

## **Housing Authority of the County of Lebanon**

Financial Statements and Required  
Supplementary Information and  
Supplementary Information

Year Ended June 30, 2019 with  
Independent Auditor's Reports

**MaherDuessel**  
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

YEAR ENDED JUNE 30, 2019

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YEAR ENDED JUNE 30, 2019

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## Independent Auditor's Report

**Board of Directors  
Housing Authority of  
the County of Lebanon**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activity and the discretely presented component unit of the Housing Authority of the County of Lebanon (Authority), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's 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. The financial statements of the Palmyra Housing Development Corporation of Lebanon County, Inc. were not audited in accordance with *Government Auditing Standards*. 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 auditor's 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 the business-type activity and the discretely presented component unit of the Authority, as of June 30, 2019, and the respective changes in financial position and 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's discussion and analysis and historical other post-employment benefit information on pages i through viii and pages 30 and 32, respectively, 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The financial data schedules and actual modernization cost certificate 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 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The financial data schedules, actual modernization cost certificate, 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 financial data schedules, actual modernization cost certificate, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2020 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.

*Maher Duessel*

Harrisburg, Pennsylvania  
January 14, 2020

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

### **Management's Discussion and Analysis**

As management of the Housing Authority of the County of Lebanon (Authority), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2019.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the County of Lebanon, 1220 Mifflin Street, Lebanon, PA 17046.

### **Financial Highlights**

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows as of June 30, 2019 by \$13,145,582 (net position).
- The Authority's cash balance as of June 30, 2019 was \$5,027,427 representing an increase of \$194,109 from the cash balance at June 30, 2018.
- The Authority had intergovernmental revenue of \$4,461,719 in operating grants and \$943,224 in HUD Capital Grants for the year ended June 30, 2019.

### **Overview of The Financial Statements**

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

- Statement of Net Position – reports the Authority's current financial resources (short-term spendable resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses, and Changes in Net Position – reports the Authority's operating and non-operating revenue, by major sources, along with operating and non-operating expenses.
- Statement of Cash Flows – reports the Authority's actual cash outlay in three categories: operating, capital and related financing and investing activities.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authority's finances is, "Is the Authority, as a whole, better or worse off as a result of the year's activities?"

The attached analysis of entity-wide net position, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

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

Our analysis also presents the Authority's net position and changes in net position. You can think of the Authority's net position as the difference between what the Authority owns (assets and deferred outflows of resources) to what the Authority owes (liabilities and deferred inflows of resources). The change in net position analysis will assist the reader with measuring 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 non-financial factors such as changes in tenant composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

### **Analysis of Entity-Wide Net Position (Statement of Net Position)**

**Total Assets** for FYE 2018 were \$14,813,442 and at FYE 2019 total assets was \$15,390,111. This represents an increase of \$576,669.

**Cash** increased by \$194,109 and **Other Current Assets** decreased by \$212,271 due to a reclassification of the receivable due from the Redevelopment Authority revolving fund.

**Capital Assets** increased by \$285,321 primarily due to the Steckbeck handicap accessible renovation project completion.

**Deferred Outflows of Resources** increased by \$1,640.

**Current Liabilities** increased from \$621,885 in FYE 2018 to \$859,418 in FYE 2019. This change of \$237,533 is primarily a result of increased accounts payable for capital fund projects at year end.

**Non-current Liabilities** decreased by \$172,902 which includes a decrease in long-term debt, net of current portion as a result of current year debt service payments.

**Deferred Inflows of Resources** decreased by \$4,122.

The table on the next page illustrates our analysis.



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

	<u>2019</u>	<u>2018</u>	<u>Net Change</u>	<u>Variance</u>
<b>Cash</b>	\$ 5,027,427	\$ 4,833,318	\$ 194,109	4.02%
<b>Current Assets</b>	312,069	524,340	(212,271)	-40.48%
<b>Capital Assets</b>	9,741,105	9,455,784	285,321	3.02%
<b>Long Term Receivables</b>	309,510	-	309,510	100.00%
<b>Total Assets</b>	<u>15,390,111</u>	<u>14,813,442</u>	<u>576,669</u>	<u>3.89%</u>
<b>Deferred Outflows of Resources</b>	<u>27,020</u>	<u>25,380</u>	<u>1,640</u>	<u>6.07%</u>
<b>Current Liabilities</b>	859,418	621,885	237,533	38.20%
<b>Non-current Liabilities</b>	<u>1,358,551</u>	<u>1,531,453</u>	<u>(172,902)</u>	<u>-11.29%</u>
<b>Total Liabilities</b>	<u>2,217,969</u>	<u>2,153,338</u>	<u>64,631</u>	<u>3.00%</u>
<b>Deferred Inflows of Resources</b>	<u>53,580</u>	<u>57,702</u>	<u>(4,122)</u>	<u>100.00%</u>
<b>Net Investment in Capital Assets</b>	8,541,114	8,116,367	424,747	5.23%
<b>Restricted Net Position</b>	39,259	40,976	(1,717)	-4.19%
<b>Unrestricted Net Position</b>	<u>4,565,209</u>	<u>4,470,439</u>	<u>94,770</u>	<u>2.12%</u>
<b>Total Net Position</b>	<u>\$ 13,145,582</u>	<u>\$ 12,627,782</u>	<u>\$ 517,800</u>	<u>4.10%</u>

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

### Analysis of Entity-Wide Revenue (Statement of Activities)

The Authority administers the following programs and the revenue generated from these programs during FYE 2019 was as follows:

<b>Business Activities</b>	<b>\$ 792,135</b>
<b>Low Rent Public Housing</b>	<b>\$ 3,007,887</b>
<b>Housing Choice Vouchers</b>	<b>\$ 3,521,979</b>
<b>Capital Fund</b>	<b>\$ 1,041,524</b>
<b>Supportive Housing</b>	<b>\$ 52,691</b>
<b>Eliminate Intra Entity Charges</b>	<b><u>\$ (617,081)</u></b>
<b>Total Revenue</b>	<b><u>\$7,799,135</u></b>

In FYE 2018 and FYE 2019, total revenue was \$7,918,541 and \$7,799,135, respectively. Comparatively, FYE 2019 revenue was lower than FYE 2018 revenue by \$119,406. This is mainly due to an increase in Capital Fund revenue of \$265,000 and decreased subsidy funding for Section 8 - Housing Choice Vouchers and Supportive Housing programs. The Central Office also had decreased income for business activities due to property management contracts with tax credit properties being transferred.

Explanations for changes in expenses are as follows:

- **Total Operating Expenses** decreased by 13.91% or \$532,878 in FYE 2019, as compared to FYE 2018. This decrease is due mainly to decreased salary and benefit expenses.
- **Operating - administrative** expenses decreased by \$458,828 or 25.56%, as compared to FYE 2018 due to decreased salary and benefit expenses.
- **Maintenance** expenses decreased by \$62,791 or 7.31%, as compared to FYE 2018. This was due to better overall maintenance management and less vacant unit turnover.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

The table below illustrates the changes in the statement of revenues and expenses.

	<b>2019</b>	<b>2018</b>	<b>Net Change</b>	<b>Variance</b>
<b>Tenant Rental Revenue</b>	\$ 1,972,066	\$ 1,977,608	\$ (5,542)	-0.28%
<b>HUD Subsidy</b>	4,461,719	4,934,597	(472,878)	-9.58%
<b>Capital Grants</b>	943,224	430,080	513,144	119.31%
<b>Investment Income</b>	107,344	58,292	49,052	84.15%
<b>Other Revenue</b>	314,782	517,964	(203,182)	-39.23%
<b>Total Operating Revenue</b>	<u>7,799,135</u>	<u>7,918,541</u>	<u>(119,406)</u>	<u>-1.51%</u>
<b>Operating Expenses:</b>				
<b>Operating-administrative</b>	1,336,163	1,794,991	(458,828)	-25.56%
<b>Tenant Services</b>	61,756	50,331	11,425	22.70%
<b>Utilities</b>	750,851	747,864	2,987	0.40%
<b>Maintenance</b>	795,682	858,473	(62,791)	-7.31%
<b>Insurance premiums</b>	107,772	102,199	5,573	5.45%
<b>General</b>	181,312	206,655	(25,343)	-12.26%
<b>Interest and amortization</b>	64,795	70,696	(5,901)	-8.35%
<b>Total Operating Expenses</b>	<u>3,298,331</u>	<u>3,831,209</u>	<u>(532,878)</u>	<u>-13.91%</u>
<b>Housing Assistance Payments</b>	3,166,603	3,468,567	(301,964)	-8.71%
<b>Depreciation and amortization</b>	816,401	822,057	(5,656)	-0.69%
<b>Total Expenses</b>	<u>7,281,335</u>	<u>8,121,833</u>	<u>(840,498)</u>	<u>-10.35%</u>
<b>Change in Net Position</b>	<u>\$ 517,800</u>	<u>\$ (203,292)</u>	<u>\$ 721,092</u>	<u>-354.71%</u>

The graphs on the next few pages illustrate the changes in revenue and expenses for selected programs of the Authority.

