

OKLAHOMA CITY HOUSING AUTHORITY

MAPS 4

**HOMELESSNESS
PROGRAM
Annual Report
2024**



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MAPS 4 Homelessness Annual Report for Allocation #1

August 20, 2024

The Oklahoma City Housing Authority has had the honor of being the Operator of the MAPS 4 Homelessness Allocation #1, awarded in March of 2023.

Together with the Community Enhancement Corporation (CEC), the nonprofit instrumentality of OCHA, we are pleased to present the first Annual Report on the MAPS 4 Homelessness program.

The elements being reported are a requirement of OCHA in accordance with the approved Operating Agreement, Section 9.1D .

Background

As Operator, OCHA is responsible for overseeing and tracking progress on the following Commitments:

Measurable Benchmarks:

MAPS 4 Homelessness will provide 5 allocations of \$10,762,400, over 10 years or more for a total of \$54,000,000. OCHA will use the funds to leverage other sources to produce:

- a. 1,500 units of renovated public housing
- b. 500 supportive housing units for the homeless
- c. 150 workforce housing units either for sale or rental

Together with the named subrecipients of the Homeless Alliance, Mental Health Association Oklahoma and Pivot, and other partners identified by OCHA, the combined allocations, over time will aim to create at least one facility with programming for the following target populations:

- (i) chronic homeless; (ii) homeless veterans; (iii) youths; and (iv) persons experiencing mental health barriers.

Other Requirements

1. A long-term supportive housing plan

- a. Status: In progress, in conjunction with City Planning and Key to Home building out supportive housing demand and standardizing design elements for quality and accessibility of permanent supportive housing projects in Oklahoma City. Several meetings have already taken place and are ongoing.
- b. Final long-range plan TBD.

2. Results-based Reporting System

Status: In Progress, in conjunction with City Planning and Key to Home tracking:

- a. Housing Stability Rates
- b. Returns to Homelessness

3. Establish an Electronic Reporting System

Status: Completed, in operation

Total Comments Year 1: 226, Mostly from residents, some not happy with other residents or neighbors. Maintenance requests are closed within 48 hours.

Resolved/Closed: 218

Unresolved/Open: 8

Original Project Chart March 2023 is below.

Project	Allocation	Units	Notes	Estimated Leverage
Creston Park Phase Redevelopment	\$2.5 million	260	Public Housing Redevelopment	\$55 million
Oak Grove Apartments	\$1.0 million	288	Public Housing Redevelopment	\$50 million
Supportive Housing Project #1	\$2.5 million	75-100*	Supportive Housing	\$2-3 million
Supportive Housing Project #2	\$2.5million	75-100*	Supportive Housing	\$2-3 million
Predevelopment Fund	\$1.75 million	n/a	Administrative	n/a
Operator Administration Funds	\$512,400	n/a	Administrative	n/a
TOTAL	\$10,762,400	698 - 748		\$110 million

* estimated units

Creston Park Phase 1 Progress Report

- a. Creston Park Phase 1: 170 units
- b. Type: Public Housing Replacement/Mixed Income
- c. Subsidy: Project Based Vouchers
- d. HUD Section 18 disposition

MAPS 4 Homelessness Funding: \$2.5 million (4.6%)

Total Development Costs: \$54, 057, 268

Total Leveraged sources: \$51,557,268

- i. Status: In Progress, permitting, pre-construction

- ii. Baker Tilly retained as consultants, providing Project Management and assistance with securing capital financing.
- iii. Development Team:
 - i. CEC: Developer
 - ii. Baker Tilly; Consulting Project Manager
 - iii. JHP: Architect
 - iv. Johnson & Associates: Civil Engineer
 - v. GC: Bid currently out for GC Construction Manager at Risk Services. Bid closes 9/30/24
 - vi. Estimated construction start date: March 2025
See attached project timeline.
- iv. **Explanation for delays in construction** This project has been waiting to begin for over three years while GOLT funds from the city were pending. That financing was awarded in March of 2024. Pricing had to be updated again and new funding gaps resulted. A new GC/CM at Risk will be retained through the current RFP process.

Oak Grove Project Report

- a. Oak Grove Phase 1 – 288 units
- b. Project Type: Public Housing Redevelopment/Mixed Use Commercial
- c. Subsidy Project Based Vouchers
- d. HUD Rental Assistance Demonstration (RAD)
- e. HUD RAD/Section 18 Blend

MAPS 4 Homelessness Funding: \$1 million (1.7%)

Total Development Costs: \$60,000,000 (est. being revised)

Total Leveraged sources: \$59M or more, will be determined by final development budget.

- i. Status: In Progress, Predevelopment. TIF Awarded, EDA Agreement Land Purchase from OCURA, Pending Environmental Review
- ii. Pending Disposition application to HUD for Demo of 18 units for commercial development.
- iii. Resident meetings held in accordance with HUD requirements.

- iv. Baker Tilly retained as consultants, providing Project Management and assistance with securing capital financing.
- v. Development Team:
 - i. CEC: Developer
 - ii. Baker Tilly; Consulting Project Manager
 - iii. ADG Blatt: Architect
 - iv. Johnson & Associates: Civil Engineer
 - v. GC- CM at Risk Services TBD through RFP
- e. This project is still in the planning phases, site work being planned for commercial development and creating new egress onto SW 15th Street in partnership with OnCue
- f. 270 public housing units and the existing site will be renovated, including a new and expanded Head Start facility.
- g. Temporary relocation of current families will occur under the Uniform Relocation Act.
- h. 18 units will come back along with another 100 units of new construction in Phase 2.
- i. Estimated construction state date: Summer/Fall 2025.
See attached project timeline
- j. Current Occupancy: 96%
- k. Tenant Contacts: 4 RAD meetings have been held in accordance with HUD requirements, apprising residents of their protections, rights and responsibilities, more are planned to keep residents updated.
 - a. March 9, 2020 – 10am
 - b. March 9, 2020- 6pm
 - c. September 25, 2023- 10am
 - d. November 2, 2023- 2pm
- l. 275 households are eligible for relocation assistance. All expenses paid.
- m. Number of households by choice of relocation method. This is still to be determined when relocation planning begins. Residents will be informed of their options. Most or all of the relocation could be on-site.
- n. Number of households moving back into the new property. This is still to be determined as construction is completed. Residents have the right to return.

- o. Number of households not moving back into the property. This is still to be determined after construction is completed.

Vita Nova Supportive Housing Project #1

- a. Vita Nova Supportive Housing Project -76 Units
- b. Project Type: Permanent Supportive Housing with Commercial Space
100% for persons experiencing chronic homelessness with disabling conditions who may have history of conviction
- c. Subsidy: 80% Project Based Vouchers; 20 % Housing Choice Vouchers
- d. No Lookback Period Pilot Project
MAPS 4 Homelessness Funding: \$3,000,000 (19.3%)
Leveraged Sources: \$12,528,869
Total Development Cost: \$15,528.869
- e. Status: Pres-design Phase, drawings produced, determination for meeting City Code, Permitting
- f. Financing plan complete, pending award from Federal Home Loan Bank
Development Team:
CEC: Developer
Architect: Script Architecture
Civil Engineer: TBD, through Architect services or RFP
Baker Tilly Consulting for Gap Financing
GC: To be determined through RFP
Services:
OCHA Resident Services Department
Homeless Alliance partnering on (HUD CoC Grant)
Northcare
Goodwill
Others TBD
- g. 14 Households from Motel 6 were not displaced by the project and are protected by Uniform Relocation Act, still residing at property until construction. Will be relocated as needed during construction at the expense of developer under HUD guidelines. They could be eligible to return to the site or be relocated to another site at the expense of CEC.
- h. **Explanation for delays in construction.** The original timeline was to begin construction in December 2024-January 2025. Code compliance and

permitting through City and noise abatement through HUD have increased costs, creating funding gaps. The financial model is complete, pending award from FHLB.

- i. Estimated construction start date: June 2025

See attached project timeline.

Supportive Housing Project #2

Supportive Housing for Veterans – Partnership with OKC VA Medical Center, HUD VASH (Veterans Affairs Supportive Housing), Geriatric Homeless Veterans Program VISN 18 Denver, Colorado.

Status: Site search is underway for location to site-based HUD VASH Vouchers in supportive housing environment with onsite services provided by VA Medical Center and HUD VASH case management program.

MAPS 4 Homelessness Funding: \$1.5 million

Leveraged sources TBD

Project timeline: TBD Goal of 2024 Q4 site control

Could work with development partner to capitalize project.

Updated Project Chart 8/19/2024 MAPS 4 Homelessness Allocation #1

Project	Allocation	Units	Notes	Estimated Leverage
Creston Park Phase 1	\$2.5 million	170	Public Housing Redevelopment	\$51.5million
Oak Grove Apartments Phase 1	\$1.0 million	288	Public Housing Redevelopment	\$59 million
Supportive Housing Project #1	\$3.0 million	76	Supportive Housing	\$12 million
Supportive Housing Project #2	\$1.5 million	75-100*	Supportive Housing	\$10 million
Predevelopment Fund	\$1.75 million	n/a	Administrative	n/a
Operator Administration Funds	\$512,400	n/a	Administrative	n/a
TOTAL	\$10,762,400	609 - 634		\$136 million

*estimated

Purpose and Methodology

ETC Institute administered a survey to residents of the Oklahoma City Housing Authority (OCHA) during the summer of 2023. The survey was conducted as part of OCHA's efforts to assess which services, processes and buildings need to be improved.

The four-page survey was completed by mail and online by 486 residents. The overall results for the sample of 486 residents have a precision of at least +/-4.4% at the 95% level of confidence.

This report contains:

- an executive summary of the methodology for administering the survey and major findings,
- charts and graphs for each question on the survey (Section 1)
- tables that show the results for each question on the survey (Section 2)
- a copy of the survey instrument (Section 3)

Major Findings

Ratings of the Quality of Facilities: Fifty-seven percent (57%) of respondents, *who had an opinion*, rated the conditions of their home/apartment as "excellent" or "good;" 28% rated the conditions as "average," and 15% rated conditions as "poor" or "very poor."

Fifty-four percent (54%) of respondents, *who had an opinion*, rated the conditions of other indoor spaces in their community as "excellent" or "good," and 53% *who had an opinion* rated the conditions of outside grounds, parking lots and parks as "excellent" or "good."

Feeling of Safety: Sixty-six percent (66%) of respondents, *who had an opinion*, indicated they feel "very safe" or "safe" alone at night in their home; 17% are "neutral," and 16% feel "unsafe" or "very unsafe."

Fifty-four percent (54%) of respondents, *who had an opinion*, indicated they feel "very safe" or "safe" alone at night in the hallway/lobby/laundry room of their apartment building, and 46% feel "very safe" or "safe" with regard to the overall safety and security of their neighborhood.

Satisfaction With Communications: More than three-fourths (76%) of respondents, *who had an opinion*, are "very satisfied" or "satisfied" with their understanding of the rules and terms of their lease; 18% are "neutral," and 6% are "dissatisfied" or "very dissatisfied."

Other aspects of communication that respondents are "very satisfied" or "satisfied" with include: OCHA staff communicating with respect and courtesy (72%), how relevant, accurate and easy to understand the information is that is provided by OCHA (70%), and how quickly and clearly OCHA staff responds to questions about rent (69%).

Satisfaction With Various Services: Seventy-two percent (72%) of respondents, *who had an opinion*, are “very satisfied” or “satisfied” with their overall experience with OCHA; 22% are “neutral,” and 7% are “dissatisfied” or “very dissatisfied.”

Other OCHA services that respondents are “very satisfied” or “satisfied” with include: value of the unit for rent paid (64%), maintenance staff and services (63%), and property management or landlord staff and services (60%).

Response to Maintenance or Repair Work: Nearly half (48%) of respondents, *who had an opinion*, indicated that non-emergency maintenance or repair work was handled by maintenance and repair staff in less than one week; 19% indicated the work was handled between one and four weeks, 7% said it was more than four weeks, and 12% stated the problem was never corrected. The remaining 14% indicated they have never called for non-emergency maintenance or repairs.

When respondents were asked about the speed of emergency maintenance or repair work, 29% *who had an opinion* indicated the work was handled in less than six hours; 17% indicated it was handled between six and twenty-four hours, 13% said it was more than twenty-four hours, and 8% stated the problem was never corrected. The remaining 34% indicated they have never called for emergency maintenance or repairs.

ANNUAL AND FIVE YEAR PLAN PUBLIC HEARING

The Oklahoma City Housing Authority (OCHA) will conduct a Public Hearing at the Oak Grove Community Center located at 3301 S.W. 17th, Oklahoma City, OK 73108 at 10:00 a.m. on September 25, 2023 to discuss our Fiscal Year 2024 Annual and Five-Year Plan and 2023 Significant Amendment to the Annual Plan.

The Five-Year Plan describes the mission of OCHA and OCHA's long range goals and objectives. The Annual Plan provides details about OCHA's immediate operations, program participants, programs and services, and the PHA's strategy for handling operational concerns, residents' concerns and needs for the upcoming fiscal year.

Interested persons are invited to review a copy of the Plan at our website www.ochanet.org. Any suggested comments to the Plan must be submitted in writing to the Oklahoma City Housing Authority, 1700 Northeast Fourth Street, Oklahoma City, OK 73117 by September 22, 2023. Equal Employment Opportunity, Equal Housing Opportunity.

ANNUAL AND FIVE YEAR PLAN PUBLIC HEARING

The Oklahoma City Housing Authority (OCHA) will conduct a Public Hearing at 3301 S.W. 17th, Oklahoma City, OK 73108 at 10:00 a.m. on September 23, 2024 to discuss our Fiscal Year 2025 Annual and Five-Year Plan.

The Five-Year Plan describes the mission of OCHA and OCHA's long range goals and objectives. OCHA also includes our Five-Year Capital Fund Action Plan. The Annual Plan provides details about OCHA's immediate operations, program participants, programs and services, and the PHA's strategy for handling operational concerns, residents' concerns and needs for the upcoming fiscal year.

Interested persons are invited to review a copy of the Plan at our website www.ochanet.org. Any suggested comments to the Plan must be submitted in writing to the Oklahoma City Housing Authority, 1700 Northeast Fourth Street, Oklahoma City, OK 73117 by September 20, 2024. Equal Employment Opportunity, Equal Housing Opportunity.

**Oklahoma City
Housing Authority
Resident Council Meeting**

**May 15, 2023
2:00 PM**

**Shartel PACE Center
5415 S. Shartel Ave.
Oklahoma City, OK 73109**

Agenda:

- Welcome and Introductions**
- Comments from the Executive Director**
- Annual Plan Update**
- Resident Participation Funds/Budget**
- HUD HOTMA Changes**
- Development Update**

***Light pre-packaged refreshments will be served**

RESIDENT COUNCIL MEETING
Shartel Towers PACE Center
May 15, 2023
2:00 p.m.

The meeting was called to order at 2:09 p.m. by Frank Miller, Director of Public Housing.

Mr. Miller welcomed and thanked the resident council for attending the meeting on behalf of the Executive Director, who was unable to attend. There was an introduction of OCHA staff present.

Staff in Attendance

- Daniel Flanagan-Chief of Security
- Spencer Matheny- Director of Tech Services
- Laura Gregory-Director of Resident Services
- Kassy Malone- Director of Real Estate Development and Planning
- Adelola Taiwo-Assistant Director of Public Housing
- Angela Dawson- Executive Office Administrator
- Claudia Jernigan- Manager Coordinator
- Matt Mills- Assistant Executive Director-Operations
- Frank Miller- Director of Public Housing

Resident Council Members in Attendance

- Bryan Baxter- Classen
- Rhonda Hollis- Candle Lake
- Henry Jones- Will Rogers Courts
- James Hudson- President, Scattered Sites
- Janice Beamon- Jeltz
- Rose Mason- McGuire
- Markus Barber- Scattered Sites
- Karen Shepherd- Danforth

Matt Mills, reminded the council of the upcoming Annual Plan that will be due by October 15, 2023. HUD requires resident council be a part of the annual plan process with their questions and comments . Mr. Mills handed out a comment form for them to fill out and return to their manager. First step is preparing the draft, scheduled to start this summer, followed by the review of the actual draft in September for review comments.

Development Update was given by Kassy Malone. Funding for Creston Park has been secured and closing on financing to start lath this summer or early fall. Demolition will occur on NE 28th and 29th Street. OCHA received a \$1.5 million pre-development loan for RAD conversion of Oak Grove and to close in about a year to begin rehabilitation and construction in 2024. Additionally, a RAD application has been submitted for Reding Senior Center and Hillcrest Senior Center, which will be a straight RAD conversion, no major rehabilitation is planned at this time.

The Oklahoma City Housing Authority (OCHA) was awarded MAPS4 Homelessness Program, which allows the PHA to get gap funding to close on projects and rehab all of its Public Housing

portfolio properties, plus add five hundred (500) units for Permanent Supportive Housing (PSH) for individuals experiencing homelessness, and create one hundred fifty (150) work force housing units in high opportunity areas, for individuals and families who make more than the 80% median income.

On April 4, 2023 HUD issued the Choice Neighborhoods Planning Grants Notice of Funding Opportunity. OCHA is applying for this grant in the amount of \$500,000 to go towards the development of a comprehensive neighborhood revitalization strategy plan for activities, rehab and to reconstruct Will Rogers Courts. Overall improving the transformation of the surrounding neighborhood to create positive outcomes for families in services, public assets, transportation, education and learning programs and employment opportunities to access jobs.

Over the next four (4) months Mr. Miller will meet with each council member individually to talk about Resident Participation Funds and Budget. The Council was instructed to make a list of items they desire to see areas of improvements that the funding could go towards.

The Housing Opportunity through Modernization Act of 2016 (HOTMA) release recent changes that effects how the PHA deals with over income families rent calculation and reviews. Most of the changes will take effect January 1, 2024.

Meeting was open to resident council for questions and/or concerns. (Attached on a separate sheet of paper)

Meeting adjourned at 3:01 p.m.
ad

RESIDENT COUNCIL MEETING QUESTIONS AND COMMENTS

Shartel Towers PACE Center

May 15, 2023

2:00 p.m.

1. Scattered Sites homes used to have trees and fences separating certain areas, will the new area for Creston Park have similar separation constructs and fences?

No, due to being unable to maintain the fences and HUD findings, OCHA was instructed years ago for the removal of fences at Scattered Sites properties.

2. How much of gap funding?

\$2 million for Creston Park was approved recently, the total GAP funding secured so far for Phase 1 is; \$1.5 million in Capital Magnet Funds, \$80,000 in HOME funds and \$2 million from ARPA.

We are in the final approval process for additional \$1.5 million Tax Increment Financing (TIF) in gap funding for Oak Grove.

3. Will the gap funding be used for the beautification of the properties?

Yes, once we close on construction financing for rehab activities and new construction activities . Oak Grove rehab will include interiors, replace exterior siding and roofs, rehab and build a new office, head start building, and education center.

4. When will Candle Lake begin renovation?

Candle Lake was a straight conversion with minor repairs for accessible units (1-2 years until full rehab.

5. What about the ongoing maintenance problems?

Management should be taking care of those problems now. We recently signed a quote for the chillers to be repaired at Candle Lake.

6. McGuire is getting a new elevator system, but with one working, residents are having accidents on themselves waiting to reach the restroom on the upper floors. Can the lobby restroom reopen?

Our goal is to eventually reopen all our ground floor restrooms and remodel.

7. Are you saying the Choice Neighborhoods grant will help the neighborhood?

The grant project area includes the larger neighborhood of Stockyards/Rotary Park. If awarded the grant will begin the planning process for the entire project area. A large portion of the planning process will be building the neighborhood involvement and increasing partnerships for Will Rogers Courts. A 2nd grant opportunity called the Choice Neighborhood Implementation Grant can be used to implement the plan throughout the neighborhood and revitalize Will Rogers Courts and the Stockyards/Rotary Park Neighborhood.

8. Will you be looking in the future to do other neighborhoods?

Possibly, if awarded funding.

9. Will you be doing exercise amenities, parks and sidewalks?

Yes, with any redevelopment we try to include amenities, additional parks, streets and sidewalks.

10. Does the amount of acres matter?

Depends, the amount of space/acres dictates what we can do and our typical site is nothing less than 1 acre.

11. In those programs, most housing construction is for seniors. What about for young people, teaching them to maintain and not to destroy the development?

Our strategic plan for investment includes both Family vs. Senior properties, we try to find a balance when we are scheduling projects, project costs and budgets weighted against available funding determines the project phasing. Our goal with any redevelopment involves the inclusion of services for residents. These services can either be on-site or in a community center nearby; one of the services we intend to offer is how to improve communications and teach life skills (how to be a good neighbor).

12. We used to have a counselor, computer lab services, coordinators and assistance. Can we get something like that back?

Yes, get with your Service Coordinator who can find resources and transportation. Also Resident Services can look into finding services to help make partnerships to visit onsite.

13. Will Danforth remain a 62+ senior property?

Yes

14. Will the new development include security lighting inside and around the building?

Candle Lake and Danforth are approved and will receive additional lighting within next 6 months.

The council, thanked OCHA security for being onsite at the senior sites at the beginning of the month when a lot of residents receive their checks, making them to feel safe and secure.

15. At Danforth, people entering the building behind others/tailgating. Can there be some kind of security push button/outside ringer notification?

Will have some discussion on that.

16. Parking spaces at Danforth are being occupied by nonresidents who go walking along the trail behind the building, several complaints made, what can be done?

Notify your manager and or call security. Security can remove the vehicle, only after 3 days of notifying the owner; in the meantime a warning sticker can be issued.

17. Why can't the gate at Jeltz go all around the property, to the west side also so residents can feel more secure from crimes?

Having it fully gated will not prevent crimes and from past experiences, it increases it, but there are cameras for us to see and catch those individuals, so residents can feel more secure.

18. Scattered Sites is dealing with homeless people.

It is an issue at every development.

19. Have keys been taken away from the MRs? And is it permanent?

Yes, MRs do not need keys to all residents units.

20. At Danforth, a lot of residents are talking about a thermostat upgrade so we can have our own access to set it. If after renovations, could side handrail to hallway walls be added also.

We can look at including those updates when we begin the planning process for the larger renovation in 1-2 years.

21. McGuire's pet policy used to be \$100 deposit and weight 15lbs limit. I receive several complaints about new residents not paying the deposit, it increased to \$200 and service animals of all kinds of dog breeds, exceeding the weight limit living in the building. They're animal are not being controlled and what is the size limit for service animals?

Residents should be having their pets and or service animals under control; however with service animals there is no weight limit or deposit requirements. The pet deposit is \$200.

22. Will we be notified of the next meeting?

Yes, it will be in September.

23. What about the Budget Committee meeting?

Our last meeting was back in March.

