	12,735,540	29,006,439
NET POSITION														
508.4	Net investment in capital assets	1,646,840	-	14,013,816	21,088	87,480	-	-	9,020	-	-	40,879,139	1,690,405	42,569,544
511.4	Restricted net position	-	-	-	-	-	-	-	-	-	-	63,858	-	63,858
512.4	Unrestricted net position	(291,015)	-	11,173,597	3,214,649	(77,322)	-	53,249	(9,020)	-	-	16,570,143	(1,551,470)	15,018,673
513	Total net position	1,355,825	-	25,187,413	3,235,737	10,158	-	53,249	-	-	-	57,513,140	138,935	57,652,075
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,699,612</u>	<u>\$ 10,602</u>	<u>\$ 27,357,281</u>	<u>\$ 3,254,711</u>	<u>\$ 2,027,772</u>	<u>\$ 4,825,034</u>	<u>\$ 292,999</u>	<u>\$ 1,807,429</u>	<u>\$ 11,155</u>	<u>\$ (3,246,661)</u>	<u>\$ 73,784,039</u>	<u>\$ 12,874,475</u>	<u>\$ 86,658,514</u>

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	LIPH CARES	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Housing Investment Partnerships
REVENUE														
70300	Net tenant rental revenue	\$ 2,570,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,126,665	\$ 104,614
70400	Tenant revenue - other	259,453	-	-	-	-	-	-	-	-	-	-	2,446	-
70500	Total tenant revenue	2,830,015	-	-	-	-	-	-	-	-	-	-	1,129,111	105,566
70600	HUD PHA operating grants	-	1,717,039	27,427,548	206,835	-	556,229	195,525	26,712,447	-	13,442	-	-	-
706.10	Capital grants	-	-	-	424,906	-	-	-	-	-	-	-	-	-
70710	Management fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70720	Asset Management fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other governmental grants	-	-	-	-	-	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	152	-	-	-	-	-	-	-	-	-	-	518	-
71400	Fraud recovery	-	-	-	-	171,898	-	-	-	3	-	-	-	-
71500	Other revenue	49,954	-	-	-	226,904	-	-	-	-	-	-	3,149	1,440
71600	Gain or loss on sale of capital assets	100	-	-	-	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total revenue	2,880,221	1,717,039	27,427,548	631,741	398,802	556,229	195,525	26,712,447	3	13,442	-	1,132,778	106,996
EXPENSES														
Administrative:														
91100	Administrative salaries	530,186	-	-	-	945,828	-	-	-	-	-	-	49,001	3,810
91200	Auditing fees	34,589	-	-	-	8,260	-	-	-	-	-	-	-	-
91300	Management fee	592,358	-	-	-	369,816	-	-	-	-	-	-	112,864	7,888
91310	Bookkeeping fee	67,590	-	-	-	221,408	-	-	-	-	-	-	10,080	900
91400	Advertising	4,667	-	-	-	235	-	-	-	-	-	-	-	-
91500	Employee benefit contributions - admin	334,953	-	-	-	528,000	-	-	-	-	-	-	33,341	1,775
91600	Office expense	122,428	-	-	-	207,473	-	-	-	-	-	-	3,538	-
91700	Legal expense	1,998	-	-	-	319	-	-	-	-	-	-	52	-
91800	Travel	2,167	-	-	-	-	-	-	-	-	-	-	-	-
91900	Other	106,764	-	-	-	39,178	-	-	-	-	-	-	60,611	-
	Total administrative	1,797,700	-	-	-	2,320,517	-	-	-	-	-	-	269,487	14,373
92000	Asset Management Fee	47,760	-	-	-	-	-	-	-	-	-	-	4,032	360
Tenant services:														
92100	Salaries	55,279	-	-	-	-	-	-	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions	521	-	-	-	-	-	-	-	-	-	-	-	-
92400	Other	219,722	-	-	-	7,141	334,796	123,135	-	-	-	-	-	-
	Total tenant services	275,522	-	-	-	7,141	334,796	123,135	-	-	-	-	-	-
Utilities:														
93100	Water	139,399	-	-	-	-	-	-	-	-	-	-	1,200	1,783
93200	Electricity	55,575	-	-	-	-	-	-	-	-	-	-	1,119	344
93300	Gas	37,444	-	-	-	-	-	-	-	-	-	-	595	412
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-
93600	Sewer	363,485	-	-	-	-	-	-	-	-	-	-	38,302	5,815
93800	Other utilities expense	19,962	-	-	-	-	-	-	-	-	-	-	22	31
	Total utilities	615,865	-	-	-	-	-	-	-	-	-	-	41,238	8,385
Ordinary maintenance & operations:														
94100	Labor	525,109	-	-	-	-	-	-	-	-	-	-	62,505	13,400
94200	Materials and other	224,678	-	-	-	873	-	-	-	-	-	-	41,994	5,259
94300	Contracts	633,477	-	-	-	9,341	-	-	-	-	-	-	100,169	13,299
94500	Employee benefits contribution	291,860	-	-	-	-	-	-	-	-	-	-	33,331	6,164
	Total ordinary maintenance and operations	1,675,124	-	-	-	10,214	-	-	-	-	-	-	237,999	38,122