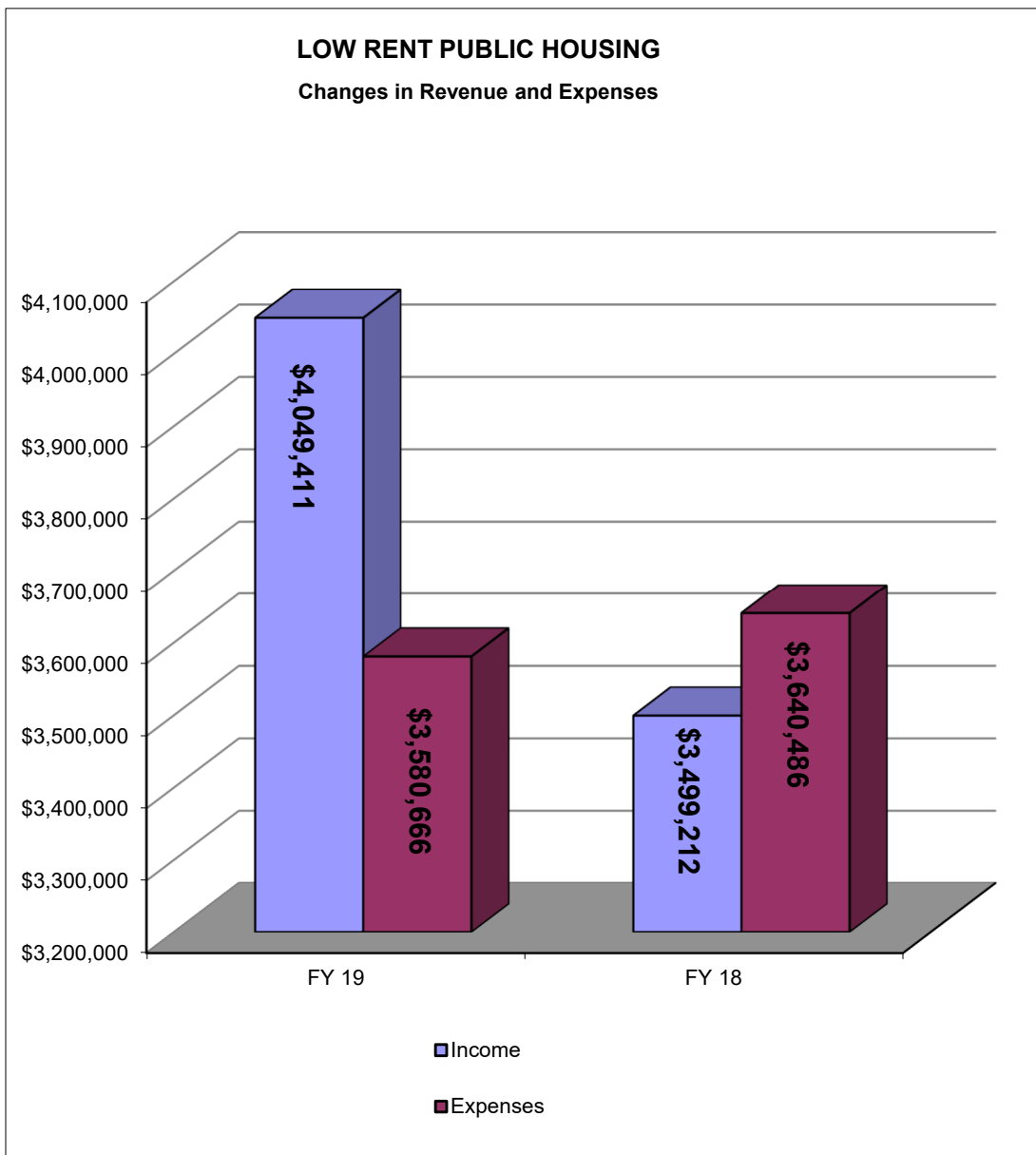
# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

The financial result of Low Rent Public Housing and Capital Fund shows that revenues increased by \$550,199 mainly due to an increase in capital funding for the Steckbeck handicap renovation project and interest income. Expenses decreased by \$59,820 in FYE 2019, as compared to FYE 2018 due to regular fluctuations in operating expenditures.

The graph below is provided to assist with understanding this.

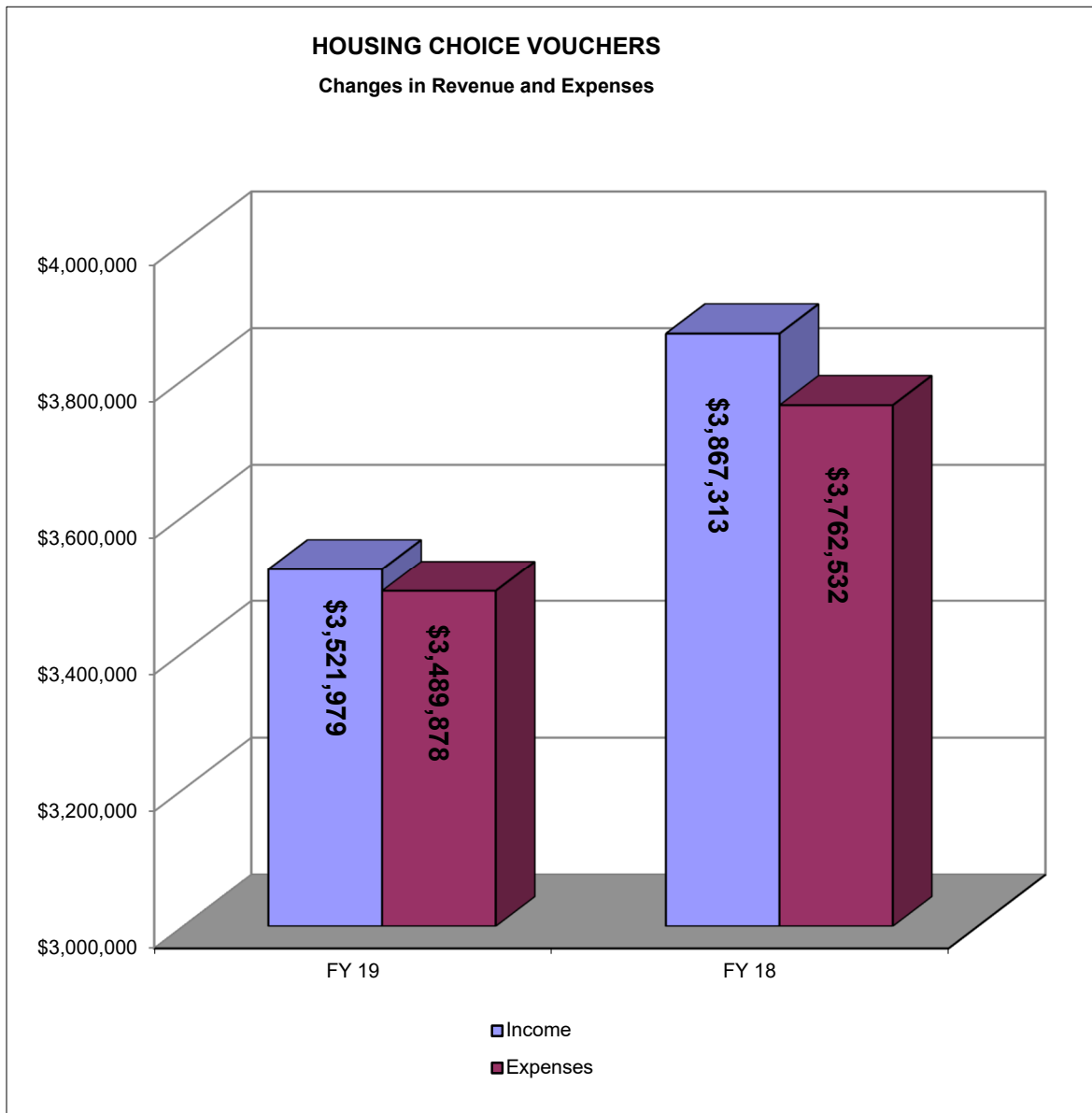


# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

The financial result of Housing Choice Vouchers shows that revenue decreased by \$345,334 and expenses decreased \$272,654 due to reduced subsidy and voucher utilization in the voucher assistance program as compared to FYE 2018. The graph below is provided to assist with understanding this.



