

MONROE COUNTY HOUSING AUTHORITY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION AND REPORTS**

YEAR ENDED DECEMBER 31, 2020



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**MONROE COUNTY HOUSING AUTHORITY
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YEAR ENDED DECEMBER 31, 2020**

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Monroe County Housing Authority
Key West, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Monroe County Housing Authority (the Authority), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of, business-type activities and the discretely presented component unit of the Monroe County Housing Authority as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 accompanying supplementary financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2021, 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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Lakeland, Florida
August 18, 2021

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

As management of Monroe County Housing Authority (the Authority), we offer the readers of the Authority's business-type activities financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements. While the Housing Authority's financial statements include a discretely presented component unit of the Housing Authority, the following overview focuses on the Primary Government and does not address all the effects the component unit has on the Housing Authority's operations. For additional information on the financial activities of the discretely presented component unit, the readers should refer to the component units' separately issued financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Monroe County Housing Authority, 1400 Kennedy Drive, Key West, Florida 33040.

Financial Highlights – Primary Government

- The assets of the Authority exceeded its liabilities as of December 31, 2020 by \$14,937,002 (Net Position).
- The Authority's total operating revenue was \$8,274,037 which consisted of net tenant revenue of \$4,152,733, United States Department Housing and Urban Development (HUD) grants in the amount of \$3,100,937, other operating grants of \$5,840, and other revenue of \$1,014,527.

Overview of Financial Statements

The financial statements included in this annual report are those of a special-purpose government engaged in business-type activities. The following statements are included:

- **Statement of Net Position** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses, and Changes in Net Position** – reports the results of activity over the course of the year. It details the costs associated with operating the Authority and how those costs were funded. It also provides an explanation of the change in net position from the previous year-end to the current fiscal year-end.
- **Statement of Cash Flows** – reports the Authority's cash flows in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Overview of Financial Statements (Continued)

The attached analysis of net position, revenue, and expenses is detailed and provides a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Our analysis of the Authority as a whole begins on the next page.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

Our analysis presents the Authority's net position, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other nonfinancial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

In 2008, Monroe County Housing Authority made the HUD-mandated transition to Project Based Asset Management. This transition involved two significant changes:

- (1) Public Housing is now managed similarly to privately-owned housing development, including the payment of management and bookkeeping fees to the Housing Authority to pay overhead expenses.
- (2) The establishment of a Central Office Cost Center, which is the recipient of the aforementioned management and bookkeeping fees, to be the management center of the Housing Authority.

At December 31, 2020, the primary government's total assets were \$22,923,972; total current assets were \$12,089,591 including restricted assets of \$8,279,306 of which \$101,688 restricted for tenant security deposits and \$8,177,618 is restricted for other miscellaneous liabilities. Net capital assets were \$10,832,381.

In addition, total liabilities of the primary government were \$7,986,970; current liabilities were \$1,743,454; liabilities payable from restricted assets were \$101,688; and total long-term (noncurrent) liabilities were \$6,141,828 at December 31, 2020.

Net Position – the difference between an organization's assets and its liabilities equals its net position. There are three categories in which to classify net position and they are the following:

Net Investment in Capital Assets – capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets;

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Overview of Financial Statements (Continued)

Restricted – net position for which use is subject to constraints imposed by law or an agreement.

Unrestricted – net position that is not invested in capital assets or subject to restrictions.

Condensed Financial Information – Primary Government

Assets, Liabilities, and Net Position

	December 31,			
	2020	2019	\$ Change	% Change
	Total Authority	Total Authority	Total Authority	Total Authority
ASSETS				
Current Assets - Unrestricted	\$ 3,810,285	\$ 3,473,680	\$ 336,605	9.69%
Restricted Assets - Current	8,279,306	7,455,286	824,020	11.05%
Net Capital Assets	10,832,381	9,028,631	1,803,750	19.98%
Other Assets	2,000	-	2,000	100.00%
Total Assets	<u>\$ 22,923,972</u>	<u>\$ 19,957,597</u>	<u>\$ 2,966,375</u>	14.86%
LIABILITIES				
Current Liabilities	\$ 1,743,454	\$ 801,576	\$ 941,878	117.50%
Current Liabilities Payable				
from Restricted Assets	101,688	97,868	3,820	3.90%
Noncurrent Liabilities	<u>6,141,828</u>	<u>6,216,573</u>	<u>(74,745)</u>	-1.20%
Total Liabilities	7,986,970	7,116,017	870,953	12.24%
NET POSITION				
Net Investment in Capital Assets	4,837,122	2,979,008	1,858,114	62.37%
Restricted	8,177,618	7,357,418	820,200	11.15%
Unrestricted	<u>1,922,262</u>	<u>2,505,154</u>	<u>(582,892)</u>	-23.27%
Total Net Position	<u>14,937,002</u>	<u>12,841,580</u>	<u>2,095,422</u>	16.32%
Total Liabilities and Net Position	<u>\$ 22,923,972</u>	<u>\$ 19,957,597</u>	<u>\$ 2,966,375</u>	14.86%

Current assets increased by \$336,605 from the prior year. This increase was caused by the increase in cash used for operations.

Net capital assets increased by \$1,803,750 due to increase in construction in progress offset by current year depreciation of \$564,551.

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Condensed Financial Information – Primary Government (Continued)

Assets, Liabilities, and Net Position (Continued)

Other assets increased by \$2,000 during the current year.

Current liabilities and current liabilities payable from restricted assets increased by \$929,761. Noncurrent liabilities decreased by \$74,745 primarily due to repayments of long-term debt.

There was an increase in net position of \$2,095,422. This change consisted of: (a) net investment in capital assets increased by \$1,655,916 primarily due to increases to construction in progress offset by depreciation expense. In addition, repayment of debt increased the net investment in capital assets. (b) the restricted net position increased by \$820,200, due to an increase in the cash held by MHA for projects, and (c) unrestricted portions of net position decreased by \$380,694 due to the elimination of the investment joint venture.

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Condensed Financial Information – Primary Government (Continued)

Revenue, Expenses, and Changes in Net Position – Primary Government

	2020	2019	\$ Change	% Change
	Total Authority	Total Authority	Total Authority	Total Authority
OPERATING REVENUE				
Net Tenant Rental Revenue	\$ 4,152,733	\$ 4,057,076	\$ 95,657	2.36%
Operating Grants and Subsidies - HUD	3,100,937	2,675,453	425,484	15.90%
Other Operating Grants	5,840	13,439	(7,599)	-56.54%
Other Revenue	1,014,527	274,167	740,360	270.04%
Total Operating Revenue	8,274,037	7,020,135	1,253,902	17.86%
OPERATING EXPENSES				
Administrative	839,063	746,244	92,819	12.44%
Tenant Services	91,824	138,494	(46,670)	-33.70%
Utilities	98,333	97,375	958	0.98%
Ordinary Maintenance and Operations	736,647	793,353	(56,706)	-7.15%
Insurance	357,155	321,912	35,243	10.95%
General Expenses	453,437	466,589	(13,152)	-2.82%
Housing Assistance Payments	2,778,745	2,376,052	402,693	16.95%
Depreciation Expense	564,551	561,211	3,340	0.60%
Total Operating Expenses	5,919,755	5,501,230	418,525	7.61%
OPERATING INCOME (LOSS)	2,354,282	1,518,905	835,377	55.00%
NONOPERATING REVENUE (EXPENSE)				
Investment Income - Unrestricted	40,454	184,551	(144,097)	-78.08%
Investment Income - Restricted	33,036	39,981	(6,945)	100.00%
Purchase of Minority Equity Interest	(270,000)	-	(270,000)	100.00%
Gain or Loss on Sale of Capital Assets	-	3,350	(3,350)	100.00%
Interest Expense	(62,350)	(61,837)	(513)	0.83%
Total Nonoperating Revenue (Expenses)	(258,860)	166,045	(424,905)	-255.90%
CHANGE IN NET POSITION	2,095,422	1,684,950	410,472	24.36%
Net Position - Beginning of Year	12,841,580	11,156,630	1,684,950	15.10%
NET POSITION - END OF YEAR	<u>\$ 14,937,002</u>	<u>\$ 12,841,580</u>	<u>\$ 2,095,422</u>	16.32%

For the year ended December 31, 2020, overall operating revenue increased by \$1,253,902. This increase was caused by an increase in Other Revenue of \$740,360 and increase in Tenant Rental Revenue of \$95,657 (due to change in demographic mix of tenants) an increase in HUD Operating Grants of \$425,848. These increases were offset by a decrease in other operating grants of \$7,599.