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

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
REVENUE														
70300	Net tenant rental revenue	\$ 175,300	\$ -	\$ 2,768,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,745,498	\$ 122,154	\$ 6,867,652
70400	Tenant revenue - other	450	-	39,612	-	-	-	-	-	-	-	302,903	25	302,928
70500	Total tenant revenue	175,750	-	2,807,969	-	-	-	-	-	-	-	7,048,401	122,179	7,170,580
70600	HUD PHA operating grants	-	111,138	-	-	-	-	54,800	-	-	-	56,995,003	-	56,995,003
706.10	Capital grants	-	-	-	-	-	-	-	-	-	-	424,906	-	424,906
70710	Management fee	-	-	-	-	1,112,327	-	-	-	-	(1,112,327)	-	-	-
70720	Asset Management fee	-	-	-	-	55,752	-	-	-	-	(55,752)	-	-	-
70730	Bookkeeping fee	-	-	-	-	580,299	-	-	-	-	(580,299)	-	-	-
70750	Other Service Fees	-	-	35,345	-	12,492	-	-	-	-	-	47,837	-	47,837
70800	Other governmental grants	-	-	-	26,712,447	-	8,571,487	-	3,793,281	363,136	(26,712,447)	12,727,904	-	12,727,904
71100	Investment income - unrestricted	-	-	5,674	193	778	-	-	-	-	-	7,315	-	7,315
71400	Fraud recovery	-	-	-	-	-	-	-	-	-	-	171,901	-	171,901
71500	Other revenue	33	-	450,970	28,265	169,619	-	-	-	-	(167,640)	762,694	249,929	1,012,623
71600	Gain or loss on sale of capital assets	-	-	-	-	15,950	-	-	-	-	-	16,050	-	16,050
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
70000	Total revenue	175,783	111,138	3,299,958	26,740,905	1,947,217	8,571,487	54,800	3,793,281	363,136	(28,628,465)	78,202,011	372,108	78,574,119
EXPENSES														
Administrative:														
91100	Administrative salaries	4,280	69,606	92,328	201,149	905,210	78,391	1,551	106,208	-	-	2,987,548	40,142	3,027,690
91200	Auditing fees	-	-	-	2,581	11,955	-	-	-	-	-	57,385	-	57,385
91300	Management fee	17,353	-	12,048	-	-	-	-	-	-	(1,112,327)	-	30,824	30,824
91310	Bookkeeping fee	-	-	4,081	276,240	-	-	-	-	-	(580,299)	-	-	-
91400	Advertising	1,980	-	568	-	16,196	765	-	555	-	-	24,966	16,851	41,817
91500	Employee benefit contributions - admin	107	40,540	29,076	65,409	422,230	12,425	-	30,810	-	-	1,498,666	-	1,498,666
91600	Office expense	-	-	28,857	51,938	146,040	11,731	-	17,424	695	(167,640)	422,484	-	422,484
91700	Legal expense	-	-	814	200	65,987	735	-	4,230	-	-	74,335	350	74,685
91800	Travel	-	-	-	10,165	187	-	-	-	-	-	12,519	-	12,519
91900	Other	25,826	-	187,151	25,133	292,634	5,106	-	249	81	-	742,733	10,547	753,280
	Total administrative	49,546	110,146	354,923	632,815	1,860,439	109,153	1,551	159,476	776	(1,860,266)	5,820,636	98,714	5,919,350
92000	Asset Management Fee	792	-	2,808	-	-	-	-	-	-	(55,752)	-	-	-
Tenant services:														
92100	Salaries	-	-	297	-	-	-	-	-	-	-	55,576	-	55,576
92200	Relocation costs	-	-	-	-	-	-	-	-	-	-	-	-	-
92300	Employee benefit contributions	-	-	17	-	-	-	-	-	-	-	538	-	538
92400	Other	-	-	79,004	-	-	-	-	-	-	-	763,798	-	763,798
	Total tenant services	-	-	79,318	-	-	-	-	-	-	-	819,912	-	819,912
Utilities:														
93100	Water	112	-	37,615	358	1,809	-	-	-	-	-	182,276	-	182,276
93200	Electricity	-	-	30,890	1,044	11,291	-	-	-	-	-	100,263	-	100,263
93300	Gas	-	-	10,595	468	1,929	-	-	-	-	-	51,443	-	51,443
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-
93600	Sewer	8,956	-	176,707	590	-	-	-	-	-	-	593,855	-	593,855
93800	Other utilities expense	-	-	7,882	1,806	26,330	-	-	-	-	-	56,033	25,062	81,095
	Total utilities	9,068	-	263,689	4,266	41,359	-	-	-	-	-	983,870	25,062	1,008,932
Ordinary maintenance & operations:														
94100	Labor	3,039	-	222,931	423	12,738	5,506	-	-	-	-	845,651	-	845,651
94200	Materials and other	2,514	-	141,810	91	7,499	1,041	-	14	-	-	425,773	10,298	436,071
94300	Contracts	7,731	-	298,418	19,985	45,272	-	-	-	-	-	1,127,692	-	1,127,692
94500	Employee benefits contribution	27	-	62,985	-	27	-	-	-	-	-	394,394	-	394,394
	Total ordinary maintenance & operations	13,311	-	726,144	20,499	65,536	6,547	-	14	-	-	2,793,510	10,298	2,803,808

