

PULASKI COUNTY
PUBLIC HOUSING AUTHORITY
Richland, Missouri

HUD Project No. MO207

Independent Auditor's Report
and Financial Statements with
Supplementary Information

For the Year Ended December 31, 2022

**PULASKI COUNTY
PUBLIC HOUSING AUTHORITY**
Richland, Missouri

December 31, 2022

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Management Discussion and Analysis

Pulaski County Public Housing Authority

As Management of the Pulaski County Public Housing Authority we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2022.

FINANCIAL HIGHLIGHTS

Total Assets of the Authority increased \$14,768 as of December 31, 2022, over the prior year.

An increase in Housing Assistance Subsidy contributed to an increase of Operating Revenue of the Authority by \$ 206,325 from the prior year.

Total Operating Expenses increased \$ 33,998 including an increase in Housing Assistance payments of \$ 35,013 and an increase in administrative expenses of \$ 997.

OVERVIEW

The PHA administers the Housing and Urban Development (HUD) Housing Choice Voucher Program serving a baseline of 394 households in Camden, Laclede, Miller, and Pulaski counties of rural Missouri. The purpose of this program is to assist low-income families to live in safe, decent, and affordable housing.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority prepares its financial statements using proprietary fund accounting. Propriety fund accounting uses full accrual basis principals. Revenues are recognized as earned and expenditures are recorded when incurred. The Authority receives funding from numerous sources. In order to properly account for the funds and restrictions on them, our accounts are maintained in accordance with the principals of fund accounting.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an enterprise fund which is a proprietary fund type.

The Authority's financial statements consist of two parts - management's discussion and analysis and the basic financial statements. The basic financial statements include the Authority's financial statements and notes to the financial statements.

- The financial statements provide information about the Authority's overall financial position and results from operations. These statements, which are presented on the accrual basis, consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.
- The financial statements also include a "Notes to Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the statements.

The statements report information about the Authority as a whole using accounting methods similar to those used in private sector companies. The Statement of Net Position includes all of the Authority's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position, regardless of when cash is received or paid.

The Authority's statements report the Authority's net position and how it changed. Net position, the difference between the Authority's assets and liabilities, is one way to measure the Authority's financial position.

The Authority's Financial Statements are presented to provide readers with a broad overview of the Authority's finances much the same way as a private sector business does. The Combining Schedules provide more detailed information about the Authority's most significant activities. These statements are divided into programs of related accounts that are used to maintain control over resources that have been segregated into specific activities, objectives or programs.

Significant Programs

The Authority has two programs that are consolidated into a single enterprise fund. The major program consists of the following:

Section 8 Housing Assistance – Vouchers – The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Housing choice vouchers are administered locally by PHAs. The PHAs receive funds from HUD to administer the voucher program. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

AN OVERVIEW OF THE AUTHORITY WIDE FINANCIAL POSITION AND OPERATIONS

The Authority's overall financial position and operations are presented below.

	FY 2021	FY 2022
Current Assets	\$ 706,900	\$ 723,790
Capital Assets, Net of Depreciation	3,713	1,591
Total Assets	<u>\$ 710,613</u>	<u>\$ 725,381</u>
Current Liabilities	\$ 107,630	\$ 24,883
Non-Current Liabilities	-	-
Deferred Inflows of Resources	-	-
Total Liabilities	<u>107,630</u>	<u>24,883</u>
Net Position		
Net Investment in Capital Assets	3,713	1,591
Restricted for Housing Assistance Payments	3,936	29,359
Unrestricted Net Assets	<u>595,334</u>	<u>669,548</u>
Total Net Position	<u>602,983</u>	<u>700,498</u>
Total Liabilities & Net Position	<u>\$ 710,613</u>	<u>\$ 725,381</u>

Assets:

Current Assets are \$ 723,790 for the year ended December 31, 2022, compared to Current Assets of \$ 706,900 for the year ended December 31, 2021, showing an increase of \$16,890. This change is mainly due to an increase in cash.

Liabilities:

Current Liabilities decreased for the year ended December 31, 2022 by \$ 82,747 which is attributable to a decrease in unearned revenue at December 31, 2022.