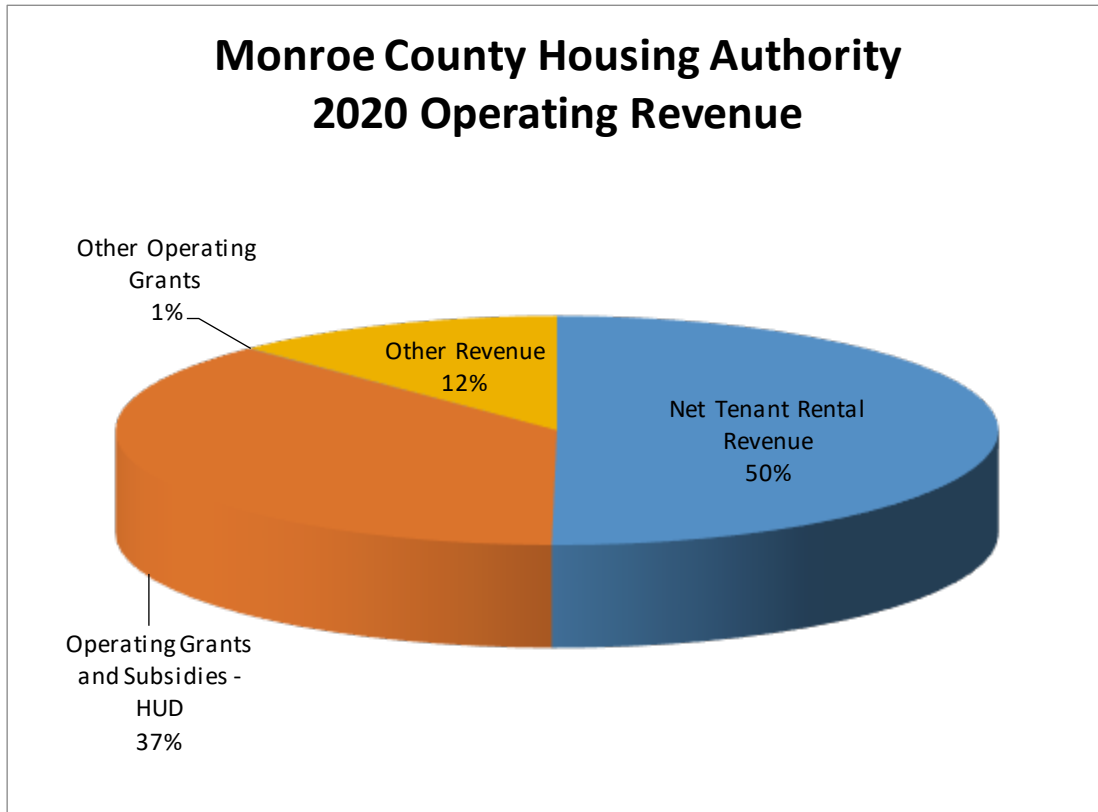
The total operating expenses increased by \$418,525. This is primarily due to an increase in housing assistance payments of \$402,693.

**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Condensed Financial Information – Primary Government (Continued)

Revenue, Expenses, and Changes in Net Position for the Primary Government (Continued)

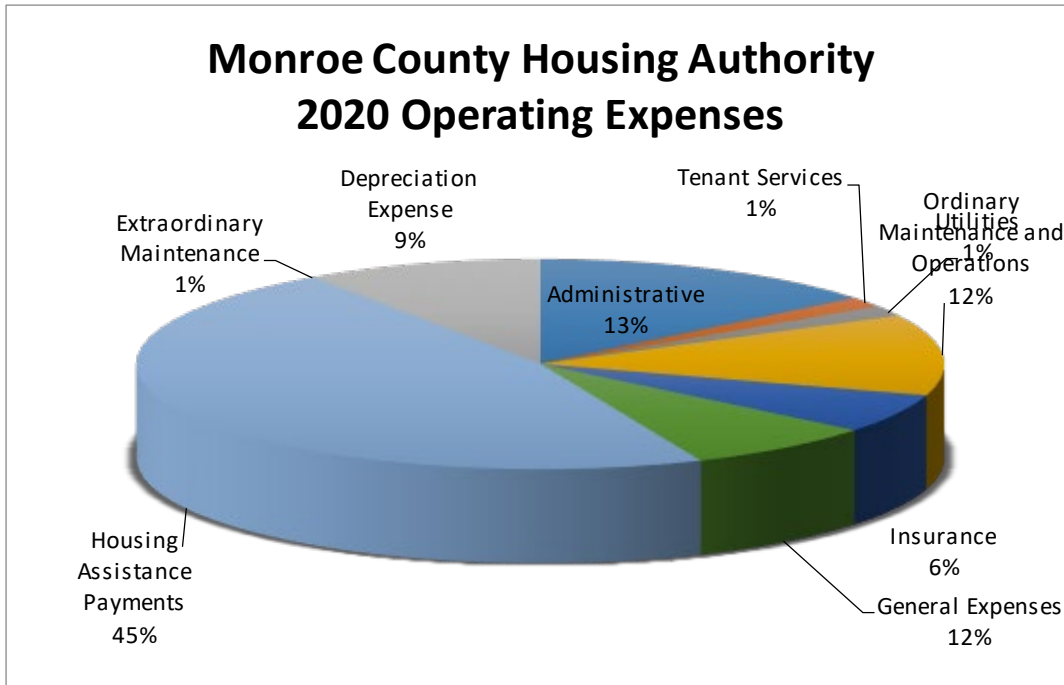
For the year ended December 31, 2020, total operating revenue was \$8,274,037, while total operating expenses were \$6,189,755. This resulted in a \$2,084,282 operating income. Total nonoperating revenue was \$11,140.



**MONROE COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Condensed Financial Information – Primary Government (Continued)

Revenue, Expenses, and Changes in Net Position for the Primary Government (Continued)



Program/Activity Accounting

Many of the programs and activities maintained by the Authority are required by the U.S. Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's programs/activities include:

- Public and Indian Housing (CFDA 14.850).
- Section 8 Housing Choice Vouchers (CFDA 14.871).
- Public Housing Capital Fund (CFDA 14.872).
- Home Investments Partnerships Program (CFDA 14.239).
- Other Business Activities.
- Monroe County Housing Corporation (Discretely Presented Component Unit).
- Marathon Housing Associates, Ltd. (Blended Component Unit).

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding from the Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, reversionary, and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies, and other costs.
- Hurricane related damages and hurricane impact upon the rental market.

MONROE COUNTY HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	<u>Primary Government</u>	<u>Component Unit Monroe County Housing Corporation, Inc.</u>
ASSETS		
CURRENT ASSETS		
Cash - Unrestricted	\$ 3,278,834	\$ 356,302
Cash - Restricted for Tenant Security Deposits	101,688	-
Cash - Restricted (Other)	8,177,618	-
Accounts Receivables, Net	69,104	3,432
Prepaid Items	462,347	549
Total Current Assets	<u>12,089,591</u>	<u>360,283</u>
 NONCURRENT ASSETS		
Capital Assets:		
Capital Assets Not Being Depreciated	3,189,739	318,122
Capital Assets Being Depreciated, Net	<u>7,642,642</u>	<u>-</u>
Net Capital Assets	10,832,381	318,122
 Other Assets:		
Other Assets	2,000	-
Investment in Joint Venture	<u>-</u>	<u>318,263</u>
Total Other Assets	2,000	318,263
Total Noncurrent Assets	<u>10,834,381</u>	<u>636,385</u>
 Total Assets	 <u><u>\$ 22,923,972</u></u>	 <u><u>\$ 996,668</u></u>

See accompanying Notes to Financial Statements.

MONROE COUNTY HOUSING AUTHORITY
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020

	Primary Government	Component Unit Monroe County Housing Corporation, Inc.
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable	\$ -	\$ 134
Line of Credit	498,500	-
Accrued Liabilities	37,117	-
Accrued Compensated Absences, Current Portion	615	-
Accounts Payable - HUD PHA Programs	2,519	-
Accounts Payable - Other Government	934,311	-
Current Portion of Long-Term Debt (Operating)	18,371	-
Current Portion of Long-Term Debt (Capital Project)	61,164	-
Unearned Revenue	56,493	-
Other Current Liabilities	134,364	-
Total Current Liabilities	<u>1,743,454</u>	<u>134</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Tenant Security Deposits	101,688	-
NONCURRENT LIABILITIES		
Long-Term Debt, Net of Current Portion (Capital Projects)	5,934,095	-
Long-Term Debt, Net of Current Portion (Operating)	202,198	-
Accrued Compensated Absences, Net of Current Portion	5,535	-
Total Noncurrent Liabilities	<u>6,141,828</u>	<u>-</u>
Total Liabilities	7,986,970	134
NET POSITION		
Net Investment in Capital Assets	4,837,122	318,122
Restricted	8,177,618	-
Unrestricted	1,922,262	678,412
Total Net Position	<u>14,937,002</u>	<u>996,534</u>
Total Liabilities and Net Position	<u>\$ 22,923,972</u>	<u>\$ 996,668</u>

See accompanying Notes to Financial Statements.

MONROE COUNTY HOUSING AUTHORITY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020

	Primary Government	<u>Component Unit</u> Monroe County Housing Corporation, Inc.
OPERATING REVENUES		
Net Tenant Revenue	\$ 4,152,733	\$ -
Operating Grants and Subsidies - HUD	3,100,937	-
Other Government Grants	5,840	-
Other Revenue	1,014,527	40,322
Total Operating Revenues	<u>8,274,037</u>	<u>40,322</u>
OPERATING EXPENSES		
Administrative	839,063	4,794
Tenant Services	91,824	-
Utilities	98,333	-
Maintenance and Operations	736,647	-
Insurance	357,155	3,293
General Expenses	453,437	30,500
Housing Assistance Payments	2,769,639	-
HAP Portability-In	9,106	-
Depreciation Expense	564,551	-
Total Operating Expenses	<u>5,919,755</u>	<u>38,587</u>
INCOME FROM OPERATIONS	2,354,282	1,735
NONOPERATING REVENUES (EXPENSES)		
Investment in Joint Venture Income	-	94,429
Purchase of Minority Equity Interest	(270,000)	-
Investment Income - Unrestricted	40,454	2,402
Investment Income - Restricted	33,036	-
Interest Expense	(62,350)	-
Total Nonoperating Revenues (Expenses)	<u>(258,860)</u>	<u>96,831</u>
CHANGE IN NET POSITION	2,095,422	98,566
Net Position - Beginning of Year	<u>12,841,580</u>	<u>897,968</u>
NET POSITION - END OF YEAR	<u>\$ 14,937,002</u>	<u>\$ 996,534</u>

See accompanying Notes to Financial Statements.