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2019

### Analysis of Capital Asset Activity

**Construction in Progress** decreased by \$32,459 due to projects being completed before FYE 2019.

**Accumulated Depreciation** increased by \$816,401 or 3.6% due to purchased assets and the associated depreciation expense.

	2019	2018	Net Change	Percent Variance
Land	\$ 547,533	\$ 547,533	\$ -	0.0%
Buildings	31,598,230	30,469,002	1,129,228	3.7%
Furniture, equipment and machinery - dwelling	565,652	565,652	-	0.0%
Furniture, equipment and machinery - administrative	532,193	527,240	4,953	0.9%
Construction in progress	-	32,459	(32,459)	-100.0%
	33,243,608	32,141,886	1,101,722	3.4%
Accumulated depreciation	23,502,503	22,686,102	816,401	3.6%
	<u>\$ 9,741,105</u>	<u>\$ 9,455,784</u>	<u>\$ 285,321</u>	3.0%

### Analysis of Debt Activity

During the year ended June 30, 2019, the Authority's only debt activity was to pay the required principal payments on the bond.

### Currently Known Facts, Decisions, or Conditions Expected to Impact Financial Position or Results of Operations

Currently, we are anticipating decreased funding for Section 8 and Public Housing programs due to the consideration of federal budgets being cut. At this time, we do not know the expected impact on financial position or results of operations.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## STATEMENT OF NET POSITION

JUNE 30, 2019

	Primary Government	Component Unit	
<b>Assets and Deferred Outflows of Resources</b>	Business- Type Activity	Palmyra Housing Development Corporation of Lebanon County, Inc.	Total Reporting Entity
<b>Assets:</b>			
Current assets:			
Cash and cash equivalents:			
Cash - unrestricted	\$ 4,803,054	\$ 162,232	\$ 4,965,286
Cash - restricted	224,373	-	224,373
Total cash and cash equivalents	5,027,427	162,232	5,189,659
Accounts receivable, net of allowances for doubtful accounts:			
Other governments	157,460	-	157,460
Redevelopment Authority	-	-	-
Miscellaneous	47,690	-	47,690
Tenants - dwellings	55,638	2,791	58,429
Total accounts receivable, net of allowances for doubtful accounts	260,788	2,791	263,579
Prepaid expenses	2,460	5,129	7,589
Inventories	48,821	5,788	54,609
Total current assets	5,339,496	175,940	5,515,436
Noncurrent assets:			
Capital assets, not being depreciated:			
Land	547,533	303,627	851,160
Capital assets, net of depreciation:			
Buildings	31,598,230	3,804,683	35,402,913
Furniture, equipment, and machinery - dwellings	565,652	114,094	679,746
Furniture, equipment, and machinery - administration	532,193	167,429	699,622
Accumulated depreciation	(23,502,503)	(3,358,312)	(26,860,815)
Total capital assets, net of accumulated depreciation	9,741,105	1,031,521	10,772,626
Deposits held in trust	-	35,193	35,193
Restricted deposits and funded reserves	-	428,781	428,781
Investment in joint ventures	-	22,110	22,110
Long-term receivables	309,510	211,348	520,858
Total noncurrent assets	10,050,615	1,728,953	11,779,568
Total Assets	15,390,111	1,904,893	17,295,004
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to other post-employment benefits	27,020	-	27,020
Total Deferred Outflows of Resources	27,020	-	27,020
<b>Total Assets and Deferred Outflows of Resources</b>	\$ 15,417,131	\$ 1,904,893	\$ 17,322,024

<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total Reporting Entity</u>
	<u>Business- Type Activity</u>	<u>Palmyra Housing Development Corporation of Lebanon County, Inc.</u>	
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 294,734	\$ 29,232	\$ 323,966
Accrued wages/payroll taxes payable	27,114	-	27,114
Accrued compensated absences - current	5,170	-	5,170
Due to other governments	118,600	-	118,600
Accounts payable - Redevelopment Authority	83,224	-	83,224
Tenant security deposits	179,045	35,193	214,238
Unearned revenue	6,331	601	6,932
Current portion of long-term debt	144,700	-	144,700
Other current liabilities	500	-	500
Total current liabilities	<u>859,418</u>	<u>65,026</u>	<u>924,444</u>
<b>Noncurrent liabilities:</b>			
Long-term debt, net of current portion	1,055,292	1,548,573	2,603,865
Accrued compensated absences - noncurrent	46,535	-	46,535
Other post-employment benefits	256,724	-	256,724
Total noncurrent liabilities	<u>1,358,551</u>	<u>1,548,573</u>	<u>2,907,124</u>
Total Liabilities	<u>2,217,969</u>	<u>1,613,599</u>	<u>3,831,568</u>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to other post-employment benefits	53,580	-	53,580
Total Deferred Inflows of Resources	<u>53,580</u>	<u>-</u>	<u>53,580</u>
<b>Net Position:</b>			
Net investment in capital assets	8,541,114	(517,052)	8,024,062
Restricted - deposits and funded reserves	39,259	428,781	468,040
Unrestricted	4,565,209	379,565	4,944,774
Total Net Position	<u>13,145,582</u>	<u>291,294</u>	<u>13,436,876</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>\$ 15,417,131</u>	<u>\$ 1,904,893</u>	<u>\$ 17,322,024</u>

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



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2019

	Primary Government	Component Unit	
		Palmyra Housing Development Corporation of Lebanon County, Inc.	Total Reporting Entity
	Business- Type Activity		
<b>Operating Revenues:</b>			
Tenant revenue:			
Net tenant rental revenue	\$ 1,897,406	\$ 386,492	\$ 2,283,898
Tenant revenue - other	74,660	-	74,660
Total tenant revenue	1,972,066	386,492	2,358,558
Government grants	4,461,719	-	4,461,719
Other revenue	313,982	5,464	319,446
Investment income - unrestricted	107,344	6,982	114,326
Fraud recovery	800	-	800
Total operating revenues	6,855,911	398,938	7,254,849
<b>Operating Expenses:</b>			
Housing assistance payments	3,166,603	-	3,166,603
Operating - administrative	1,336,163	91,092	1,427,255
Tenant services	61,756	-	61,756
Utilities	750,851	69,688	820,539
Maintenance	780,627	94,107	874,734
Protective services	15,055	2,331	17,386
Insurance premiums	107,772	13,449	121,221
General expenses	181,312	45,790	227,102
Interest expense and amortization cost	64,795	795	65,590
Total operating expenses	6,464,934	317,252	6,782,186
<b>Operating Income</b>	390,977	81,686	472,663
<b>Non-Operating Revenues (Expenses):</b>			
Capital grants	943,224	-	943,224
Depreciation and amortization expense	(816,401)	(139,343)	(955,744)
Total non-operating revenues (expenses)	126,823	(139,343)	(12,520)
<b>Change in Net Position</b>	517,800	(57,657)	460,143
<b>Net Position:</b>			
Beginning of year	12,627,782	348,951	12,976,733
End of year	\$ 13,145,582	\$ 291,294	\$ 13,436,876