**Oklahoma City
Housing Authority
Resident Council Meeting**

**September 5, 2023
2:00 PM**

**OCHA Annex Conference Room
1800 Northeast Fourth Street
Oklahoma City, OK 73117**

Agenda:

- Welcome and Introductions**
- Comments from the Executive Director**
- Review 2024 Annual Plan Draft a**
- Review 5 Year Capital Fund Action Plan**
- Review Significant Amendment to 2023 Annual Plan**
- Vote on Demo/Dispo Amendment language**
- Development Update**
- Resident Participation Funds/Budget**

***Light pre-packaged refreshments will be served**

RESIDENT COUNCIL MEETING
ANNEX Conference Room
September 5, 2023
2:00 p.m.

The meeting was called to order at 2:03 p.m. by Frank Miller.

OCHA staff in attendance – Mark Gillett- Executive Director, Greg Shinn, Asst. Executive Director for of Development, Thomas Henderson-Asst. Executive Director of Finance and Human Resources, Benjamin Steffer-Chief of Security, Trish Bryant- Director of Finance, Richard Marshall-Director of HCV Program, Rick Toney- Director of Asset Management, Kassy Malone- Director of Real Estate, Matt Mills- Asst. Executive Director of Operations, Frank Miller- Director of Public Housing, Spencer Matheny- Director of Tech Services, Josh Newlun – Asst. Director of Tech Services, Lacy McClain- Asst. Director of Resident Services, Claudia Jernigan-Housing Manager Coordinator and Martasha Winston-Administrative Asst. for Public Housing.

Resident Council Members in attendance – Robert Johnson-Candle Lake, Janice Beamon-Jeltz, Rose Mason-McGuire, James Hudson-Scattered Sites, Bryan Baxter-Classen, Juanita Mock-Hillcrest, Karen Shepherd-Danforth, Cora Tate-Danforth, Henry Jones-Will Rogers Courts, and Rhonda Hollis- Candle Lake.

Mr. Gillett welcomed and thanked everyone for attending the meeting following introduction of all present to discuss the updates of the 2024 Annual Plan, Significant Amendment to 2023 Annual Plan, Capital Fund 5 Year Action Plan, Development Update and Resident Participation Funds/Budget.

Mr. Mills– Gave a PowerPoint presentation overview update on the Oklahoma City Housing Authority’s (PHAs) 2024 Annual and Five-Year Plan, 2023 Significant Amendment.

Mr. Mills- shared the progress that OCHA has completed over the past year. That includes:

- Danforth and Candle Lake converted under RAD in December 2022.
- PH participation in the NSPIRE Demonstration Program – all Public Housing properties have been inspected as part of this demonstration during 2022 and 2023
- parking lot improvements at Hillcrest – completed in 2023
- Phased boiler update at Will Rogers Courts- started in 2023
- Updating of building elevators at Marie McGuire Plaza – 50% completed as of August 2023
- Painting Exterior building surfaces at Jeltz and Shartel- will be going out for re-bid soon
- Sidewalk improvements and resident mailboxes at Reding – completed
- Replacement of refrigerators and ranges (McGuire, Jeltz, Classen, Shartel, Hillcrest, Reding, Andrews) – on-going
- Carbon monoxide detector installations at AMP’s 111, 112, 114, 115 – completed
- Rooftop HVAC unit replacement for office and community center at Ambassador-completed
- Cooling tower repair/replacement for Andrews- completed

Mr. Mills went over some of the planned projects over the next year or so that the authority hopes to be soon. That includes:

- Security lighting upgrades at Ambassador and Fred Factory
- Security lighting and entry key card improvements for Senior Sites
- Updating of building elevators at Shartel
- Landscaping and decorative fencing improvements for Jeltz and McGuire
- Replacement of automatic entry doors at Jeltz and McGuire
- Repairs/Replacement of mechanical systems equipment for The Towers
- Parking lot and exterior building repairs for Shartel
- Replacement of storefront windows, building signs for Andrews
- New monument signage is being planned for Shartel Towers, Wyatt F. Jeltz, Fred Factory, and Marie McGuire Plaza.
- New Interior mailboxes are being planned for Shartel Towers.
- Sanitary Sewer and Storm water improvements are being planned at Wyatt F. Jeltz Senior Center.
- Physical Needs Assessments are being planned at multiple locations.

Mr. Mills updated the council on two initiatives below:

- OCHA in conjunction with CEC, Homeless Alliance, PIVOT, Mental Health Association of Oklahoma, was awarded the administer of the Oklahoma City Council for Metropolitan Area Projects Plan (MAPS 4) Homelessness Program, to address homelessness and affordable housing. MAPS 4 Homelessness Program includes the provision of \$57.7 million for affordable housing to be allocated over 10 years. OCHA received the first allocation of \$10.7 million in March 2023.
- OCHA submitted a FY23 Choice Neighborhood Initiative Planning Grant Application in conjunction with the City of Oklahoma City (co-applicant) for the 348-unit Will Rogers Courts Apartments and Stockyards/Rotary Park Neighborhood in June 2023.

Mr. Mills provided an update on the 2023 Significant amendment. OCHA is submitting a Significant Amendment due to updated language under Demolition and/or disposition of two scattered site units (*1017 N.E. 16th and 2209 N. Bath*). No additional changes were made to the 2023 Annual Plan. This has previously been approved by the Resident Council to dispose these two properties to the Community Enhancement Corporation (CEC). CEC is OCHA's non-profit and development instrumentality. CEC is now going to sale those units, instead of keeping them for low-income residents. CEC will use the proceeds from the sale to further our mission and work in Affordable Housing.

Mr. Mills also explained to the council how to review the Capital Fund 5 Year Action Plan tables on the website. A copy of the Annual Plan is available for viewing in our Central Office and via our website www.ochanet.org. The plan is due to HUD by October 15, 2023. Residents are

welcome to submit commentary up until September 22, 2023. Please turn in the survey form to your manager.

Kassy Malone provided updates in regards to the Strategic Investment Plan and RAD Portfolio Conversion . Public housing will be redeveloped and converted to a section 8 project-based voucher. During this time, both Hillcrest and Reding have been issued a CHAP. Per our previous conversation, we were initially planning to have the residents of Hilcrest/Reding to sign a new lease this year (November 2023), however, due to a delay, this has been pushed back to the summer of 2024. Ms. Malone also mentioned that the scattered sites (1017 N.E. 16th and 2209 N. Bath) will be transferred from OCHA to CEC. (Residents will still pay 30% of their income toward rent.) Ms. Malone gave an update on the CNI Planning Grant Application that was submitted for the Stockyards City/Rotary Park Neighborhood. This would allow for the development of a transformation plan for Will Rogers Courts and surrounding neighborhood. If awarded this would be a 2-year planning timeframe. We will be notified of awardees in October – November of this year. In regards to Creston Park, the redevelopment of the NE Duplexes; 95 units have been approved for Section 18 Disposition along 28th and 29th St. at this time. The property will consist of both mixed income and mixed-use units. Ms. Malone briefly mentioned THRIVE and explained that this is currently on hold. More information will be provided during the next meeting. The meeting was handed back over to Mr. Miller.

Mr. Miller explained that a vote for disposition by resident council was required as it pertains to decisions about the sale or disposition of properties within the housing community. This vote is needed to ensure that the residents who live in that community have a say in important decisions that may affect their living conditions and the future of their housing situation. Motion was made by Henry Jones and second by Karen Shepherd.

Vote Count:

Approved: 7

Disapproved: 0

Mr. Miller also discussed the Resident Participation funds. Mr. Miller discussed that he had made site visits to meet with some of the representatives to discuss the use of Resident Participation Funds at their site and hopes to meet with the remaining sites over the new few weeks.

Meeting opened up for comments and questions:

- What exactly can the Resident Participation money be used for?
- How can resident council be more organized? Robert Johnson further explained that he believes more meet-ups should be conducted so that all council members can become more acquainted with one another. He also mentioned that it would be best to have more meetings in regards to issues on one another's properties.
- Can a list of the council members be sent to all managers? Often time's council members visit other sites, and are not acknowledged or recognized by managers. Despite informing managers who they are, possibly a badge or notice would help.
- Can we think about starting a newsletter and possibly more regularly scheduled meetings?

The meeting ended at 2:49 p.m.

Resident Council Meeting Minutes

Date: December 13, 2023

Location: Annex Conference Room

Time: 2:00 p.m.

Staff Attendees:

Mark Gillett, Greg Shinn, Benjamin Steffer, Matt Mills, Frank Miller

Resident Council:

Robert Johnson, James Hudson, Karen Shepard

Meeting Overview

The meeting was called to order by Frank Miller at 2:00 p.m.

Key Discussions:

1. Housing Authority Updates Mark Gillett:

- The Housing Authority is transitioning its portfolio properties to a private base model for public housing.
- Increased involvement in homeless prevention services, including property acquisition and renovation.

2. RAD Program Greg Shinn:

- Hillcrest and Reding properties are slated for conversion in 2024.
- Resident rent calculations will remain based on 30% of income, with no significant changes expected for residents.
- Future public meetings will be scheduled to provide detailed information on these conversions.

3. Security Enhancements Chief Benjamin Steffer:

- Focus on improving security at senior centers, including upgraded cameras and controlled access.
- Increased visibility and engagement from security personnel.
- Residents were encouraged to report security concerns, including unauthorized access and propped doors.

4. Resident Concerns:

- **Danforth and Candle Lake:** Requests for additional handrails and thermostats were noted, with renovations expected in 1-2 years.

- **Water Temperature Issues:** A mechanical contractor is addressing pressure differentials affecting water temperature.
- **Hillcrest:** Concerns about open doors and unauthorized access were discussed. A recommendation was made to keep doors closed and locked.
- **Candle Lake:** Reports of illegal substances in apartments should be directed to management for investigation.
- **Heating Issues:** Temporary fixes are in place, with long-term solutions underway.
- **Holiday Decorations:** The request for additional Christmas trees at Hillcrest will be reviewed for next year.
- **McGuire Facility:** Delays in addressing maintenance and recreational improvements were acknowledged, with staffing shortages cited as a contributing factor.

5. Ongoing and Future Improvements Matt Mills:

- Plans to install cameras in Hillcrest parking lots are under development.
- Discussions with contractors to improve door security at Jeltz are ongoing.

Conclusion:

Frank Miller expressed his appreciation for the attendees' participation and wished everyone a happy holiday season, looking forward to the next meeting in 2024.

The meeting adjourned at 2:56 pm.

RESIDENT COUNCIL MEETING

ANNEX Conference Room

April 17th, 2024

The meeting was called to order at 2:00 p.m. by Frank Miller- Director of Public Housing

Attendee: Mark Gillet- Executive Director, Matt Mills- Asst. Executive Director, Richard Marshall- Director of HCV, Frank Miller- Director of Public Housing, Kevin Lockridge- Asst. Director of Tech Services, Laura Gregory- Director of Resident Services, Heather Duke – Administrative Assistant for Public Housing.

Resident Council Members: James Hudson (President)- Scattered Sites, Richard Bailey- Towers, Marcus Barber- Scattered Sites, Rose Mason- McGuire, Janice Beamon-Jeltz. Mr. Gillett welcomed everyone and thanked them for attending the meeting.

Mr. Mills played the new OCHA Tenant Focus short film from our website. He thanked James Hudson our Resident Council President for participating in the video.

Mr. Mills gave an update and overview of our current development projects by giving a power-point presentation.

- Creston Park is located at NE 28th and N MLK Ave. Phase 1: 170 units, Phase 2: 268 units, Phase 3: (Care Suites): 124 units.
- Oak Grove Project SW 17th and S Grand Ave Phase 1: 288 units, Phase 2: 144 units. Late 2024 early 2025 is set to see construction.
- Hillcrest 2325 SW 59th and Reding/Reding Annex 1000 SW 38th St & SW 44th S. Western. Hillcrest and Reding both have 101 units, and the Annex has 10 units. On target to close this year through RAD.
- Vita Nova 1800 E Reno- Our first MAPS4 Supportive Housing Project. 75 Units. Serving housing for previously homeless with the assistance of their caseworkers.
- CNI Will Rogers Courts - proposed to build new replacement housing 348 units and new mixed-income affordable housing (697+ units). In 2023, two-year planning grant \$500K. OCHA with the residents last week and their involvement is key to this process. Empowering residents to have a voice and a choice in the development plan. Review the neighborhood landscape to assess what is available and what is needed or desired. Lastly housing, is designed with resident input to meet the needs of the families that live there, and the affordable housing needs of the community.

Those are the development updates. Does anyone have any questions?

Mr. Hudson: “All of this is a part of fixing homeless situation”? Mr. Mills explains not all of it as some of it falls under the rental assistance demonstration (RAD). RAD is to convert our current public housing stock to go out and leverage more money to rebuild or revitalize the area. Then there is also the MAPS4 funding that is helping those experiencing homelessness.

Mr. Mills presented a significant amendment to OCHA's 2024 Annual Plan. OCHA is proposing to demolish three units that have suffered fire damage, and they are beyond repair. OCHA must provide an appeal to HUD to tear them down. Any type of demolition requires a significant amendment, which includes a forty-five day comment period, public hearing, Resident Council approval and the Board approval. Right now, OCHA is in the middle of those forty-five comment period. The units will be demolished and sold under our Section 18 disposition plan. The fire units are:

1. 1409 NW 7th Street
2. 545 SW 27th Street
3. 1137 NW 11th Street

Mr. Mills announced OCHA will soon start preparation for the 2025 plan.

Mr. Mills updated the Resident Council over a proposed property disposition. Prioritizing 23 units owned by OCHA to be sold pending HUD approval. Eighteen vacant units/lots. Three burn units for demo and disposition and two occupied for sale to a non-profit for preservation and maintaining affordability. A letter was sent out to all residents of Scattered Sites homes.

In the next 4-6 weeks we will have another meeting where the Resident Council will need to vote on this proposal.

Mr. Hudson- "If we are in a house that you want to sell, is there a way that the resident can buy it"?
Matt- There are steps for residents or resident council to purchase the home. We are not at that point yet, but we must offer to sell to residents or council first. The current houses we are talking about are vacant.

Mr. Mills informed the council we do need to vote on the 2024 Significant Amendment to demolish the three fire units. There are other approvals that still have to come, but the resident council is required to vote on any significant amendment.

- Marcus Barber made the motion to approve, and Richard Bailey seconded all in favor say "I" 5-0 in favor of -approving the 2024 Significant Amendment.

Mr. Miller updated the Resident Council about the upcoming Resident Council Elections. In the next upcoming weeks, we will be sending out ballots for candidates for anyone that wants to serve on a new term for Resident Council. Normally the term is only two years but during COVID we let that group go for three years because we couldn't congregate. The next term should only be the two-year cycle. Every even year will be an election and new term will start on September 1st. Voting will be sometime in May 2024.

The meeting concluded at 2:38pm.

**Oklahoma City
Housing Authority
Resident Council Meeting**

**May 15, 2024
2:00 PM**

**OCHA Annex Conference Room
1800 Northeast Fourth Street
Oklahoma City, OK 73117**

Agenda:

Welcome and Introductions

Vote on Demo/Dispo of Scattered Site homes

Annual Plan Update

***Refreshments will be served**

RESIDENT COUNCIL MEETING

ANNEX Conference Room

May 15th, 2024

The meeting was called to order at 2:05 p.m. by Frank Miller- Director of Public Housing

Attendee: Mark Gillet- Executive Director, Thomas Henderson- Asst. Executive Director, Greg Shinn- Asst. Executive Director, Matt Mills- Asst. Executive Director, Richard Marshall- Director of HCV, Frank Miller- Director of Public Housing, Tabitha Pope- Diversity/Equity/Inclusion Officer, Jon Reininger- Director of Finance, Heather Duke- Administrative Assistant for Public Housing.

Resident Council Members: James Hudson (President)- Scattered Sites, Juanita Mock- Hillcrest, Janice Beamon-Jeltz, Cora Tate- Danforth.

Mr. Shinn gave an overview of the Property Disposition by giving a power-point presentation.

Prioritizing twenty-three units owned by OCHA to be sold pending HUD approval. Eighteen vacant units/lots, three burn units for demo/disposition and two occupied for sale to a non-profit for preservation and maintaining affordability. The proceeds go to replacement units to be constructed as Affordable Housing for low-income households.

Resident letters were mailed out to all residents of AMP 104 Scattered Sites.

Mayor Holt will sign all three letters following approval of the City Council and return to OCHA. Resident Council must be notified and have the opportunity to purchase properties and/or approve the plan to submit a Section 18 Disposition application to HUD.

Mr. Miller calls for three separate votes of approval:

1. 18 vacant units/lots – Pass unanimously 4-0.
2. 3 burn units for demo and disposition - Pass unanimously 4-0.
3. 2 occupied for sale to a non-profit for preservation and maintaining affordability - Pass unanimously 4-0.

Mr. Mills touched on 2025 annual plan updates. Forms were handed out to comment on the 2025 Annual Plan from Resident Council members. Those forms can be given to Mr. Mills today or to your site managers. As a reminder, the Resident Council must be a part of the process from the beginning.

The meeting concluded at 2:42 p.m.



Resident Council Meeting May/5th 2024

Name	Signature
CORA Tate	Cora Tate
Juanita Moul	Juanita Moul
Tabitha Pope	Tabitha Pope
James Hudson	James Hudson
Jon REWINGE	Jon Rewing
Janice Beamon	Janice M. Beamon
Richard Marshall	
Matt Mills	
Frank Mills	
Heather Duke	Heather Duke

OCHA-CEC Unit Maintenance and Turnover Metrics (UMTM)

Period Reporting: 7/1/2023 - June 2024

Public Housing

Avg. Downtime to Lease-in (Days)*	Avg. Number of Work Orders Per Month**	Avg. Number of Lease-ins Per Month
79	1871	38

Affordable Housing

Avg. Downtime to Lease-in (Days)*	Avg. Number of Work Orders Per Month	Avg. Number of Lease-ins Per Month
66	23	14

Combined Housing

Avg. Downtime to Lease-in (Days)*	Avg. Number of Work Orders Per Month	Avg. Number of Lease-ins Per Month
73	947	26

*Note: this number is an average of the total days a unit is vacant until it is leased up. This is heavily influenced by the most severely damaged units called "trash outs" Many other units are ready to lease up in 10 days or less.

**This is the average number of total monthly work orders issued. This is inclusive of make readies for unit turnover and other repairs.

OKLAHOMA CITY HOUSING AUTHORITY
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2022 AND 2021



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**OKLAHOMA CITY HOUSING AUTHORITY
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Oklahoma City Housing Authority
Oklahoma City, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Oklahoma City Housing Authority (the Authority), as of and for the years ended December 31, 2022 and 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.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of December 31, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Sooner Haven, LLC and John H. Johnson ALF, LP, discretely presented component units of the Authority, which represent 100% of the assets, 100% of the net position, and 100% of the revenues of the discretely presented component units as of December 31, 2022 and 2021. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Sooner Haven, LLC and John H. Johnson ALF, LP is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of John H. Johnson ALF, LP were not audited in accordance with Government Auditing Standards.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information as listed in the table of contents and the Schedule of Expenditure of Federal Awards as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administration 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 GAAS. In our opinion, the supplementary information as listed in the table of contents and 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 September 19, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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

Pittsburgh, Pennsylvania
September 19, 2023

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

The discussion and analysis of the Authority's financial performance provides an overview of the Authority's financial activities for the years ended December 31, 2022 and 2021. Please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

2022

- The Authority transferred \$3,589,877 of public housing properties to its' blended component unit, Community Enhancement Corporation (CEC) in 2022.
- The Authority's net position decreased by \$549,344, or 0.8% during the year ended December 31, 2022, from \$75,208,955 at December 31, 2021 to \$74,659,611 at December 31, 2022.
- Total revenues of the Authority increased by \$3,428,683 or 6% for the year ended December 31, 2022, from \$55,595,186 for the year ended December 31, 2021 to \$59,023,869 at December 31, 2022.
- Total expenses of the Authority increased by \$3,061,841 or 5% for the year ended December 31, 2022, from \$56,556,372 for the year ended December 31, 2021 to \$59,573,213 for the year ended December 31, 2022.

2021

- The Authority added approximately \$1,894,000 in capital assets relating to land and building improvements and renovations during 2021.
- The Authority's net position decreased by \$961,186 or 1% during the year ended December 31, 2021, from \$76,170,147 at December 31, 2020 to \$75,208,955 at December 31, 2021.
- Total revenues of the Authority decreased by \$6,561,093 or 11% for the year ended December 31, 2021, from \$62,156,279 for the year ended December 31, 2020 to \$55,595,186 at December 31, 2021.
- Total expenses of the Authority decreased by \$726,357 or 1% for the year ended December 31, 2021, from \$57,282,729 for the year ended December 31, 2020 to \$56,556,372 for the year ended December 31, 2021.

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

OVERVIEW OF FINANCIAL STATEMENTS

The following summarizes the content of the Authority's financial statements, which include its blended component unit, Community Enhancement Corporation (CEC). Separate financial statements for CEC may be obtained at the Authority's administrative offices.

1. Management Discussion and Analysis
2. Financial Statements, including the Statements of Net Position on page 11, the Statements of Revenues, Expenses, and Changes in Net Position on page 15, and the Statements of Cash Flows on page 17.
3. Statements of Net Position which presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position usually serve as a useful indicator of whether the change in the financial position of the Authority is improving or deteriorating.
4. Statements of Revenues, Expenses, and Changes in Net Position which presents information showing how the Authority's net position changed during the most recent period. This statement shows the total revenues and total expenses of the Authority and the difference between them is the Authority's net income.
5. Statements of Cash Flows which presents changes in cash and cash equivalents resulting from operations, capital and noncapital financing activities, and investing activities.
6. Notes to Financial Statements, which provide additional information essential to the understanding of the Authority's financial statements.

The primary focus of the Authority's financial statements is on the Authority as a whole. This perspective allows the user to address relevant questions, broaden a basis for comparison and enhance the Authority's accountability.

ENTITY WIDE FINANCIAL STATEMENTS

The Authority engages in only business-type activities. The financial statements are designed to be corporate-like in that all business-type activities are consolidated to a total for the entire entity. The Authority's major business activities include the following:

- Rental of real estate under a low-rent public housing contract.
- Provide rental assistance and Family Self Sufficiency counseling under Section 8 voucher contracts, and also through CEC's Section 8 housing.
- Provision of tenant services funded from both low-rent public housing contracts and grant funding.
- Through CEC, the acquisition and rehabilitation of rental units to provide Section 8 housing funded by federal grant programs.

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

Statements of Net Position

The following table reflects the condensed Statements of Net Position compared to prior years.