MONROE COUNTY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

	Primary Government	Component Unit Monroe County Housing Corporation, Inc.
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts:		
Dwelling Rent Receipts	\$ 4,255,898	\$ -
HUD Operating Subsidy and Grant Receipts	3,100,937	-
Other Governmental Subsidy and Grant Receipts	2,327	-
Other Income Receipts	1,014,527	40,233
Total Receipts	<u>8,373,689</u>	<u>40,233</u>
Disbursements:		
Payments to and Benefits for Employees	1,067,427	-
Payments to Suppliers	835,388	39,276
Payments to Landlords	2,778,746	-
Total Disbursements	<u>4,681,561</u>	<u>39,276</u>
Net Cash Provided by Operating Activities	3,692,128	957
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Repayment of Debt Principal	(54,366)	-
Interest Paid on Capital Debt	(62,350)	-
Purchase of Capital Assets	(2,368,301)	-
Net Cash Used by Capital and Related Financing Activities	<u>(2,485,017)</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from Line of Credit	143,141	-
Repayment of Operating Debt	(17,665)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>125,476</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	73,490	2,402
Purchases of Additional Member Units	(270,000)	-
Net Cash Provided (Used) by Investing Activities	<u>(196,510)</u>	<u>2,402</u>
NET INCREASE IN CASH	1,136,077	3,359
Cash - Beginning of Year	<u>10,422,063</u>	<u>352,943</u>
CASH - END OF YEAR	<u>\$ 11,558,140</u>	<u>\$ 356,302</u>
REPORTED AS		
Cash - Unrestricted	\$ 3,278,834	\$ 356,302
Cash - Restricted for Tenant Security Deposits	101,688	-
Cash - Restricted (Other)	8,177,618	-
Total Cash - End of Year	<u>\$ 11,558,140</u>	<u>\$ 356,302</u>

See accompanying Notes to Financial Statements.

**MONROE COUNTY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

	Primary Government	<u>Component Unit</u> Monroe County Housing Corporation, Inc.
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from Operations	\$ 2,354,282	\$ 1,735
Adjustments to Reconcile Income from Operations to Net Cash Provided by Operating Activities:		
Depreciation Expense	564,551	-
(Increase) Decrease in Assets:		
Accounts Receivable - Tenants	(17,736)	-
Accounts Receivable - Miscellaneous	-	-
Accounts Receivable - Other Government	(1,513)	(89)
Accounts Receivable - HUD Other Projects	-	-
Prepaid Expenses and Other Current Assets	(7,300)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	-	(689)
Accounts Payable - Other Government	600,156	-
Accounts Payable - HUD PHA Programs	(1)	-
Accrued Wages/Payroll Taxes Payable	11,053	-
Accrued Compensated Absences	564	-
Unearned Revenue	49,890	-
Other Current Liabilities	134,363	-
Tenant Security Deposits	3,819	-
Net Cash Provided by Operating Activities	<u>\$ 3,692,128</u>	<u>\$ 957</u>

See accompanying Notes to Financial Statements.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Monroe County Housing Authority (the Authority) is a public body corporate and politic organized under Chapter 421 of the Florida State Statutes to provide low-rent housing for qualified individuals in accordance with laws, rules, and regulations prescribed by the United States Department of Housing and Urban Development (HUD). The primary purpose of the Authority is to provide decent, safe, sanitary, and affordable housing to low-income, elderly, and disabled families within Monroe County, Florida.

Where HUD subsidizes housing, total rent is determined by the Authority within guidelines established by HUD. The tenants' portion of the rent and the housing assistance provided by HUD are also determined using HUD's guidelines.

The rent to be charged to tenants residing in the Authority's affordable housing complexes is established by management. All of the affordable housing complexes were acquired with funding provided by other entities. Each of these entities placed certain restrictions on the rental of the units. These restrictions involve specifying percentages of the units available that can only be rented to individuals that meet certain low-income criteria.

Reporting Entity

The Governmental Accounting Standards Board has established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under these criteria, the Authority is considered to be a *primary government*, it is a special-purpose government that has a separate governing body, and it is legally separate and is fiscally independent of other state or local governments.

The Authority is a related organization of the state of Florida since the members of its Board of Commissioners are appointed by the governor. The state of Florida is not financially accountable for the Authority as it cannot impose its will on the Authority and there is no potential for the Authority to provide financial benefit to, or impose financial burdens on the state of Florida. Accordingly, the Authority is not a component unit of the state of Florida.

In determining how to define the reporting entity, management has considered all potential component units. The determination to include a component unit in the reporting entity was made by applying criteria established by the Governmental Accounting Standards Board. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable.

**MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Based on the application of these criteria, the Authority has two component units which are described below:

Marathon Housing Associates, LTD.

Marathon Housing Associates, LTD. (MHA) is a limited partnership duly formed in the state of Florida, for the purpose of operating a rental housing project under Section 8 of the U.S. Housing Act of 1937, as amended by the Housing and Community Development Act of 1974. The project consists of 130 units located on Marathon Island, Florida. The Authority and MCHC are the managing general partner and fiscal general partner, respectively. The general partners constitute the governing board of the partnership and have complete control over the operations of the partnership. However, the limited partners can remove the general partners from those roles.

During fiscal year 2019, the Authority obtained a majority ownership in the partnership, therefore MHA is now considered a blended component unit of the Authority.

Monroe County Housing Corporation, Inc.

Monroe County Housing Corporation, Inc. (MCHC) is a corporation nonprofit organized under Chapter 617 of the Florida Statutes. MCHC was established by the Authority as an agency or instrumentality of the Authority. MCHC was formed to promote, advance, and engage in the development and/or operation of housing projects and related facilities for persons of low income in the area of operation of the Authority. All such activities are subject to approval of, and use by the Authority. MCHC is fiscally dependent on the Authority and is, therefore, considered to be a discretely presented component unit of the Authority.

Complete financial statements can be obtained from MCHC's administrative office located at 1400 Kennedy Drive, Key West, Florida, 33040.

Related Organizations

The Authority is related to the following organizations:

The Housing Authority of the City of Key West, Florida

The Authority has contracts with The Housing Authority of the City of Key West, Florida (KWA) whereby KWA provides management services and has managerial control of the Authority's assets and operations. KWA maintains all of the accounting records for the Authority and has been granted the authority to execute all transactions, including the check signing authority. However, all of these actions are taken at the direction of the Board of Commissioners of the Authority. Therefore, KWA is considered to be a related organization.

Expenses incurred on behalf of the Authority are paid directly to the vendors using the Authority's funds. Administrative expenses and other costs that are allocable to the Authority are reimbursed to KWA and reflected in the accompanying financial statements as expenses by natural classification.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Housing Authority of the City of Key West, Florida (Continued)

KWHA is not considered to be a component unit of the Authority because it has an independent governing board; the Authority is not financially accountable for their activities as it cannot impose its will on KWHA and there is no potential for KWHA to provide financial benefit to or impose financial burdens on the Authority.

Basis of Presentation and Accounting

In accordance with uniform financial reporting standards for HUD programs, the financial statements of the Authority are prepared in accordance with accounting principles generally accepted in the United States of America.

Based on compelling reasons offered by HUD, the Authority reports its operations under the governmental proprietary fund type (enterprise fund), which uses the accrual basis of accounting. The enterprise fund emphasizes the flow of economic resources measurement focus. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Revenues are recorded when they are earned and expenses are recorded at the time liabilities are incurred.

The enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the Board of Commissioners has decided that the determination of revenues earned, costs incurred, and or net income necessary for management accountability is appropriate. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the public on a continuing basis be financed or recovered primarily through user charges.

Program/Activity Accounting

The accounting records are established in a manner which enables the Authority to ensure observance of limitations and restrictions placed on the use of resources available to it. The accounting records are also maintained in a manner that provides the Authority the ability to monitor the financial results associated with certain other activities or otherwise provide for management accountability.

Separate identifiable accounts are maintained within the accounting records for each program/activity. However, all of the programs/activities are part of a single enterprise fund for financial reporting purposes.

The programs/activities included in the accompanying financial statements include all programs/activities of the Authority that relate to providing housing assistance to lower-income families and all other programs, functions and activities over which the Board has oversight responsibility and financial accountability.

**MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program/Activity Accounting (Continued)

These programs/activities are as follows:

Public and Indian Housing (CFDA 14.850)

Public and Indian Housing provides accountability for the operations of housing complexes owned by the Authority that are subsidized by HUD under Annual Contributions Contract.

Public Housing Capital Fund (CFDA 14.872)

The Capital Fund Program accounts for the activities of the Authority's capital improvement program. The Authority has received several grants from HUD to make improvements to its public housing complexes and to fund certain management improvements.

HOME Investments Partnerships Program (CFDA 14.239)

The HOME Investments Partnership Program provides accountability for the operations of an affordable housing complex in Marathon, Florida that was constructed, in part, by the proceeds of a loan that was funded through a grant from HUD under the HOME Investments Partnerships Program.

Section 8 Housing Choice Vouchers (CFDA 14.871)

The Section 8 Housing Choice Vouchers program accounts for the activity associated with the projects and other facilities that are not owned by the Authority but are subsidized by HUD under an Annual Contributions Contract.

Other Business Activities

These activities account for the operations of the various affordable housing complexes operated by the Authority and the other resources received by the Authority that are not restricted by outside sources as to expenditure for the benefit of specific projects or purposes. The Authority also administers the Community Development Block Grant and the State Housing Initiative Program on behalf of Monroe County, Florida.

Budgets

Budgets are prepared on an annual basis for each program/activity and are used as a management tool throughout the accounting cycle. The budgets for the Capital Fund Program and certain other multi-year grant programs are adopted on a "project length" basis. Budgets are not, however, legally adopted nor legally required for financial statement presentation.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Authority considers all highly liquid instruments, including certificates of deposit and short-term investments with an original maturity of three months or less to be cash equivalents. At December 31, 2020, the Authority did not have any cash equivalents.