Net Position:

The restricted portion of Net Position represents funds that are to be used for Housing Assistance Payments in the Housing Choice Program. They are not to be used for administrative expenses or any other program.

Capital Assets:

	FY 2021	FY 2022
Furniture, Equipment & Machinery - Administration	\$ 32,889	\$ 32,889
Accumulated depreciation	<u>(29,176)</u>	<u>(31,298)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 3,713</u>	<u>\$ 1,591</u>

Change in Net Position:

	2021	2022	Increase (Decrease)
Operating Revenue:			
HUD PHA Housing Choice Vouchers	\$ 1,739,068	\$ 1,943,788	\$ 204,720
Fraud Recovery	6,600	11,315	4,715
Other Revenue	3,261	151	(3,110)
Total Operating Revenue	1,748,929	1,955,254	206,325
Operating Expenses:			
Administrative	224,655	225,652	997
Tenant Services	-	-	-
Utilities	7,477	7,314	(163)
Maintenance and Operations	-	-	-
Insurance, Taxes, and Bad Debt	6,416	4,566	(1,850)
Housing Assistance	1,587,536	1,622,549	35,013
Depreciation Expense	2,121	2,122	1
Bad Debt Expense - Fraud	-	-	-
Total Operating Expenses	1,828,205	1,862,203	33,998
Operating Income (Loss)	(79,276)	93,051	172,327
Nonoperating Revenue (Expense)			
Interest Income	837	4,464	3,627
Net Nonoperating Revenue (Expense)	837	4,464	3,627
Change in Net Position	(78,439)	97,515	175,954
Beginning Net Position	681,422	602,983	(78,439)
Ending Net Position	\$ 602,983	\$ 700,498	\$ 97,515

Revenues:

Operating revenue was up for 2022 for a total of \$ 206,325. The majority of this was a change in the grants received from HUD. The Authority received \$ 204,720 more in 2022 for Housing Assistance Payments and administration expense than what was received in 2021. There was also \$ 4,715 more in fraud recovery revenue and \$ 3,110 less in other revenue. Other revenue consists mainly of funds received from administrators of other housing vouchers for clients who have moved to our area, but are still recipients under their program. We then pay the rental assistance payments out of these funds.

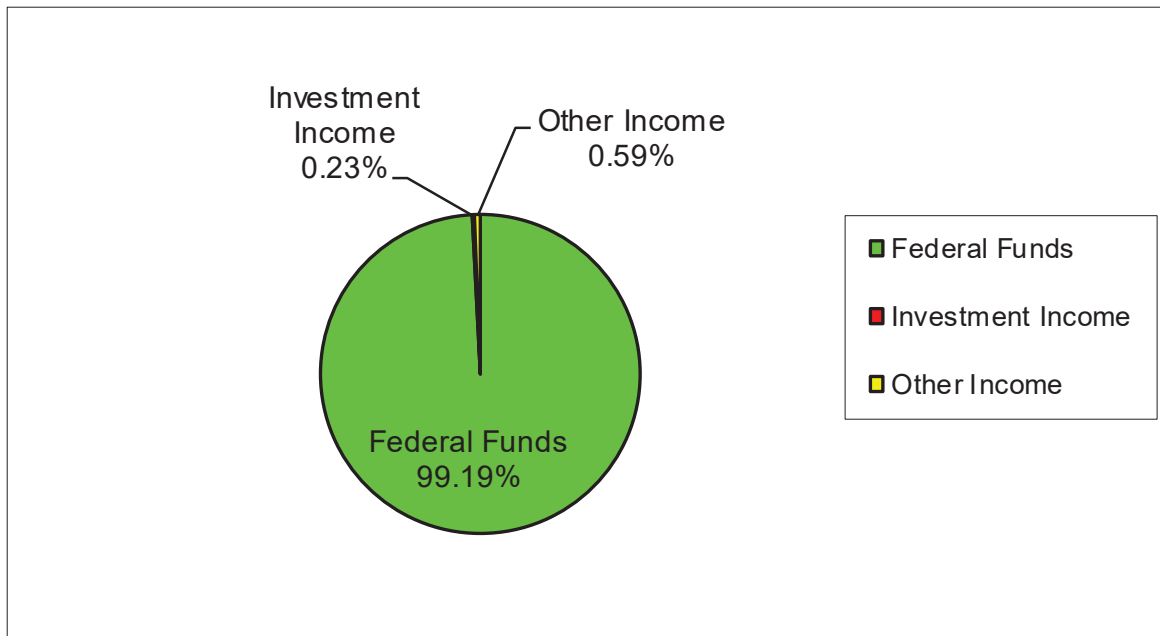
Expenses:

Expenses increased over the previous year by \$ 33,998. This included an increase in housing assistance payments of \$ 35,013. The remaining expenses decreased by \$ 1,015 over the prior year.

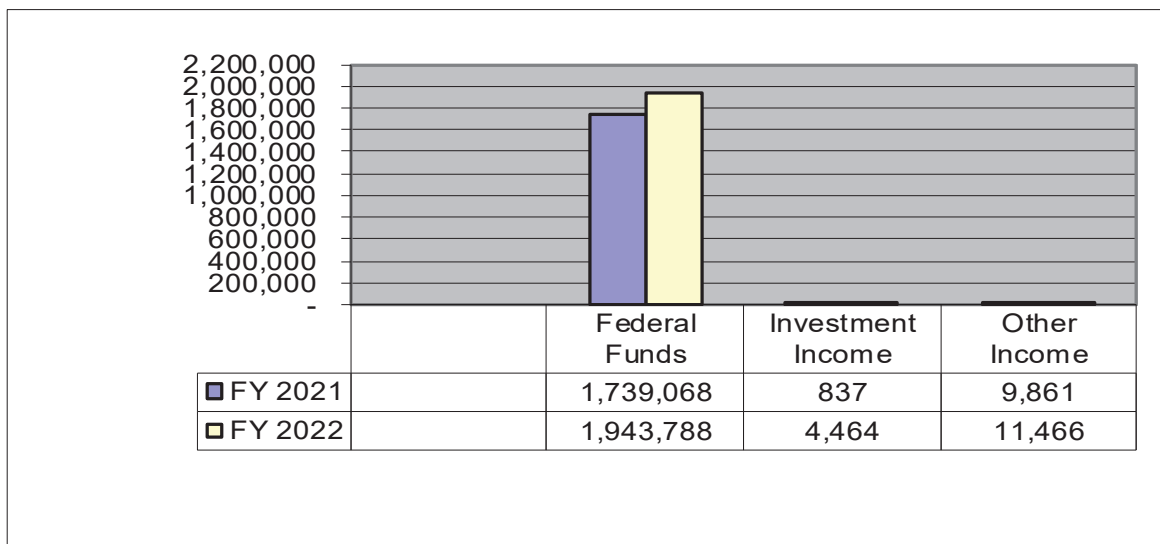
SIGNIFICANT CHANGES IN INDIVIDUAL PROGRAMS

No significant changes have taken place in the Housing Choice Voucher Program in the last year.

Revenue Sources 2022



Housing Authority Revenue



POTENTIAL IMPACTS ON FINANCIAL POSITION

The Authority receives approximately 99.19% of its funding from Federal sources. These funds are always at the discretion of the President and Congress. When looking at our overall revenue picture, Federal funding increased from FY 2021 to FY 2022. Federal funds are expected to remain constant in FY 2023.

COMPARISON OF BUDGETED RESULTS TO ACTUAL

	Actual FY 2022	Budgeted FY 2022	Dif. Amount	Dif. Percent
HUD Operating Grants	\$ 1,943,788	\$ 1,943,788	\$ -	0.0%
Other Revenue	15,930	-	15,930	0.8%
Total Revenue	<u>1,959,718</u>	<u>1,943,788</u>	<u>15,930</u>	<u>0.8%</u>
Administrative	225,652	227,200	1,548	-0.7%
Maintenance	-	-	-	0.0%
Other	11,880	7,600	(4,280)	56.3%
Total Operating Expenses	<u>237,532</u>	<u>234,800</u>	<u>2,732</u>	<u>1.2%</u>
Housing Assistance Payments	1,622,549	1,635,097	12,548	-0.8%
Other	2,122	200	(1,922)	961.0%
Total Expenses	<u>1,862,203</u>	<u>1,870,097</u>	<u>(7,894)</u>	<u>-0.4%</u>
Excess (Deficiency) of Total Revenue over (Under) Total Expenses	<u>\$ 97,515</u>	<u>\$ 73,691</u>	<u>\$ (23,824)</u>	