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2022/2021 \$ Change</u>	<u>2021/2020 \$ Change</u>
Current Assets	\$ 13,706,991	\$ 12,415,679	\$ 16,948,846	\$ 1,291,312	\$ (4,533,167)
Capital Assets	59,601,284	62,408,279	64,907,931	(2,806,995)	(2,499,652)
Other Assets	13,628,940	13,290,835	10,112,883	338,105	3,177,952
Total Assets	<u>86,937,215</u>	<u>88,114,793</u>	<u>91,969,660</u>	<u>(1,177,578)</u>	<u>(3,854,867)</u>
Current Liabilities	5,143,806	4,675,221	6,512,786	468,585	(1,837,565)
Noncurrent Liabilities	7,133,798	8,230,617	9,286,727	(1,096,819)	(1,056,110)
Total Liabilities	<u>12,277,604</u>	<u>12,905,838</u>	<u>15,799,513</u>	<u>(628,234)</u>	<u>(2,893,675)</u>
Net Position					
Unrestricted	19,288,915	18,795,717	17,475,712	493,198	1,320,005
Restricted	1,077,700	262,086	927,206	815,614	(665,120)
Net Investment in Capital Assets	54,292,996	56,151,152	57,767,229	(1,858,156)	(1,616,077)
Total Net Position	<u>\$ 74,659,611</u>	<u>\$ 75,208,955</u>	<u>\$ 76,170,147</u>	<u>\$ (549,344)</u>	<u>\$ (961,192)</u>

For more detailed information, see pages 11 through 14 for the Statements of Net Position.

MAJOR FACTORS AFFECTING THE STATEMENTS OF NET POSITION

2022

Current assets increased by \$1,291,312 primarily due to an increase in cash related to advances of grant monies of \$1,500,000 for housing projects by CEC. Other assets increased by \$338,105 related to increases in cash outlays for future developments. Capital assets decreased by \$2,806,995 due to capital asset disposals and depreciation expense in excess of additions.

Current liabilities increased by \$468,585 primarily due to an increase in unearned revenue related to unspent grant funds, net with a decrease in payables and accruals. Noncurrent liabilities decreased \$1,096,819 primarily due to routine payoffs of long-term debt.

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

2021

Current assets decreased by \$4,533,167 primarily due to a decrease in cash. The decrease in cash was mostly related to the Authority expending the remainder of CARES Act funding in the current year that was unspent at December 31, 2020 as well as a decrease in cash for CEC related to increase in predevelopment costs spent. In the current year, developer fee receivable for CEC is considered noncurrent vs. current in the prior year. Other assets increased \$3,177,952 related to increases in cash outlays for future developments and the movement of developer fees receivable to noncurrent assets. Capital assets decreased by \$2,499,652 due to capital asset disposals and depreciation expense in excess of additions.

Current liabilities decreased by \$1,837,565 primarily due to a decrease in unearned revenue related to the remainder of CARES Act funding expended in the current year and monies received in advance by CEC for various projects in prior year being expended in the current year. Noncurrent liabilities decreased \$1,056,110 primarily due to payments on long-term debt.

Change in Unrestricted Net Position

	2022	2021
Unrestricted Net Position, Beginning of Year	\$ 18,795,717	\$ 17,475,712
Change in Unrestricted Net Position	493,198	1,320,005
Unrestricted Net Position, End of Year	\$ 19,288,915	\$ 18,795,717

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in unrestricted net position provides a clearer change in financial well-being.

Statements of Revenues, Expenses, and Changes in Net Position

The following schedule compares the revenues and expenses for the current and previous fiscal years. As stated before, the Authority engages in only business-type activities.

	2022	2021	2020	2022/2021 Change	2021/2020 Change
Revenues:					
Operating Grants and Subsidies	\$ 49,355,872	\$ 45,029,972	\$ 49,813,638	\$ 4,325,900	\$ (4,783,666)
Capital Grants	999,651	1,762,031	3,214,172	(762,380)	(1,452,141)
Tenant Rental and Other Revenue	7,562,792	6,546,401	6,524,880	1,016,391	21,521
Investment Income	42,618	12,195	54,840	30,423	(42,645)
Interest Income	231,715	251,837	253,549	(20,122)	(1,712)
Other	831,221	1,992,750	2,295,200	(1,161,529)	(302,450)
Total Revenues	59,023,869	55,595,186	62,156,279	3,428,683	(6,561,093)
Expenses:					
Administrative Services	7,761,908	6,860,122	6,458,029	901,786	402,093
Tenant Services	2,099,698	3,091,336	3,974,165	(991,638)	(882,829)
Utilities	3,010,148	2,578,497	2,341,541	431,651	236,956
Maintenance	10,997,742	8,672,312	7,234,941	2,325,430	1,437,371
Protective Services	1,704,430	1,544,173	1,476,405	160,257	67,768
Section 8 Housing Assistance Payments	27,257,039	26,490,017	28,246,409	767,022	(1,756,392)
Depreciation	4,264,583	4,060,939	4,421,306	203,644	(360,367)
Insurance	1,497,115	1,454,018	1,384,017	43,097	70,001
Interest	241,818	257,004	291,541	(15,186)	(34,537)
Other	738,732	1,547,954	1,454,375	(809,222)	93,579
Total Expenses	59,573,213	56,556,372	57,282,729	3,016,841	(726,357)
Change in Net Position	\$ (549,344)	\$ (961,186)	\$ 4,873,550	\$ 411,842	\$ (5,834,736)

(7)

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

**MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION**

2022

Operating grants and subsidies increased by \$4,325,900 primarily due to an increase in housing choice vouchers issued and subsidy received for public housing properties.

HUD capital grants decreased by \$762,380 related to a decrease in capital projects for public housing projects.

Tenant revenue increased by \$1,016,391 primarily due to an increase in units leased as well as the Authority resuming charging of miscellaneous tenant fees that were not charged during 2020 or 2021.

Other revenue decreased by \$1,161,529 primarily due to a decrease in developer fees earned by CEC and no sale of capital assets during the current year.

Total expenses increased by \$3,016,841 primarily due to an increase in housing assistance payments by \$767,022 related to an increase in vouchers issued during the year. There was an increase of \$2,325,430 of operating and maintenance fees as properties are being fixed up to be converted to RAD properties. Utilities increased \$431,651 related to the increase in units leased and increase in rates during the current year. In the prior year, there were increases in tenant services related to COVID-19 pandemic response, which were recorded as administrative expenses in 2022.

2021

Operating grants and subsidies decreased by \$4,783,666 primarily due to a decrease in housing choice vouchers issued and grants received by CEC.

HUD capital grants decreased by \$1,452,141 related to a decrease in capital projects for public housing projects.

Other revenue decreased by \$302,450 primarily due to a decrease in developer fees earned by CEC in the current year.

Total expenses decreased by \$726,351 primarily due to a decrease in housing assistance payments by \$1,756,392 related to a decrease in vouchers issued during the year. There were also no pre-development costs in the current year. In the prior year, there were increases in tenant services related to COVID-19 pandemic response. In 2021, operations returned to normal resulting in less expenses in the current year. Maintenance projects that had stopped in 2020 due to the pandemic resumed in 2021, resulting in an increase of those expenses by \$1,460,540.

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

Capital Assets and Debt Administration

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Land	\$ 7,745,988	\$ 7,374,193	\$ 6,823,536
Construction in Progress	939,523	2,045,290	1,639,938
Buildings and Improvements	158,612,546	157,004,246	157,047,089
Furniture and Equipment	<u>12,743,627</u>	<u>12,507,852</u>	<u>12,052,751</u>
Total Cost of Assets	180,041,684	178,931,581	177,563,314
Less: Accumulated Depreciation	<u>(120,440,400)</u>	<u>(116,523,302)</u>	<u>(112,655,383)</u>
Net Capital Assets	<u>\$ 59,601,284</u>	<u>\$ 62,408,279</u>	<u>\$ 64,907,931</u>

The following summarizes the changes in capital assets:

	<u>2022</u>	<u>2021</u>
Balance, Beginning of Year	\$ 62,408,279	\$ 64,907,931
Additions (Not Including CIP Capitalizations)	1,457,588	2,001,185
Disposals	-	(333,076)
Depreciation	<u>(4,264,583)</u>	<u>(4,167,761)</u>
Balance, End of Year	<u>\$ 59,601,284</u>	<u>\$ 62,408,279</u>

See Note 5 of the financial statements for additional information related to capital assets.

DEBT OUTSTANDING

During 2022, the Authority made principal payments of \$948,839. There were no proceeds received from debt in the current year.

During 2021, the Authority made principal payments of \$883,575. There were no proceeds received from debt in the current year.

See Note 6 of the financial statements for additional information relating to long-term debt.

**OKLAHOMA CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

ECONOMIC FACTORS

Significant economic factors affecting the entity are as follows:

- Federal funding from the Department of Housing and Urban Development (or applicable agency)
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary, and employment trends, which can affect resident incomes, and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies, and other costs

FINANCIAL CONTACT

The individual to be contacted regarding this report is Thomas Henderson, Chief Financial Officer of the Oklahoma City Housing Authority, at 405-239-7551. Specific requests may also be submitted to Thomas Henderson, at 1700 Northeast Fourth Street, Oklahoma City, Oklahoma 73117-3800.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents:		
Unrestricted	\$ 7,190,250	\$ 105,231
Restricted - Tenant Security Deposits	475,816	32,890
Restricted - Other	2,997,033	2,671,208
Total Cash and Cash Equivalents	<u>10,663,099</u>	<u>2,809,329</u>
Accounts Receivable:		
Tenants, Net of Allowance for Doubtful Accounts of \$631,894 and \$-0-	171,401	313,494
Intergovernmental	443,798	-
Interest	919,780	-
Other	671,971	-
Prepaid Expenses and Other Assets	589,582	135,855
Inventory	<u>247,360</u>	<u>-</u>
Total Current Assets	13,706,991	3,258,678
CAPITAL ASSETS		
Nondepreciable	8,685,511	2,204,739
Depreciable, Net	<u>50,915,773</u>	<u>40,069,252</u>
Total Capital Assets	59,601,284	42,273,991
OTHER ASSETS		
Prepaid Land Lease, Noncurrent Portion	-	721,227
Fair Market Value of Interest Rate Swap	-	1,724,105
Other Assets	-	160,752
Developer Fees	2,116,909	-
Notes Receivable	7,951,022	-
Investment in Future Developments	3,561,009	-
Total Other Assets	<u>13,628,940</u>	<u>2,606,084</u>
Total Assets	<u>\$ 86,937,215</u>	<u>\$ 48,138,753</u>

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2022**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 1,004,975	\$ 299,486
Accounts Payable:		
Trade	1,072,256	128,814
Intergovernmental	169,286	-
Construction	-	1,290,610
Due to Primary Government	-	1,139,097
Accrued Liabilities:		
Salaries, Wages, and Payroll Taxes	288,723	-
Compensated Absences, Current Portion	109,148	-
Accrued Interest	9,625	987,956
Other	7,445	706,756
FSS Payable	133,887	-
Tenant Security Deposits Payable	475,816	32,890
Unearned Land Lease Revenue, Current Portion	34,242	-
Unearned Revenue - Other	1,838,403	10,808
Total Current Liabilities	<u>5,143,806</u>	<u>4,596,417</u>
LONG-TERM DEBT - MORTGAGE NOTES PAYABLE	4,303,313	33,995,851
COMPENSATED ABSENCES, NONCURRENT	954,955	-
UNEARNED LAND LEASE, NONCURRENT	1,875,530	-
NONCURRENT LIABILITIES - OTHER	-	12,731
DEVELOPER FEE PAYABLE, NONCURRENT	<u>-</u>	<u>2,116,909</u>
Total Liabilities	12,277,604	40,721,908
NET POSITION		
Net Investment in Capital Assets	54,292,996	7,978,654
Restricted	1,077,700	2,671,208
Unrestricted	19,288,915	(3,233,017)
Total Net Position	<u>74,659,611</u>	<u>7,416,845</u>
Total Liabilities and Net Position	<u>\$ 86,937,215</u>	<u>\$ 48,138,753</u>

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents:		
Unrestricted	\$ 8,131,675	\$ 222,693
Restricted - Tenant Security Deposits	523,201	34,050
Restricted - Other	702,194	2,427,736
Total Cash and Cash Equivalents	<u>9,357,070</u>	<u>2,684,479</u>
Accounts Receivable:		
Tenants, Net of Allowance for Doubtful Accounts of \$515,577 and \$-0-	86,705	200,169
Intergovernmental	512,150	-
Interest	684,756	-
Other	573,570	20,919
Prepaid Expenses and Other Assets	1,018,440	60,843
Prepaid Land Lease, Current Portion	-	14,545
Inventory	<u>182,988</u>	<u>25,097</u>
Total Current Assets	12,415,679	3,006,052
CAPITAL ASSETS		
Nondepreciable	9,419,483	2,204,739
Depreciable, Net	<u>52,988,796</u>	<u>41,455,259</u>
Total Capital Assets	62,408,279	43,659,998
OTHER ASSETS		
Prepaid Land Lease, Noncurrent Portion	-	721,452
Other Assets	-	175,706
Developer Fees	2,091,278	-
Notes Receivable	7,951,022	-
Investment in Future Developments	3,248,535	-
Total Other Assets	<u>13,290,835</u>	<u>897,158</u>
Total Assets	<u>\$ 88,114,793</u>	<u>\$ 47,563,208</u>

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2021**

	Primary Government	Discretely Presented Component Units
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 950,087	\$ 287,799
Accounts Payable:		
Trade	1,252,225	222,441
Intergovernmental	188,056	-
Construction	-	1,290,610
Due to Primary Government	-	62,615
Accrued Liabilities:		
Salaries, Wages, and Payroll Taxes	357,307	7,800
Compensated Absences, Current Portion	132,441	-
Accrued Interest	14,055	758,949
Other	60,520	677,618
FSS Payable	105,591	-
Tenant Security Deposits Payable	523,201	34,050
Other Current Liabilities	-	-
Unearned Land Lease Revenue, Current Portion	34,242	-
Unearned Revenue	1,057,496	19,315
Total Current Liabilities	4,675,221	3,361,197
LONG-TERM DEBT	5,307,040	34,164,572
COMPENSATED ABSENCES, NONCURRENT	1,013,804	-
UNEARNED LAND LEASE, NONCURRENT	1,909,773	-
DEVELOPER FEE PAYABLE, NONCURRENT	-	2,091,278
FAIR MARKET VALUE OF INTEREST RATE SWAP	-	2,023,986
NONCURRENT LIABILITIES - OTHER	-	359,212
Total Liabilities	12,905,838	42,000,245
NET POSITION		
Net Investment in Capital Assets	56,151,152	9,207,627
Restricted	262,086	2,427,736
Unrestricted	18,795,717	(6,072,400)
Total Net Position	75,208,955	5,562,963
Total Liabilities and Net Position	\$ 88,114,793	\$ 47,563,208

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2022

	Primary Government	Discretely Presented Component Units
OPERATING REVENUES		
Direct HUD Contributions and Grants:		
Public Housing Operating Subsidies	\$ 17,590,781	\$ -
Section 8 Grants and Subsidies:		
Vouchers	30,633,351	-
Supportive Services	126,935	-
Section 8 Mod Rehab	30,664	-
Other Governmental Grants	974,141	1,491,153
Tenant Rental Revenue	7,046,447	4,401,509
Other Tenant Revenue	516,345	-
Other Operating Revenue	821,826	949,776
Total Operating Revenues	57,740,490	6,842,438
OPERATING EXPENSES		
Administrative Services	7,761,908	1,199,232
Tenant Services	2,099,698	1,682,701
Utilities	3,010,148	281,012
Ordinary Maintenance and Operations	10,997,742	1,203,081
Protective Services	1,704,430	-
Insurance	1,497,115	390,355
Bad Debts	614,675	479,451
Payment in Lieu of Taxes	166,657	-
Other General	(42,600)	603,824
Housing Assistance Payments	27,257,039	-
Depreciation	4,264,583	1,404,197
Total Operating Expenses	59,331,395	7,243,853
OPERATING LOSS	(1,590,905)	(401,415)
NONOPERATING REVENUE (EXPENSE)		
Investment Income	42,618	-
Interest Income	231,715	-
Interest Expense	(241,818)	(1,477,840)
Amortization of Bond Issuance Costs	-	(14,954)
Unrealized Gain on Fair Market Value of Derivative Interest Swap	-	3,748,091
Gain (Loss) on Sale of Capital Assets	9,395	-
Total Nonoperating Revenue	41,910	2,255,297
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(1,548,995)	1,853,882
CAPITAL GRANTS AND CONTRIBUTIONS	999,651	-
CHANGE IN NET POSITION	(549,344)	1,853,882
Net Position - Beginning of Year	75,208,955	5,562,963
NET POSITION - END OF YEAR	\$ 74,659,611	\$ 7,416,845

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021

	Primary Government	Discretely Presented Component Units
OPERATING REVENUES		
Direct HUD Contributions and Grants:		
Public Housing Operating Subsidies	\$ 13,579,399	\$ -
Public Housing Modernization	29,550	-
Section 8 Grants and Subsidies:		
Vouchers	27,844,159	-
Family Self Sufficiency	157,908	-
Section 8 - Other	28,236	-
Other	1,404,984	-
Other Governmental Grants	1,985,736	1,878,240
Tenant Rental Revenue	6,244,312	3,193,545
Other Tenant Revenue	302,089	1,111,487
Developer Fees	661,901	-
Other Operating Revenue	602,799	-
Total Operating Revenues	52,841,073	6,183,272
OPERATING EXPENSES		
Administrative Services	6,860,116	892,856
Tenant Services	3,091,336	1,718,586
Utilities	2,578,497	240,231
Ordinary Maintenance and Operations	8,672,312	945,901
Protective Services	1,544,173	-
Insurance	1,454,018	50,000
Bad Debts	455,789	553,991
Payment in Lieu of Taxes	178,645	-
Other General	913,520	43,911
Management Fee	-	257,092
Housing Assistance Payments	26,490,017	-
Depreciation	4,060,945	1,388,374
Total Operating Expenses	56,299,368	6,090,942
OPERATING INCOME (LOSS)	(3,458,295)	92,330
NONOPERATING REVENUE (EXPENSE)		
Investment Income	12,195	(1,823,161)
Interest Income	251,837	-
Interest Expense	(257,004)	-
Other Income	387,338	-
Unrealized (Loss) on Fair Market Value of Derivative Interest Swap	-	(2,023,986)
Amortization of Bond Issuance Costs	-	(14,953)
Gain on Sale of Capital Assets	340,712	-
Total Nonoperating Revenue (Expense)	735,078	(3,862,100)
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(2,723,217)	(3,769,770)
HUD CAPITAL GRANTS	1,762,031	-
CHANGE IN NET POSITION	(961,186)	(3,769,770)
Net Position - Beginning of Year	76,170,141	9,332,733
NET POSITION - END OF YEAR	\$ 75,208,955	\$ 5,562,963

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	Primary Government	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Government Grants and Subsidies	\$ 49,257,031	\$ 43,248,517
Cash Received from Tenants	8,045,386	6,493,582
Cash Received from Other Sources	796,195	616,700
Cash Payments to Housing Assistance Payments	(27,257,039)	(26,490,017)
Cash Payments to Employees for Services	(12,697,174)	(12,787,382)
Cash Payments for Goods or Services	(15,161,030)	(13,478,350)
Net Cash Provided (Used) by Operating Activities	2,983,369	(2,396,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Received for HUD Capital Grants	999,651	1,762,031
Cash Payments for Principal Payments on Long-Term Debt	(948,839)	(883,575)
Cash Payments for Purchases of Capital Assets	(1,457,588)	(1,894,369)
Cash Received for Proceeds from the Sale of Capital Assets	9,395	673,788
Cash Received for Casualty Gain	-	387,338
Interest Payments on Mortgage Notes and Bonds Payable	(241,818)	(257,004)
Net Cash Used by Capital and Related Financing Activities	(1,639,199)	(211,791)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in Future Developments	(312,474)	(1,086,674)
Interest Income	274,333	264,032
Net Cash Used by Investing Activities	(38,141)	(822,642)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,306,029	(3,431,383)
Cash and Cash Equivalents - Beginning of Year	9,357,070	12,788,453
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 10,663,099	\$ 9,357,070

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	Primary Government	
	2022	2021
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Loss	\$ (1,590,905)	\$ (3,458,301)
Adjustments to Reconcile Operating Loss to Net		
Cash (Used) Provided by Operating Activities:		
Depreciation	4,264,583	4,060,945
Bad Debt	614,675	455,789
Changes in Assets and Liabilities:		
Accounts Receivable	(990,075)	(1,387,084)
Inventory	(64,372)	(94,904)
Prepaid Expenses and Other Assets	428,858	36,705
Accounts Payable	(198,739)	(280,937)
Accrued and Other Liabilities	(214,178)	(178,184)
Tenant Security Deposits Payable	(47,385)	(41,448)
Unearned Revenue	780,907	(1,509,531)
Net Cash (Used) Provided by Operating Activities	\$ 2,983,369	\$ (2,396,950)

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2022

ASSETS	John H Johnson ALF, LP	Sooner Haven, LLC	Total Discretely Presented Component Units
CURRENT ASSETS			
Cash and Cash Equivalents:			
Unrestricted	\$ 95,136	\$ 10,095	\$ 105,231
Restricted - Tenant Security Deposits	-	32,890	32,890
Restricted - Other	1,933,579	737,629	2,671,208
Total Cash and Cash Equivalents	<u>2,028,715</u>	<u>780,614</u>	<u>2,809,329</u>
Accounts Receivable:			
Tenants, Net	189,037	124,457	313,494
Prepaid Expenses and Other Assets	59,367	76,488	135,855
Total Current Assets	<u>2,277,119</u>	<u>981,559</u>	<u>3,258,678</u>
CAPITAL ASSETS			
Nondepreciable	1,563,072	641,667	2,204,739
Depreciable, Net	18,706,412	21,362,840	40,069,252
Total Capital Assets	<u>20,269,484</u>	<u>22,004,507</u>	<u>42,273,991</u>
OTHER ASSETS			
Right of Use Asset, Net	721,227	-	721,227
Fair Market Value of Interest Rate Swap	1,724,105	-	1,724,105
Other Assets	87,273	73,479	160,752
Total Other Assets	<u>2,532,605</u>	<u>73,479</u>	<u>2,606,084</u>
Total Assets	<u>\$ 25,079,208</u>	<u>\$ 23,059,545</u>	<u>\$ 48,138,753</u>
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Current Maturities of Long-Term Debt	\$ 221,879	\$ 77,607	\$ 299,486
Accounts Payable:			
Trade	92,072	36,742	128,814
Construction	-	1,290,610	1,290,610
Developer Fee Payable, Current Portion	-	-	-
Due to Primary Government	797,072	342,025	1,139,097
Accrued Liabilities:			
Accrued Interest	49,291	938,665	987,956
Other	189,773	516,983	706,756
Tenant Security Deposits Payable	-	32,890	32,890
Other Current Liabilities	-	-	-
Unearned Revenue - Other	-	10,808	10,808
Total Current Liabilities	<u>1,350,087</u>	<u>3,246,330</u>	<u>4,596,417</u>
LONG-TERM DEBT - MORTGAGE NOTES PAYABLE	18,410,948	15,584,903	33,995,851
DEVELOPER FEE PAYABLE, NONCURRENT	991,909	1,125,000	2,116,909
NONCURRENT LIABILITIES - OTHER	12,731	-	12,731
Total Liabilities	<u>20,765,675</u>	<u>19,956,233</u>	<u>40,721,908</u>
NET POSITION			
Net Investment in Capital Assets	1,636,657	6,341,997	7,978,654
Restricted	1,933,579	737,629	2,671,208
Unrestricted	743,297	(3,976,314)	(3,233,017)
Total Net Position	<u>4,313,533</u>	<u>3,103,312</u>	<u>7,416,845</u>
Total Liabilities and Net Position	<u>\$ 25,079,208</u>	<u>\$ 23,059,545</u>	<u>\$ 48,138,753</u>