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

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

	Primary Government	Component Unit	
		Palmyra Housing Development Corporation of Lebanon County, Inc.	Total Reporting Entity
	Business- Type Activity		
<b>Cash Flows From Operating Activities:</b>			
Operating grants received	\$ 4,354,079	\$ -	\$ 4,354,079
Receipts from tenants	1,948,232	382,047	2,330,279
Other receipts	333,243	12,468	345,711
Housing assistance payments	(3,166,603)	-	(3,166,603)
Payments for goods and services	(2,046,910)	(253,899)	(2,300,809)
Payments to employees	(972,558)	(59,558)	(1,032,116)
Net cash provided by operating activities	449,483	81,058	530,541
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Purchase of capital assets	(1,101,722)	-	(1,101,722)
Capital grants received	943,224	-	943,224
Payment of principal on debt	(139,425)	(17,250)	(156,675)
Payment of interest on debt	(64,795)	-	(64,795)
Net cash used in capital and related financing activities	(362,718)	(17,250)	(379,968)
<b>Cash Flows From Investing Activities:</b>			
Deposits into restricted reserve accounts	-	(93,996)	(93,996)
Withdrawals from restricted reserve accounts	-	59,434	59,434
Loans granted, net	-	(10,000)	(10,000)
Interest and dividends on investments	107,344	-	107,344
Net cash provided by (used in) investing activities	107,344	(44,562)	62,782
<b>Net Increase in Cash and Cash Equivalents</b>	194,109	19,246	213,355
<b>Cash and Cash Equivalents:</b>			
Beginning of year	4,833,318	142,986	4,976,304
End of year	\$ 5,027,427	\$ 162,232	\$ 5,189,659

(Continued)

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

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

(Continued)

	Primary Government	Component Unit	
		Palmyra Housing Development Corporation of Lebanon County, Inc.	Total Reporting Entity
	Business- Type Activity	County, Inc.	Entity
<b>Reconciliation of Operating Income to</b>			
<b>Net Cash Provided by Operating Activities:</b>			
Operating income	\$ 390,977	\$ 81,686	\$ 472,663
Adjustments to reconcile operating income to net cash provided by operating activities:			
Interest and dividends on investments	(107,344)	-	(107,344)
Interest expense	64,795	795	65,590
Investments in limited partnerships	-	8	8
Change in assets and liabilities:			
Accounts receivable	(113,083)	(2,791)	(115,874)
Prepaid expenses and other current assets	8,966	(195)	8,771
Inventories	6,878	(2,774)	4,104
Deferred outflows of resources - other post-employment benefits	(1,640)	-	(1,640)
Accounts payable and accrued liabilities	212,398	3,728	216,126
Unearned revenue	(1,521)	601	(920)
Other post-employment benefits	(6,821)	-	(6,821)
Deferred inflows of resources - other post-employment benefits	(4,122)	-	(4,122)
Total adjustments	58,506	(628)	57,878
Net cash provided by operating activities	\$ 449,483	\$ 81,058	\$ 530,541

(Concluded)

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

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### 1. Summary of Significant Accounting Policies

#### Reporting Entity

The Housing Authority of the County of Lebanon (Authority) was established for the purpose of engaging in the development, acquisition, and administrative activities of the low-income housing program and other programs with similar objectives. The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the low-income housing program under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local housing authorities to make grants to assist the local housing authorities in financing the acquisition, construction and/or leasing of housing units, and to make annual contributions (subsidies) to the local housing authorities for the purpose of maintaining the low-rent character of the local housing program.

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

As required by GAAP, the basic financial statements of the reporting entity include those of the Authority and any component units. Component units are legally separate organizations for which the Authority is financially accountable. The Authority is financially accountable for an organization if the Authority appoints a voting majority of the organization's governing board and (1) the Authority is able to significantly influence the programs or services performed or provided by the organization, or (2) the Authority is legally entitled to or can otherwise access the organization's resources; the Authority is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Authority is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the Authority in that the Authority approves the budget, the issuance of debt, or the levying of taxes. Based upon the application of these criteria, the Palmyra Housing Development Corporation of Lebanon County, Inc. (PHDC) is included in the financial statements of the Authority as a discretely presented component unit. The separately published audit report of the component unit is available at the Authority's administrative offices.

PHDC is the general and/or limited partner in various tax credit partnerships. The component unit has a December 31 fiscal year-end and, as such, the financial statements of

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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the Authority as of and for the year ended June 30, 2019, include the fiscal activities of the component unit as of and for the year ended December 31, 2018.

PHDC was formed for the purpose of developing and operating a low-income housing project through Palmyra Housing Limited Partnership (Palmyra Partnership). As a general partner, PHDC contributed \$10 in cash for a 1% interest of the Palmyra Partnership's income or loss. On December 31, 2010, PHDC acquired a 99% limited partnership interest in Sixth and Willow Streets Limited Partnership (Sixth and Willow Partnership).

On December 31, 2014, the Partnership Agreement of the Palmyra Partnership was amended under the First Amendment to the Agreement of Limited Partnership. Under the First Amendment, the percentage interest of the general partner and limited partner in the Palmyra Partnership were amended to PHDC having a .01% interest in the Palmyra Partnership as the general partner and Nonprofit Housing Development Corporation of Lebanon County, Inc. (NPHDC) having a 99.99% interest in the Palmyra Partnership as the limited partner. For the year ended December 31, 2018, the losses were allocated 99.99% to the limited partner and 0.01% to the general partner.

The Annville Partnership was formed on July 20, 1998 as a limited partnership under the laws of the Commonwealth of Pennsylvania for the purpose of acquiring, owning, maintaining, improving, and operating a 22-unit low-income housing complex located in Lebanon County, Pennsylvania. Rental operations commenced on November 1, 1999.

On January 1, 2015, Wells Fargo and PHDC entered into an Assignment and Assumption Agreement whereby Wells Fargo assigned and transferred, without recourse, its 99.99% limited partner interest in the Annville Housing Limited Partnership (Annville Partnership), for the sum of \$100, to PHDC, a "substituted limited partner."

The Palmyra Partnership, Sixth and Willow Partnership, and Annville Partnership are reported within PHDC.

### Basis of Accounting

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The Authority has created a number of funds within the enterprise fund. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses. The individual funds account for

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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the resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD.

The Authority's financial statements are presented using the accrual method of accounting, under which revenues are recorded in the period they are earned and expenses are recorded when the liability is incurred.

The funds of the Authority are all considered proprietary fund types. The Authority's proprietary fund is an enterprise fund, which is used to account for activities that are operated in a manner similar to those found in the private sector. A summary of each program administered by the Authority included in the financial statements is provided to assist the reader in interpreting the basic financial statements. These programs constitute a majority of the programs operated by the Authority. The programs included in this category are as follows:

Low Rent Public Housing Program: This program accounts for all activities and projects of the Public Housing programs. The programs provide low-rent housing to qualified residents of the County of Lebanon. All units are owned and operated by the Authority and were purchased with financing arranged or provided through HUD.

Housing Choice Voucher Program: This program accounts for all of the activities of the Section 8 programs. Currently, the Authority maintains only a Section 8 Housing Choice Voucher Program. This program was authorized by Section 8 of the National Housing Act and provides housing assistance payments to private, not-for-profit, or public landlords to subsidize rentals for low-income persons. Under the Section 8 Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own rental property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord.

The Section 8 Housing Choice Voucher Program also allows for existing housing units to be used for low-income housing. HUD provides a contracted number of vouchers to the Authority, which can be used to provide rental payments to landlords for a specified number of housing units.

As part of Section 8 program, the Veteran's Affairs Supportive Housing program combines HUD rental assistance for homeless veterans with case management and clinical services provided by the Veteran's Affairs Medical Center at its medical centers and in the community.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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Public Housing Capital Fund Program: The program accounts for all of the activities of the Capital Fund program. The purpose of this fund is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation of existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

Other Programs: This accounts predominately for the financial activities of the Authority's supportive housing grants, house management accounts, and other projects managed by the Authority.

### Operating and Non-Operating Revenues (Expenses)

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of the Authority and PHDC. Operating revenues primarily consist of net tenant rental revenue and government grants. Non-operating revenues and expenses consist of those revenues and expenses related to capital items.

### Use of Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

The Authority's financial statements are presented using the accrual method of accounting, under which revenues are recorded in the period they are earned and expenses are recorded when the liability is incurred.

### Budgets and Budgetary Accounting

Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The Public Housing Capital Fund budgets are adopted on a "project length" basis. Budgets are not, however, legally adopted or required for financial statement presentation.

### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### Statement of Cash Flows

For purposes of the statement of cash flows, the Authority and PHDC consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### Restricted Deposits and Funded Reserves

Under the terms of the respective Regulatory Agreement, the Sixth and Willow Partnership and the Annville Partnership are required to set aside specified amounts for the replacement of property and other project expenses. Mortgage escrow deposit accounts are held by Pennsylvania Housing Finance Agency (PHFA) for payment of real estate taxes and insurance. The reserve for replacement represents funds required to be set aside for the repairs and improvement of the facilities. Monthly required deposits were made in accordance with the PHFA Regulatory Agreement.