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's accountability for all those interested. If you have additional questions regarding financial information, you can contact our office in writing at the following address:

The Pulaski County Public Housing Authority
 Attn: Finance Manager
 P.O. BOX 69
 Richland, Missouri 65556

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Pulaski County Public Housing Authority
Richland, Missouri

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Pulaski County Public Housing Authority, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position Pulaski County Public Housing Authority, as of December 31, 2022, and the respective changes in financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pulaski County Public Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pulaski County Public Housing Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pulaski County Public Housing Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Pulaski County Public Housing Authority's basic financial statements. The accompanying financial data schedule and 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 August 11, 2023 on our consideration of Pulaski County Public Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Pulaski County Public Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pulaski County Public Housing Authority's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA

August 11, 2023
Chanute, Kansas

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri
HUD Project No. MO207

STATEMENT OF NET POSITION
December 31, 2022

ASSETS

CURRENT ASSETS	
Cash - Unrestricted	\$ 690,936
Cash - Restricted	29,359
Total Cash	720,295
Accounts Receivable	91,850
Less: Allowance for Doubtful Accounts	(88,355)
Net Accounts Receivable	3,495
Total Current Assets	723,790
NONCURRENT ASSETS	
Capital Assets	
Furniture and Equipment - Administration	32,889
Less: Accumulated Depreciation	(31,298)
Net Capital Assets	1,591
TOTAL ASSETS	\$ 725,381

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Accrued Compensated Absences	\$ 7,271
Due to HUD	17,612
Total Current Liabilities	24,883
NET POSITION	
Net Investment in Capital Assets	1,591
Unrestricted	669,548
Restricted For:	
Housing Choice Vouchers	29,359
Total Restricted	29,359
TOTAL NET POSITION	700,498
TOTAL LIABILITIES AND NET POSITION	\$ 725,381

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

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri
HUD Project No. MO207

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2022

OPERATING REVENUE	
Other Operating Revenue	
HUD PHA Housing Choice Vouchers	\$ 1,943,789
Fraud Recovery	11,315
Other Revenue	151
	1,955,255
Total Operating Revenue	
	1,955,255
OPERATING EXPENSES	
Administrative	225,653
Utilities	7,314
Insurance	2,537
Other General Expense	2,029
Housing Assistance Payments	1,622,549
Depreciation Expense	2,122
	1,862,204
Total Operating Expenses	
	1,862,204
OPERATING INCOME	
	93,051
NONOPERATING REVENUE (EXPENSE)	
Interest Income	4,464
	4,464
CHANGE IN NET POSITION	
	97,515
TOTAL NET POSITION - BEGINNING	
	602,983
TOTAL NET POSITION - ENDING	
	\$ 700,498

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

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri
HUD Project No. MO207

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Grants	\$ 1,859,635
Receipts from Others	11,466
Payments to Employees	(166,074)
Payments to Landlords and Tenants	(1,622,549)
Payments to Suppliers and Vendors	<u>(70,604)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>11,874</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Cash Received from Interest	<u>4,464</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>4,464</u>
NET INCREASE (DECREASE) IN CASH	16,338
CASH - BEGINNING OF YEAR	<u>703,957</u>
CASH - END OF YEAR	<u><u>\$ 720,295</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 93,051
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation Expense	2,122
Change in assets and liabilities:	
(Increase) Decrease in Accounts Receivable	(552)
(Decrease) Increase in Accrued Compensated Absences	855
(Decrease) Increase in Unearned Revenue	<u>(83,602)</u>
Total Adjustments	<u>(81,177)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 11,874</u></u>

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

**PULASKI COUNTY
PUBLIC HOUSING AUTHORITY**
Richland, Missouri
HUD Project No. MO207

Notes to Financial Statements
December 31, 2022

1. NATURE OF ORGANIZATION

Organization and Purpose

Pulaski County Public Housing Authority (“the Authority”) is a component unit of Pulaski County, Missouri, as administered by Missouri Ozarks Community Action, Inc. (MOCA), and is a public housing authority providing housing assistance and utility assistance to individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other Federal agencies.