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2021

	John H Johnson ALF, LP	Sooner Haven, LLC	Total Discretely Presented Component Units
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents:			
Unrestricted	\$ 131,998	\$ 90,695	\$ 222,693
Restricted - Tenant Security Deposits	-	-	34,050
Restricted - Other	1,845,767	616,019	2,427,736
Total Cash and Cash Equivalents	1,977,765	706,714	2,684,479
Accounts Receivable:			
Tenants, Net	145,919	54,250	200,169
Other	12,657	8,262	20,919
Prepaid Expenses and Other Assets	38,365	22,478	60,843
Prepaid Land Lease - Current Portion	14,545	-	14,545
Inventory	25,097	-	25,097
Total Current Assets	2,214,348	791,704	3,006,052
CAPITAL ASSETS			
Nondepreciable	1,563,072	641,667	2,204,739
Depreciable, Net	19,353,741	22,101,518	41,455,259
Total Capital Assets	20,916,813	22,743,185	43,659,998
OTHER ASSETS			
Prepaid Land Lease, Noncurrent Portion	721,452	-	721,452
Other Assets	94,496	81,210	175,706
Total Other Assets	815,948	81,210	897,158
Total Assets	\$ 23,947,109	\$ 23,616,099	\$ 47,563,208
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Current Maturities of Long-Term Debt	\$ 213,235	\$ 74,564	\$ 287,799
Accounts Payable:			
Trade	222,441	-	222,441
Retainage	-	1,290,610	1,290,610
Due to Primary Government	-	62,615	62,615
Accrued Liabilities:			
Salaries, Wages, and Payroll Taxes	-	7,800	7,800
Accrued Interest	51,999	706,950	758,949
Other	407,888	269,730	677,618
Tenant Security Deposits Payable	-	34,050	34,050
Unearned Revenue - Other	-	19,315	19,315
Total Current Liabilities	895,563	2,465,634	3,361,197
LONG-TERM DEBT - MORTGAGE NOTES PAYABLE	18,582,435	15,582,137	34,164,572
DEVELOPER FEE PAYABLE, NONCURRENT	966,278	1,125,000	2,091,278
FAIR MARKET VALUE OF INTEREST RATE SWAP	2,023,986	-	2,023,986
NONCURRENT LIABILITIES - OTHER	359,212	-	359,212
Total Liabilities	22,827,474	19,172,771	42,000,245
NET POSITION			
Unrestricted	(2,847,275)	(3,225,125)	(6,072,400)
Restricted	1,845,767	581,969	2,427,736
Net Investment in Capital Assets	2,121,143	7,086,484	9,207,627
Total Net Position	1,119,635	4,443,328	5,562,963
Total Liabilities and Net Position	\$ 23,947,109	\$ 23,616,099	\$ 47,563,208

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2022

	John H Johnson ALF, LP	Sooner Haven, LLC	Total Discretely Presented Component Units
OPERATING REVENUES			
Other Governmental Grants	\$ 493,355	\$ 997,798	\$ 1,491,153
Tenant Rental Revenue	4,138,598	262,911	4,401,509
Other Operating Revenue	869,947	79,829	949,776
Total Operating Revenues	<u>5,501,900</u>	<u>1,340,538</u>	<u>6,842,438</u>
OPERATING EXPENSES			
Administrative Services	1,017,901	181,331	1,199,232
Tenant Services	1,682,701	-	1,682,701
Utilities	134,042	146,970	281,012
Ordinary Maintenance and Operations	630,849	572,232	1,203,081
Insurance	262,781	127,574	390,355
Bad Debts	479,451	-	479,451
Other General	334,094	269,730	603,824
Depreciation	647,329	756,868	1,404,197
Total Operating Expenses	<u>5,189,148</u>	<u>2,054,705</u>	<u>7,243,853</u>
OPERATING INCOME (LOSS)	312,752	(714,167)	(401,415)
NONOPERATING REVENUES (EXPENSES)			
Interest Expense	(859,722)	(618,118)	(1,477,840)
Unrealized Gain on Fair Market Value of Derivative Interest Swap	3,748,091	-	3,748,091
Amortization of Bond Issuance Costs	(7,223)	(7,731)	(14,954)
Total Nonoperating Revenue (Expenses)	<u>2,881,146</u>	<u>(625,849)</u>	<u>2,255,297</u>
CHANGE IN NET POSITION	3,193,898	(1,340,016)	1,853,882
Net Position - Beginning of Year	<u>1,119,635</u>	<u>4,443,328</u>	<u>5,562,963</u>
NET POSITION - END OF YEAR	<u>\$ 4,313,533</u>	<u>\$ 3,103,312</u>	<u>\$ 7,416,845</u>

See accompanying Notes to Financial Statements.

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2021

	John H Johnson ALF, LP	Sooner Haven, LLC	Total Discretely Presented Component Units
OPERATING REVENUES			
Other Governmental Grants	\$ 436,107	\$ 1,442,133	\$ 1,878,240
Tenant Rental Revenue	3,008,759	184,786	3,193,545
Other Tenant Revenue	458,937	652,550	1,111,487
Total Operating Revenues	3,903,803	2,279,469	6,183,272
OPERATING EXPENSES			
Administrative Services	648,617	244,239	892,856
Tenant Services	1,718,586	-	1,718,586
Utilities	116,836	123,395	240,231
Ordinary Maintenance and Operations	604,079	341,822	945,901
Insurance	-	50,000	50,000
Bad Debts	260,352	293,639	553,991
Other General	43,911	-	43,911
Management Fee	-	257,092	257,092
Depreciation	647,329	741,045	1,388,374
Total Operating Expenses	4,039,710	2,051,232	6,090,942
OPERATING INCOME (LOSS)	(135,907)	228,237	92,330
NONOPERATING REVENUES (EXPENSES)			
Investment Income	(862,764)	(960,397)	(1,823,161)
Unrealized (Loss) on Fair Market Value of Derivative Interest Swap	(2,023,986)	-	(2,023,986)
Amortization of Bond Issuance Costs	(7,222)	(7,731)	(14,953)
Total Nonoperating Expenses	(2,893,972)	(968,128)	(3,862,100)
CHANGE IN NET POSITION	(3,029,879)	(739,891)	(3,769,770)
Net Position - Beginning of Year	4,149,514	5,183,219	9,332,733
NET POSITION - END OF YEAR	\$ 1,119,635	\$ 4,443,328	\$ 5,562,963

See accompanying Notes to Financial Statements.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

The Oklahoma City Housing Authority (the Authority) is a municipal entity organized in 1965 for the development, operation and administration of low-rent housing programs. The programs are administered through the U.S. Department of Housing and Urban Development (HUD) under the U.S. Housing Act of 1937, as amended. The primary purpose of the programs is to provide safe, decent and sanitary housing for low-income families in Oklahoma City, Oklahoma.

The Authority operates its programs primarily with grants and subsidies received from HUD under contractual agreements and with rental proceeds received from tenants. Funds for the acquisition, development or modernization of dwelling units have generally been derived from HUD through the sale of notes and bonds and from HUD grants.

Reporting Entity

The Authority's financial statements include the accounts of all Authority operations. The criteria for including organizations as component units within the Authority reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- The organization is legally separated (can sue and be sued in their own name).
- The Authority holds the corporate powers of the organization.
- The Authority appoints a voting majority of the organization's board.
- The Authority is able to impose its will on the organization.
- The organization has the potential to impose a financial benefit/burden on the Authority.
- There is fiscal dependency by the organization on the Authority.

Based on the aforementioned criteria, the Authority is not a component unit within another reporting entity.

Blended Component Units

Included within the reporting entity is the Community Enhancement Corporation (CEC), which is an Oklahoma not-for-profit corporation formed June 15, 1984, in an effort to expand into charitable housing programs offered to lower-income citizens of Oklahoma City. In 1994, CEC acquired from HUD, at a nominal price, several single-family homes and a multi-family apartment complex. CEC receives housing assistance payments for these projects pursuant to Section 8 of the U.S. Housing Act of 1937. In addition, CEC receives Federal funds used for the purchase and rehabilitation of Section 8 rental units. There are separate financial statements for CEC, which may be obtained at the Authority's administrative offices.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units (Continued)

Included within the reporting entity of the Authority, through CEC, as blended component units are JHJ GP, LLC and Sooner Haven MM, LLC. JHJ GP, LLC and Sooner Haven MM, LLC are wholly owned by CEC. JHJ GP, LLC is the managing general partner of John H Johnson ALF, LP, a discretely presented component unit. Sooner Haven MM, LLC is the managing member of Sooner Haven, LLC, a discretely presented component unit. Separate set of financial statements for JHJ GP, LLC and Sooner Haven MM, LLC are not issued.

Discretely Presented Component Units

The component unit column in the financial statements include the financial data of the Authority's discretely presented component units as of December 31, 2022 and 2021. The component units are reported in a separate column to emphasize that they are legally separate from the Authority.

John H. Johnson ALF, LP (the Partnership or JHJ, LP) was formed for the purpose of owning and operating a 130-unit low-income housing project in Oklahoma City, Oklahoma. As previously mentioned, JHJ GP, LLC is the managing general partner of the Partnership, and has an ownership percentage of 0.01% in the Partnership.

Sooner Haven, LLC was formed for the purpose of owning and operating an existing 150-unit low-income Rental Assistance Demonstration (RAD) project in Oklahoma City, Oklahoma. As mentioned above, Sooner Haven MM, LLC is the managing general partner of Sooner Haven, LLC and has an ownership percentage of 0.01% in Sooner Haven, LLC.

The financial statements of the discretely presented component units are presented in CEC's basic financial statements. Complete financial statements for Sooner Haven, LLC and John H. Johnson, LP can be obtained from CEC's administrative offices at 1700 N E 4 St., Oklahoma City, Oklahoma 73117-3800.

Program Accounting

The accounts of the Authority are organized on the basis of programs, each of which is considered a separate accounting entity. The operations of each program are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses. The Authority classifies its programs as proprietary.

Basis of Accounting and Measurement Focus

The Department of Housing and Urban Development Real Estate Assessment Center (REAC) assesses the financial condition of Public Housing Authorities (PHA's). To uniformly and consistently assess the PHA's, REAC requires that PHA's financial statements conform to accounting principles generally accepted in the United State of America (GAAP).

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. Net position is segregated into net investment in capital assets, restricted and unrestricted components. The statement of revenues, expenses, and changes in net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. When both restricted and unrestricted net position is available for use, generally, it is the Authority's policy to use restricted net position first, and then unrestricted net position as it is needed. The statement of cash flow presents the cash flows for operating activities, investing activities, capital and related financing activities and noncapital financing activities.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Authority's cash deposits can only be invested in HUD approved investments: direct obligations of the Federal Government backed by the full faith and credit of the United States, obligations of government agencies, securities of government sponsored agencies, demand and savings deposits, time deposits, repurchase agreements, and other securities approved by HUD.

For the purpose of the statement of cash flows, the Authority considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. Receivables are reported net of the related allowance.

Investments

Investments, including restricted investments, if any, consist of certificates of deposit as of December 31, 2022 and 2021. The investments are recorded at cost, which approximates market.

Restricted investments, if any, generally include amounts restricted for Section 8 Housing Assistance payments and Section 8 Family Self Sufficiency (FSS) funds. Section 8 FSS funds are offset by FSS liabilities.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Expenses

Prepaid expenses consist of amounts paid during the year for costs incurred in subsequent years. These expenses mostly comprise of deferred charges and various fees. As of December 31, 2022 and 2021, prepaid expenses were \$589,582 and \$1,018,440, respectively.

Inventory

Inventory consists of expendable materials and supplies and is stated at weighted-average cost.

Capital Assets

Capital assets are recorded at cost, which is comprised of development and modernization costs funded by capital grants, the acquisition value of donated assets, and property additions from operations. The Authority uses a capitalization threshold of \$5,000 or more and useful life of more than one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not expensed as incurred. Upon sale or retirement, the costs are removed from the accounts, and the resulting gain or loss is included in revenue or expense.

Depreciation of capital assets is provided using the straight-line method over the estimated lives of the respective assets as follows:

Buildings and Improvements	20 to 40 Years
Furniture and Equipment	5 to 10 Years

Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the years ended December 31, 2022 and 2021.

Land Leases

Unearned land lease revenue is being amortized over the terms of the leases using the straight-line method of amortization (see Note 9).

Notes and Interest Receivable

Notes and interest receivable are carried at amounts advanced, net of reserve for uncollectible accounts, if any. As of December 31, 2022 and 2021, the Authority considered all notes and interest receivables to be fully collectable.

Investment in Future Developments

Investments in future developments represents costs incurred by the Authority for future developments and are recorded at cost until a project is established. If a potential project is no longer deemed to be feasible, the costs are charged to expense in the year the project is abandoned. Investments in future developments was \$3,561,009 and \$3,248,535 for the year ended December 31, 2022 and 2021, respectively.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Vested personal leave is recorded as an expense as the benefits accrue to employees. Employees may accrue up to a maximum of 360 hours of Personal Leave.

Unearned Revenue

Unearned revenue consists primarily of advance rental payments received from tenants.

Unearned Land Leases

Unearned land lease revenue for the Authority is being amortized over the terms of the leases using the straight-line method of amortization (see Note 9).

Income Taxes

The Authority, as a governmental entity, is not liable for federal and state income taxes. However, the Authority does make annual payments in lieu of taxes (PILOT) to local school districts.

CEC is an organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

Components of Net Position

Components of net position include the following:

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- *Restricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are subject to restraints on their use by HUD. As of December 31, 2022 and 2021, restricted net position totaled \$1,077,700 and \$262,086, respectively. Restricted net position consists of Section 8 Choice Voucher payments received from HUD but not yet paid to eligible individuals as well as funding received in advance of expenditure for expense driven grants.
- *Unrestricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are not subject to restraints on their use.

Operating Revenues and Expenses

The Authority considers all revenues and expenses (including HUD intergovernmental revenues and expenses) as operating items with the exception of interest expense, interest revenue, and gain/loss on disposal of capital assets which are considered non-operating for financial reporting purposes.

Restricted and Unrestricted Resources

The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fraud Recovery

HUD requires the Authority to account for monies recovered from tenants who committed fraud or misrepresentation in the application process for rent calculations and now owe additional rent for prior periods or retroactive rent as fraud recovery. The monies recovered are shared by HUD and the local authority.

NOTE 2 CASH AND CASH EQUIVALENTS

Primary Government

Deposits

It is the Authority's policy to invest in those securities which are authorized by HUD. Such investments generally consist of obligations of the U.S. government and its agencies and instrumentalities, collateralized or insured certificates of deposit or other bank deposits, and certain other commercial instruments. The primary objectives of the Authority's investment policy are safety, liquidity, yield, and administrative costs.

Custodial Credit Risk

Custodial credit risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. As of December 31, 2022 and 2021, the Authority's deposits were exposed to custodial credit risk, as not all deposits were insured by the Federal Deposit Insurance Commission (FDIC) and collateralized with securities held by a pledging financial institution in accordance with the Public Deposit Protection Act (PDPA).

At December 31, 2022, the Authority's carrying amount of deposits was \$10,663,099 including cash and cash equivalents and certificates of deposit, and the bank balance was \$10,761,627. Of the bank balances, \$2,321,227 was not covered by Federal Depository Insurance or collateralized with securities held by a pledging financial institution's agent in the Authority's name.

At December 31, 2021, the Authority's carrying amount of deposits was \$9,357,070, including cash and cash equivalents and certificates of deposit, and the bank balance was \$9,644,844. Of the bank balances, \$1,341,534 was not covered by Federal Depository Insurance or collateralized with securities held by a pledging financial institutions agent in the Authority's name.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

Discretely Presented Component Units

Credit Risk

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

As of December 31, 2022 and 2021, the discretely presented component unit's bank balances were in excess of the federally insured limit of \$250,000. Management monitors the financial ratings of such financial institutions and does not believe that the deposits are exposed to a significant level of risk.

NOTE 3 RESTRICTED CASH AND CASH EQUIVALENTS

Primary Government

Restricted cash as of December 31 consisted of the following:

	<u>2022</u>	<u>2021</u>
Unspent Vouchers	\$ 636,939	\$ 262,086
FSS Escrow	133,887	105,591
Tenant Security Deposits	475,816	523,201
Future Projects	<u>2,226,207</u>	<u>334,517</u>
Total	<u>\$ 3,472,849</u>	<u>\$ 1,225,395</u>

Discretely Presented Component Units

Restricted cash and investments consists of various bond trust accounts as required by the bond documents (see Note 6), tenant security deposits, and various reserves and escrows required by HUD and the partnership/operating agreements. Total restricted cash and investments as of December 31, 2022 and 2021 was \$2,704,098 and \$2,461,786, respectively.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 4 ACCOUNTS RECEIVABLE – INTERGOVERNMENTAL

Accounts receivable – intergovernmental consists of the following as of December 31:

	<u>2022</u>	<u>2021</u>
HUD:		
Capital Fund Program	\$ 75,151	\$ 140,265
Community Development Block Grant	-	48,155
Mainstream Vouchers	315,243	262,858
Resident Opportunity and Supportive Services	12,781	50,646
Total HUD	<u>403,175</u>	<u>501,924</u>
Sober Living	-	9,562
Continuum of Care	13,794	-
Other	26,829	664
Total	<u>\$ 443,798</u>	<u>\$ 512,150</u>

NOTE 5 CAPITAL ASSETS

Primary Government

The following is a summary of property, structures, and equipment for the years ended December 31:

	<u>January 1, 2022</u>	<u>Increase</u>	<u>Decreases</u>	<u>Transfers from CFP</u>	<u>December 31, 2022</u>
Nondepreciable Capital Assets:					
Land	\$ 7,374,193	\$ 168,462	\$ -	\$ 203,333	\$ 7,745,988
Construction in Progress	2,045,290	999,662	-	(2,105,429)	939,523
Total Nondepreciable Assets	<u>9,419,483</u>	<u>1,168,124</u>	<u>-</u>	<u>(1,902,096)</u>	<u>8,685,511</u>
Depreciable Capital Assets:					
Buildings and Improvements	157,004,246	32,411	(315,979)	1,891,868	158,612,546
Furniture and Equipment	12,507,852	257,053	(31,506)	10,228	12,743,627
Total Depreciable Assets	<u>169,512,098</u>	<u>289,464</u>	<u>(347,485)</u>	<u>1,902,096</u>	<u>171,356,173</u>
Less: Accumulated Depreciation					
Buildings and Improvements	(101,975,722)	(3,135,850)	315,979	-	(104,795,593)
Furniture and Equipment	(14,547,580)	(1,128,733)	31,506	-	(15,644,807)
Total Accumulated Depreciation	<u>(116,523,302)</u>	<u>(4,264,583)</u>	<u>347,485</u>	<u>-</u>	<u>(120,440,400)</u>
Net Depreciable Capital Assets	<u>52,988,796</u>	<u>(3,975,119)</u>	<u>-</u>	<u>1,902,096</u>	<u>50,915,773</u>
Net Capital Assets	<u>\$ 62,408,279</u>	<u>\$ (2,806,995)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,601,284</u>

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5 CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

	January 1, 2021	Increase	Decreases	Transfers from CFP	December 31, 2021
Nondepreciable Capital Assets:					
Land	\$ 6,823,536	\$ 550,657	\$ -	\$ -	\$ 7,374,193
Construction in Progress	1,639,938	405,352	-	-	2,045,290
Total Nondepreciable Assets	<u>8,463,474</u>	<u>956,009</u>	<u>-</u>	<u>-</u>	<u>9,419,483</u>
Depreciable Capital Assets:					
Buildings and Improvements	157,047,089	370,639	(413,482)	-	157,004,246
Furniture and Equipment	12,052,751	567,721	(112,620)	-	12,507,852
Total Depreciable Assets	<u>169,099,840</u>	<u>938,360</u>	<u>(526,102)</u>	<u>-</u>	<u>169,512,098</u>
Less: Accumulated Depreciation					
Buildings and Improvements	(99,221,537)	(2,932,212)	178,027	-	(101,975,722)
Furniture and Equipment	(13,433,846)	(1,128,733)	14,999	-	(14,547,580)
Total Accumulated Depreciation	<u>(112,655,383)</u>	<u>(4,060,945)</u>	<u>193,026</u>	<u>-</u>	<u>(116,523,302)</u>
Net Depreciable Capital Assets	<u>56,444,457</u>	<u>(3,122,585)</u>	<u>(333,076)</u>	<u>-</u>	<u>52,988,796</u>
Net Capital Assets	<u>\$ 64,907,931</u>	<u>\$ (2,166,576)</u>	<u>\$ (333,076)</u>	<u>\$ -</u>	<u>\$ 62,408,279</u>

Discretely Presented Component Units

The following is a summary of property, structures and equipment for the years ended December 31:

	December 31, 2021	Increase	Decrease	December 31, 2022
Nondepreciable Capital Assets:				
Land	\$ 2,204,739	\$ -	\$ -	\$ 2,204,739
Total Nondepreciable	<u>2,204,739</u>	<u>-</u>	<u>-</u>	<u>2,204,739</u>
Depreciable Capital Assets:				
Buildings and Improvements	42,778,318	18,190	-	42,796,508
Furniture and Equipment	1,220,747	-	-	1,220,747
Total Depreciable	<u>43,999,065</u>	<u>18,190</u>	<u>-</u>	<u>44,017,255</u>
Less: Accumulated Depreciation				
	<u>(2,543,806)</u>	<u>(1,404,197)</u>	<u>-</u>	<u>(3,948,003)</u>
Net Depreciable Capital Assets	<u>41,455,259</u>	<u>(1,386,007)</u>	<u>-</u>	<u>40,069,252</u>
Net Capital Assets	<u>\$ 43,659,998</u>	<u>\$ (1,386,007)</u>	<u>\$ -</u>	<u>\$ 42,273,991</u>

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5 CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Units (Continued)

	December 31, 2020	Increase	Decrease	December 31, 2021
Nondepreciable Capital Assets:				
Land	\$ 2,179,036	\$ 25,703	\$ -	\$ 2,204,739
Construction in Progress	4,479,110	-	(4,479,110)	-
Total Nondepreciable	<u>6,658,146</u>	<u>25,703</u>	<u>(4,479,110)</u>	<u>2,204,739</u>
Depreciable Capital Assets:				
Buildings and Improvements	37,421,628	5,356,690	-	42,778,318
Furniture and Equipment	1,193,138	27,609	-	1,220,747
Total Depreciable	<u>38,614,766</u>	<u>5,384,299</u>	<u>-</u>	<u>43,999,065</u>
Less: Accumulated Depreciation	<u>(1,155,432)</u>	<u>(1,388,374)</u>	<u>-</u>	<u>(2,543,806)</u>
Net Depreciable Capital Assets	<u>37,459,334</u>	<u>3,995,925</u>	<u>-</u>	<u>41,455,259</u>
Net Capital Assets	<u>\$ 44,117,480</u>	<u>\$ 4,021,628</u>	<u>\$ (4,479,110)</u>	<u>\$ 43,659,998</u>

NOTE 6 LONG-TERM DEBT

Primary Government

The Authority has obtained financing for the purpose of modernizing its public housing dwellings with improvements that improve energy efficiency. The decrease in utility costs to the Authority is used to service the debt.