Restricted Assets

Certain assets are classified as restricted assets in the accompanying statement of net position when constraints are placed on their use by external parties or law. The assets that are classified as restricted include the following:

Restricted Cash

Restricted cash consists of bank accounts that have been established in order to ensure the availability of funds to repay tenant security deposits and accounts established for certain escrow purposes in connection with certain debt issues.

Capital Assets

All purchased capital assets are valued at cost when historical records are available. When no historical records are available, capital assets are valued at estimated historical cost. Routine repairs and maintenance are charged against operations. Betterments in excess of \$1,500 are capitalized. Certain major repairs (i.e. painting, roofing, and plumbing) are also charged against operations in accordance with HUD policies and procedures. Donated assets are recorded at acquisition value as of the date of donation.

Depreciation is calculated using the straight-line method over the useful life of the related asset. The useful lives range from 15 to 40 years for buildings, building improvements, and infrastructure, and from 5 to 10 years for equipment. When assets are disposed of, the related cost and accumulated depreciation are relieved and any gain or loss is included in nonoperating expenses.

Other Assets

On February 5, 1990, MCHC purchased MHA's Fiscal General Partner's interest and will continue MHA's operations in conjunction with the Authority, Operating General Partner. This investment in joint venture is accounted for using the equity method of accounting.

Complete financial statements can be obtained from the Authority's and MCHC's administrative office located at 1400 Kennedy Drive, Key West, Florida 33040.

At December 31, 2020, MCHC's ending capital account was \$303,959. The investment in joint venture fluctuates based on partner income or loss allocation from the partnership. The investment in joint venture change for the year ended December 31, 2020 was \$80,125 for MCHC.

**MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The Authority only has one employee, its executive director. All nonexecutive director related services are performed by employees of KWHHA and the Authority reimburses KWHHA for such costs as incurred.

KWHHA's policy allows employees to accumulate unused vacation leave up to a maximum of 288 hours and unused sick leave up to a maximum of 1,040 hours. Upon termination, for other than cause or resignation without proper notice, employees are paid for unused accumulated vacation. Unused accumulated sick leave is paid to the employee up to 348 unused sick leave and 288 unused vacation leave upon termination in good standing as follows:

Six to Nine Years of Service	25%
Ten Years of Service	50%
Twenty Years of Service	100%

Unused time is accrued and is only payable as discussed above.

Unearned Revenue

Unearned revenue represents tenant rents or grant money received in advance.

Operating and Nonoperating Revenues and Expenses

The Authority recognizes operating revenue and expenses as a result of providing low rent housing and other services. The principal operating revenues of the Authority consist of tenant rental charges, operating subsidies and fees received from the federal government and other grantor organizations and other revenue received from ancillary operations such as maintenance charges to tenants, laundry operations and similar operations. Operating expenses include the costs of operating the Authority owned housing complexes, housing assistance payments to landlords, administrative expenses, and costs associated with providing program services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Government Operating Grants and Subsidies

The subsidies and grants received by the Authority from HUD under Annual Contributions Contracts and other grantor entities are recorded as operating revenue in the period earned in accordance with accounting principles generally accepted in the United States of America.

Pursuant to the Annual Contributions Contract with HUD, the Authority receives an operating subsidy for its operation of public housing.

The Section 8 Housing Choice Vouchers Program Annual Contributions Contract with HUD provides for housing assistance payments to private owners of residential units on behalf of eligible low-income or very low-income families. The program provides for such payments covering the difference between the maximum rental on a dwelling unit and the amount of rent contribution by the participating family plus related administrative expenses.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets and liabilities in the financial statements and is classified into three components:

Net Investment in Capital Assets – This component consists of capital assets net of accumulated depreciation and related debt financing.

Restricted Net Position – Net position with constraints placed on the use either by 1) external groups such as creditors, grantors, or laws and regulation of other governments; or 2) law through constitutional provisions or enabling legislation are reflected in this component.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

The Authority applies restricted resources first when an expense or expenditure is incurred for the purpose for which both restricted and unrestricted net positions are available.

Use of Estimates

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

Income Taxes

The Authority is a public body corporate and politic exempt from federal and state income taxes.

Risk Management

The Authority is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and other general liability issues. The Authority was unable to obtain general liability insurance at a cost it determined to be economically feasible. The Authority joined together with other housing authorities to form Florida Public Housing Authority Self Insurance Fund (FPHASIF), a public risk pool currently operating as a common risk management and insurance program. The Authority pays an annual premium to FPHASIF for its general insurance coverage. The agreement for formation of the FPHASIF provides that it will be self-sustaining through member premiums and will reinsure through commercial companies. The Authority continues to carry commercial insurance for all other risks of loss, including workers’ compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New GASB Pronouncements

The Authority fully implemented the following GASB Statements during the fiscal year-ended September 30, 2020:

- 1) Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, which improves the consistency in the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. Requires disclosure of additional essential information about debt.

NOTE 2 CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Authority will not be able to recover the value of its securities that are in the possession of an outside party.

Deposits

All cash deposits are carried at cost and are in financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized. Florida Statutes Chapter 280 sets forth the qualifications and requirements that a financial institution must meet in order to become a qualified depository. The Statute also defines the amount and type of collateral that must be pledged in order to remain qualified.

Florida Statute 218.45 requires deposits of governmental entities be made only with Qualified Public Depositories (QPDs). Public funds on deposit in QPDs are protected against loss due to insolvency by: (1) federal deposit insurance; (2) the pledge of securities as collateral; and (3) a contingent liability agreement that allows the Chief Financial Officer of the State of Florida to assess QPDs if the securities pledged by an insolvent QPD are insufficient. The agreement for collateralization of public funds is with the state of Florida and not with the Authority. Similar to FDIC, the state of Florida is guaranteeing the deposit.

At December 31, 2020, the Authority's book balance of cash was \$11,542,103 and the bank balance was \$11,573,961.

At December 31, 2020, the MCHC book balance of cash was \$356,302 and the bank balance of cash was \$356,302.

The Authority's investment policy requires that deposits be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the Authority for the loss.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Cash Restricted – Other as of December 31, 2020, consisted of the following:

Cash - Restricted for Replacement Reserves	\$ 3,635,957
Cash - Restricted for Repairs	2,359,119
Cash - Restricted for Sinking Funds	2,130,323
Cash - COVID-19 Funds	52,219
Total Cash Restricted - Other	<u>\$ 8,177,618</u>

NOTE 3 ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2020 consisted of the following:

Primary Government:

Tenant Accounts Receivables:

Dwelling Rents	<u>\$ 21,148</u>
Total Tenant Accounts Receivables	21,148

Accounts Receivable - HUD Other Projects	374
Amounts Due from Other Governments	<u>47,582</u>

Total Receivables	<u>\$ 69,104</u>
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Component Unit:

Amounts Due from Other Governments	<u>\$ 3,432</u>
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MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 CAPITAL ASSETS

The changes in capital assets for the year ended December 31, 2020 for the primary government were as follows:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Primary Government:					
Nondepreciable Capital Assets:					
Land	\$ 752,271	\$ -	\$ -	\$ -	\$ 752,271
Construction in Progress	160,664	2,276,803	-	-	2,437,467
Total Nondepreciable Capital Assets	912,935	2,276,803	-	-	3,189,738
Depreciable Capital Assets:					
Buildings	18,988,202	-	-	-	18,988,202
Infrastructure	1,096,307	-	-	-	1,096,307
Administrative Equipment	673,107	91,498	-	-	764,605
Total Depreciable Capital Assets	20,757,616	91,498	-	-	20,849,114
Accumulated Depreciation					
Buildings	(11,816,767)	(482,213)	-	-	(12,298,980)
Infrastructure	(327,784)	(39,447)	-	-	(367,231)
Administrative Equipment	(497,369)	(42,891)	-	-	(540,260)
Less: Total Accumulated Depreciation	(12,641,920)	(564,551)	-	-	(13,206,471)
Total Capital Assets Being Depreciated, Net	8,115,696	(473,053)	-	-	7,642,643
Capital Assets, Net	\$ 9,028,631	\$ 1,803,750	\$ -	\$ -	\$ 10,832,381

The changes in capital assets for the year ended December 31, 2020 for the component unit were as follows:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Component Unit:					
Nondepreciable Capital Assets:					
Land	\$ 318,122	\$ -	\$ -	\$ -	\$ 318,122
Depreciable Capital Assets:					
Furniture and Equipment	633	-	-	-	633
Less: Accumulated Depreciation	(633)	-	-	-	(633)
Total Capital Assets Being Depreciated, Net	-	-	-	-	-
Capital Assets, Net	\$ 318,122	\$ -	\$ -	\$ -	\$ 318,122

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 CHANGES IN LONG-TERM LIABILITIES

The Authority has several notes and bond issues outstanding as of December 31, 2020. These obligations represent fixed liabilities of the concerned projects. In addition, the Authority has a liability for compensated absences. Following is a summary of the changes in all such liabilities for the year ended December 31, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowings:					
Revenue Notes	\$ 610,321	\$ -	\$ (47,349)	562,972	\$ 53,867
Notes Payable	5,677,538	-	(24,682)	5,652,856	25,668
Compensated Absences	5,584	4,100	(3,534)	6,150	615
Total	<u>\$ 6,294,009</u>	<u>\$ 4,100</u>	<u>\$ (75,565)</u>	<u>\$ 6,221,978</u>	<u>\$ 80,150</u>

NOTE 6 NOTES AND BONDS PAYABLE

Tropical Isle Apartments

Effective January 1, 2002, the Authority assumed control of the property known as Tropical Isle Apartments from Monroe County Housing Finance Authority. As part of the transaction, the Authority assumed control and title to all assets and assumed all liabilities.

First Mortgage

The debt assumed included a first mortgage in favor of Monroe County Comprehensive Plan Land Authority in the amount of \$59,025 which is nonamortizing and is noninterest bearing. The loan will mature on September 7, 2045.