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV-Cares	LIPH CARES	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Housing Investment Partnerships
EXPENSES (Continued)														
96110	Property insurance	\$ 84,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,234	\$ 1,119
96120	Liability insurance	15,913	-	-	-	-	-	-	-	-	-	-	1,992	212
96130	Workmen's Compensation	27,594	-	-	-	25,771	-	-	-	-	-	-	2,941	384
96140	All other insurance	21,883	-	-	-	1,020	-	-	-	-	-	-	4,327	219
96100	Total insurance premiums	149,458	-	-	-	26,791	-	-	-	-	-	-	22,494	1,934
General expenses:														
96200	Other general expenses	21,946	-	-	-	5,365	-	-	26,712,447	11,829	-	-	34,000	-
96210	Compensated absences	77,216	-	-	-	138,153	-	-	-	-	-	-	14,550	-
96300	Payment in lieu of taxes	204,781	-	-	-	-	-	-	-	-	-	-	636	49
96400	Bad debt - tenant rents	102,020	-	-	-	119,500	-	-	-	-	-	-	14,760	2,421
96600	Bad debt - other	-	-	-	-	-	-	-	-	-	-	-	-	-
96000	Total general expenses	405,963	-	-	-	263,018	-	-	26,712,447	11,829	-	-	63,946	2,470
96710	Interest of mortgage payable	-	-	-	-	-	-	-	-	-	-	-	-	-
96720	Interest on notes payable	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
96700	Total interest expense and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total operating expenses	4,967,392	-	-	-	2,627,681	334,796	123,135	26,712,447	11,829	-	-	639,196	65,644
97000	Excess of operating revenue over operating expenses	(2,087,171)	1,717,039	27,427,548	631,741	(2,228,879)	221,433	72,390	-	(11,826)	13,442	-	493,582	41,352
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
97200	Casualty Losses- Non-capitalized	-	-	-	-	-	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	-	-	18,604,855	-	-	-	-	-	-	-	-
97350	HAP Portability-in	-	-	-	-	209,153	-	-	-	-	-	-	-	-
97400	Depreciation expense	1,402,116	-	-	-	33,720	-	-	-	-	-	-	500,053	58,781
97500	Fraud Losses	-	-	-	-	-	-	-	-	-	-	-	-	-
90000	Total expenses	6,369,508	-	-	-	21,475,409	334,796	123,135	26,712,447	11,829	-	-	1,139,249	124,425
Other financing sources (uses):														
10010	Operating transfer in	645,394	-	-	-	29,776,328	-	-	-	-	-	-	-	-
10020	Operating transfer out	(645,394)	(1,717,039)	(27,427,548)	(631,741)	(4,850,700)	-	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-	-	-	-	-	-	-
10093	Transfers between Program and Project - In	2,348,780	-	-	-	-	-	-	-	-	-	-	-	-
10094	Transfers between Program and Project - Out	-	-	-	-	(2,348,780)	-	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	2,348,780	(1,717,039)	(27,427,548)	(631,741)	22,576,848	-	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ (1,140,507)	\$ -	\$ -	\$ -	\$ 1,500,241	\$ 221,433	\$ 72,390	\$ -	\$ (11,826)	\$ 13,442	\$ -	\$ (6,471)	\$ (17,429)