The Authority is governed by a Board of Commissioners consisting of county officials from each of the counties served by the HUD voucher program, personal representatives of the low-income population for those counties, and other interested citizens of those communities. Pulaski County, Missouri is the signatory commission to the HUD contracts.

MOCA serves as the administrative entity for Pulaski County Public Housing Authority. As such, all funds are held by MOCA, and financial transactions are processed through its administrative offices.

These financial statements include only the funds of the HUD Project No. MO207.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board Codifications. The reporting entity is defined as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the components unit’s board, and either a) the ability to impose the primary government’s will, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. There were no component units.

Basis of Accounting

The Authority’s financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements.

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management a control, accountability, or other purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are grants provided by federal agencies. Operating expenses for proprietary funds include the cost of housing assistance payments and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net Position (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt and unrestricted components.

Cash and Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments are cash equivalents.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is based upon management's evaluation of the collectability of outstanding grant receivables and other receivables at the end of the year.

Capital Assets

The Authority capitalizes all costs in excess of \$5,000 for property and equipment at cost. If items are donated, they are recorded at fair value at the date of donation. Renewals and betterments are capitalized as additions to the appropriate asset accounts, while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense as incurred. Donated assets are recorded at fair value at date of donation. Capital assets are depreciated using the straight-line method over the useful lives of the assets. Depreciation is provided on the straight-line method over the estimated useful lives of the respective classes of property. Estimated useful lives are as follows:

Buildings	15 to 45 Years
Furniture and Equipment	3 to 10 Years
Leasehold Improvements	15 Years

When properties are disposed of, the related cost and accumulated depreciation are removed from the account and profit or loss upon disposal is reflected in operations.

Unearned Revenue

Unearned revenue consists of amounts received HUD in advance of meeting eligibility requirements other than timing. The funding from HUD for administrative fees is based on the number of vouchers leased, which is not a timing requirement but an eligibility requirement as defined by HUD accounting briefs.

Federal Income Tax Status

The Authority is a governmental organization which is subsidized by the Federal Government. The Authority is exempt from Federal and State income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

The Authority's net position is classified as follows:

Net Investment in capital assets consists of capital assets, including restricted capital assets, reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. If there are significant unspent proceeds from capital related debt at year-end, this component does not include the portion of the debt attributable to those proceeds. Instead, that debt is placed in the net assets component that includes the unspent proceeds.

Restricted- reports the component of net position with limits on their use that are externally imposed by creditors, grantors, contributors, or the laws and regulations of other governments.

Unrestricted- reports the component of net position whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net position arising from exchange transactions are included, as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Agency's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Regulations of U.S. Department of Housing and Urban Development (HUD)

The public housing complex is a subsidized project and is subject to HUD regulations.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it.

At year-end the carrying amount of the Authority's deposits, including certificates of deposit, was \$720,195. The administrative entity (Missouri Ozarks Community Action, Inc.) has obtained securities pledged above FDIC coverage. The bank balance was held by one bank, resulting in a concentration of credit risk. The pledged securities are held under a tri-party custodial agreement signed by all three parties: MOCA, the pledging bank, and the independent third-party bank holding the pledged securities.

4. RECEIVABLES, NET

Receivables at December 31, 2022, consist of amounts due under the following:

Accounts Receivable:		
Fraud receivables	\$	91,850
Less: Allowance for doubtful accounts		<u>(88,355)</u>
Total Receivables	\$	<u>3,495</u>

5. CHANGES IN CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended December 31, 2022:

	<u>12/31/21</u>	<u>Additions</u>	<u>Retirements</u>	<u>12/31/22</u>
Furniture & Equipment	\$ 32,889	\$ --	\$ --	\$ 32,889
Total Capital Assets	<u>32,889</u>	<u>--</u>	<u>--</u>	<u>32,889</u>
Accumulated Depreciation	<u>(29,176)</u>	<u>\$ (2,121)</u>	<u>\$ --</u>	<u>(31,298)</u>
Net Capital Assets	<u>\$ 3,713</u>			<u>\$ 1,591</u>

6. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Authority receives virtually all of its revenues through a contract with the Department of Housing and Urban Development. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

7. COMPENSATED ABSENCES

Vacation Pay

All regular, full-time and part-time employees are eligible for vacation benefits based upon the employee's anniversary date. Vacation time is accrued or earned based upon the employee's length of service and on the time actually worked. No employee may carry an accrued balance of leave of more than 10 days (80 hours) from December 31 to January 1. All accrued leave in excess of 10 days will be reduced on January 1 of each year. Vacation time is earned on a graduated scale ranging from 2 to 3 hours per week based on years of service from one year to five years and over.

7. COMPENSATED ABSENCES (Continued)

Sick Leave

All regular, full-time and part-time employees earn paid sick leave annually. Sick leave is earned at a rate of 2 hours per week. Employees may accumulate up to a maximum of 30 days (240 hours). Sick leave accrual in excess of 30 days will be bought back by the Authority at 1 hour of pay for every 2 hours of sick leave in excess of 240 hours after January 1 of each year. Unused time earned for sick leave is lost if the employee is terminated for any reason.

The Authority determines a liability for compensated absences when the following conditions are met:

1. The Authority's obligation relating to employees' rights to receive compensation for future absences is attributable to employee services already rendered.
2. The obligation relates to the rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, a liability for accrued vacation has been accrued in these financial statements. However, the Authority has not accrued the liability for sick pay which has been earned, but not taken by Authority employees, as the amounts cannot be reasonably determined.

8. RESTRICTED CASH

In accordance with HUD regulations, an amount equal to Housing Assistance Payments (HAP) equity in the Housing Choice Voucher program is considered to be restricted cash and amounts received but recorded as deferred inflows for future HAP payments. This amount may not be used for any purpose other than HAP payments.

At December 31, 2022, the amounts restricted for HAP was:	
Housing Choice Voucher Program	\$ 29,359

9. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Authority manages these risks through the purchase of various insurance policies.

10. AFFILIATED ORGANIZATIONS

As discussed in Note 1, the Authority is administered by Missouri Ozarks Community Action, Inc. (MOCA). The Authority would be considered an affiliated organization of MOCA and is included as such in their financial statements.

11. CONTINGENCIES

The Authority is subject to possible examination by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years.

12. SUBSEQUENT EVENTS

The Authority evaluated events and transactions occurring subsequent to year-end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

Pulaski County Housing Authority (MO207)
Richland, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
111 Cash - Unrestricted	\$690,937	\$0	\$690,937	\$690,937
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	\$29,358		\$29,358	\$29,358
114 Cash - Tenant Security Deposits				
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$720,295	\$0	\$720,295	\$720,295
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants				
126.1 Allowance for Doubtful Accounts - Tenants				
126.2 Allowance for Doubtful Accounts - Other				
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery	\$91,850		\$91,850	\$91,850
128.1 Allowance for Doubtful Accounts - Fraud	-\$88,355		-\$88,355	-\$88,355
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,495	\$0	\$3,495	\$3,495
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets				
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$723,790	\$0	\$723,790	\$723,790
161 Land				
162 Buildings				
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration	\$32,889		\$32,889	\$32,889
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$31,298		-\$31,298	-\$31,298
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,591	\$0	\$1,591	\$1,591
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$1,591	\$0	\$1,591	\$1,591
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$725,381	\$0	\$725,381	\$725,381
311 Bank Overdraft				
312 Accounts Payable <= 90 Days				
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				
322 Accrued Compensated Absences - Current Portion	\$7,271		\$7,271	\$7,271

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs	\$17,613		\$17,613	\$17,613
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits				
342 Unearned Revenue				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$24,884	\$0	\$24,884	\$24,884
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0
300 Total Liabilities	\$24,884	\$0	\$24,884	\$24,884
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets				
511.4 Restricted Net Position	\$29,358		\$29,358	\$29,358
512.4 Unrestricted Net Position	\$671,139	\$0	\$671,139	\$671,139
513 Total Equity - Net Assets / Position	\$700,497	\$0	\$700,497	\$700,497
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$725,381	\$0	\$725,381	\$725,381