### Fair Value Measurements of Restricted Deposits and Funded Reserves

Restricted deposits and funded reserves are reported at fair value with investment income included in the statement of revenues, expenses, and changes in net position. Valuation techniques and inputs used to develop fair value measurements are based on a fair value hierarchy.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. For Level 2 measurement, pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable, for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable"

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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requires significant judgment by the Sixth and Willow Partnership and the Annville Partnership. The Sixth and Willow Partnership and the Annville Partnership consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Sixth and Willow Partnership or the Annville Partnership's perceived risk of that instrument.

### Valuation of Restricted Deposits and Funded Reserves

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations, or alternative pricing sources supported by observable inputs are classified within Level 2. These include certain U.S. government and sovereign obligations, most government agency securities, investment-grade corporate bonds, certain mortgage products, certain bank loans, and bridge loans, less liquid listed equities, state, municipal, and provincial obligations, most physical commodities, certain loan commitments, and negotiable certificates of deposit. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

### Internal Balances

Since the Authority's component unit reports on a December 31 fiscal year-end and is included in the June 30 Authority financial statements, amounts due between the component unit and the Authority may not net to zero.

### Accounts Receivable

The Authority records the total amount of revenue billed or accrued in accounts receivable. The portion of accounts receivable not expected to be collected is offset by an allowance for doubtful accounts, estimated based on historical experience and in accordance with GAAP requirements. At June 30, 2019, the allowance for doubtful accounts was zero.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### Inventories

Inventories are valued at cost using the first-in, first-out method. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority establishes an allowance for obsolete inventory. The Authority relies upon its periodic (annual) inventory for financial reporting purposes. In accordance with consumption methods, inventory is expensed when items are actually placed in service. At June 30, 2019, the estimated obsolete inventory was zero.

### Capital Assets and Maintenance and Repairs Expenses

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.

Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that the Authority and PHDC would have paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

All normal expenses of preparing an asset for use are capitalized.

Pursuant to GAAP, the cost of buildings and equipment is depreciated over the estimated useful lives of the related assets on a composite basis using the straight-line method.

Depreciation commences on modernization and development additions in the year placed in service.

The useful lives of the Authority's buildings and equipment for purposes of computing depreciation are as follows:

Buildings	40 years
Building modernizations	15 years
Furniture, equipment, and machinery	5-10 years

PHDC's depreciation is computed using the straight-line method over the estimated useful lives of the related assets, ranging from 5 – 40 years.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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Maintenance and repairs expenses are charged to operations when incurred. Effective January 1, 2012, betterments in excess of \$5,000 are capitalized. Prior to January 1, 2012, betterments in excess of \$2,000 were capitalized. When buildings and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is reported as non-operating activity.

### Impairment of Long-Lived Assets

The Authority and PHDC evaluate the carrying value of long-lived assets. When indications of an impairment are present, the recoverability of the carrying value of the assets in question are assessed based on the future undiscounted cash flows expected to result from their use. If the carrying value cannot be recovered, impairment losses would be recognized to the extent the carrying value exceeds fair value. The Authority does not have any impairments at June 30, 2019. PHDC does not have any indications of impairment at December 31, 2018.

### Investment in Joint Venture

PHDC has an investment in the Palmyra Partnership. As general partner, PHDC uses the equity method of accounting for the investment and, as such, does not recognize losses in excess of the equity. The investment is increased by contributions and income from the Palmyra Partnership and decreased by distributions and losses incurred by the Palmyra Partnership. As of December 31, 2018, PHDC's equity in the Palmyra Partnership was \$22,110.

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

In conjunction with OPEB accounting requirements, the effect of the differences between expected and actual experience, changes of assumptions, and payments made to the Authority's plan subsequent to the measurement date are recorded as deferred inflows or outflows of resources for OPEB. These amounts are determined based on the actuarial valuation performed for the Authority's OPEB plan.

### Compensated Absences

The Authority uses the vesting method for the recording of compensated absences, whereby benefits are accrued at the statement of net position date for which payment is probable.

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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Unused employee vacation and personal time is accumulated and paid upon resignation, retirement, or termination. The amount of the compensated absence liability is accrued and expensed as earned. Unused sick leave is not paid and, therefore, is not subject to accrual.

### Non-Interest-Bearing Loans

Non-interest-bearing loans are measured by the cash proceeds exchanged when no other right or privilege is given. As such, no interest is imputed on the Sixth and Willow Partnership loans or the Annville Partnership loans.

### Classification of Net Position

Net Position is classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted – This component of net position consists of net position with limits on its use that are externally imposed (in the Authority's case, by the grantor). For PHDC, external restrictions are imposed by the Regulatory Agreements of the Sixth and Willow Partnership and the Annville Partnership, both with PHFA. PHDC funds are required to be set aside for replacement of property and payment of real estate taxes and insurance.
- Unrestricted – This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Sometimes the Authority will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the Authority's and PHDC's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### Risk Management

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage except for deductibles for the current year or the three prior years.

### Fair Value of Financial Instruments

The carrying amount of the Authority's financial instruments at June 30, 2019 including cash, accounts receivable, accounts payable, and long-term debt closely approximates fair value.

### Annual Contribution Contracts

Annual contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority's financing and contribution status for the annual contribution contracts is the responsibility of HUD, based upon financial reports submitted by the Authority.

### Pending Change in Accounting Principles

In June of 2017, the GASB issued Statement No. 87, "Leases." This Statement improves the accounting and financial reporting for leases. The provisions of GASB Statement No. 87 are effective for the Authority's June 30, 2021 financial statements.

The effect of implementation of this Statement has not yet been determined.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### 2. Deposits and Investments

*Housing Authority of the County of Lebanon*

#### Deposits

Statutes allow the Authority to invest in certain authorized investment types including U.S. Treasury bills, other short-term U.S. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The Authority's depositories are required by statute to continuously and fully secure all deposits in excess of the amounts insured under federal or state plans by the deposit or setting aside of collateral of the types, and in the manner as is prescribed by state law for the security of public funds. Such collateral shall at all times be of a market value at least equal to the amount of deposits so secured.

The following is a description of the Authority's deposit risks:

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal deposit policy for custodial credit risk.

As of June 30, 2019, the Authority's book balance was \$5,027,427 and the bank balance was \$5,017,587. Of the bank balance, \$256,069 was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining bank balance of \$4,761,518 was collateralized under Act No. 72 (Act) of the 1971 Session of the Pennsylvania General Assembly, in which financial institutions were granted the authority to secure deposits of public bodies by pledging a pool of assets, as defined in the Act, to cover all public funds deposited in excess of federal depository insurance limits and to have the collateral held by an approved custodian in the institution's name.

Included in the deposit amounts in the preceding paragraph is \$179,045 of Tenant Security Deposit funds, \$39,259 of Section 8 Housing choice voucher funds, and \$6,069 of restricted bond proceeds, which are classified as restricted cash on the statement of net position.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### *Palmyra Housing Development Corporation*

*Custodial Credit Risk* – PHDC does not have a formal deposit policy for custodial credit risk. As of December 31, 2018, PHDC's book and bank balances were \$197,425 and \$195,116, respectively. The entire bank balance was insured by the FDIC at December 31, 2018.

### **3. Restricted Deposits and Funded Reserves**

Under the terms of the Regulatory Agreement, the Sixth and Willow Partnership and the Annville Partnership are required to set aside specified amounts for the replacement of property and other project expenditures. The restricted deposits are invested in direct U.S. Government and U.S. Government Agency securities and AAA rated money market funds. The monies for all projects are invested as a pool to attain the maximum yield, and the interest is allocated back to each project based on its percentage of the whole. Funds are held in a commingled federally insured account, at times, whereby the account balance exceeds the federal insurance limits. As of December 31, 2018, restricted deposits and funded reserves amounted to \$428,781 for the Sixth and Willow and the Annville Partnerships. The deposits and reserves are held in separate accounts in trust and generally are not available for operating purposes.

Real estate tax and insurance escrow accounts are held by PHFA for future payments of real estate taxes and insurance. The reserve for replacement account is held by PHFA and funded monthly in an amount determined by PHFA. During the year ended December 31, 2018, there were no withdrawals from the reserve for replacement account for the Sixth and Willow Partnership.