During 2018, CEC obtained financing for the purpose of acquiring and renovating Yorktown Apartments. During 2022 and 2021, CEC financed additional renovations at Yorktown Apartments.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Long term debt as of December 31 consists of:

<u>Description of Direct Borrowings:</u>	<u>2022</u>	<u>2021</u>
Oklahoma City Housing Authority		
2.91% financed purchase, due in quarterly installments of \$220,000 including interest, increased by 2.5% each year, with final installment due October 2024, secured by building improvements	\$ 1,901,702	\$ 2,777,069
Community Enhancement Corporation		
5% note payable, \$3,536,000 bridge loan with Mabry Bank, due in monthly payments of \$20,700 of interest and principal, unpaid principal and interest due March 2024, secured by a mortgage and deed of trust on Yorktown Apartments	<u>3,406,586</u>	<u>3,480,058</u>
Total	5,308,288	6,257,127
Less: Current Maturities	<u>(1,004,975)</u>	<u>(950,087)</u>
Long-Term Debt, less Current Maturities	<u>\$ 4,303,313</u>	<u>\$ 5,307,040</u>

In the event of default of the Authority loan, the lender may require the Authority to pay all amounts then currently due under the agreement and declare all remaining rental payments and other amounts payable by the Authority to the end of the term to be immediately due and payable.

In the event of default of the CEC loan, the lender may declare the entire unpaid principal balance under the note and all accrued unpaid interest immediately due.

Activity in long-term debt of direct borrowings for the primary government is as follows for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Balance - Beginning of Year	\$ 6,257,127	\$ 7,140,702
Principal Payments	<u>(948,839)</u>	<u>(883,575)</u>
Balance - End of Year	<u>\$ 5,308,288</u>	<u>\$ 6,257,127</u>

A summary of payments due for the long-term debt of direct borrowings is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,004,975	\$ 213,757	\$ 1,218,732
2024	<u>4,303,313</u>	<u>59,309</u>	<u>4,362,622</u>
Total	<u>\$ 5,308,288</u>	<u>\$ 273,066</u>	<u>\$ 5,581,354</u>

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Units

Bonds Payable

JHJ ALF, LP obtained Series 2020 Bonds on December 1, 2020 with Oklahoma Housing Finance Authority in the amount of \$19,785,905. The bonds are payable in monthly installments of principal and interest of \$82,447, bearing interest at 3.98 percent, per annum, maturing on January 8, 2061. To minimize the effect of changes in interest rates, the Partnership entered into an interest rate swap agreement effective January 8, 2021, under which it pays interest at a fixed rate of 3.98 percent and receives interest at a variable rate. The swap is with Cedar Rapids Bank & Trust and terminates January 8, 2038.

The mortgage is intended to secure certain obligations under the mortgage swap agreement and allow the Mortgagee to lien the property for any obligations related to the swap not met by the Partnership. The obligation is secured by rental property. The notional amount of the swap is based on the same principal amount as the underlying mortgage. The result is that the Partnership pays interest at a fixed effective rate. Valued separately, the interest rate swap agreement represents an asset/(liability) as of December 31, 2022 and 2021 in the amount of \$1,724,105 and (\$2,023,986), respectively. This value represents the fair value of the current difference of interest paid and received under the swap agreement over the remaining term of the agreement. Because the swap is considered a cash flow hedge, the fair value of the swap agreement is recorded in the statements of partners' equity (deficit) as a separate component of OCI. Payments are recognized in current operating results as settlements occur under the agreement as a component of interest expense.

As of December 31, 2022 and 2021, the outstanding balance on the bonds payable was \$18,632,827 and \$18,795,670, respectively, which includes unamortized debt issuance costs of \$751,682 and \$802,074, respectively. For the years ended December 31, 2022 and 2021, interest expense was \$834,586 and \$839,269, respectively, which includes amortization of debt issuance costs of \$50,392 and \$50,392, respectively.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Units (Continued)

Mortgage Notes Payable

Sooner Haven, LLC is financed with a mortgage insured by HUD under Section 221(d)(4) of the National Housing Act, and obtained from Lancaster Pollard Mortgage Company, LLC (the HUD 224(d)(4) Lender) in the principal amount of \$8,991,000 (the HUD 224(d)(4) Loan). The HUD 224(d)(4) Loan is secured by the Project. The HUD 224(d)(4) Loan has a rehabilitation term of 14 months and a permanent term of 40 years. Interest accrues at 4.80% per annum plus a mortgage insurance premium of 0.25% during the rehabilitation and permanent terms. Monthly installments of interest only are due and payable during the rehabilitation period. Commencing January 1, 2020, monthly installments of principal and interest are due and payable in an amount sufficient to fully amortize the HUD 224(d)(4) Loan over the remaining term (\$42,170 pursuant to the promissory note). The HUD 224(d)(4) Loan matures on December 1, 2059, at which time any remaining principal and interest will be due and payable. As of December 31, 2022 and 2021, outstanding accrued interest was \$22,194 for both years. As of December 31, 2022 and 2021, outstanding accrued extension fees were \$516,983 and \$269,730, respectively. For the years ended December 31, 2022 and 2021, interest expense was \$380,594 for each year. For the year ended December 31, 2022, bond extension fees incurred and expensed were \$269,730. For the year ended December 31, 2021, bond extension incurred were \$269,730 of which \$176,074 was expensed and \$93,656 was capitalized to the building.

On October 1, 2018, Sooner Haven, LLC entered into a loan agreement in the principal sum of \$5,400,000 with CEC (the Seller Loan). The Seller Loan is evidenced by a promissory note and secured by the property and equipment. The Seller Loan accrues interest at a fixed rate of 3.06% per year, compounded annually. The Seller Loan matures December 1, 2059, at which time unpaid principal and interest is due and payable. The Seller Loan is payable from surplus cash, as defined in the operating agreement, and represents the second mortgage on the property. Sooner Haven has the option at any time to prepay all or any portion of the entire unpaid principal balance of the Seller Loan and all accrued interest at any time, without charge or penalty. As of December 31, 2022 and 2021, outstanding principal was \$5,400,000 for both years. As of December 31, 2022 and 2021 accrued interest was \$726,375 and \$548,407, respectively. For the years ended December 31, 2022 and 2021, interest expense was \$177,968 and \$176,617, respectively. In connection with the Seller Loan, CEC, as landlord, and Sooner Haven executed a ground lease agreement. The principal sum of the Seller Loan represents amounts owed by Sooner Haven to CEC under the Ground Lease and the bill of sale for Sooner Haven's acquisition of the improvements of the project.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Units (Continued)

Mortgage Notes Payable (Continued)

On October 1, 2018, Sooner Haven entered into a loan agreement in the principal sum of \$2,551,022 with the Authority (the OCHA Loan). The OCHA Loan is evidenced by a promissory note and secured by the property and equipment. The OCHA Loan accrues interest at a fixed rate of 2% per year, compounded annually. The OCHA Loan matures December 1, 2059, at which time any outstanding principal and interest is due and payable. The OCHA Loan is payable from surplus cash, as defined in the operating agreement, and represents the third mortgage on the property. Sooner Haven has the option at any time to prepay all or any portion of the entire unpaid principal balance of the OCHA Loan and all accrued interest at any time, without charge or penalty. As of December 31, 2022 and 2021, outstanding principal on the OCHA Loan was \$2,551,022. For the years ended December 31, 2022 and 2021, Sooner Haven incurred interest of \$53,747 and \$52,694, respectively, on the OCHA Loan. As of December 31, 2022 and 2021, accrued interest on the OCHA Loan was \$190,096 and \$136,349, respectively.

Activity in long-term debt for the discretely presented component units is as follows for the years ended December 31:

	Balance 12/31/21	Increase	Decrease	Balance 12/31/22	Due Within One Year
Bonds Payable	\$ 18,795,670	\$ -	\$ (162,843)	\$ 18,632,827	\$ 221,879
Notes Payable	15,656,701	5,809	-	15,662,510	77,607
Total	<u>\$ 34,452,371</u>	<u>\$ 5,809</u>	<u>\$ (162,843)</u>	<u>\$ 34,295,337</u>	<u>\$ 299,486</u>

	Balance 12/31/20	Increase	Decrease	Balance 12/31/21	Due Within One Year
Bonds Payable	\$ 31,433,439	\$ -	\$ (12,637,769)	\$ 18,795,670	\$ 213,235
Notes Payable	15,899,540	-	(242,839)	15,656,701	74,564
Total	<u>\$ 47,332,979</u>	<u>\$ -</u>	<u>\$ (12,880,608)</u>	<u>\$ 34,452,371</u>	<u>\$ 287,799</u>

The estimated debt requirements to maturity as of December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 299,486
2024	311,249
2025	325,590
2026	339,516
2027	354,042
Thereafter	32,665,454
Total	<u>\$ 34,295,337</u>

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Units (Continued)

Derivative Instruments and Hedging Activities

JHJ ALF, LP (JHJ) entered into an interest rate swap agreement dated December 17, 2020. The agreement consists of a notional amount of \$19,785,905, maturing on January 8, 2038, that is used to mitigate the economic impact of changes in interest rates. JHJ does not enter into derivative transactions for trading or other speculative purposes. The swap is designated as a cash flow hedge and is being used to offset the risk of changes in cash flows associated with variable interest payments on its variable rate mortgage loan. JHJ reassesses the hedge on an annual basis to determine if it continues to be effective.

The effective portion of the changes in fair value of the hedge is recorded in nonoperating revenues (expenses). Valued separately, the interest rate swap agreement represents an asset/(liability) as of December 31, 2022 and 2021, the swap is reported at fair value in the amount of \$1,724,105 and \$(2,023,986), respectively. As a result of fluctuations in fair value, during the year ended December 31, 2022 and period ended December 31, 2021, the Partnership incurred unrealized gains (losses) of \$3,748,091 and \$(2,023,986), respectively.

NOTE 7 COMPENSATED ABSENCES

Activity in compensated absences is as follows for the years ended December 31:

	Balance 12/31/21	Increase	Decrease	Balance 12/31/22	Due Within One Year
Compensated Absences	\$ 1,146,245	\$ (55,223)	\$ (26,919)	\$ 1,064,103	\$ 109,148
	Balance 12/31/20	Increase	Decrease	Balance 12/31/21	Due Within One Year
Compensated Absences	\$ 1,335,957	\$ 49,440	\$ (239,152)	\$ 1,146,245	\$ 132,441

NOTE 8 RELATED PARTY TRANSACTIONS

Developer Fees

During 2017, CEC entered into a development service agreement in the amount of \$1,900,000 in connection with the development and construction of JHJ, LP. As of December 31, 2022 and 2021, \$991,909 and \$966,773 was owed to CEC related to these developer fees, respectively. For the years ended December 31, 2022 and 2021, interest expense on deferred developer fee was \$25,136 and \$23,495, respectively.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 8 RELATED PARTY TRANSACTIONS (CONTINUED)

Developer Fees (Continued)

During 2018, CEC entered into a development agreement in the amount of \$1,250,000 in connection with the development and construction of Sooner Haven, LLC. As of December 31, 2022 and 2021, CEC is owed \$1,125,000 and \$1,125,000, respectively, for developer fees earned and unpaid.

Notes Receivable, Interest Receivable, Interest Income, and Sale of Capital Assets

During 2018, CEC sold capital assets with a carrying value of \$832,010 to Sooner Haven, LLC for \$4,800,000. CEC recognized a gain on sale in the amount of \$3,967,990 in 2018. The sale was financed with a \$5,400,000 promissory note (Note 5). The note receivable is secured by the capital assets. Interest on the note accrues at a fixed rate of 3.06% per year, compounded annually. Principal and interest payments on the note receivable are based on surplus cash, as defined in the operating agreement for Sooner Haven, LLC. Any unpaid principal and interest is due at maturity, December 1, 2059. Sooner Haven, LLC has the option at any time to prepay all or any portion of the entire unpaid principal balance of the note payable and all accrued interest at any time, without charge or penalty. As of December 31, 2022 and 2021, the outstanding principal balance of the note receivable was \$5,400,000. For the years ended December 31, 2022 and 2021, CEC earned interest income of \$177,968 and \$176,617, respectively on the note receivable. As of December 31, 2022 and 2021, CEC was owed accrued interest of \$749,994 and \$548,407, respectively, on the note receivable.

On October 1, 2018, Sooner Haven entered into a loan agreement in the principal sum of \$2,551,022 with OCHA (the OCHA Loan). The OCHA Loan is evidenced by a promissory note and secured by the property and equipment. The OCHA Loan accrues interest at a fixed rate of 2% per year, compounded annually. The OCHA Loan matures December 1, 2059, at which time any outstanding principal and interest is due and payable. The OCHA Loan is payable from surplus cash, as defined in the operating agreement, and represents the third mortgage on the property. Sooner Haven has the option at any time to prepay all or any portion of the entire unpaid principal balance of the OCHA Loan and all accrued interest at any time, without charge or penalty. As of December 31, 2022 and 2021, the outstanding principal balance of the note receivable was \$2,551,022. For the years ended December 31, 2022 and 2021, OCHA earned interest income of \$53,747 and \$52,694, respectively for each year on the note receivable. As of December 31, 2022 and 2021, OCHA was owed accrued interest \$190,096 and \$136,349, respectively, on the note receivable.

Due from Related Parties

As of December 31, 2022 and 2021, Sooner Haven, LLC owed \$578,836 and \$476,223, respectively, to the Authority and CEC for property management fees, disbursements related to Sooner Haven, LLC's operations, and other advances. The advances bear no interest, are unsecured, and are due upon demand.

Due to Related Parties

As of December 31, 2022 and 2021, CEC owed Sooner Haven, LLC \$236,811 and \$421,870, respectively, for advances. The advances bear no interest, are unsecured, and are due upon demand.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 8 RELATED PARTY TRANSACTIONS (CONTINUED)

OCHA Loan to CEC (Yorktown)

During 2018, CEC financed the purchase and renovation of Yorktown Apartments with a 0% promissory note with OCHA in the principal amount of \$750,000. Annual payments of \$25,000 are due one month after the conversion of the bridge loan with Mabrey Bank through maturity, September 30, 2028. The loan is unsecured. The loan balance of the bridge loan was \$750,000 at December 31, 2022 and 2021, respectively. This loan is eliminated Authority wide.

NOTE 9 LEASES

The Authority, through CEC, has entered into a ground lease agreement with Oklahoma City Housing Associates, L.P., an unrelated party. The term of the lease commenced on September 20, 2017 and shall terminate 65 years after the commencement date. A single payment of \$680,251 was made by Oklahoma City Housing Associates, L.P. and received by CEC on the commencement date and was recorded as unearned revenue by CEC. The unearned land lease revenue for CEC is being amortized over the 65-year term of the lease.

The Authority, through CEC, entered into a ground lease with Sooner Haven, LLC, pursuant to which Sooner Haven agreed to rehabilitate the existing property for use as a Section 8 low income housing tax credit project under the Rental Assistance Demonstration (RAD) program administered by HUD. The ground lease commenced on October 1, 2018 and will terminate 65 years after the commencement date. Sooner Haven, LLC has the option to renew the ground lease for two successive 10-year periods following the lease term. The rent for the first year of the lease term is \$600,000, due and payable in accordance with the terms of the Seller Loan (see Note 6). Thereafter, annual rent payments of \$10 are required for the remainder of the lease. The first-year rent payment of \$600,000 was recorded as unearned revenue by CEC in 2018 and is being amortized over the 65-year term of the lease.

The Authority, through CEC, has entered into a land lease agreement with JHJ, LP to lease the land on which the project is being built. The term of the lease commenced on September 20, 2017 and shall terminate 55 years after the commencement date. A single payment of \$802,822 was made by JHJ, LP and received by CEC on the commencement date and was recorded as unearned revenue by CEC and a prepaid land lease by JHJ, LP. The unearned land lease revenue for CEC and the prepaid land lease for JHJ, LP is being amortized over the 55-year term of the lease.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 9 LEASES (CONTINUED)

As of December 31, 2022 and 2021, unearned revenue from the land leases were \$1,909,772 and \$1,944,015, respectively. Future amortization of the unearned land leases are as follows:

<u>Year Ending December 31,</u>	<u>OKC Housing Associates</u>	<u>Sooner Haven Amount</u>	<u>JHJ Amount</u>	<u>Total</u>
2023	\$ 10,466	\$ 9,231	\$ 14,545	\$ 34,242
2024	10,466	9,231	14,545	34,242
2025	10,466	9,231	14,545	34,242
2026	10,466	9,231	14,545	34,242
2027	10,466	9,231	14,545	34,242
Thereafter	573,038	514,615	650,909	1,738,562
Total	<u>\$ 625,368</u>	<u>\$ 560,770</u>	<u>\$ 723,634</u>	<u>\$ 1,909,772</u>

The land leases mentioned above are not subject to GASB 87, *Leases*, as no monetary consideration is expected to be exchanged pursuant to the remainder of the agreements.

NOTE 10 DEFINED CONTRIBUTION PENSION PLAN

The Authority provides pension benefits for all of its full-time employees through a contributory defined savings plan pursuant to Section 401(k) of the Internal Revenue Service Code, through the Savings Incentive Plan for employees of the Authority. Employees are eligible to participate beginning six months from the date of employment.

Participating employees may contribute up to the IRS allowable limit, and the Authority will match 100% of the employee contribution, up to a percentage of employee compensation to be determined annually by the Board of Commissioners. This percentage for 2022 and 2021 was 5%.

Employee contributions to the plan vest immediately. The Authority's contributions for each employee vest at the rate of 20% per year and are fully vested after five years of continuous service. The Authority's contribution balances allocated to employees who leave employment before becoming fully vested can be used to reduce the Authority's current period contribution requirement. Plan assets can be placed in various investment funds at the direction of each employee.

The Authority's contributions to the pension plan were approximately \$329,700 and \$369,088 in 2022 and 2021, respectively.

NOTE 11 COMMITMENTS AND CONTINGENCIES

The Authority is a defendant in several claims and lawsuits; however, Authority management is of the opinion that the ultimate outcome of all litigation will not have a material effect on the future operations or financial position of the Authority.

The activities of the Authority and CEC are currently funded in large part by the Federal Government and future operations of the Authority and CEC are reliant on continuation of this funding from the Federal Government.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 11 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Amounts received or receivable from HUD are subject to audit and adjustment by HUD. Any disallowed expenses may constitute a liability of the Authority. The amount of expenses which may be disallowed by HUD, if any, cannot be determined at this time, although the Authority expects such amounts to be immaterial.

As the general partner in JHJ, LP, CEC has certain rights and obligations under the partnership agreement, including guarantees relating to operating and construction guarantees.

As the managing member in Sooner Haven, LLC, CEC has certain rights and obligations under the operating agreement, including guarantees relating to operating and construction guarantees.

NOTE 12 CONDENSED BLENDED COMPONENT UNIT INFORMATION

Condensed blended component unit financial information for CEC as of and for the years ended December 31 is as follows:

Condensed Statements of Net Position

	2022			2021		
	<u>CEC</u>	<u>Authority</u>	<u>Total</u>	<u>CEC</u>	<u>Authority</u>	<u>Total</u>
Assets						
Current Assets	\$ 3,531,899	\$ 10,175,092	\$ 13,706,991	\$ 991,571	\$ 11,424,108	\$ 12,415,679
Capital Assets, Net	12,801,473	46,799,811	59,601,284	9,626,625	52,781,654	62,408,279
Other Assets	11,048,881	2,580,059	13,628,940	10,704,498	2,586,337	13,290,835
Total Assets	<u>\$ 27,382,253</u>	<u>\$ 59,554,962</u>	<u>\$ 86,937,215</u>	<u>\$ 21,322,694</u>	<u>\$ 66,792,099</u>	<u>\$ 88,114,793</u>
Liabilities						
Due to OCHA	\$ 3,020,174	\$ (3,020,174)	\$ -	\$ 1,029,487	\$ (1,029,487)	\$ -
Current Liabilities - Other	2,319,682	2,824,124	5,143,806	1,550,547	3,124,674	4,675,221
Noncurrent Liabilities	5,202,167	1,931,631	7,133,798	5,315,112	2,915,505	8,230,617
Total Liabilities	10,542,023	1,735,581	12,277,604	7,895,146	5,010,692	12,905,838
Net Position						
Unrestricted	7,754,582	46,538,414	54,292,996	7,280,981	48,870,171	56,151,152
Restricted	440,761	636,939	1,077,700	-	262,086	262,086
Net Investment in Capital Assets	8,644,887	10,644,028	19,288,915	6,146,567	12,649,150	18,795,717
Total Net Position	<u>16,840,230</u>	<u>57,819,381</u>	<u>74,659,611</u>	<u>13,427,548</u>	<u>61,781,407</u>	<u>75,208,955</u>
Total Liabilities and Net Position	<u>\$ 27,382,253</u>	<u>\$ 59,554,962</u>	<u>\$ 86,937,215</u>	<u>\$ 21,322,694</u>	<u>\$ 66,792,099</u>	<u>\$ 88,114,793</u>

Net Investment in Capital Assets for CEC differs from its separately issued financial statements due to a \$750,000 loan between the Authority and CEC related to capital improvements at Yorktown Apartments. This amount is eliminated in the Authority's financial statements.