HOME Investment Partnerships Program Mortgage

Liability for the second mortgage note issued to Florida Housing Finance Corporation in the principal amount of \$1,119,107 was also assumed. This note is co-terminus with the first mortgage note and it is also nonamortizing and noninterest bearing. This loan matures on August 28, 2047.

Both notes are collateralized by the land, project improvements and property located on the land.

Wastewater Connection Mortgage

On December 1, 2010, the Authority entered into an agreement with the city of Marathon to connect to the city's wastewater system. They have financed the costs of connection with the city for \$108,712. An initial payment of \$10,000 was made on December 15, 2010. The balance is to be paid on annually for a period of 15 years beginning December 15, 2011. The balance as of December 31, 2020 is \$39,524.

**MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 NOTES AND BONDS PAYABLE (CONTINUED)

Stock Island Project

Revenue Notes

On April 24, 2003, the Authority issued a Housing Revenue Note Series 2003 (Stock Island Project) in the principal amount of \$1,270,000 in order to finance the cost to complete the construction of certain affordable housing units on Stock Island.

The note bears an interest rate of 4.75%, and is subjected to changes as noted in the loan agreement. The interest amounts below are estimated using the current rates in effect. The new note is being amortized over a 20-year period. The note is collateralized by the land, project improvements and property located on the land. The balance at December 31, 2020 is \$562,974.

Marathon Housing Associates, Ltd.

Sewer Connection Note Payable

On December 1, 2010, the city of Marathon, Florida, and the general partner of the partnership finalized a wastewater connection agreement following notification from the city that the Partnership was required to connect its wastewater system to the city's system.

The cost to be paid to the city of Marathon totaled \$605,579 of which \$240,000 was paid in November 2010. The balance been financed with the city over 20 years with an annual payment of \$27,194. As of December 31, 2020, the total note payable was \$220,571.

Home Rehabilitation Loan Payable

In 1996, the Marathon Housing Associates, Ltd. was approved and subsequently received an interest-free loan in the amount of \$4,214,629 from the Florida Housing Finance (Agency) under Home Project No. 95HR-009. The entire amount of the loan is inter alia, secured by a second mortgage on the improvements of the project. The loan is interest free, but carries a maximum default interest rate of 18% per annum. The full amount of the loan is due on March 20, 2046. As of December 31, 2020, the total note payable was \$4,214,629.

The loan calls for the funding of a replacement reserves fund of \$1,625 per month to fund capital repairs, replacements, and improvements. The Agency has the right to attach the escrow accounts in the event of a default under the loan documents.

Additional deposits have been made to the replacement reserves fund to pay for anticipated repairs. MHA deposited a total of \$19,500 in 2020. As of December 31, 2020 the reserve replacement fund balance was \$3,553,493.

The board of trustees also approved setting aside \$20,121 per month in a sinking fund for payment of the loan. As of December 31, 2020, the sinking fund balance was \$2,130,323.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 NOTES AND BONDS PAYABLE (CONTINUED)

As of December 31, 2020, annual debt service requirements to maturity are as follows:

Year Ending December 31,	Notes from Direct Borrowings and Direct Placements			
	Revenue Notes		Notes Payable	
	Principal	Interest	Principal	Interest
2021	\$ 53,867	\$ 22,699	\$ 25,668	\$ 10,404
2022	56,201	20,365	26,695	9,377
2023	58,636	17,930	27,764	8,310
2024	61,177	15,389	28,873	7,199
2025	63,828	12,739	30,029	6,043
2026-2030	269,263	22,141	121,064	14,907
2031-2035	-	-	59,027	-
2036-2040	-	-	-	-
2041-2045	-	-	-	-
2046-2050	-	-	5,333,736	-
Total	\$ 562,972	\$ 111,263	\$ 5,652,856	\$ 56,240

NOTE 7 LINE OF CREDIT

On March 1, 2013, the Authority obtained a line of credit for \$500,000, from First State Bank of the Florida Keys. The purpose of the line of credit is to purchase limited partnerships in order to bring the Eastwind complex back into the public domain. The line of credit matures on July 1, 2021 and bears interest at 5.5%. The outstanding balance as of December 31, 2020 is \$498,500. The unused balance on the line of credit is \$1,500.

	Beginning Balance	Additions	Reductions	Ending Balance
Line of Credit	\$ 355,358	\$ 143,142	\$ -	\$ 498,500

NOTE 8 RESTRICTED COMPONENT OF NET POSITION

Restricted net position as of December 31, 2020 consists of the following:

HOME - Reserve for Replacement	\$ 82,464
Cash - Restricted for Replacement Reserves	3,553,493
Cash - Restricted for Repairs	2,359,119
Cash - Restricted for Sinking Funds	2,130,323
Cash - COVID-19 Funds	52,219
Total Restricted Net Position	<u>\$ 8,177,618</u>

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9 RELATED PARTY TRANSACTIONS

The Authority is a related organization to The Housing Authority of the City of Key West, Florida; Monroe County Housing Corporation, Inc.; and Marathon Housing Associates, LTD. As of December 31, 2020, the Authority had the following balances:

Monroe County Housing Authority

	<u>Amount</u>
Management Fees Paid by MCHA to KWH	\$ 232,996
Bookkeeping Fees Paid by MCHA to KWH	21,219
Due from MHA	16,037

Monroe County Housing Corporation, Inc.

	<u>Amount</u>
Management Fees Paid by KWH to MCHC	\$ 32,322
Management Fees Paid by MHA to MCHC	8,000
Due from KWH	3,432

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Authority receives a substantial amount of its support from the federal government in the form of subsidies, grants, and loans. If a significant reduction in the level of this support were to occur, it may have an effect on the Authority's programs and activities.

Government grants and loans require the fulfillment of certain conditions as set forth in laws, rules, and regulations and grant and loan agreements. Failure to fulfill the conditions could result in the return of funds to grantors. The Authority's management believes that disallowances, if any, would be immaterial.

During 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, businesses, and communities. Specific to the Authority, COVID-19 may impact various parts of its 2021 operations and financial results, including increased expenses related to Housing Assistance Payments. Management believes the Authority is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated.

Marathon Housing Associates, Ltd.

Ground Lease

MHA acquired the fifteen buildings comprising the project, but not the land underlying the buildings, which is subject to a ground lease with triannual renewal options. The latest option was exercised which provides for an extension of the group lease through January 31, 2021. Further renewal options are available through February 1, 2081. The rental of the ground lease is \$1 per year, provided that the project maintains its HAP contact.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 10 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Marathon Housing Associates, Ltd. (Continued)

Housing Assistance Payment Contract

Pursuant to an agreement with the U.S. Department of Housing and Urban Development, under the Housing Assistance Payment (HAP) Clause of the U.S. Housing Act of 1937, as amended by the Housing and Community Development Act of 1974, MHA was entitled to rental assistance for thirty (30) years from the execution of the HAP contract in 1982. The contract was subsequently renewed and currently expires in January 2022.

MHA cannot sell or otherwise substantially liquidate its assets during the period that the agreement with the U.S. Department of Housing and Urban Development is in existence, without their approval.

NOTE 11 ECONOMIC DEPENDENCY

The Authority's operations are concentrated in the real estate market. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules, and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

The Authority receives a substantial amount of its support from the federal government in the form of subsidies and grants. If a significant reduction in the level of this support were to occur, it may have an effect on the Authority's programs and activities.

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 11 ECONOMIC DEPENDENCY (CONTINUED)

The table below shows the revenue allocation by activity for the year ended December 31, 2020.

	<u>Total Revenue</u>	<u>Percentage of Total Revenue</u>
Revenue from HUD		
Section 8 Housing Choice Voucher - HAP	\$ 2,755,210	33.01%
Section 8 Housing Choice Voucher - Administrative	257,374	3.08%
Public and Indian Housing	88,353	1.06%
Total HUD Funding	<u>3,100,937</u>	<u>37.15%</u>
Non-HUD Funding		
Tenant Rental Revenue, Net of Bad Debt	4,060,973	48.65%
Tenant Revenue Other	91,760	1.10%
Other Government Grants	5,840	0.07%
Investment Income (Unrestricted)	40,454	0.48%
Investment Income (Restricted)	33,036	0.40%
Other Revenue	1,014,527	12.15%
Total Non-HUD Funding	<u>5,246,590</u>	<u>62.85%</u>
 Total Revenue	 <u><u>\$ 8,347,527</u></u>	 <u><u>100.00%</u></u>

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 12 CONDENSED BLENDED COMPONENT UNIT INFORMATION

Condensed component unit information for the Authority's blended component units as listed in Note 1 is presented below.