#### Fair Value of Financial Instruments

As of December 31, 2018, all of the Sixth and Willow Partnership and the Annville Partnership's restricted deposits and funded reserves are classified as Level 2 instruments.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### **4. Related Party Transactions**

PHDC has a loan receivable from the Palmyra Partnership. The loan is unsecured, interest-free, and was due on May 9, 2011, the anniversary date representing 15 full years of occupancy of the premises secured by this loan. Thereafter, principal is due in annual installments on March 31 of each year to the extent that net operating revenues for the preceding year exceed net operating expenses plus debt service on any loans by PHFA to the Palmyra Partnership paid during the year by the Palmyra Partnership. All unpaid principal is due and payable as a balloon payment on November 15, 2024, thirty years from the date of this loan. No payments were required on the loan during the year ended December 31, 2018. At December 31, 2018, the loan receivable is presented as an other asset on the statement of net position and amounted to \$210,000.



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

### 5. Capital Assets/Accumulated Depreciation

#### *Housing Authority of the County of Lebanon*

A summary of the Authority's changes in capital assets is as follows:

	June 30, 2018	Increases/ Transfers In	Decreases/ Transfers Out	June 30, 2019
Capital assets, not being depreciated:				
Construction in progress	\$ 32,459	\$ 743,859	\$ (776,318)	\$ -
Land	547,533	-	-	547,533
Total capital assets not being depreciated	<u>579,992</u>	<u>743,859</u>	<u>(776,318)</u>	<u>547,533</u>
Capital assets being depreciated:				
Buildings	30,469,002	1,129,228		31,598,230
Furniture, equipment, and machinery - dwellings	565,652	-	-	565,652
Furniture, equipment, and machinery - administration	527,240	4,953	-	532,193
Total capital assets, being depreciated	<u>31,561,894</u>	<u>1,134,181</u>	<u>-</u>	<u>32,696,075</u>
Less accumulated depreciation for:				
Buildings	(21,669,818)	(790,666)	(8,432)	(22,468,916)
Furniture, equipment, and machinery - dwellings	(500,688)	(5,807)	-	(506,495)
Furniture, equipment, and machinery - administration	(515,596)	(19,928)	8,432	(527,092)
Total accumulated depreciation	<u>(22,686,102)</u>	<u>(816,401)</u>	<u>-</u>	<u>(23,502,503)</u>
Total capital assets being depreciated, net	<u>8,875,792</u>	<u>317,780</u>	<u>-</u>	<u>9,193,572</u>
Total capital assets	<u>\$ 9,455,784</u>	<u>\$ 1,061,639</u>	<u>\$ (776,318)</u>	<u>\$ 9,741,105</u>

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

*Palmyra Housing Development Corporation*

A summary of PHDC's changes in capital assets is as follows:

	January 1, 2018	Additions	Deletions	December 31, 2018
Capital assets, not being depreciated:				
Land	\$ 303,627	\$ -	\$ -	\$ 303,627
Capital assets being depreciated:				
Buildings	3,804,683	-	-	3,804,683
Building equipment - fixed	44,098	-	-	44,098
Building equipment - portable	69,996	-	-	69,996
Furniture	167,429	-	-	167,429
Total capital assets, being depreciated	4,086,206	-	-	4,086,206
Less accumulated depreciation for:				
Buildings	(2,943,766)	(137,784)	-	(3,081,550)
Building equipment - fixed	(43,422)	(68)	-	(43,490)
Building equipment - portable	(64,449)	(1,394)	-	(65,843)
Furniture	(167,429)	-	-	(167,429)
Total accumulated depreciation	(3,219,066)	(139,246)	-	(3,358,312)
Total capital assets being depreciated, net	867,140	(139,246)	-	727,894
Total capital assets	\$ 1,170,767	\$ (139,246)	\$ -	\$ 1,031,521

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

### 6. Long-Term Liabilities

*Housing Authority of the County of Lebanon*

#### Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2019 was as follows:

	<u>June 30, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2019</u>	<u>Due Within One Year</u>
Mortgage payable	\$ 45,517	\$ -	\$ (2,465)	\$ 43,052	\$ 1,961
Loan payable	1,293,900	-	(136,960)	1,156,940	142,739
Compensated absences	74,712	54,075	(77,082)	51,705	5,170
Long-term liabilities	<u>\$ 1,414,129</u>	<u>\$ 54,075</u>	<u>\$ (216,507)</u>	<u>\$ 1,251,697</u>	<u>\$ 149,870</u>

At June 30, 2019, the Authority's mortgage and loan payable, which are secured by the Authority's property, consisted of the following:

Twenty-year loan payable to the Public Housing Finance Agency. Payments of principal, ranging from \$142,739 to \$190,705, are due annually with final payment being due on December 1, 2025. The interest rate is 5.21%.	\$ 1,156,940
Twenty-year mortgage payable to a bank. Payments of principal and interest in the amount of \$361 are due monthly with final payment being due June 2031. The interest rate is variable with a minimum rate of 3.5%. The interest rate at June 30, 2019 is 5.5%.	<u>43,052</u>
Mortgage and loan payable	1,199,992
Less: current portion	<u>(144,700)</u>
Mortgage and loan payable, net of current portion	<u>\$ 1,055,292</u>

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

The maturities of the mortgage and loan, using the rate of interest in effect at June 30, 2019, are as follows:

June 30,	Principal	Interest	Total
2020	144,700	55,273	199,973
2021	151,167	48,779	199,946
2022	158,219	41,501	199,720
2023	166,432	33,373	199,805
2024	175,232	24,820	200,052
2025-2029	386,600	26,072	412,672
2030-2031	17,642	1,742	19,384
	1,199,992	231,560	1,431,552

The loan is subject to prepayment at the direction of HUD or the Public Housing Finance Agency, in the event that HUD should impose administrative sanctions upon the Authority which would have the effect of reducing the payment of capital funds to the Authority in any year by more than 20% or at the discretion of PHFA in the event there is an event of default by the Authority. The amount of the prepayment will not exceed the unexpended proceeds of the loan less amounts already obligated for the payment of eligible costs relating to the Authority less the amounts needed to be maintained in the Authority's liquidity account in order to meet the Authority's liquidity account requirement.

### *Palmyra Housing Development Corporation*

#### Changes in Long-Term Liabilities

Long-term liability activity for PHDC for the year ended December 31, 2018 was as follows:

	January 1, 2018	Additions	Retirements	December 31, 2018	Due Within One Year
PHFA Loan - Home and Support Note	\$ 836,652	\$ -	\$ (11,600)	\$ 825,052	\$ -
Penn HOMES Loan	446,698	-	(5,650)	441,048	-
CDBG Loan	2,500	-	-	2,500	-
Act 137 Loan	200,000	-	-	200,000	-
GP Loan	79,178	795	-	79,973	-
	\$ 1,565,028	\$ 795	\$ (17,250)	\$ 1,548,573	\$ -

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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Based on the repayment terms disclosed below, maturity dates cannot be estimated.

PHFA loaned the Sixth and Willow Partnership \$791,644 in 1990 under the Home Program. In 2005, the primary note of \$198,777 was refinanced into the Support Note. Under the terms of the new Support Note, there is no interest due or payable. Payment of principal shall be made from surplus revenues over expenses generated by the Sixth and Willow Partnership during any calendar year as may be provided for in the PHFA regulatory agreement prior to repayment of subordinate project financing and prior to any distribution to the Sixth and Willow Partnership as return on equity. As long as the Support Note remains outstanding, in the event there is a surplus of revenues over expenses in any calendar year, 50% of excess revenue shall repay the Support Note and the other 50% shall be paid to the Sixth and Willow Partnership as return on equity. Any unpaid balance will be due at the earlier of any default under the loan agreement, sale of the project, refinancing of the project or termination of the project.

During the year ended December 31, 2017, the Sixth and Willow Partnership made the \$11,600 principal payment and a \$11,600 return on equity distribution to its partners.

The PHFA loan is collateralized by the property, plant, and equipment of the Sixth and Willow Partnership.

The PHFA has issued a Penn HOMES Loan commitment to the Annville Partnership in the approximate amount of \$534,534 (Penn HOMES Loan) to be utilized as a permanent first mortgage. Principal payments on this non-interest-bearing note shall only be made from surplus of revenues over expenses generated by the project during any calendar year, applying 50% of such excess to the principal of the Penn HOMES Loan and 50% to distributions to the Partners. Any unpaid balance will be due at the end of the thirty (30) year term. As of December 31, 2018, the balance of the Penn HOMES Loan was \$441,048.