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 12 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2022			2021		
	CEC	Authority	Total	CEC	Authority	Total
Operating Revenues						
Operating Grants	\$ 562,981	\$ 48,792,891	\$ 49,355,872	\$ 746,296	\$ 44,283,676	\$ 45,029,972
Net Tenant Rental Revenue	1,218,538	6,344,254	7,562,792	802,841	5,743,560	6,546,401
Developer Fee	-	-	-	661,901	-	661,901
Other	425,747	396,079	821,826	54,694	548,105	602,799
Total Operating Revenues	2,207,266	55,533,224	57,740,490	2,265,732	50,575,341	52,841,073
Operating Expenses						
Depreciation	463,445	3,801,138	4,264,583	284,843	3,776,102	4,060,945
Other Operating Expenses	2,482,239	52,584,573	55,066,812	2,050,004	50,188,419	52,238,423
Total Operating Expenses	2,945,684	56,385,711	59,331,395	2,334,847	53,964,521	56,299,368
Net Operating Loss	(738,418)	(852,487)	(1,590,905)	(69,115)	(3,389,180)	(3,458,295)
Nonoperating (Expense) Revenue						
Other	30,137	11,773	41,910	397,654	337,424	735,078
Capital Contributions from OCHA	4,120,963	(4,120,963)	-	-	-	-
Total Nonoperating Revenue	4,151,100	(4,109,190)	41,910	397,654	337,424	735,078
Change in Net Position	3,412,682	(4,961,677)	(1,548,995)	328,539	(3,051,756)	(2,723,217)
Capital Grants	-	999,651	999,651	-	1,762,031	1,762,031
Net Position - Beginning of Year	13,427,548	61,781,407	75,208,955	13,099,009	63,071,132	76,170,141
Net Position - End of Year	<u>\$ 16,840,230</u>	<u>\$ 57,819,381</u>	<u>\$ 74,659,611</u>	<u>\$ 13,427,548</u>	<u>\$ 61,781,407</u>	<u>\$ 75,208,955</u>

Condensed Statement of Cash Flows

	2022			2021		
	CEC	Authority	Total	CEC	Authority	Total
Net Cash from Operating Activities	\$ 823,096	\$ 2,160,273	\$ 2,983,369	\$ (1,526,300)	\$ (870,650)	\$ (2,396,950)
Net Cash from Capital and Related Financing Activities	(296,817)	(1,342,382)	(1,639,199)	317,619	(529,410)	(211,791)
Net Cash from Investing Activities	1,788,251	(1,826,392)	(38,141)	(872,089)	49,447	(822,642)
Net Change in Cash and Cash Equivalents	2,314,530	(1,008,501)	1,306,029	(2,080,770)	(1,350,613)	(3,431,383)
Cash and Cash Equivalents - Beginning of Year	341,681	9,015,389	9,357,070	2,422,451	10,366,002	12,788,453
Cash and Cash Equivalents - End of Year	<u>\$ 2,656,211</u>	<u>\$ 8,006,888</u>	<u>\$ 10,663,099</u>	<u>\$ 341,681</u>	<u>\$ 9,015,389</u>	<u>\$ 9,357,070</u>

NOTE 13 SUBSEQUENT EVENTS

On April 19, 2023, an insurable event caused by hail at the Yorktown property resulted in damages. CEC expects to recover losses from insurance.

On April 24, 2023, an insurable event caused by a fire at the Yorktown property resulted in damages. CEC expects to recover losses from insurance.

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Expended Directly by the Authority:			
Public and Indian Housing	14.850		\$ 14,094,505
Public Housing Capital Fund	14.872		4,495,927
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	>A	30,664
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871		29,080,171
Emergency Housing Vouchers	14.871		<u>194,202</u>
Total Section 8 Housing Choice Vouchers			<u>29,274,373</u>
Mainstream Vouchers	14.879		<u>1,409,565</u>
Total Housing Voucher Cluster			30,683,938
Family Self-Sufficiency Program	14.896		52,223
Resident Opportunity and Supportive Services	14.870		80,584
Community Development Block Grants/Entitlement Grants (Passed through the City of Oklahoma City)	14.218	Not Available	<u>158,945</u>
Total Expended Directly by the Authority - U.S. Department of Housing and Urban Development			49,596,786
Expended Directly by CEC			
Section 8 Housing Assistance Payments Program	14.195	>A	398,850
Supportive Housing Program (Passed through the City of Oklahoma City)	14.235	61L61021607	<u>75,000</u>
Total Expended Directly by CEC			<u>473,850</u>
Total U.S. Department of Housing and Urban Development			50,070,636
U.S. Department of Health and Human Services			
CEC - Block Grants for Prevention and Treatment of Substance Abuse (Passed through the Oklahoma Department of Mental Health and Substance Abuse Services)	93.959	4529055021	<u>89,131</u>
Total U.S. Department of Health and Human Services			<u>89,131</u>
Total Expenditures of Federal Awards			<u>\$ 50,159,767</u>

A> Section 8 Project-Based Cluster, total \$429,514

**OKLAHOMA CITY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Oklahoma City Housing Authority, including its component unit, Community Enhancement Corporation (the Authority), under programs of the federal government for the year ended December 31, 2022. The information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule is reported on the accrual basis of accounting. The information in the Schedule is presented in accordance with the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. No federal financial assistance has been provided to subrecipients.

NOTE 3 HOUSING VOUCHER CLUSTER

In accordance with HUD regulations, HUD considers the Annual Budget Authority for the Housing Voucher Cluster to be considered an expenditure for the purpose of this schedule. Therefore, the amount in this schedule is the total amount received directly from HUD and not the total expenditures paid by the Authority.

NOTE 4 INDIRECT COST RATE

The Authority has not elected to use the 10% de minimis cost rate and does not draw for indirect administrative expenses.

**OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2022**

ASSETS	<u>Oklahoma City Housing Authority</u>	<u>Community Enhancement Corporation</u>	<u>Eliminations</u>	<u>Total Primary Government</u>
CURRENT ASSETS				
Cash and Cash Equivalents:				
Unrestricted	\$ 6,746,701	\$ 443,549	\$ -	\$ 7,190,250
Restricted - Tenant Security Deposits	432,954	42,862	-	475,816
Restricted - Other	<u>827,233</u>	<u>2,169,800</u>	-	<u>2,997,033</u>
Total Cash and Cash Equivalents	8,006,888	2,656,211	-	10,663,099
Accounts Receivable:				
Tenants, Net of Allowance for Doubtful Accounts of \$457,998 and \$173,896, respectively	127,498	43,903	-	171,401
Intergovernmental	430,004	13,794	-	443,798
Interest	193,405	726,375	-	919,780
Due from Component Units	3,020,174	-	(3,020,174)	-
Other	671,971	-	-	671,971
Prepaid Expenses and Other Assets	505,491	84,091	-	589,582
Inventory	<u>239,835</u>	<u>7,525</u>	-	<u>247,360</u>
Total Current Assets	13,195,266	3,531,899	(3,020,174)	13,706,991
CAPITAL ASSETS				
Nondepreciable	5,773,815	2,911,696	-	8,685,511
Depreciable, Net	<u>41,025,996</u>	<u>9,889,777</u>	-	<u>50,915,773</u>
Total Capital Assets	46,799,811	12,801,473	-	59,601,284
OTHER ASSETS				
Notes Receivable	2,551,022	5,400,000	-	7,951,022
Developer Fees	-	2,116,909	-	2,116,909
Investment in Future Developments	<u>29,037</u>	<u>3,531,972</u>	-	<u>3,561,009</u>
Total Other Assets	<u>2,580,059</u>	<u>11,048,881</u>	-	<u>13,628,940</u>
Total Assets	<u>\$ 62,575,136</u>	<u>\$ 27,382,253</u>	<u>\$ (3,020,174)</u>	<u>\$ 86,937,215</u>

**OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2022**

LIABILITIES AND NET POSITION	Oklahoma City Housing Authority	Community Enhancement Corporation	Eliminations	Total Primary Government
CURRENT LIABILITIES				
Current Maturities of Long-Term Debt	\$ 925,026	\$ 79,949	\$ -	\$ 1,004,975
Accounts Payable:				
Trade	714,994	357,262	-	1,072,256
Intergovernmental	169,286	-	-	169,286
Due to Primary Government	-	3,020,174	(3,020,174)	-
Accrued Liabilities:				
Salaries, Wages, and Payroll Taxes	274,420	14,303	-	288,723
Compensated Absences, Current Portion	68,462	40,686	-	109,148
Accrued Interest	9,625	-	-	9,625
Other	1,050	6,395	-	7,445
FSS Payable	133,887	-	-	133,887
Tenant Security Deposits Payable	432,954	42,862	-	475,816
Unearned Land Lease Revenue, Current Portion	-	34,242	-	34,242
Unearned Revenue - Other	94,420	1,743,983	-	1,838,403
Total Current Liabilities	2,824,124	5,339,856	(3,020,174)	5,143,806
LONG-TERM DEBT - MORTGAGE NOTES PAYABLE	976,676	3,326,637	-	4,303,313
COMPENSATED ABSENCES, NONCURRENT	954,955	-	-	954,955
UNEARNED LAND LEASE, NONCURRENT	-	1,875,530	-	1,875,530
Total Liabilities	4,755,755	10,542,023	(3,020,174)	12,277,604
NET POSITION				
Unrestricted	12,284,333	7,754,582	-	20,038,915
Restricted	636,939	440,761	-	1,077,700
Net Investment in Capital Assets	44,898,109	8,644,887	-	53,542,996
Total Net Position	57,819,381	16,840,230	-	74,659,611
Total Liabilities and Net Position	\$ 62,575,136	\$ 27,382,253	\$ (3,020,174)	\$ 86,937,215

**OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021**

ASSETS	Oklahoma City Housing Authority	Community Enhancement Corporation	Eliminations	Total Primary Government
CURRENT ASSETS				
Cash and Cash Equivalents:				
Unrestricted	\$ 8,114,480	\$ 17,195	\$ -	\$ 8,131,675
Restricted - Tenant Security Deposits	501,375	21,826	-	523,201
Restricted - Other	399,534	302,660	-	702,194
Total Cash and Cash Equivalents	9,015,389	341,681	-	9,357,070
Accounts Receivable:				
Tenants, Net of Allowance for Doubtful Accounts of \$454,525 and \$61,052, respectively	64,636	22,069	-	86,705
Intergovernmental	512,150	-	-	512,150
Interest	136,349	548,407	-	684,756
Due from Component Units	1,029,487	-	(1,029,487)	-
Other	573,570	-	-	573,570
Prepaid Expenses and Other Assets	946,551	71,889	-	1,018,440
Inventory	175,463	7,525	-	182,988
Total Current Assets	12,453,595	991,571	(1,029,487)	12,415,679
CAPITAL ASSETS				
Nondepreciable	6,994,221	2,425,262	-	9,419,483
Depreciable, Net	45,787,433	7,201,363	-	52,988,796
Total Capital Assets	52,781,654	9,626,625	-	62,408,279
OTHER ASSETS				
Notes Receivable	2,551,022	5,400,000	-	7,951,022
Developer Fees	-	2,091,278	-	2,091,278
Investment in Future Developments	35,315	3,213,220	-	3,248,535
Total Other Assets	2,586,337	10,704,498	-	13,290,835
Total Assets	\$ 67,821,586	\$ 21,322,694	\$ (1,029,487)	\$ 88,114,793

**OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021**

LIABILITIES AND NET POSITION	Oklahoma City Housing Authority	Community Enhancement Corporation	Eliminations	Total Primary Government
CURRENT LIABILITIES				
Current Maturities of Long-Term Debt	\$ 875,368	\$ 74,719	\$ -	\$ 950,087
Accounts Payable:				
Trade	784,368	467,857	-	1,252,225
Intergovernmental	188,056	-	-	188,056
Due to Primary Government	-	1,029,487	(1,029,487)	-
Accrued Liabilities:				
Salaries, Wages, and Payroll Taxes	343,004	14,303	-	357,307
Compensated Absences, Current Portion	72,679	59,762	-	132,441
Accrued Interest	14,055	-	-	14,055
Other	55,520	5,000	-	60,520
FSS Payable	105,591	-	-	105,591
Tenant Security Deposits Payable	501,375	21,826	-	523,201
Unearned Land Lease Revenue, Current Portion	-	34,242	-	34,242
Unearned Revenue - Other	184,658	872,838	-	1,057,496
Total Current Liabilities	<u>3,124,674</u>	<u>2,580,034</u>	<u>(1,029,487)</u>	<u>4,675,221</u>
LONG-TERM DEBT - MORTGAGE NOTES PAYABLE	1,901,701	3,405,339	-	5,307,040
COMPENSATED ABSENCES, NONCURRENT	1,013,804	-	-	1,013,804
UNEARNED LAND LEASE, NONCURRENT	<u>-</u>	<u>1,909,773</u>	<u>-</u>	<u>1,909,773</u>
Total Liabilities	6,040,179	7,895,146	(1,029,487)	12,905,838
NET POSITION				
Unrestricted	11,514,736	7,280,981	-	18,795,717
Restricted	262,086	-	-	262,086
Net Investment in Capital Assets	50,004,585	6,146,567	-	56,151,152
Total Net Position	<u>61,781,407</u>	<u>13,427,548</u>	<u>-</u>	<u>75,208,955</u>
Total Liabilities and Net Position	<u>\$ 67,821,586</u>	<u>\$ 21,322,694</u>	<u>\$ (1,029,487)</u>	<u>\$ 88,114,793</u>

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2022

	Oklahoma City Housing Authority	Community Enhancement Corporation	Eliminations	Total Primary Government
OPERATING REVENUES				
Direct HUD Contributions and Grants:				
Public Housing Operating Subsidies	\$ 17,590,781	\$ -	\$ -	\$ 17,590,781
Section 8 Grants and Subsidies:				
Vouchers	30,633,351	-	-	30,633,351
Supportive Services	126,935	-	-	126,935
Section 8 Mod Rehab	30,664	-	-	30,664
Other Governmental Grants	411,160	562,981	-	974,141
Tenant Rental Revenue	5,833,309	1,213,138	-	7,046,447
Other Tenant Revenue	510,945	5,400	-	516,345
Developer Fees	-	-	-	-
Other Operating Revenue	396,079	425,747	-	821,826
Total Operating Revenues	<u>55,533,224</u>	<u>2,207,266</u>	<u>-</u>	<u>57,740,490</u>
OPERATING EXPENSES				
Administrative Services	6,927,845	834,063	-	7,761,908
Tenant Services	1,995,993	103,705	-	2,099,698
Utilities	2,711,284	298,864	-	3,010,148
Ordinary Maintenance and Operations	10,023,070	974,672	-	10,997,742
Protective Services	1,663,294	41,136	-	1,704,430
Insurance	1,386,485	110,630	-	1,497,115
Bad Debts	500,640	114,035	-	614,675
Payment in Lieu of Taxes	164,318	2,339	-	166,657
Other General	(45,395)	2,795	-	(42,600)
Transfer of Properties and Funds to CEC	4,120,963	-	(4,120,963)	-
Housing Assistance Payments	27,257,039	-	-	27,257,039
Depreciation	3,801,138	463,445	-	4,264,583
Total Operating Expenses	<u>60,506,674</u>	<u>2,945,684</u>	<u>(4,120,963)</u>	<u>59,331,395</u>
OPERATING LOSS	(4,973,450)	(738,418)	4,120,963	(1,590,905)
NONOPERATING REVENUE (EXPENSE)				
Investment Income	15,520	27,098	-	42,618
Interest Income	53,747	177,968	-	231,715
Interest Expense	(66,889)	(174,929)	-	(241,818)
Casualty Gain (Loss)	-	-	-	-
Gain (Loss) on Sale of Capital Assets	9,395	-	-	9,395
Total Nonoperating Revenue	<u>11,773</u>	<u>30,137</u>	<u>-</u>	<u>41,910</u>
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	(4,961,677)	(708,281)	4,120,963	(1,548,995)
CAPITAL CONTRIBUTIONS FROM OCHA	-	4,120,963	(4,120,963)	-
CAPITAL GRANTS FROM HUD	999,651	-	-	999,651
CHANGE IN NET POSITION	(3,962,026)	3,412,682	-	(549,344)
Net Position - Beginning of Year	61,781,407	13,427,548	-	75,208,955
NET POSITION - END OF YEAR	<u>\$ 57,819,381</u>	<u>\$ 16,840,230</u>	<u>\$ -</u>	<u>\$ 74,659,611</u>

OKLAHOMA CITY HOUSING AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021

	Oklahoma City Housing Authority	Community Enhancement Corporation	Eliminations	Total Primary Government
OPERATING REVENUES				
Direct HUD Contributions and Grants:				
Public Housing Operating Subsidies	\$ 13,579,399	\$ -	\$ -	\$ 13,579,399
Public Housing Modernization	29,550	-	-	29,550
Section 8 Grants and Subsidies:				
Vouchers	27,844,159	-	-	27,844,159
Family Self Sufficiency	157,908	-	-	157,908
Section 8 - Other	28,236	-	-	28,236
Other	1,404,984	-	-	1,404,984
Other Governmental Grants	1,239,440	746,296	-	1,985,736
Tenant Rental Revenue	5,460,247	784,065	-	6,244,312
Other Tenant Revenue	283,313	18,776	-	302,089
Developer Fees	-	661,901	-	661,901
Other Operating Revenue	548,105	54,694	-	602,799
Total Operating Revenues	<u>50,575,341</u>	<u>2,265,732</u>	-	<u>52,841,073</u>
OPERATING EXPENSES				
Administrative Services	6,046,720	813,396	-	6,860,116
Tenant Services	3,019,599	71,737	-	3,091,336
Utilities	2,343,474	235,023	-	2,578,497
Ordinary Maintenance and Operations	7,947,104	725,208	-	8,672,312
Protective Services	1,503,576	40,597	-	1,544,173
Insurance	1,355,873	98,145	-	1,454,018
Bad Debts	394,737	61,052	-	455,789
Payment in Lieu of Taxes	178,645	-	-	178,645
Other General	908,680	4,840	-	913,520
Housing Assistance Payments	26,490,017	-	-	26,490,017
Depreciation	3,776,102	284,843	-	4,060,945
Total Operating Expenses	<u>53,964,527</u>	<u>2,334,841</u>	-	<u>56,299,368</u>
OPERATING LOSS	(3,389,186)	(69,109)	-	(3,458,295)
NONOPERATING REVENUE (EXPENSE)				
Investment Income	12,195	-	-	12,195
Interest Income	52,167	199,670	-	251,837
Interest Expense	(91,777)	(165,227)	-	(257,004)
Other Income	387,338	-	-	387,338
Gain on Sale of Capital Assets	(22,499)	363,211	-	340,712
Total Nonoperating Revenue	<u>337,424</u>	<u>397,654</u>	-	<u>735,078</u>
CHANGE IN NET POSITION BEFORE CAPITAL GRANTS AND EQUITY CONTRIBUTIONS	(3,051,762)	328,545	-	(2,723,217)
HUD CAPITAL GRANTS	<u>1,762,031</u>	-	-	<u>1,762,031</u>
CHANGE IN NET POSITION	(1,289,731)	328,545	-	(961,186)
Net Position - Beginning of Year	<u>63,071,138</u>	<u>13,099,003</u>	-	<u>76,170,141</u>
NET POSITION - END OF YEAR	<u>\$ 61,781,407</u>	<u>\$ 13,427,548</u>	<u>\$ -</u>	<u>\$ 75,208,955</u>