Condensed Statement of Net Position

	Primary Government	Marathon Housing Associates, Ltd.	Total
ASSETS			
Current Assets	\$ 1,543,920	\$ 10,545,671	\$ 12,089,591
Capital Assets, Net	4,672,987	6,159,394	10,832,381
Noncurrent Assets	2,000	-	2,000
	<u>\$ 6,218,907</u>	<u>\$ 16,705,065</u>	<u>\$ 22,923,972</u>
LIABILITIES AND NET POSITION			
LIABILITIES			
Current Liabilities	\$ 981,485	\$ 863,657	\$ 1,845,142
Noncurrent Liabilities	1,725,001	4,416,827	6,141,828
Total Liabilities	2,706,486	5,280,484	7,986,970
NET POSITION			
Net Investment in Capital Assets	2,892,357	1,944,765	4,837,122
Restricted	134,683	8,042,935	8,177,618
Unrestricted	485,381	1,436,881	1,922,262
Total Net Position	3,512,421	11,424,581	14,937,002
Total Liabilities and Net Position	<u>\$ 6,218,907</u>	<u>\$ 16,705,065</u>	<u>\$ 22,923,972</u>

Condensed Statement of Revenue, Expenses, and Changes in Net Position

	Primary Government	Marathon Housing Associates, Ltd.	Total
OPERATING REVENUE	\$ 4,143,733	\$ 4,130,304	\$ 8,274,037
OPERATING EXPENSES	4,200,251	1,719,504	5,919,755
INCOME(LOSS) FROM OPERATIONS	(56,518)	2,410,800	2,354,282
NONOPERATING REVENUE (EXPENSES)	(249,331)	(9,529)	(258,860)
CHANGE IN NET POSITION	(305,849)	2,420,329	2,095,422
Net Position - Beginning of Year (Restated Note 13)	3,837,328	9,004,252	12,841,580
NET POSITION - END OF YEAR	<u>\$ 3,531,479</u>	<u>\$ 11,424,581</u>	<u>\$ 14,937,002</u>

MONROE COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 12 CONDENSED BLENDED COMPONENT UNIT INFORMATION (CONTINUED)

Condensed Statement of Cash Flow

	<u>Primary Government</u>	<u>Marathon Housing Associates, Ltd.</u>	<u>Total</u>
NET CASH PROVIDED (USED) BY			
Operating Activities	\$ 504,346	\$ 3,187,782	\$ 3,692,128
Capital and Related Financing Activities	(2,485,017)	-	(2,485,017)
Noncapital Financing Activities	143,143	(17,667)	125,476
Investing Activities	<u>1,952,069</u>	<u>(2,148,579)</u>	<u>(196,510)</u>
NET INCREASE IN CASH	114,541	1,021,536	1,136,077
Cash - Beginning of Year	<u>1,285,130</u>	<u>9,136,933</u>	<u>10,422,063</u>
CASH - END OF YEAR	<u><u>\$ 1,399,671</u></u>	<u><u>\$ 10,158,469</u></u>	<u><u>\$ 11,558,140</u></u>

NOTE 13 SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through August 18, 2021 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

SUPPLEMENTARY INFORMATION

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
STATEMENT OF NET POSITION
DECEMBER 31, 2020

Line Item No.	Account Description	Programs											Discretely Presented Component Unit	Total	
		Project Totals	PHC Public Housing CARES Act Funding	HOME Investments Partnerships	Section 8 Housing Choice Voucher	HCV CARES Act Funding	Hazard Mitigation	Community Development Block Grant	Other Business Activities	Central Office Cost Center	Blended Component Unit	Eliminations			
ASSETS															
CURRENT ASSETS															
Cash:															
111	Unrestricted	\$ 403,447	\$ -	\$ 359,113	\$ 31,604	\$ -	\$ 62,952	\$ 1,062	\$ 319,634	\$ 50,145	\$ 2,050,877	\$ -	\$ 3,278,834	\$ 356,302	\$ 3,635,136
113	Other Restricted	-	-	82,464	-	52,219	-	-	-	-	8,042,935	-	8,177,618	-	8,177,618
114	Tenant Security Deposits	8,100	-	7,100	-	-	-	1,800	20,031	-	64,657	-	101,688	-	101,688
100	Total Cash	411,547	-	448,677	31,604	52,219	62,952	2,862	339,665	50,145	10,158,469	-	11,558,140	356,302	11,914,442
Accounts and Notes Receivable:															
122	Accounts Receivable - HUD Other Projects	-	-	-	374	-	-	-	-	-	-	-	374	-	374
124	Accounts Receivable - Other Government	-	-	-	-	-	-	-	31,545	16,037	-	-	47,582	3,432	51,014
126	Accounts Receivable - Tenants	1,971	-	-	-	-	-	74,546	301	-	3,550	-	80,368	-	80,368
126.1	Accounts Receivable - Allowance	(50)	-	-	-	-	-	(59,122)	-	-	(48)	-	(59,220)	-	(59,220)
120	Total Receivables, Net	1,921	-	-	374	-	-	15,424	31,846	16,037	3,502	-	69,104	3,432	72,536
Other Current Assets:															
142	Prepaid Expenses and Other Assets	33,719	-	23,099	522	-	-	-	20,780	527	383,700	-	462,347	549	462,896
	Total Other Current Assets	33,719	-	23,099	522	-	-	-	20,780	527	383,700	-	462,347	549	462,896
150	Total Current Assets	447,187	-	471,776	32,500	52,219	62,952	18,286	392,291	66,709	10,545,671	-	12,089,591	360,283	12,449,874
NONCURRENT ASSETS															
Capital Assets:															
161	Land	294,281	-	105,000	-	-	324,815	-	28,175	-	-	-	752,271	318,122	1,070,393
162	Buildings	3,935,200	-	1,061,679	-	-	2,219,774	-	1,427,602	-	10,343,947	-	18,988,202	-	18,988,202
164	Furniture, Equipment and Machinery - Administration	115,309	-	25,150	61,966	-	-	-	1,097	-	561,083	-	764,605	633	765,238
166	Accumulated Depreciation	(2,807,474)	-	(994,923)	(20,067)	-	(989,624)	-	(535,841)	-	(7,858,543)	-	(13,206,472)	(633)	(13,207,105)
167	Construction in Progress	-	-	-	-	-	-	61,725	-	-	2,375,743	-	2,437,468	-	2,437,468
168	Infrastructure	116,478	-	242,665	-	-	-	-	-	-	737,164	-	1,096,307	-	1,096,307
160	Total Capital Assets - Net	1,653,794	-	439,571	41,899	-	1,554,965	61,725	921,033	-	6,159,394	-	10,832,381	318,122	11,150,503
Other Assets:															
174	Other Assets	-	-	-	-	-	-	2,000	-	-	-	-	2,000	-	2,000
176	Investment in Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	318,263	318,263
	Total Other Assets	-	-	-	-	-	-	2,000	-	-	-	-	2,000	318,263	320,263
180	Total Noncurrent Assets	1,653,794	-	439,571	41,899	-	1,554,965	63,725	921,033	-	6,159,394	-	10,834,381	636,385	11,470,766
190	Total Assets	\$ 2,100,981	\$ -	\$ 911,347	\$ 74,399	\$ 52,219	\$ 1,617,917	\$ 82,011	\$ 1,313,324	\$ 66,709	\$ 16,705,065	\$ -	\$ 22,923,972	\$ 996,668	\$ 23,920,640

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020

Line Item No.	Account Description	Programs								Central Office Cost Center	Blended Component Unit	Eliminations	Primary Government	Discretely Presented Component Unit	Total
		Project Totals	PHC Public Housing CARES Act Funding	HOME Investments Partnerships	Section 8 Housing Choice Voucher	HCV CARES Act Funding	Hazard Mitigation	Community Development Block Grant	Other Business Activities						
LIABILITIES AND NET POSITION															
CURRENT LIABILITIES															
312	Accounts Payable <= 90 Days	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	134	\$ 134
321	Accrued Wage and Payroll Taxes Payable	2,998	-	2,136	3,840	-	-	586	1,634	5,376	20,547	-	37,117	-	37,117
322	Accrued Compensated Absences - Current Portion	-	-	49	353	-	-	-	213	-	-	-	615	-	615
331	Accounts Payable - HUD PHA Programs	-	-	-	2,519	-	-	-	-	-	-	-	2,519	-	2,519
333	Accounts Payable - Other Government	85,356	-	9,398	12,527	-	50	32,020	14,228	157,000	623,732	-	934,311	-	934,311
341	Tenant Security Deposits	8,100	-	7,100	-	-	-	1,800	20,031	-	64,657	-	101,688	-	101,688
342	Unearned Revenue	498	-	312	-	52,219.00	-	125	1,353	-	1,986	-	56,493	-	56,493
343	Current Portion of Long-Term Debt - Capital Projects	-	-	7,297	-	-	-	-	53,867	-	-	-	61,164	-	61,164
344	Current Portion of Long-Term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	498,500	18,371	-	516,871	-	516,871
345	Other Current Liabilities	-	-	-	-	-	-	-	-	-	134,364	-	134,364	-	134,364
310	Total Current Liabilities	96,952	-	26,292	19,239	52,219	50	34,531	91,326	660,876	863,657	-	1,845,142	134	1,845,276
NONCURRENT LIABILITIES															
351	Long-Term Debt, Net of Current - Capital Projects	-	-	1,210,359	-	-	-	-	509,107	-	4,214,629	-	5,934,095	-	5,934,095
352	Long-Term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-	-	202,198	-	202,198	-	202,198
354	Accrued Compensated Absences - Noncurrent	-	-	444	3,181	-	-	-	1,910	-	-	-	5,535	-	5,535
350	Total Noncurrent Liabilities	-	-	1,210,803	3,181	-	-	-	511,017	-	4,416,827	-	6,141,828	-	6,141,828
300	Total Liabilities	96,952	-	1,237,095	22,420	52,219	50	34,531	602,343	660,876	5,280,484	-	7,986,970	134	7,987,104
NET POSITION															
508.4	Net Investment in Capital Assets	1,653,794	-	(778,085)	41,899	-	1,554,965	61,725	358,059	-	1,944,765	-	4,837,122	318,122	5,155,244
511.4	Restricted	-	-	82,464	-	52,219	-	-	-	-	8,042,935	-	8,177,618	-	8,177,618
512.4	Unrestricted	350,235	-	369,873	10,080	(52,219)	62,902	(14,245)	352,922	(594,167)	1,436,881	-	1,922,262	678,412	2,600,674
513	Total Net Position	2,004,029	-	(325,748)	51,979	-	1,617,867	47,480	710,981	(594,167)	11,424,581	-	14,937,002	996,534	15,933,536
600	Total Liabilities and Net Position	\$ 2,100,981	\$ -	\$ 911,347	\$ 74,399	\$ 52,219	\$ 1,617,917	\$ 82,011	\$ 1,313,324	\$ 66,709	\$ 16,705,065	\$ -	\$ 22,923,972	\$ 996,668	\$ 23,920,640