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

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
EXPENSES (Continued)														
96110	Property insurance	\$ 2,463	\$ -	\$ 48,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,353	\$ 7,824	\$ 157,177
96120	Liability insurance	466	-	1,589	-	-	-	-	-	-	-	20,172	-	20,172
96130	Workmen's Compensation	159	992	8,553	1,745	10,035	2,347	-	1,304	-	-	81,825	-	81,825
96140	All other insurance	482	-	1,644	270	9,582	-	-	-	-	-	39,427	-	39,427
96100	Total insurance premiums	3,570	992	60,255	2,015	19,617	2,347	-	1,304	-	-	290,777	7,824	298,601
General expenses:														
96200	Other general expenses	3,261	-	848	3	3,072	-	-	-	-	(26,712,447)	80,324	88,455	168,779
96210	Compensated absences	-	-	9,610	-	25,576	198	-	366	-	-	265,669	-	265,669
96300	Payment in lieu of taxes	176	-	376	-	307	-	-	-	-	-	206,325	-	206,325
96400	Bad debt - tenant rents	-	-	18,087	-	-	-	-	-	-	-	256,788	-	256,788
96600	Bad debt - other	-	-	-	-	-	-	-	-	-	-	-	-	-
96000	Total general expenses	3,437	-	28,921	3	28,955	198	-	366	-	(26,712,447)	809,106	88,455	897,561
96710	Interest of mortgage payable	-	-	28,439	-	-	-	-	-	-	-	28,439	199,277	227,716
96720	Interest on notes payable	-	-	-	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-	-	-	-	-	7,370
96700	Total interest expense and amortization	-	-	28,439	-	-	-	-	-	-	-	28,439	206,647	235,086
96900	Total operating expenses	79,724	111,138	1,544,497	659,598	2,015,906	118,245	1,551	161,160	776	(28,628,465)	11,546,250	437,000	11,983,250
Excess of operating revenue over operating expenses														
97000		96,059	-	1,755,461	26,081,307	(68,689)	8,453,242	53,249	3,632,121	362,360	-	66,655,761	(64,892)	66,590,869
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
97200	Casualty Losses- Non-capitalized	-	-	-	-	-	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	3,392	25,845,401	-	8,453,242	-	3,632,121	362,360	-	56,901,371	-	56,901,371
97350	HAP Portability-in	-	-	-	-	-	-	-	-	-	-	209,153	-	209,153
97400	Depreciation expense	77,949	-	593,041	4,884	21,207	-	-	-	-	-	2,691,751	220,266	2,912,017
97500	Fraud Losses	-	-	-	-	-	-	-	-	-	-	-	-	-
90000	Total expenses	157,673	111,138	2,140,930	26,509,883	2,037,113	8,571,487	1,551	3,793,281	363,136	(28,628,465)	71,348,525	657,266	72,005,791
Other financing sources (uses):														
10010	Operating transfer in	-	-	4,850,700	-	-	-	-	-	-	(35,272,422)	-	-	-
10020	Operating transfer out	-	-	-	-	-	-	-	-	-	35,272,422	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	-	(2,348,780)	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	-	2,348,780	-	-	-
10100	Total other financing sources (uses)	-	-	4,850,700	-	-	-	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ 18,110	\$ -	\$ 6,009,728	\$ 231,022	\$ (89,896)	\$ -	\$ 53,249	\$ -	\$ -	\$ -	\$ 6,853,486	\$ (285,158)	\$ 6,568,328