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
70300 Net Tenant Rental Revenue				
70400 Tenant Revenue - Other				
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$1,943,712	\$77	\$1,943,789	\$1,943,789
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$4,464		\$4,464	\$4,464
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery	\$11,315		\$11,315	\$11,315
71500 Other Revenue	\$151		\$151	\$151
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$1,959,642	\$77	\$1,959,719	\$1,959,719
91100 Administrative Salaries	\$131,180		\$131,180	\$131,180
91200 Auditing Fees	\$5,400		\$5,400	\$5,400
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$32,453		\$32,453	\$32,453
91600 Office Expenses	\$25,913	\$77	\$25,990	\$25,990
91700 Legal Expense				
91800 Travel	\$4,539		\$4,539	\$4,539
91810 Allocated Overhead	\$22,975		\$22,975	\$22,975
91900 Other	\$41		\$41	\$41
91000 Total Operating - Administrative	\$222,501	\$77	\$222,578	\$222,578
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	\$0	\$0	\$0	\$0
93100 Water				
93200 Electricity				
93300 Gas				
93400 Fuel				
93500 Labor				
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense	\$4,740		\$4,740	\$4,740

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
93000 Total Utilities	\$4,740	\$0	\$4,740	\$4,740
94100 Ordinary Maintenance and Operations - Labor				
94200 Ordinary Maintenance and Operations - Materials and Other				
94300 Ordinary Maintenance and Operations Contracts				
94500 Employee Benefit Contributions - Ordinary Maintenance				
94000 Total Maintenance	\$0	\$0	\$0	\$0
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$1,851		\$1,851	\$1,851
96120 Liability Insurance				
96130 Workmen's Compensation	\$2,441		\$2,441	\$2,441
96140 All Other Insurance	\$686		\$686	\$686
96100 Total insurance Premiums	\$4,978	\$0	\$4,978	\$4,978
96200 Other General Expenses				
96210 Compensated Absences				
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents				
96500 Bad debt - Mortgages				
96600 Bad debt - Other	\$2,029		\$2,029	\$2,029
96800 Severance Expense				
96000 Total Other General Expenses	\$2,029	\$0	\$2,029	\$2,029
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$234,248	\$77	\$234,325	\$234,325
97000 Excess of Operating Revenue over Operating Expenses	\$1,725,394	\$0	\$1,725,394	\$1,725,394
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments	\$1,622,549		\$1,622,549	\$1,622,549
97350 HAP Portability-In	\$3,209		\$3,209	\$3,209
97400 Depreciation Expense	\$2,121		\$2,121	\$2,121
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,862,127	\$77	\$1,862,204	\$1,862,204
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$97,515	\$0	\$97,515	\$97,515
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$602,982	\$0	\$602,982	\$602,982
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity	\$671,138		\$671,138	\$671,138
11180 Housing Assistance Payments Equity	\$29,359		\$29,359	\$29,359
11190 Unit Months Available	4756		4756	4756
11210 Number of Unit Months Leased	4407		4407	4407
11270 Excess Cash				
11610 Land Purchases				
11620 Building Purchases				
11630 Furniture & Equipment - Dwelling Purchases				
11640 Furniture & Equipment - Administrative Purchases				
11650 Leasehold Improvements Purchases				
11660 Infrastructure Purchases				
13510 CFFP Debt Service Payments				
13901 Replacement Housing Factor Funds				

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

Board of Commissioners
Pulaski County
Public Housing Authority
Richland, Missouri

We have performed the procedure described in the second paragraph of this report on whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Pulaski County Public Housing Authority is responsible for the accuracy and completeness of the electronic submission.

Pulaski County Public Housing Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to determine whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Additionally, the U.S. Department of Housing and Urban Development Real Estate Assessment Center (REAC) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged by Pulaski County Public Housing Authority to perform this agreed-upon procedure engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

We were engaged to perform an audit in accordance with the audit requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, for Pulaski County Public Housing Authority as of and for the year ended December 31, 2022, and have issued our reports thereon dated August 11, 2023. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated August 11, 2023, was expressed in relation to the basic financial statements of Pulaski County Public Housing Authority taken as a whole.