**OKLAHOMA CITY HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
DECEMBER 31, 2022**

Line Item #	Accounts Description	Housing Choice Voucher	Emergency Housing Voucher	EFA	CDBG	Blended Component Unit	14,896 PHH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	14,249 Section 8 Moderate Rehab Single Room Occupancy	2 State / Local	8 Other Federal Program 1	Mainstream Vouchers	Substance Abuse and Mental Health Services Projects of Regional	COCC	Subtotal	Eliminations	Business-Type Activities	Discretely Presented Component Units	Entity Total
ASSETS																			
CURRENT ASSETS																			
Cash:																			
111	Unrestricted	\$ 6,113,639	\$ 446,588	\$ 37,435	\$ -	\$ 443,549	\$ -	\$ -	\$ 41,684	\$ -	\$ -	\$ -	\$ -	\$ 107,355	\$ 7,190,250	\$ -	\$ 7,190,250	\$ 105,231	\$ 7,295,481
113	Other Restricted	-	605,974	27,406	3,559	2,169,800	-	-	-	-	-	-	-	-	2,806,739	-	2,806,739	2,671,208	5,477,947
114	Tenant Security Deposits	432,854	-	-	-	42,862	-	-	-	-	-	-	-	-	475,616	-	475,616	32,890	508,706
115	Cash - Restricted for Payment of Current Liability	133,887	56,407	-	-	-	-	-	-	-	-	-	-	-	190,294	-	190,294	-	190,294
	Total Cash	6,546,583	1,186,449	121,248	3,559	2,695,211	-	-	41,684	-	-	-	-	107,355	10,663,059	-	10,663,059	2,609,329	13,472,428
121	Accounts and Notes Receivable:																		
122	Accounts Receivable - PHA Projects	-	-	-	-	-	12,781	-	-	-	-	315,243	-	-	403,175	-	403,175	-	403,175
124	Accounts Receivable - HUD	75,151	-	-	-	-	-	-	-	-	4,150	-	-	-	40,633	-	40,633	-	40,633
125	Accounts Receivable - Other Government	-	-	-	-	13,794	-	22,679	-	-	-	-	-	153,431	671,971	-	671,971	313,494	885,465
126	Accounts Receivable - Miscellaneous	462,866	55,649	-	-	-	-	-	-	-	-	225	-	-	803,295	-	803,295	-	803,295
126.1	Allowance for Doubtful Accounts - Tenant's Rents	(457,690)	-	-	-	(173,896)	-	-	-	-	-	-	-	(631,894)	(919,760)	-	(631,894)	-	(631,894)
129	Accrued Interest Receivable	166,687	-	-	-	726,375	-	22,679	-	-	-	-	-	26,718	919,760	-	919,760	-	919,760
	Total Receivables, Net	832,002	55,649	-	-	784,072	12,781	22,679	-	-	4,150	315,468	-	180,149	2,206,950	-	2,206,950	313,494	2,520,444
142	Prepaid Expenses and Other Assets	173,585	118,677	702	-	84,091	-	248	-	-	4,923	-	-	207,356	589,582	-	589,582	135,855	725,437
143	Inventories	173,882	-	-	-	7,525	-	-	-	-	-	-	-	65,953	247,360	-	247,360	-	247,360
144	Interprogram Due From	3,020,174	219,931	-	-	-	-	-	-	-	-	-	-	36,608	3,276,913	-	3,276,913	-	3,276,913
	Total Other Current Assets	3,367,641	339,608	702	-	91,616	-	-	248	-	-	4,923	-	310,117	4,113,655	-	4,113,655	135,855	4,249,510
	Total Current Assets	10,746,536	1,560,706	121,950	3,559	3,531,869	12,781	22,679	41,932	-	4,150	320,391	-	597,621	18,983,904	(3,276,913)	15,706,991	3,268,678	16,965,669
NONCURRENT ASSETS																			
Capital Assets:																			
161	Land	4,866,294	-	-	-	2,862,696	-	-	-	-	-	-	-	24,998	7,745,989	-	7,745,989	2,204,739	9,950,727
162	Buildings	131,030,012	377,488	-	-	21,954,751	-	233,200	-	-	-	-	-	5,417,095	158,612,546	-	158,612,546	42,796,508	201,409,054
164	Furniture and Equipment, Administration	8,470,638	580,982	-	-	801,402	-	(105,334)	-	-	-	-	-	1,890,605	12,743,627	-	12,743,627	1,220,747	13,964,374
166	Accumulated Depreciation	(103,876,783)	(313,609)	-	-	(12,466,376)	-	(105,334)	-	-	-	-	-	(9,878,298)	(120,440,400)	-	(120,440,400)	(3,948,003)	(124,388,403)
167	Construction in Progress	890,523	-	-	-	49,000	-	-	-	-	-	-	-	-	939,523	-	939,523	-	939,523
	Total Capital Assets, Net	42,372,684	644,861	-	-	12,801,473	-	127,866	-	-	-	-	-	3,654,400	59,601,384	-	59,601,384	42,273,991	101,875,275
171	Notes Receivable - Noncurrent	2,236,982	-	-	-	5,400,000	-	-	-	-	-	-	-	314,140	7,951,022	-	7,951,022	-	7,951,022
174	Other Assets	-	-	-	-	5,648,881	-	-	-	-	-	-	-	-	5,648,881	-	5,648,881	2,606,084	8,254,965
176	Investments in Joint Ventures	29,637	-	-	-	-	-	-	-	-	-	-	-	-	29,637	-	29,637	-	29,637
	Total Noncurrent Assets	44,638,633	644,861	-	-	23,850,354	-	127,866	-	-	-	-	-	3,968,540	73,230,224	-	73,230,224	44,880,075	118,110,299
	TOTAL ASSETS	\$ 55,384,639	\$ 2,225,567	\$ 121,950	\$ 3,559	\$ 27,382,253	\$ 12,781	\$ 150,545	\$ 41,932	\$ -	\$ 4,150	\$ 320,391	\$ -	\$ 4,595,161	\$ 50,214,128	\$ (3,276,913)	\$ 46,937,215	\$ 48,138,753	\$ 135,075,968

**OKLAHOMA CITY HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE (CONTINUED)
DECEMBER 31, 2022**

Line Item #	Accounts Description	Project Total	Housing Voucher	Emergency Voucher	EEA	CDBG	Blended Comment Unit	14,865 PH Family Support Program	Resident Opportunity and Services	14,248 Section 8 Moderate Rehab Occupancy	2 State / Local	8 Other For Program 1	Mainstream Vouchers	Substream of Regional	83,243 Substance Abuse and Mental Health Services	COCC	Subtotal	Eliminations	Business-Type Activities	Discretely Presented Component Units	Entity Total																					
LIABILITIES AND NET POSITION																																										
CURRENT LIABILITIES																																										
312	Accounts Payable < 90 Days	\$ 475,679	\$ 13,020	\$ 909	\$ -	\$ -	\$ 354,282	\$ -	\$ 1,189	\$ 5	\$ -	\$ 1,603	\$ 87	\$ -	\$ -	\$ 65,571	\$ 932,335	\$ -	\$ -	\$ 1,419,424	\$ 2,351,759																					
321	Accrued Salaries/Payroll Withholding	-	-	-	-	-	14,303	-	-	-	-	-	-	-	-	274,420	288,723	-	-	288,723	288,723																					
322	Accrued Absences	26,747	9,560	76	-	-	40,686	-	-	24	-	-	532	-	-	31,521	105,235	-	-	105,235	105,235																					
323	Accrued Interest Payable	9,625	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,625	-	-	9,625	9,625																					
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,837	-	-	11,837	11,837																					
333	Accounts Payable - Other Government	157,449	-	-	-	-	42,862	-	-	11,837	-	-	-	-	-	-	157,449	-	-	157,449	157,449																					
341	Tenant Security Deposits	432,854	-	-	-	-	1,745,983	-	-	-	-	-	-	-	-	-	475,816	-	-	475,816	508,706																					
342	Unearned Revenue	38,013	-	56,407	-	-	-	-	-	-	-	-	-	-	-	-	1,838,403	-	-	1,838,403	1,849,211																					
343	Current Portion of L-T Debt - Capital Projects	925,028	-	-	-	-	78,949	-	-	-	-	-	-	-	-	-	1,004,975	-	-	1,004,975	1,304,481																					
344	Accrued Liabilities - Other	8,175	133,887	-	-	-	8,175	-	-	-	-	-	-	-	-	-	133,887	-	-	133,887	133,887																					
346	Accrued Liabilities - Other	121,774	11,672	120	-	-	3,020,174	-	21,480	37	-	-	825	-	-	2,483	139,921	-	-	139,921	1,706,256																					
347	Interprogram (Due To)	2,188,317	188,139	57,514	-	-	5,839,856	12,781	22,679	11,805	-	4,150	221,375	-	-	384,005	8,420,719	(3,276,913)	5,143,806	4,596,417	9,740,223																					
NONCURRENT LIABILITIES																																										
351	Long-Term Debt, Net of Current - Capital Projects	976,676	-	-	-	-	3,226,637	-	-	-	-	-	-	-	-	-	4,303,313	-	-	4,303,313	38,299,164																					
353	Accrued Interest Payable - Bonds	-	-	-	-	-	1,875,530	-	-	-	-	-	-	-	-	-	1,875,530	-	-	1,875,530	4,005,170																					
354	Accrued Compensated Absences - Long Term	373,075	133,352	1,084	-	-	5,202,167	-	-	334	-	-	7,422	-	-	439,688	954,955	-	-	954,955	954,955																					
NET POSITION																																										
Total Liabilities																																										
Total Liabilities																						3,538,068	301,491	58,598	-	-	10,542,023	12,781	22,679	12,237	-	-	4,150	228,797	-	833,693	15,554,517	(3,276,913)	12,277,604	40,721,908	52,999,512	
NET POSITION																																										
Net Investment in Capital Assets																																										
508	Restricted	40,470,982	644,861	-	-	-	8,644,887	-	127,866	-	-	-	-	-	-	3,684,400	53,542,996	-	-	54,292,996	7,978,654	62,271,650																				
511	Unrestricted	605,974	605,974	27,406	3,559	-	440,781	-	-	-	-	-	-	-	-	-	1,077,700	-	-	1,077,700	2,671,508	3,748,508																				
512.4	Unrestricted	11,375,789	673,241	35,946	-	-	7,754,582	-	-	29,695	-	-	91,594	-	-	78,068	20,038,915	-	-	19,288,915	(3,233,017)	16,055,898																				
Total Net Position																																										
Total Net Position																						51,846,771	1,924,076	63,352	-	-	16,840,250	-	127,866	29,695	-	-	91,594	-	-	3,732,468	74,659,811	-	-	74,659,811	7,416,545	82,076,356
TOTAL LIABILITIES AND NET POSITION																																										
Total Liabilities and Net Position																						\$ 55,384,839	\$ 2,225,567	\$ 121,950	\$ 3,559	\$ -	\$ 27,382,253	\$ 12,781	\$ 150,545	\$ 41,932	\$ -	\$ -	\$ 4,150	\$ 320,391	\$ -	\$ 4,566,161	\$ 90,214,128	\$ (3,276,913)	\$ 86,937,215	\$ 48,138,753	\$ 135,075,969	

**OKLAHOMA CITY HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE (CONTINUED)
DECEMBER 31, 2022**

Line Item #	Accounts Description	Project Total	Housing Choice Voucher	Emergency Housing Voucher	EFA	CDBG	Blended Component Unit	14,886 PH Family Self-Sufficiency Program	Resident Opportunity and Supportive Services	14,246 Section 8 Moderate Rehab Single Room Occupancy	2 State / Local	8 Other Federal Program 1	Mainstream Vouchers	Substance Abuse and Mental Health Services, Projects of Regional	COCC	Subtotal	Eliminations	Business-Type Activities	Discretely Presented Component Units	Entity Total													
																					Net Tenant Revenue	Tenant Revenue - Other	Total Tenant Revenue	HUD PHA Operating Grants	Capital Grants	Management Fee	Assmt Management Fee	Bookkeeping Fee	Other Fees	Other Government Grants	Investment Income - Unrestricted	Mortgage Interest Income	Fraud Recovery
70300	Net Tenant Revenue	\$ 5,833,399	-	-	-	-	\$ 1,213,138	-	-	-	-	-	-	-	-	-	\$ 7,046,447	-	\$ 7,046,447	-	\$ 11,447,966												
70400	Tenant Revenue - Other	510,945	-	-	-	-	5,400	-	-	-	-	-	-	-	-	-	516,345	-	516,345	-	516,345												
70500	Total Tenant Revenue	6,344,284	-	-	-	-	1,218,538	-	-	-	-	-	-	-	-	-	7,562,792	-	7,562,792	-	11,964,301												
70600	HUD PHA Operating Grants	17,500,781	29,080,171	143,615	-	-	-	52,223	74,712	30,064	-	-	1,403,595	-	-	-	48,381,731	-	48,381,731	-	48,381,731												
70610	Capital Grants	989,051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	989,051	-	989,051	-	989,051												
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-												
70720	Assmt Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-												
70730	Bookkeeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-												
70750	Other Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-												
70800	Other Government Grants	-	-	-	-	158,945	-	-	19,414	-	232,801	-	-	-	-	-	974,141	-	974,141	-	2,485,294												
71100	Investment Income - Unrestricted	-	-	-	-	-	562,981	-	-	-	-	-	-	-	-	-	42,618	-	42,618	-	42,618												
71200	Mortgage Interest Income	47,128	-	-	-	-	27,098	-	-	-	-	-	-	-	-	-	231,715	-	231,715	-	231,715												
71400	Fraud Recovery	-	-	-	-	-	177,968	-	-	-	-	-	-	-	-	-	133,034	-	133,034	-	133,034												
71500	Other Revenue	186,848	133,034	137	3,559	-	425,747	-	46	46	-	-	965	-	-	54,971	688,792	-	688,792	-	1,639,568												
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,395	-	-	9,395	-	9,395												
	Total Revenue	25,168,462	29,229,934	143,752	3,559	158,945	2,412,332	52,223	74,712	30,710	232,801	19,414	1,410,520	-	-	4,696,332	83,834,096	(4,610,227)	59,023,869	8,842,438	85,866,307												
EXPENSES																																	
91100	Administrative	387,482	1,211,511	9,116	-	-	459,632	42,452	59,776	3,359	144,109	-	65,014	-	-	2,449,836	4,933,187	-	4,833,187	-	395,988												
91200	Auditing Fees	30,292	30,423	243	-	-	12,222	-	-	81	-	-	1,700	-	-	35,980	110,051	-	110,051	-	38,833												
91300	Management Fee	2,022,166	345,982	-	-	-	-	-	-	1,152	-	-	20,498	-	-	-	2,389,751	(2,389,751)	-	-	241,893												
91310	Bookkeeping Fee	233,113	155,697	-	-	-	-	-	-	518	-	-	9,184	-	-	-	398,512	(398,512)	-	-	241,893												
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,717												
91500	Employee Benefit Contributions	113,576	314,000	1,982	-	-	117,828	8,288	7,513	847	13,180	177	14,259	-	-	595,065	1,186,745	-	1,186,745	-	63,744												
91600	Office Expenses	332,059	96,630	611	-	-	55,390	2,037	1,813	235	2,037	8,249	4,356	-	-	127,960	629,570	-	629,570	-	174,788												
91700	Legal Expense	57,007	49,228	118	-	-	142,434	-	39	33	39	-	826	-	-	159,827	409,279	-	409,279	-	103,763												
91800	Travel	-	1,675	4	-	-	13,338	-	1	1	19,803	-	26	-	-	35,104	50,148	-	50,148	-	93,010												
91900	Other	158,356	53,171	274	-	-	31,768	181	3,656	90	19,803	10,453	261,746	-	-	261,746	541,477	-	541,477	-	71,096												
	Total Administrative	3,344,884	2,258,527	12,348	-	-	834,053	50,621	72,758	6,222	179,129	18,679	117,752	-	-	3,655,488	10,550,171	(2,786,263)	7,761,908	1,189,232	8,951,140												
92000	Asset Management Fee	206,380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	206,280	-	206,280	-	-												
92100	Tenant Services:	1,341,172	-	-	-	-	63,773	-	-	-	-	-	-	-	-	-	1,404,945	-	1,404,945	-	2,827,266												
92300	Salaries	303,887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	303,987	-	303,987	-	564,367												
92400	Employee Benefit Contributions	501,883	1,711	11,550	-	-	39,932	-	-	-	52,801	-	-	-	-	456	608,333	(217,567)	390,766	-	390,766												
	Total Tenant Services	2,147,042	1,711	11,550	-	-	103,705	-	-	-	52,801	-	-	-	-	456	2,317,265	(217,567)	2,099,698	1,682,701	3,782,399												
Utilities:																																	
93100	Water	540,481	817	-	-	-	79,316	-	-	-	-	-	-	-	-	-	622,771	-	622,771	-	92,776												
93200	Electricity	1,107,937	12,600	101	-	-	112,963	-	-	34	-	-	705	-	-	2,157	1,273,154	-	1,273,154	-	142,214												
93300	Gas	458,702	3,696	-	-	-	58,538	-	-	-	-	-	-	-	-	-	533,350	-	533,350	-	544,741												
93400	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67												
93600	Sewer	-	-	-	-	-	48,047	-	-	-	-	-	-	-	-	-	48,047	-	48,047	-	34,564												
93800	Other Utilities Expense	530,137	719	-	-	-	-	-	-	-	-	-	-	-	-	-	532,826	-	532,826	-	82,611												
	Total Utilities	2,637,257	17,852	101	-	-	288,864	-	-	34	-	-	705	-	-	-	3,010,148	-	3,010,148	-	281,012												
Ordinary Maintenance and Operations:																																	
94100	Labor	1,480,707	-	-	-	-	68,138	-	-	-	-	-	-	-	-	-	1,428,868	-	1,428,868	-	3,109,674												
94200	Materials and Other	610,034	11,684	54	-	-	126,991	-	-	327	-	-	319	-	-	-	1,128,041	-	1,128,041	-	471,459												
94300	Contracts	5,913,174	166,394	917	-	-	687,843	-	186	432	296	-	9,197	-	-	-	7,906,664	(1,366,117)	6,540,287	-	970,464												
94500	Employee Benefit Contribution	416,829	-	-	-	-	-	-	-	-	-	-	-	-	-	-	374,657	-	374,657	-	2,163												
	Total Ordinary Maintenance and Operations	8,628,241	178,278	971	-	-	882,972	-	186	759	298	-	9,516	-	-	-	2,443,993	(1,368,117)	10,906,042	1,203,081	12,109,123												

**OKLAHOMA CITY HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE (CONTINUED)
DECEMBER 31, 2022**

Line Item #	Accounts Description	Project Total	Housing Check Voucher	Emergency/ Housing Voucher	EFA	CBRS	Blended Component Unit	14,895 PH Family Self-Sufficiency Program	Resident Maintenance and Supportive Services	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	8 City's Federal Program 1	Maintenance Vouchers	Substance Abuse Treatment Programs of Regional	COCC	Eliminations	Business/Type Activities	Discretely Incurred Contract Units	Entity Total
95100	Protective Services:	\$ 1,294,340	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,294,340	-	\$ 1,294,340
95200	Labor	10,488	1,100	4	-	-	41,136	-	-	1	-	27	-	2,597	-	80,243	-	93,245
95300	Other Contract Costs	6,500	-	-	-	-	-	-	-	-	-	-	-	1,551	-	60,243	-	68,243
95500	Employee Benefit Contributions	307,275	-	-	-	-	307,275	-	-	-	-	-	-	-	-	307,275	-	307,275
95000	Total Protective Services	1,659,068	1,100	4	-	-	41,136	-	-	1	-	-	-	4,084	-	1,704,430	-	1,704,430
98110	Insurance Premiums:	573,366	2,707	22	-	-	-	-	-	7	-	-	-	7,493	-	583,746	367,227	950,973
98120	Property Insurance	213,308	30,493	244	-	-	-	-	-	61	-	-	-	1,704	-	231,965	190	232,175
98130	Liability Insurance	10,000	-	-	-	-	-	-	-	1,788	-	-	-	13,985	-	13,985	-	15,985
98140	Workers Compensation	14,606	-	-	-	-	110,650	1,302	1,788	38	-	-	-	113,636	-	130,088	22,306	152,394
98150	All Other	70,037	14,606	114	-	-	-	816	-	38	-	-	-	113,636	-	310,088	-	310,088
98100	Total Insurance Premiums	1,027,757	80,239	617	-	-	110,650	1,302	1,788	244	-	-	-	260,755	-	1,497,115	390,355	1,887,470
99200	General Expenses:	-	9,828	-	-	-	-	-	-	-	-	-	-	-	-	12,623	600,824	616,447
99210	Other General Expenses	-	(6,301)	-	-	-	2,795	-	-	-	-	-	-	-	-	-	-	6,494
99220	Compensated Absences	-	(2,860)	-	-	-	-	-	-	(6)	-	-	-	(43,881)	-	(52,223)	-	(55,223)
99230	Travel	-	-	-	-	-	2,330	-	-	-	-	-	-	-	-	-	-	-
99240	Bad Debt - Rental Rents	-	-	-	-	-	114,035	-	-	-	-	-	-	-	-	614,675	479,451	1,094,126
99250	All Other	-	6,968	-	-	-	119,169	-	-	(6)	-	-	-	(43,881)	-	739,732	1,063,275	1,822,007
99710	Interest of Mortgage or Bonds Payable	66,889	-	-	-	-	174,929	-	-	-	-	-	-	-	-	241,818	1,477,840	1,719,659
99720	Amortization of Bond Insurance Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,954	14,954
99730	Total Operating Expenses	263,723,355	2,652,615	25,567	-	159,345	2,956,466	52,223	74,712	7,252	232,801	19,414	132,522	3,378,210	(4,610,227)	27,959,861	7,332,450	32,622,341
99740	Excess of Operating Revenue Over	4,796,157	28,677,259	118,161	3,559	-	(153,136)	-	1,277,998	23,458	-	1,277,998	-	(1,679,478)	-	31,083,978	(480,012)	30,573,866
97100	Extraordinary Maintenance	-	-	-	-	-	91,700	-	-	-	-	-	-	-	-	91,700	-	91,700
97200	Casualty Losses - Non-Capitalized	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97300	Health Insurance Payments	-	25,620,038	168,611	-	-	-	-	1,237,942	22,448	-	1,237,942	-	-	-	27,257,039	-	27,257,039
97400	Depreciation Expense	3,616,810	30,900	-	-	-	463,445	-	5,972	-	-	-	-	147,556	-	4,264,583	1,404,197	5,668,780
97500	Fraud Losses	23,989,115	28,411,613	184,202	-	158,945	3,120,613	52,223	60,584	29,700	232,801	19,414	1,370,464	-	(4,610,227)	58,573,213	67,396,647	68,309,660
10010	Other Financing Sources (Uses):	(825,534)	-	-	-	-	-	-	-	-	-	-	-	-	-	825,534	-	-
10020	Operating Transfers Out	825,534	-	-	-	-	-	-	-	-	-	-	-	-	-	(825,534)	-	-
10030	Operating Transfers from/to Primary Government	(4,120,963)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,120,963)	-	-
10040	Operating Transfers from/to Component Unit	-	-	-	-	-	4,120,963	-	-	-	-	-	-	-	-	-	-	-
10080	Special Items (Net Gains/Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	750,000	-	-	-	-	-	-	-	-	-	-	-	-	-	(750,000)	-	3,748,091
10092	Inter Project Excess Cash Transfer Out	(750,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	750,000	-	-
10093	Transfers Between Program and Project - In	(180,900)	-	-	-	-	-	-	-	-	-	-	-	-	-	180,900	-	-
10094	Transfers Between Program and Project - Out	(4,301,863)	-	-	-	-	-	-	-	-	-	-	-	-	-	(180,900)	-	-
	Total Other Financing Sources (Uses)	(4,301,863)	-	-	-	-	-	-	-	-	-	-	-	-	-	180,900	-	3,748,091
	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ (6,122,510)	\$ (618,321)	\$ (650,450)	\$ (3,559)	\$ (3,412,682)	\$ (3,412,682)	\$ (40,856)	\$ (5,672)	\$ (1,010)	\$ (1,646,524)	\$ (599,544)	\$ (599,544)	\$ (599,544)	\$ (599,544)	\$ (599,544)	\$ (1,652,882)	\$ (1,384,838)
11020	Memorandum Account Information	\$ 875,367	\$ 1,105,795	\$ 113,802	\$ -	\$ 55,942	\$ 13,427,548	\$ -	\$ 133,728	\$ 28,685	\$ -	\$ 51,538	\$ -	\$ 5,378,602	\$ -	\$ 831,309	\$ 12,688,161	\$ 13,619,470
11030	Required Annual Debt Principal Payments	54,966,287	-	-	-	-	-	-	-	-	-	-	-	-	-	75,208,955	4,843,320	80,182,275
11040	Prior Period Adjustments, Equity Transfers and Correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	1,919,192	-	-	-	-	-	-	-	-	-	-	-	-	-	1,919,192	619,640	610,643
11180	Administrative Fee Equity	606,974	-	-	-	-	-	-	-	-	-	-	-	-	-	606,974	1,315,522	1,922,516
11190	Unit Months Available	34,956	54,185	36	36	2,951	-	-	3,012	144	-	-	-	-	-	95,300	3,900	98,600
11210	Unit Months Leased	31,081	43,130	31	31	2,771	-	-	2,583	142	-	-	-	-	-	79,769	2,566	82,335
11270	Excess Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11610	Land Purchases	999,651	-	-	-	-	-	-	-	-	-	-	-	-	-	999,651	-	999,651
11620	Building Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11630	Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**INDEPENDENT AUDITORS' 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
Oklahoma City Housing Authority
Oklahoma City, Oklahoma

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, issued by the Comptroller General of the United States, the business-type activities and the aggregate discretely presented component units of Oklahoma City Housing Authority (the Authority), as of December 31, 2022, and the related notes to the financial statements, and have issued our report thereon dated September 19, 2023.