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Programs								Central Office Cost Center	Blended Component Unit	Eliminations	Primary Government	Discretely Presented Component Unit	Total
		Project Totals	PHC Public Housing CARES Act Funding	HOME Investments Partnerships	Section 8 Housing Choice Vouchers	HCV CARES Act Funding	Hazard Mitigation	Community Development Block Grant	Other Business Activities						
REVENUE															
70300	Net Tenant Rental Revenue	\$ 210,290	\$ -	\$ 251,294	\$ -	\$ -	\$ -	\$ 137,025	\$ 297,402	\$ -	\$ 3,232,155	\$ -	\$ 4,128,166	\$ -	\$ 4,128,166
70400	Tenant Revenue - Other	14,361	-	2,909	-	-	-	2,214	18,403	-	53,873	-	91,760	-	91,760
70500	Total Tenant Revenue	224,651	-	254,203	-	-	-	139,239	315,805	-	3,286,028	-	4,219,926	-	4,219,926
70600	HUD PHA Operating Grants	76,568	11,785	-	2,974,659	37,925	-	-	-	-	-	-	3,100,937	-	3,100,937
70710	Management Fee	-	-	-	-	-	-	-	-	113,285	-	(113,285)	-	-	-
70730	Bookkeeping Fee	-	-	-	-	-	-	-	-	22,320	-	(22,320)	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	135,605	-	(135,605)	-	-	-
70800	Other Government Grants	-	-	-	-	-	-	-	5,840	-	-	-	5,840	-	5,840
71100	Investment Income - Unrestricted	2,826	-	2,805	230	-	-	-	2,303	92	32,198	-	40,454	2,402	42,856
71500	Other Revenue	7,102	-	3,318	15,216	-	-	45	4,306	205,203	779,337	-	1,014,527	134,751	1,149,278
72000	Investment Income - Restricted	-	-	295	-	-	-	-	-	-	32,741	-	33,036	-	33,036
70000	Total Revenue	311,147	11,785	260,621	2,990,105	37,925	-	139,284	328,254	340,900	4,130,304	(135,605)	8,414,720	137,153	8,551,873
EXPENSES															
Administrative:															
91100	Administrative Salaries	4,228	-	15,246	54,246	-	-	-	10,984	58,299	190,881	-	333,884	-	333,884
91200	Auditing Fees	2,691	-	1,529	18,190	-	-	-	1,591	1,836	54,747	-	80,584	162	80,746
91300	Management Fee	40,757	-	20,104	28,632	-	-	-	23,792	-	187,465	(113,285)	187,465	-	187,465
91310	Bookkeeping Fee	4,425	-	-	17,895	-	-	-	-	-	-	(22,320)	-	-	-
91500	Employee Benefit Contributions	2,030	-	9,731	26,245	-	-	-	4,428	11,950	69,532	-	123,916	-	123,916
91600	Office Expenses	10,669	-	621	3,738	-	-	25	756	82	16,884	-	32,775	117	32,892
91700	Legal Expense	452	-	2,854	-	-	-	1,568	-	-	263	-	5,137	-	5,137
91800	Travel	-	-	-	-	-	-	-	-	944	-	-	944	804	1,748
91900	Other	556	-	3,369	18,448	-	601	1,070	6,939	33,761	9,614	-	74,358	3,711	78,069
91000	Total Operating - Administrative	65,808	-	53,454	167,394	-	601	2,663	48,490	106,872	529,386	(135,605)	839,063	4,794	843,857
Tenant Services:															
92100	Salaries	2,475	-	825	9,899	-	-	-	825	-	46,461	-	60,485	-	60,485
92300	Employee Benefit Contributions	1,247	-	558	6,161	-	-	-	512	-	22,417	-	30,895	-	30,895
92400	Tenant Services	-	-	-	-	-	-	-	-	-	444	-	444	-	444
92500	Total Tenant Services	3,722	-	1,383	16,060	-	-	-	1,337	-	69,322	-	91,824	-	91,824

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Programs											Primary Government	Discretely Presented Component Unit	Total
		Project Totals	PHC Public Housing CARES Act Funding	HOME Investments Partnerships	Section 8 Housing Choice Voucher	HCV CARES Act Funding	Hazard Mitigation	Community Development Block Grant	Other Business Activities	Central Office Cost Center	Blended Component Unit	Eliminations			
	Utilities:														
93100	Water	\$ 4,671	\$ -	\$ 622	\$ -	\$ -	\$ -	\$ 3,069	\$ 343	\$ -	\$ 4,394	\$ -	\$ 13,099	\$ -	\$ 13,099
93200	Electricity	9,843	-	1,656	-	-	-	19,160	1,059	-	19,099	-	50,817	-	50,817
93800	Other Utilities Expense	3,410	-	1,627	-	-	-	3,257	16,864	-	9,259	-	34,417	-	34,417
93000	Total Utilities	17,924	-	3,905	-	-	-	25,486	18,266	-	32,752	-	98,333	-	98,333
	Ordinary Maintenance and Operation:														
94100	Labor	36,939	7,071	18,639	-	-	-	583	25,612	-	114,137	-	202,981	-	202,981
94200	Materials and Other	31,178	-	8,915	65	-	-	683	13,921	-	78,655	-	133,417	-	133,417
94300	Contracts	52,382	-	20,241	1,818	-	-	3,058	21,513	-	178,021	-	277,033	-	277,033
94500	Employee Benefit Contributions - Maintenance	24,577	4,714	11,978	-	-	-	44	14,305	-	67,598	-	123,216	-	123,216
	Total Maintenance and Operation	145,076	11,785	59,773	1,883	-	-	4,368	75,351	-	438,411	-	736,647	-	736,647
	Insurance Premiums:														
96140	All Other Insurance	55,949	-	47,383	2,759	-	-	-	43,759	2,312	204,993	-	357,155	3,293	360,448
96100	Total Insurance Premiums	55,949	-	47,383	2,759	-	-	-	43,759	2,312	204,993	-	357,155	3,293	360,448
	General Expenses:														
96200	Other General Expenses	6,787	-	3,995	8,807	3,155	-	165	-	545,034	77,996	-	645,939	30,500	676,439
96210	Compensated Absences	4,691	-	3,976	4,807	-	-	-	2,728	-	-	-	16,202	-	16,202
96300	Payments in Lieu of Taxes	19,237	-	-	-	-	-	-	-	-	29,059	-	48,296	-	48,296
96400	Bad Debt - Tenant Rents	243	-	5,460	-	-	-	59,122	2,320	-	48	-	67,193	-	67,193
96000	Total General Expenses	30,958	-	13,431	13,614	3,155	-	59,287	5,048	545,034	107,103	-	777,630	30,500	808,130
96710	Interest on Mortgage (or Bonds) Payable	-	-	1,862	-	-	-	-	27,616	23,343	9,529	-	62,350	-	62,350
96900	Total Operating Expenses	319,437	11,785	181,191	201,710	3,155	601	91,804	219,867	677,561	1,391,496	(135,605)	2,963,002	38,587	3,001,589
97000	Excess (Deficiency) of Revenue Over (Under) Operating Expenses	(8,290)	-	79,430	2,788,395	34,770	(601)	47,480	108,387	(336,661)	2,738,808	-	5,451,718	98,566	5,550,284

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Programs											Primary Government	Discretely Presented Component Unit	Total
		Project Totals	PHC Public Housing CARES Act Funding	HOME Investments Partnerships	Section 8 Housing Choice Voucher	HCV CARES Act Funding	Hazard Mitigation	Community Development Block Grant	Other Business Activities	Central Office Cost Center	Blended Component Unit	Eliminations			
	Other Expenses:										-				
97100	Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,000	\$ -	\$ 13,000	\$ -	\$ 13,000
97300	Housing Assistance Payments	-	-	-	2,769,639	-	-	-	-	-	-	-	2,769,639	-	2,769,639
97350	HAP Portability-In	-	-	-	9,106	-	-	-	-	-	-	-	9,106	-	9,106
97400	Depreciation Expense	101,811	-	61,192	4,885	-	55,494	-	35,690	-	305,479	-	564,551	-	564,551
	Total Other Expenses	101,811	-	61,192	2,783,630	-	55,494	-	35,690	-	318,479	-	3,356,296	-	3,356,296
90000	Total Expenses	421,248	11,785	242,383	2,985,340	3,155	56,095	91,804	255,557	677,561	1,709,975	(135,605)	6,319,298	38,587	6,357,885
	OTHER FINANCING SOURCES (USES)														
10010	Operating Transfers In	-	-	-	-	-	-	-	-	83,000	-	(83,000)	-	-	-
10020	Operating Transfers Out	-	-	(58,000)	-	-	-	-	(25,000)	-	-	83,000	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	(58,000)	-	-	-	-	(25,000)	83,000	-	-	-	-	-
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(110,101)	-	(39,762)	4,765	34,770	(56,095)	47,480	47,697	(253,661)	2,420,329	-	2,095,422	98,566	2,193,988
11030	Net Position - Beginning of Year	2,114,130	-	(285,986)	12,444	-	1,673,962	-	663,284	(340,506)	9,004,252	-	12,841,580	897,968	13,739,548
11040	Equity Transfer - Inclusion of Blended Component Unit	-	-	-	34,770	(34,770)	-	-	-	-	-	-	-	-	-
	NET POSITION - END OF YEAR	<u>\$ 2,004,029</u>	<u>\$ -</u>	<u>\$ (325,748)</u>	<u>\$ 51,979</u>	<u>\$ -</u>	<u>\$ 1,617,867</u>	<u>\$ 47,480</u>	<u>\$ 710,981</u>	<u>\$ (594,167)</u>	<u>\$ 11,424,581</u>	<u>\$ -</u>	<u>\$ 14,937,002</u>	<u>\$ 996,534</u>	<u>\$ 15,933,536</u>
11170	Administrative Fee Equity	\$ -	\$ -	\$ -	\$ 51,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,979	\$ -	\$ 51,979
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11190	Unit Months Available	600	-	276	2,400	-	-	-	252	-	1,560	-	5,088	-	5,088
11210	Number of Unit Months Leased	590	-	264	2,386	-	-	-	245	-	1,532	-	5,017	-	5,017
11270	Excess Cash	292,397	-	-	-	-	-	-	-	-	-	-	292,397	-	292,397