A second mortgage in a no-interest loan of \$2,500 from the Redevelopment Authority of the County of Lebanon (RACL) was made to the Annville Partnership using proceeds from Community Development Block Grant (CDBG) funds (CDBG Loan). No payment on the CDBG Loan is due until the Penn HOMES Loan has been repaid in full. Thereafter, principal shall be due in annual installments on March 31 of each year to the extent that net operating revenues for the preceding year exceed net operating expenses plus any debt service on the Penn HOMES Loan paid during the preceding year. Any unpaid balance is due at the end of the thirty-two (32) year term.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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A third mortgage loan in the amount of \$200,000, obtained from RACL using County of Lebanon Act 137 funds, was made to the Annville Partnership. The RACL Act 137 Loan bears no interest and has terms identical to the RACL CDBG Loan.

The fourth mortgage in the amount of \$66,000 from the general partner (GP) (NPHDC), using proceeds received as a donation from Wachovia (GP Loan), was made to the Annville Partnership. The GP Loan will accrue interest, compounded annually, at a 1% rate for thirty (30) years beginning October 1999. As of December 31, 2018, the GP Loan balance was \$79,973 and included \$13,973 of accrued and compounded interest. Principal payment due on the loan will be paid out at the end of the 30-year term.

The mortgage loans are collateralized by the property, plant, and equipment of the Annville Partnership.

### **7. Pension Plan**

The Authority has established a defined contribution pension plan and contributes 10.5% of annual base salary for eligible employees. Plan provisions and contribution amounts can be modified at the discretion of the Board of Directors. For the year ended June 30, 2019, the Authority's 10.5% portion amounted to approximately \$112,453, which has been charged to the employee fringe benefit account.

### **8. Other Post-Employment Benefit Plan**

#### Plan Description

In addition to the pension benefits described in Note 7, the Authority provides certain post-employment healthcare benefits to its retirees through one single-employer, defined benefit other post-retirement benefit (OPEB) plan, which the Authority shares with the RACL. OPEB liabilities are calculated for the individual employee for each entity. Deferred outflows and deferred inflows are allocated based on the respective employer group. This OPEB plan does not issue a separate report.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### Eligibility of Benefits

All employees are eligible for coverage upon retirement after attainment of age 62 and completion of 30 years of service.

### Benefits Payable Upon Retirement

An eligible retiree may receive medical and prescription drug coverage until the retiree attains Medicare age. The retiree is not required to make any contributions toward the cost of the benefit. Spouses of eligible retirees are not eligible for benefits under this plan.

There is one retiree who is receiving lifetime medical and prescription drug coverage for himself and his spouse under a grandfathered provision. Fifty percent of the cost of this retiree's coverage is paid by the Authority and the remaining fifty percent is paid by the RACL.

### Plan Membership

At July 1, 2017, the following employees were covered by the benefit terms:

Vested former participants	-
Retired participants	2
Active participants	26
	<hr/>
	28
	<hr/> <hr/>

### Proportionate Share

The Authority's proportion of the OPEB liability was determined based on individual calculations for each Authority employee. At June 30, 2019, the Authority reported a liability of \$256,724 for its share of the OPEB liability.

### Contributions

The Authority's contribution is based on projected pay-as-you-go financing requirements. The Authority funded the OPEB contributions and will continue to fund the annual OPEB costs on a pay-as-you-go basis. For the year ended June 30, 2019, the Authority contributed \$26,539 to the OPEB plan.

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# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

### OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2019, the Authority reported an OPEB liability of \$256,724. The OPEB liability was measured as of July 1, 2018, and the total OPEB liability used to calculate the Authority's proportionate share of the OPEB liability was determined by an actuarial valuation as of July 1, 2017.

For the year ended June 30, 2019, the Authority recognized OPEB expense of \$13,956.

At June 30, 2019, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>Deferred Outflows of Resources for OPEB</u>	
Differences between expected and actual experience	\$ 481
Contributions subsequent to the measurement date	<u>26,539</u>
Total deferred outflows of resources for OPEB	<u><u>\$ 27,020</u></u>
<u>Deferred Inflows of Resources for OPEB</u>	
Differences between expected and actual experience	\$ 43,028
Changes of assumptions	<u>10,552</u>
Total deferred inflows of resources for OPEB	<u><u>\$ 53,580</u></u>

Deferred outflows of resources related to Authority OPEB contributions subsequent to the measurement date totaling \$26,539 will be recognized as a reduction of the OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows and inflows of resources for OPEB will be recognized in OPEB expense as follows:

2020	\$ (4,088)
2021	(4,088)
2022	(4,088)
2023	(4,088)
2024	(4,088)
Thereafter	<u>(32,659)</u>
	<u><u>\$ (53,099)</u></u>



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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### Actuarial Methods and Assumptions

The following methods and assumptions were used in the July 1, 2017 actuarial valuation. These methods and assumptions were applied to all periods included in the measurement period:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, 14-year open amortization (fresh start each year)
Investment rate of return	2.98%
Projected salary increases	Average increase of 3.00%
Mortality rate	Projected RP-2014 Total Mortality Tables projected generationally using Scale MP-2017 to reflect mortality improvement
Healthcare trend increases:	6.0% in 2017 and 2018, and 5.5% in 2019 through 2021. Rates gradually decrease from 5.4% in 2022 to 3.8% in 2075 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.

### Changes in Actuarial Assumptions

The interest rate was changed from 3.13% to 2.98%. The healthcare cost trend rates were also updated.

### Discount Rate

The discount rate used to measure the total pension liability was 2.98%. The discount rate represents the S&P Municipal Bond 20-year High Grade Rate Index at July 1, 2018. Since the OPEB plan has insufficient assets to meet projected benefit payments, the municipal bond rate was applied to all periods of the projected benefit payments to determine the total OPEB liability. The projection of cash flows used to determine the single discount rate for each measurement period assumed that employer contributions will be made based on the current funding policy for future years.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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

The following presents the Authority's proportionate share of the OPEB liability calculated using the discount rate of 2.98%, as well as what the Authority's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.98%) or 1-percentage-point higher (3.98%) than the current rate.

	1% Decrease (1.98%)	Current Discount Rate (2.98%)	1% Increase (3.98%)
Authority's proportionate share of the OPEB liability	\$ 274,565	\$ 256,724	\$ 239,965

Sensitivity of the Authority's Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the Authority's proportionate share of the OPEB liability calculated using current healthcare cost trend rates as well as what the Authority's proportionate share of the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Current Trend Rate	1% Increase
Authority's proportionate share of the OPEB liability	\$ 229,379	\$ 256,724	\$ 289,697

### 9. Commitments and Contingencies

There are no outstanding commitments and contingencies for year ended June 30, 2019.

In September 2019, the Authority entered into agreements for architectural improvements at Gloninger Meadows and Cedar Court for total contracted amount of \$169,641, and for curb and sidewalk replacement work at Washington Arms for a total contracted amount of \$99,500.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

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The Authority's grant programs are subject to review by the funding sources. Such reviews could result in amounts that may require repayment upon final settlement. No such reviews are currently underway. The Authority is unable to estimate the amount of repayment, if any, that may be required as a result of potential audits. No material repayments are anticipated by management.

### **10. Economic Dependency**

The Authority is economically dependent on receiving operating subsidies and grant funding from HUD. The Authority's ability to maintain or improve operations would be severely impacted by a material reduction in HUD funds. No material reductions in Section 8 operating subsidies are anticipated by management for fiscal year 2020.

### **11. Transactions with Redevelopment Authority**

The Authority purchases certain services and payroll related costs from the RACL, on an as-needed basis. The RACL also purchases certain services and payroll-related costs from the Authority. At June 30, 2019, the Authority is due \$309,510 from the RACL and \$83,224 is due to the RACL.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE COLLECTIVE OPEB LIABILITY

YEAR ENDED JUNE 30, 2019

	2019*	2018*
Authority's proportion of the collective OPEB liability	83.38%	83.58%
Authority's proportionate share of the collective OPEB liability	\$ 256,724	\$ 263,545
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

\* This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the Authority is presenting information for those years for which information is available.