Our report includes a reference to other auditors who audited the financial statements of Sooner Haven, LLC and John H. Johnson ALF, LP, discretely presented component units of Community Enhancement Corporation, as described in our report on the Authority's financial statements. The financial statements of John H. Johnson ALF, LP were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with John H. Johnson ALF, LP or who audited the financial statements of Sooner Haven LLC. that are reported on separately by those auditors.

Report on 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Pittsburgh, Pennsylvania
September 19, 2023



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

Board of Commissioners
Oklahoma City Housing Authority
Oklahoma City, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

The Authority's financial statements include Sooner Haven, LLC and John H. Johnson ALF, LP (the component units) as discretely presented component units. The federal award programs for these component units are not included in the Authority's schedule of expenditures of federal awards for the year ended December 31, 2022. Our audit over the Authority's major federal programs, as described below, did not include the federal awards of these component units because these entities engaged other auditors to perform an audit of compliance, if applicable.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the 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 the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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 the 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 the 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003 Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003 to be significant deficiencies.

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

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

Board of Commissioners
Oklahoma City Housing Authority

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Pittsburgh, Pennsylvania
September 19, 2023

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022**

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? x yes _____ 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)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.871/14.879	Housing Voucher Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,504,793

Auditee qualified as low-risk auditee? _____ yes x no

OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

Section II – Financial Statement Findings

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

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section III – Federal Award Findings and Questioned Costs

2022 - 001 – HCVP Eligibility

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Voucher Cluster

Assistance Listing Number: 14.871 / 14.879

Federal Award Identification Number and Year: OK002 (various funding increments active during period 1/1/22-12/31/22)

Award Period: January 1, 2022 through December 31, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance.

- Other Matters.

Criteria: As a condition of admission or continued occupancy, the PHA must require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.601 et seq., 5.609, 960.253, 960.255 and 960.259).

24 CFR section 960.259 states that for both family income examinations and reexaminations, the PHA must obtain and document in the family file third-party verification of: (1) reported family annual income; (2) the value of assets; (3) expenses related to deductions from annual income; and (4) other factors that affect the determination of adjusted income or income-based rent.

24 CFR sections 5.601 et seq., and 24 CFR sections 960.253, 960.255, and 960.259 state that the Authority must determine income eligibility and calculate the tenant's rent payment using the documentation from third-party verification in accordance with 24 CFR part 5, subpart F.

24 CFR sections 5.230, 5.609, and 960.259 state that as a condition of admission or continued occupancy, the Authority must require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility.

Condition: During our testing, we noted the Authority did not have adequate internal controls designed to ensure that eligibility requirements were being met.

Questioned costs: Unknown

Context: Testing of 40 tenant files for eligibility requirements revealed 2 files where the Authority was missing correct income calculations and/or verifications. The sample was a statistically valid sample.

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section III – Federal Award Findings and Questioned Costs (Continued)

2022 - 001 – HCVP Eligibility (Continued)

Cause: The Authority does not have controls in place to ensure it is meeting eligibility requirements set by HUD.

Effect: This could have a direct impact on the HAP calculation. The Authority is not in compliance with program requirements over eligibility.

Repeat Finding: The finding is a repeat of a finding in the immediate prior year. Prior year finding numbers were 2021-002 and 2020-003.

Recommendation: We recommend that management increase the number of recertification's reviewed on a monthly basis until they can ensure the files meet HUD's eligibility requirements. We also recommend that management identify the specialists responsible for the erroneous files and investigate whether findings represent a systemic problem or are limited to a few specialists. Additional training for housing specialists would also improve accuracy.

View of Responsible Officials: There is no disagreement with the audit finding.

2022 - 002 – HCVP Failed Inspections

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Voucher Cluster

Assistance Listing Number: 14.871 / 14.879

Federal Award Identification Number and Year: OK002 (various funding increments active during period 1/1/22-12/31/22)

Award Period: January 1, 2022 through December 31, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance.

- Other Matters.

Criteria: For units under HAP contract that fail to meet HQS, the PHA must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must abate HAP payments beginning no later than the first of the month following the specified correction period or must terminate the HAP contract.

The owner is not responsible for a breach of HQS as a result of the family's failure to pay for utilities for which the family is responsible under the lease or for tenant damage. For family-caused defects, if the family does not correct the cited HQS deficiencies within the specified correction period, the PHA must take prompt and vigorous action to enforce the family obligations (24 CFR sections 982.158(d) and 982.404).

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section III – Federal Award Findings and Questioned Costs (Continued)

2022 - 002 – HCVP Failed Inspections (Continued)

Condition: During our testing, we noted the Authority did not have adequate internal controls designed to ensure that HQS compliance requirements were being met.

Questioned costs: None

Context: During the testing of 40 tenant files, there was one instance where the Authority failed to process abatement within regulatory period. The sample was a statistically valid sample.

Cause: The Authority does not have controls in place to ensure it is meeting HQS enforcement inspection requirements set by HUD.

Effect: The Authority is not in compliance with program requirements over HQS inspections.

Repeat Finding: No

Recommendation: We recommend management implement controls to ensure no HAP payments are issued for units that have not passed HQS housing inspections.

View of Responsible Officials: There is no disagreement with the audit finding.

2022 - 003 – HCVP Rent Reasonableness

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Voucher Cluster

Assistance Listing Number: 14.871 / 14.879

Federal Award Identification Number and Year: OK002 (various funding increments active during period 1/1/22-12/31/22)

Award Period: January 1, 2022 through December 31, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance.
- Other Matters.

**OKLAHOMA CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section III – Federal Award Findings and Questioned Costs (Continued)

2022 - 003 – HCVP Rent Reasonableness (Continued)

Criteria: The PHA must determine that the rent to owner is reasonable at the time of initial leasing. Also, the PHA must determine reasonable rent during the term of the contract:

- (a) before any increase in the rent to owner, and
- (b) at the HAP contract anniversary if there is a five percent decrease in the published Fair Market Rent in effect 60 days before the HAP contract anniversary.

The PHA must maintain records to document the basis for the determination that rent to owner is a reasonable rent (initially and during the term of the HAP contract) (24 CFR sections 982.4, 982.54(d)(15), 982.158(f)(7), and 982.507).

Condition: During our testing, we noted the Authority did not have adequate internal controls designed to ensure that rent reasonableness requirements were being met.

Questioned costs: Unknown

Context: During the testing of 40 new tenant files, one instance was noted where the Authority failed to perform a determination of reasonable rent prior to move in. The sample was a statistically valid sample.

Cause: The Authority does not have controls in place to ensure it is meeting reasonable rent requirements set by HUD.

Effect: The Authority is not in compliance with program requirements over reasonable rent.

Repeat Finding: No

Recommendation: We recommend management to implement controls over the lease up process to ensure determination of reasonable rent is performed prior to processing of the move in.

View of Responsible Officials: There is no disagreement with the audit finding.



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**OKLAHOMA CITY HOUSING AUTHORITY
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2022**

U.S. Department of Housing and Urban Development

Oklahoma City Housing Authority respectfully submits the following corrective action plan for the year ended December 31, 2022

Audit period: January 1, 2022 – December 31, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in 2022.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2022-001 Housing Voucher Cluster – Assistance Listing No. 14.871 / 14.879 – Eligibility

Recommendation: We recommend that management increase the number of recertification's reviewed on a monthly basis until they can ensure a majority of the files meet HUD's eligibility requirements. We also recommend that management identify the specialists responsible for the erroneous files and investigate whether findings represent a systemic problem or are limited to a few specialists. Additional training for housing specialists would also improve accuracy.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Three separate employees will quality control additional files monthly. Specialists have been identified and does not appear to be a systemic problem.

Name(s) of the contact person(s) responsible for corrective action: Richard Marshall

Planned completion date for corrective action plan: 12/31/2023

2021-002 Housing Voucher Cluster – Assistance Listing No. 14.871 / 14.879 – Failed
Inspections



Recommendation: We recommend management should designate one person to oversee the inspection process to ensure that all inspections are being performed in a timely manner. Furthermore, management should ensure no HAP payments are issued for units that have not passed HQS housing inspections.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Inspection staff has been directed to monitor abatement dates and forward to compliance to ensure payments are being abated correctly and timely.

Name(s) of the contact person(s) responsible for corrective action: Richard Marshall

Planned completion date for corrective action plan: 12/31/2023

2021-003 Housing Voucher Cluster – Assistance Listing No. 14.871/14.879 – Rent Reasonableness

Recommendation: We recommend management to designate one person to oversee the lease up process to ensure determination of reasonable rent is performed prior to processing of the move in.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: HCV has one person overseeing the rent reasonableness prior to move ins. The finding is based on one file not having the rent reasonableness documentation for a special program, Single Room Occupancy, which is being corrected by signing a new MOU containing the rent reasonableness.

Name(s) of the contact person(s) responsible for corrective action: Richard Marshall

Planned completion date for corrective action plan: 12/31/2023

If the U.S. Department of Housing and Urban Development has questions regarding this plan, please call Trish Bryant at 405-605-3228.



**OKLAHOMA CITY HOUSING AUTHORITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2022**

U.S. Department of Housing and Urban Development

Oklahoma City Housing Authority respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2022.

Audit period: January 1, 2022 – December 31, 2022

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS— FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2021 – 001 – Schedule of Expenditures of Federal Awards (SEFA)

Condition: The Authority's schedule of expenditures of federal awards (SEFA) did not include amounts expended by the Community Enhancement Corporation (CEC), a blended component unit, or amounts received and expended from the Federal Emergency Management Agency (FEMA).

Status: This was corrected in the current year.

2021 - 002 – HCVP Eligibility

Condition: During our testing, we noted the Authority did not have adequate internal controls designed to ensure that eligibility requirements were being met.

Status: This was a finding in the current year are 2022-001.

Reason for finding's recurrence: The items identified in 2021 audit are not the items identified in the 2022 audit. Eligibility covers a large number of areas that are audited.

Corrective Action: Three separate employees will quality control additional files monthly.



2021 – 003 – HCVP Management and Bookkeeping Fees

Condition: During our testing, we noted the Authority overcharged management and bookkeeping fees to the HCV program.

Status: This was corrected in the current year.

2021 – 004 – HCVP Depository Agreement

Condition / Context: During our testing, we noted the Authority did not have a depository agreement with its' financial institution in the form required by HUD.

Status: This was corrected in the current year.

2021 – 005 – Public Housing Depository Agreement

Condition / Context: During our testing, we noted the Authority did not have a depository agreement with its' financial institution in the form required by HUD.

Status: This was corrected in the current year.

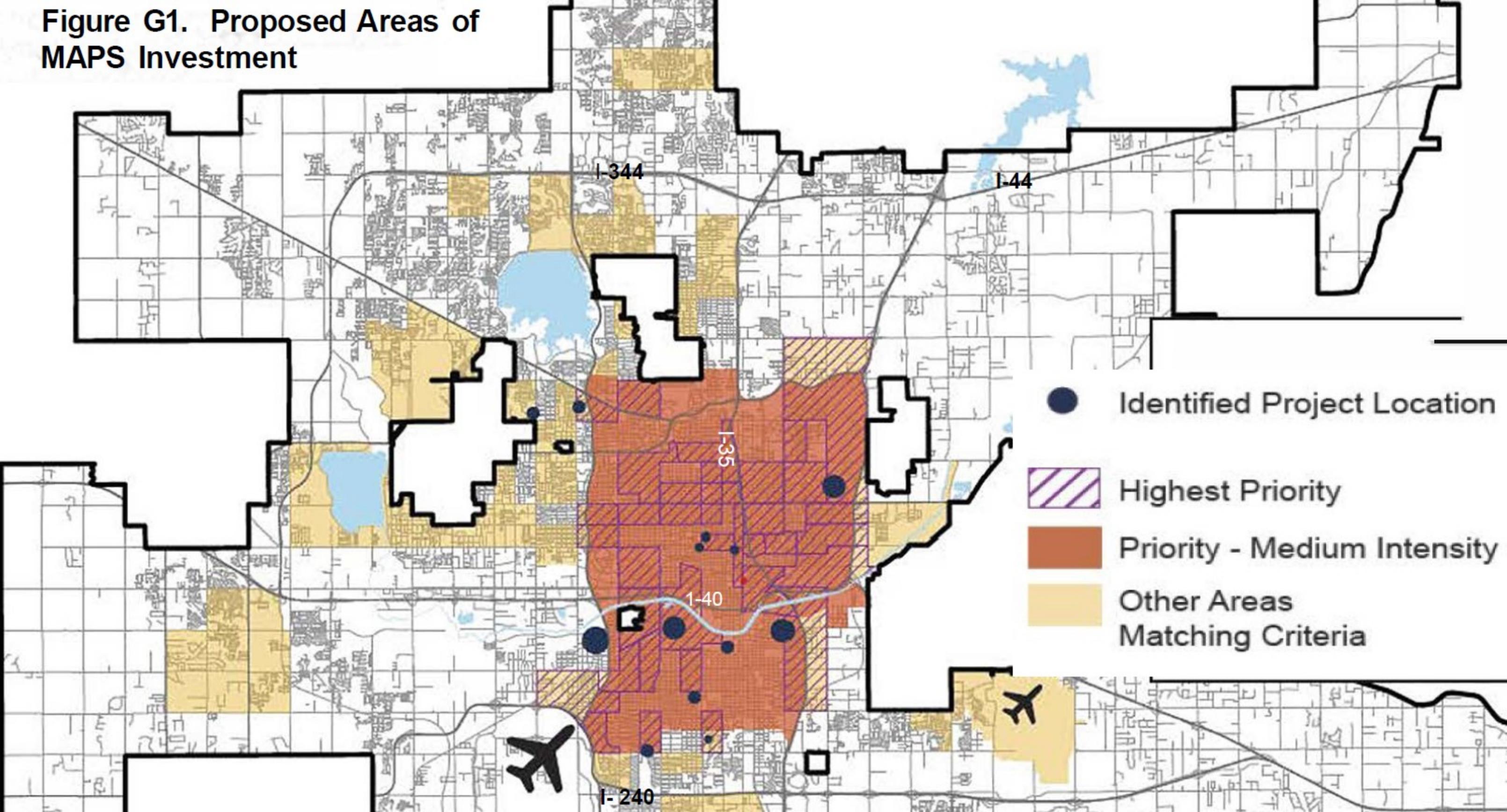
2021 – 006 – Public Housing Management and Bookkeeping Fees

Condition: During our testing, we noted the Authority overcharged for property management, bookkeeping and asset management fees.

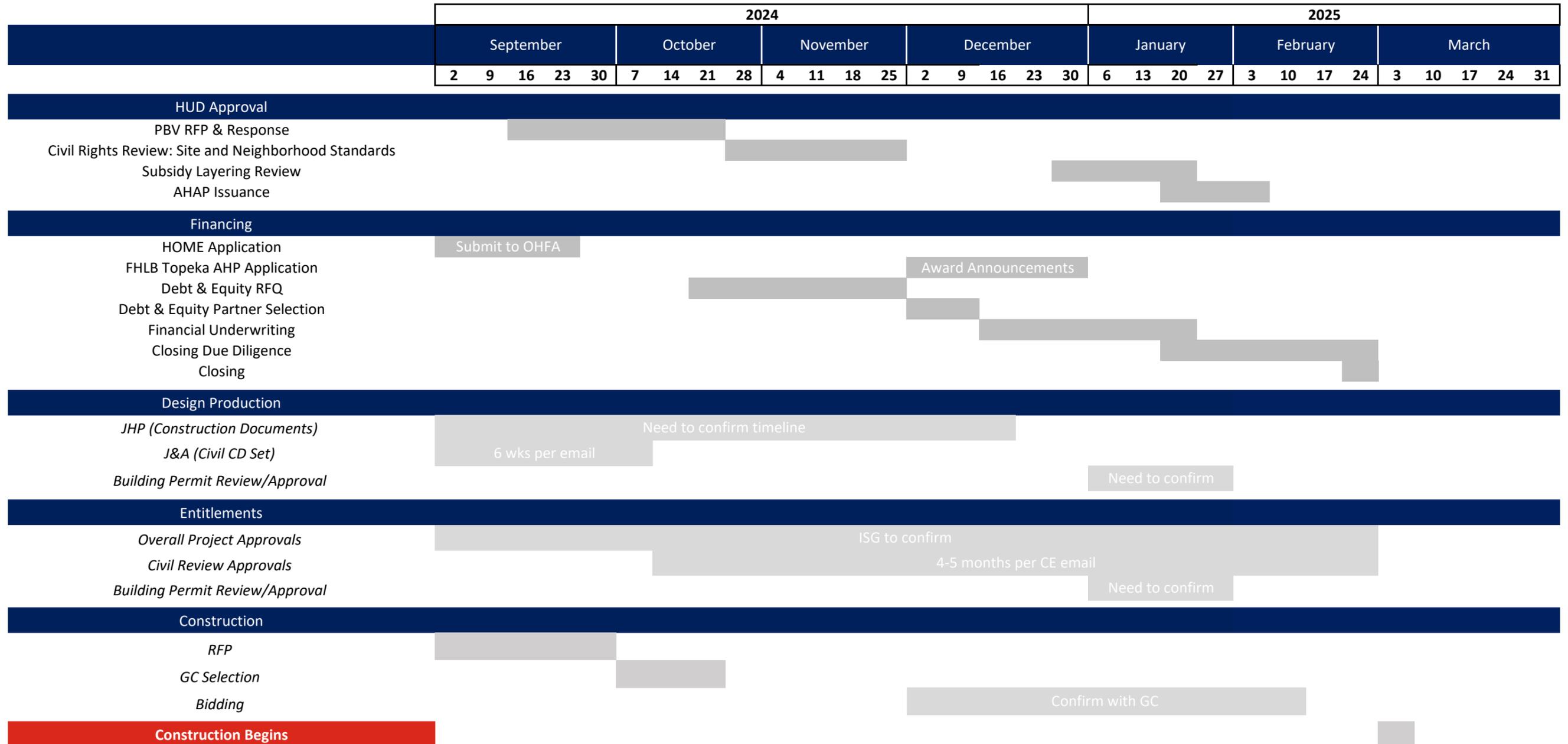
Status: This was corrected in the current year.

If the U.S. Department of Housing and Urban Development has questions regarding this schedule, please call Trish Bryant at (405) 605-3228.

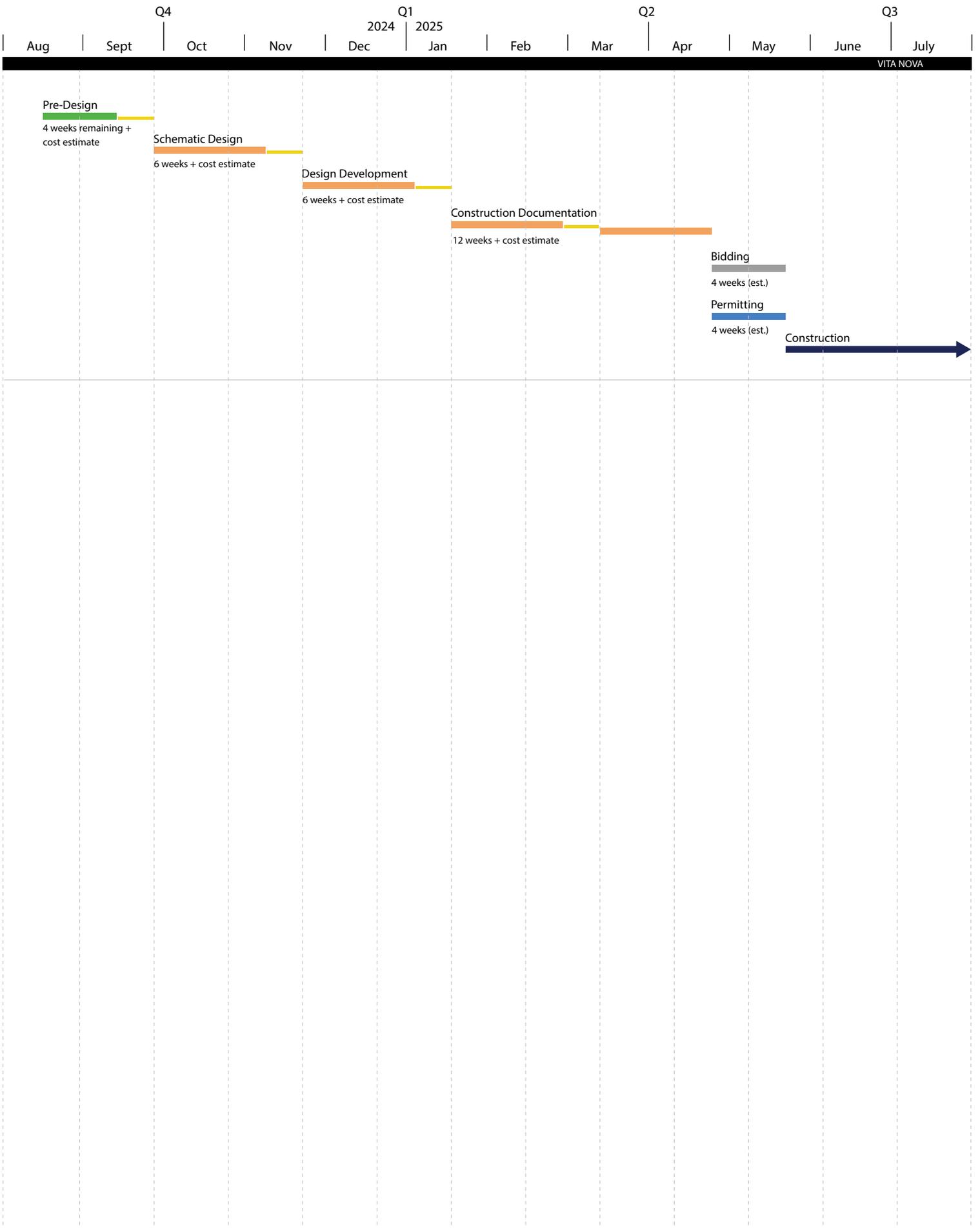
Figure G1. Proposed Areas of MAPS Investment



OCHA Creston Park Project Schedule



Vita Nova Project Timeline



Operator Selection / Agreement
Construction

Design
Cost Estimating

Approvals
Pre-Design