A copy of the reporting package required by OMB Administrative Requirements, which includes the auditor's reports, is available in its entirety from Pulaski County Public Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, PIH-REAC.

The purpose of this report on applying agreed-upon procedures is solely to describe the procedures performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 11, 2023
Chanute, Kansas

UFRS Rule Information	Hard Copy Documents (s)	Agrees
Balance Sheet, Revenue and Expense (data line items 111 to 11210)	Financial Data Templates	X
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	X
Type of Opinion on Financial Statements and Auditor Reports (data element G5100-010)	Auditor's supplemental report on Financial Data Templates	X
Type of Opinion on Financial Data Templates (i.e., Supplemental Data) (account S3400-100)	Auditor's Supplemental Report on Financial Data Templates	X
Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	X
General information (data element series G2000, G2100, G2200, G9000, G9100)	Schedule of Findings and Questioned Costs and Federal Awards Data	X
Financial statement report information (data element G3000-005 to G3000-080)	Schedule of Findings and Questioned Costs	X
Federal program report information (data element G4000-010 to G4000-040)	Schedule of Findings and Questioned Costs	X
Basic financial statements and auditor's reports required to be submitted electronically	Basic financial statements (inclusive of auditor's reports)	X

**PULASKI COUNTY
PUBLIC HOUSING AUTHORITY**
Richland, Missouri
HUD Project No. MO207

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH IDENTIFYING NUMBER	FEDERAL CFDA NUMBER	PROVIDED TO SUBRECIPIENTS	DISBURSE- MENTS/ EXPENDITURES
<u>U.S. Department of Housing & Urban Development</u>				
Direct Grant				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	N/A	14.871	\$ -	\$ 1,943,712
COVID-19 Section 8 Housing Choice Vouchers	N/A	14.871	-	77
		Total 14.871	-	1,943,789
Total U.S. Department of Housing and Urban Development			-	1,943,789
TOTAL FEDERAL AWARDS			\$ -	\$ 1,943,789

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pulaski County Public Housing Authority and presents expenditures on the accrual basis of accounting, except for subsidy programs, which follows REAC PHA - Financial Accounting Brief - which defines a Federal expenditure expended for single audit purposes as when meeting eligibility requirements. The information in this schedule is presented in accordance with the Uniform Guidance.

NOTE B --INDIRECT COST RATE

Pulaski County Public Housing Authority did not elect to use the 10% de minimis cost rate, as it does not qualify.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Commissioners
Pulaski County
Public Housing Authority
Richland, Missouri

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 Pulaski County Public Housing Authority, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Pulaski County Public Housing Authority's basic financial statements, and have issued our report thereon dated August 11, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 11, 2023
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Commissioners
Pulaski County Public
Housing Authority
Richland, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Pulaski County Public Housing Authority's 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 Pulaski County Public Housing Authority's major federal programs for the year ended December 31, 2022. Pulaski County Public Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pulaski County Public Housing 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 of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pulaski County Public Housing Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Pulaski County Public Housing Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Pulaski County Public Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Pulaski County Public Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Pulaski County Public Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 11, 2023
Chanute, Kansas

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

The auditor's report expresses an unmodified opinion on the financial statements of Pulaski County Public Housing Authority.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported
Non compliance or other matters required to be reported under <i>Government Auditing Standards</i> ?	_____	Yes	<u> X </u>	No

Federal Awards:

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported

The auditor's report on compliance for the major federal award programs for Pulaski County Public Housing Authority expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____	Yes	<u> X </u>	No
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Identification of major programs:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Voucher Cluster	
Section 8 Housing Choice Vouchers	CFDA 14.871

The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee?	<u> X </u>	Yes	_____	No
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II. FINANCIAL STATEMENT FINDINGS

None

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri

Schedule of Findings and Questioned Costs
(Continued)
For the Year Ended December 31, 2022

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

	<u>Questioned Costs</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Section 8 Housing Choice Vouchers CFDA 14.871	None

PULASKI COUNTY PUBLIC HOUSING AUTHORITY
Richland, Missouri

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2022

None