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	MTW - Low Rent	MTW - HCV	MTW - CFP	MTW - Demonstration Program	HCV- Cares	LIPH CARES	Section 8 Housing Assistance Payments	Section 8 MOD-SRO	Section 8 Moderate Rehabilitation	Shelter Plus Care	Neighborhood Stabilization Program	Housing Investment Partnerships
Memo Account Information														
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	9,436,778	-	-	-	(2,262,753)	-	-	-	75,991	25,919	13,815	18,130,485	1,619,250
11040	Prior period adjustments, equity transfers correction	72,390	-	-	-	221,433	(221,433)	(72,390)	-	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit months available	8,484	-	-	-	38,939	-	-	-	-	-	-	1,344	120
11210	Number of unit months leased	8,339	-	-	-	36,798	-	-	-	-	-	-	1,302	116
11620	Building purchases	76,452	-	-	-	-	-	-	-	-	-	-	-	-
11630	Furniture and Equipment - Dwelling Purchases	623,553	-	-	-	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-

**HOUSING AUTHORITY OF THE CITY OF RENO
FINANCIAL DATA SCHEDULES
YEAR ENDED JUNE 30, 2021**

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
Memo Account Information														
11020	Required annual debt principal payments	\$ -	\$ -	\$ 241,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,000	\$ 102,000	\$ 343,000
11030	Beginning equity	1,337,715	-	19,177,685	3,004,715	100,054	-	-	-	-	-	50,659,654	424,093	51,083,747
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	-	-	-	962	-	-	92,449	528	92,977
11210	Number of unit months leased	279	-	4,133	37,031	-	-	-	962	-	-	88,960	453	89,413
11620	Building purchases	-	-	-	-	-	-	-	-	-	-	76,452	-	76,452
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-	623,553	-	623,553
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 (the Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 6, 2022.

Internal Control over Financial Reporting

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

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

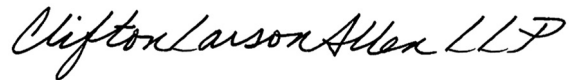
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’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 Authority’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
June 6, 2022



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

We have audited the Housing Authority of the City of Reno's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2021. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The 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, 2021. 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.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result 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
June 6, 2022

**HOUSING AUTHORITY OF THE CITY OF RENO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

Section I – Summary of Auditors’ Results

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

14.881
21.019
21.023

Name of Federal Program or Cluster

Moving to Work Demonstration Program
COVID-19 Coronavirus Relief Fund
COVID-19 Emergency Rental Assistance

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

\$ 2,102,789

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, 2021**

Section II – Financial Statement Findings

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

Section III – Federal Award Findings and Questioned Costs

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