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE – OTHER BUSINESS ACTIVITIES
STATEMENT OF NET POSITION
DECEMBER 31, 2020

Line Item No.	Account Description	Non FEMA Scattered Sites	Big Coppitt	Management of Government Programs	Total
ASSETS					
CURRENT ASSETS					
	Cash:				
111	Unrestricted	\$ 249,338	\$ 88,550	\$ (18,254)	\$ 319,634
114	Tenant Security Deposits	18,034	1,997	-	20,031
100	Total Cash	267,372	90,547	(18,254)	339,665
	Accounts and Notes Receivable				
124	Accounts Receivable - Other Government	-	-	31,545	31,545
126	Accounts Receivable - Tenant	1	300	-	301
120	Total Receivables, Net	1	300	31,545	31,846
	Other Current Assets				
142	Prepaid Expenses and Other Assets	17,137	3,643	-	20,780
	Total Other Current Assets	17,137	3,643	-	20,780
150	Total Current Assets	284,510	94,490	13,291	392,291
NONCURRENT ASSETS					
	Capital Assets:				
161	Land	28,175	-	-	28,175
162	Buildings	1,151,908	275,694	-	1,427,602
164	Furniture, Equipment and Machinery	-	-	1,097	1,097
166	Accumulated Depreciation	(432,044)	(102,700)	(1,097)	(535,841)
160	Total Capital Assets - Net	748,039	172,994	-	921,033
180	Total Noncurrent Assets	748,039	172,994	-	921,033
190	Total Assets	\$ 1,032,549	\$ 267,484	\$ 13,291	\$ 1,313,324
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
321	Accrued Wage and Payroll Taxes Payable	\$ 1,564	\$ 70	\$ -	\$ 1,634
322	Accrued Compensated Absences -				
	Current Portion	193	20	-	213
333	Accounts Payable - Other Governments	3,522	351	10,355	14,228
341	Tenant Security Deposits	18,034	1,997	-	20,031
342	Unearned Revenue	1,350	3	-	1,353
	Current Portion of Long-Term Debt -				
343	Capital Projects	53,867	-	-	53,867
310	Total Current Liabilities	78,530	2,441	10,355	91,326
NONCURRENT LIABILITIES					
351	Long-Term Debt, Net of Current -				
	Capital Projects	509,107	-	-	509,107
354	Accrued Compensated Absences - Noncurrent	1,734	176	-	1,910
350	Total Noncurrent Liabilities	510,841	176	-	511,017
300	Total Liabilities	589,371	2,617	10,355	602,343
NET POSITION					
508.4	Net Investment in Capital Assets	185,065	172,994	-	358,059
512.4	Unrestricted	258,113	91,873	2,936	352,922
513	Total Net Position	443,178	264,867	2,936	710,981
600	Total Liabilities and Net Position	\$ 1,032,549	\$ 267,484	\$ 13,291	\$ 1,313,324

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE – OTHER BUSINESS ACTIVITIES
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Non FEMA Scattered Sites	Big Coppitt	Management of Government Programs	Total
REVENUE					
70300	Tenant Rental Revenue	\$ 249,186	\$ 48,216	\$ -	\$ 297,402
70400	Tenant Revenue - Other	18,333	70	-	18,403
70500	Total Tenant Revenue	267,519	48,286	-	315,805
70800	Other Governmental Grants	-	-	5,840	5,840
71100	Investment Income - Unrestricted	1,681	613	9	2,303
71500	Other Revenue	2,601	1,350	355	4,306
70000	Total Revenue	271,801	50,249	6,204	328,254
EXPENSES					
Administrative:					
91100	Administrative Salaries	6,971	1,661	2,352	10,984
91200	Auditing Fees	1,591	-	-	1,591
91300	Management Fee	19,935	3,857	-	23,792
91500	Employee Benefit Contributions - Administrative	3,523	725	180	4,428
91600	Office Expenses	550	58	148	756
91900	Other	3,597	3,191	151	6,939
91000	Total Operating - Administrative	36,167	9,492	2,831	48,490
Tenant Services:					
92100	Salaries	825	-	-	825
92300	Employee Benefit Contributions	512	-	-	512
92000	Total Tenant Services	1,337	-	-	1,337
Utilities:					
93100	Water	150	193	-	343
93200	Electricity	1,059	-	-	1,059
93800	Other Utilities Expense	16,552	312	-	16,864
93000	Total Utilities	17,761	505	-	18,266
Ordinary Maintenance and Operation:					
94100	Labor	24,846	766	-	25,612
94200	Materials and Other	10,897	3,024	-	13,921
94300	Contracts	13,826	7,687	-	21,513
94500	Employee Benefit Contributions - Maintenance	14,247	58	-	14,305
94000	Total Maintenance and Operation	63,816	11,535	-	75,351
Insurance Premiums					
96140	All Other Insurance	36,331	7,185	243	43,759
	Total Insurance Premiums	36,331	7,185	243	43,759
General Expenses:					
96210	Compensated Absences	2,585	143	-	2,728
96400	Bad Debt - Tenant Rents	2,320	-	-	2,320
96000	Total General Expenses	4,905	143	-	5,048

MONROE COUNTY HOUSING AUTHORITY
SUPPLEMENTARY FINANCIAL DATA SCHEDULE – OTHER BUSINESS ACTIVITIES
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

Line Item No.	Account Description	Non FEMA Scattered Sites	Big Coppitt	Management of Government Programs	Total
	EXPENSES(CONTINUED)				
96710	Interest on Mortgage (or Bonds) Payable	\$ 27,616	\$ -	\$ -	\$ 27,616
96900	Total Operating Expenses	187,933	28,860	3,074	219,867
97000	Excess (Deficiency) of Revenue Over (Under) Operating Expenses	83,868	21,389	3,130	108,387
	Other Expenses				
97400	Depreciation Expense	28,798	6,892	-	35,690
	Total Other Expenses	28,798	6,892	-	35,690
90000	Total Expenses	216,731	35,752	3,074	255,557
	Other Financing Uses				
10020	Operating Transfers Out	(5,000)	(20,000)	-	(25,000)
10010	Total Other Financing Uses	(5,000)	(20,000)	-	(25,000)
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	50,070	(5,503)	3,130	47,697
11030	Net Position - Beginning of Year	393,108	270,370	(194)	663,284
	NET POSITION - END OF YEAR	<u>\$ 443,178</u>	<u>\$ 264,867</u>	<u>\$ 2,936</u>	<u>\$ 710,981</u>

**MONROE COUNTY HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020**

<u>Agency / Program</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
Direct Federal Assistance				
<u>Department of Housing and Urban Development</u>				
Public and Indian Housing	14.850	N/A	N/A	\$ 76,568
COVID-19 - Public Housing CARES Act Funding	14.850	N/A	N/A	11,785
Total Public and Indian Housing Funds				<u>88,353</u>
Section 8 Housing Choice Voucher Program	14.871	N/A	N/A	2,974,659
COVID-19 - HCV CARES Act Funding	14.871	N/A	N/A	37,925
Total Housing Voucher Cluster				<u>3,012,584</u>
Total Direct Federal Awards				<u>3,100,937</u>
Indirect Federal Assistance				
<u>Department of Housing and Urban Development</u>				
Passed through Florida Housing Finance Corporation HOME Investment Partnership Program - Mortgage	14.239	N/A	N/A	1,119,107
Total Indirect Federal Awards				<u>1,119,107</u>
Total Federal Awards				<u>\$ 4,220,044</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

MONROE COUNTY HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 INDIRECT COSTS RATE

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

NOTE 3 LOANS OUTSTANDING

Monroe County Housing Authority had the following loan balance outstanding at December 31, 2020:

<u>Federal Grantor/Pass through Grantor/ Program or Cluster Title</u>	<u>Ending Balance</u>
Passed through Florida Housing Finance Corporation HOME Investment Partnership Program - Mortgage	\$ 1,119,107

NOTE 4 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 5 HOUSING CHOICE VOUCHER PROGRAM

The Authority received \$3,012,584 in federal funding for the Section 8 Housing Choice Voucher Program (CFDA 14.871) during the year. The Authority reported \$2,985,340 in expenses on a full accrual basis for the Section 8 Housing Choice Voucher Program during the year, which were paid with federal and nonfederal funds. The Authority reported \$9,106 of Port-In expenses during the fiscal year.

SUPPLEMENTARY REPORTS



**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
Monroe County Housing Authority
Key West, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of the Monroe County Housing Authority (the Authority), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated August 18, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Lakeland, Florida
August 18, 2021



**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
Monroe County Housing Authority
Key West, Florida

Report on Compliance for Each Major Federal Program

We have audited Monroe County Housing Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2020. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Lakeland, Florida
August 18, 2021

**MONROE COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness identified? _____ Yes X No
 - Significant deficiency 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 identified? _____ Yes X No
 - Significant deficiency identified? _____ Yes X None Reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of Major Federal Programs

CFDA Number

Name of Federal Program or Cluster

14.239

HOME Investment Partnership Program – Mortgage

14.871

Housing Voucher Cluster

14.871

Section 8 Housing Choice Voucher Program
COVID-19 – HCV CARES Act Funding

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

\$750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

**MONROE COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

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