See accompanying notes to required supplementary information - OPEB.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS

YEAR ENDED JUNE 30, 2019

	2019*	2018*
Contractually required contribution	\$ 26,539	\$ 25,380
Contributions in relation to the contractually required contribution	26,539	25,380
Contribution deficiency (excess)	\$ -	\$ -

\* This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the Authority is presenting information for those years for which information is available.

See accompanying notes to required supplementary information - OPEB.

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OPEB

YEAR ENDED JUNE 30, 2019

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### 1. Changes of Assumptions

Since the Authority has insufficient assets to meet future years' projected benefit payments, as prescribed by Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75, the discount rate will be based on the S&P Municipal Bond 20-year High Grade Rate Index at July 1, 2018. The discount rate was 2.98% as of June 30, 2019 and 3.13% as of June 30, 2018. The healthcare cost trend rates were also updated.

### 2. Factors and Trends Used in the Actuarial Valuation for OPEB Benefits

The following actuarial methods and assumptions were used to determine contribution rates reported in the OPEB required supplementary schedules:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, 14-year open amortization (fresh start each year)
Investment rate of return	2.98%
Projected salary increases	Average increase of 3.00%
Mortality rate	Projected RP-2014 Mortality Tables projected generationally using Scale MP-2017 to reflect mortality improvement
Healthcare trend increases:	6.0% in 2017 and 2018, and 5.5% in 2019 through 2021. Rates gradually decrease from 5.4% in 2022 to 3.8% in 2075 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.

## **SUPPLEMENTARY INFORMATION**



## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	TOTAL PROJECTS	TOTAL CENTRAL OFFICE COST CENTER	TOTAL PROGRAMS	TOTAL REPORTING ENTITY PRE-ELIMINATION	ELIMINATIONS	TOTAL REPORTING ENTITY
	<b>ASSETS:</b>						
	<b>CURRENT ASSETS:</b>						
	<b>Cash:</b>						
111	Cash - Unrestricted	3,275,812	1,229,666	459,808	4,965,286	-	4,965,286
112	Cash - Restricted - Modernization and Development	-	-	-	-	-	-
113	Cash - Other Restricted	6,069	-	468,040	474,109	-	474,109
114	Cash - Tenant Security Deposits	178,115	930	35,193	214,238	-	214,238
115	Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-
<b>100</b>	<b>Total Cash</b>	<b>3,459,996</b>	<b>1,230,596</b>	<b>963,041</b>	<b>5,653,633</b>	<b>-</b>	<b>5,653,633</b>
	<b>Accounts Receivables:</b>						
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	156,940	-	520	157,460	-	157,460
124	Accounts Receivable - Other Government	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	22,420	10,841	12,493	45,754	-	45,754
126	Accounts Receivable - Tenants	38,216	16,910	3,303	58,429	-	58,429
126.1	Allowance for Doubtful Accounts - Tenants	-	-	-	-	-	-
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-
127	Notes, Loans and Mortgages Receivable - Current	1,936	-	-	1,936	-	1,936
128	Fraud Recovery	-	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>219,512</b>	<b>27,751</b>	<b>16,316</b>	<b>263,579</b>	<b>-</b>	<b>263,579</b>
131	Investments - Unrestricted	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-
135	Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	2,460	-	5,129	7,589	-	7,589
143	Inventories	48,821	-	5,788	54,609	-	54,609
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-
144	Interprogram Due From	-	-	-	-	-	-
145	Assets Held for Sale	-	-	-	-	-	-
<b>150</b>	<b>TOTAL CURRENT ASSETS</b>	<b>3,730,789</b>	<b>1,258,347</b>	<b>990,274</b>	<b>5,979,410</b>	<b>-</b>	<b>5,979,410</b>
	<b>NONCURRENT ASSETS:</b>						
	<b>Capital Assets:</b>						
161	Land	547,533	-	303,627	851,160	-	851,160
162	Buildings	31,497,734	100,496	3,804,683	35,402,913	-	35,402,913
163	Furniture, Equipment & Machinery - Dwellings	565,652	-	114,094	679,746	-	679,746
164	Furniture, Equipment & Machinery - Administration	346,399	143,172	210,051	699,622	-	699,622
165	Leasehold Improvements	-	-	-	-	-	-
166	Accumulated Depreciation	(23,310,586)	(149,588)	(3,400,641)	(26,860,815)	-	(26,860,815)
167	Construction in Progress	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>9,646,732</b>	<b>94,080</b>	<b>1,031,814</b>	<b>10,772,626</b>	<b>-</b>	<b>10,772,626</b>
171	Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-
172	Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-	-
173	Grants Receivable - Non-Current	-	-	-	-	-	-
174	Other Assets	309,510	-	211,348	520,858	-	520,858
176	Investments in Joint Ventures	-	-	22,110	22,110	-	22,110
<b>180</b>	<b>TOTAL NONCURRENT ASSETS</b>	<b>9,956,242</b>	<b>94,080</b>	<b>1,265,272</b>	<b>11,315,594</b>	<b>-</b>	<b>11,315,594</b>
<b>190</b>	<b>TOTAL ASSETS</b>	<b>13,687,031</b>	<b>1,352,427</b>	<b>2,255,546</b>	<b>17,295,004</b>	<b>-</b>	<b>17,295,004</b>
<b>200</b>	<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>12,111</b>	<b>12,580</b>	<b>2,329</b>	<b>27,020</b>	<b>-</b>	<b>27,020</b>
<b>290</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>13,699,142</b>	<b>1,365,007</b>	<b>2,257,875</b>	<b>17,322,024</b>	<b>-</b>	<b>17,322,024</b>

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	TOTAL PROJECTS	TOTAL CENTRAL OFFICE COST CENTER	TOTAL PROGRAMS	TOTAL REPORTING ENTITY PRE-ELIMINATION	ELIMINATIONS	TOTAL REPORTING ENTITY
	<b>LIABILITIES, DEF INFLOW OF RES. AND EQUITY:</b>						
	<b>LIABILITIES:</b>						
	<b>CURRENT LIABILITIES:</b>						
311	Bank Overdraft	-	-	-	-	-	-
312	Accounts Payable <= 90 Days	277,400	1,250	45,316	323,966	-	323,966
313	Accounts Payable > 90 Days Past Due	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	8,389	12,639	6,086	27,114	-	27,114
322	Accrued Compensated Absences - Current Portion	709	3,558	903	5,170	-	5,170
324	Accrued Contingency Liability	-	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	-	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-
332	Accounts Payable - PHA Projects	-	-	-	-	-	-
333	Accounts Payable - Other Government	187,524	4,031	10,269	201,824	-	201,824
341	Tenant Security Deposits	178,115	930	35,193	214,238	-	214,238
342	Unearned Revenue	6,050	-	882	6,932	-	6,932
343	Current Portion of Long-Term Debt - Capital	142,739	1,961	-	144,700	-	144,700
344	Current Portion of Long-Term Debt - Operating Borrowings	-	-	-	-	-	-
345	Other Current Liabilities	500	-	-	500	-	500
346	Accrued Liabilities - Other	-	-	-	-	-	-
347	Interprogram - Due To	-	-	-	-	-	-
348	Loan Liability - Current	-	-	-	-	-	-
<b>310</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>801,426</b>	<b>24,369</b>	<b>98,649</b>	<b>924,444</b>	<b>-</b>	<b>924,444</b>
	<b>NONCURRENT LIABILITIES:</b>						
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage	1,014,201	41,091	1,548,573	2,603,865	-	2,603,865
352	Long-Term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-
353	Non-current Liabilities - Other	-	-	-	-	-	-
354	Accrued Compensated Absences - Non-Current	6,388	32,020	8,127	46,535	-	46,535
355	Loan Liability - Non-Current	-	-	-	-	-	-
356	GASB 5 Liabilities	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	115,065	119,529	22,130	256,724	-	256,724
<b>350</b>	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>1,135,654</b>	<b>192,640</b>	<b>1,578,830</b>	<b>2,907,124</b>	<b>-</b>	<b>2,907,124</b>
<b>300</b>	<b>TOTAL LIABILITIES</b>	<b>1,937,080</b>	<b>217,009</b>	<b>1,677,479</b>	<b>3,831,568</b>	<b>-</b>	<b>3,831,568</b>
<b>400</b>	<b>DEFERRED INFLOW OF RESOURCES</b>	<b>24,016</b>	<b>24,944</b>	<b>4,620</b>	<b>53,580</b>	<b>-</b>	<b>53,580</b>
	<b>EQUITY - NET ASSETS/POSITION:</b>						
508.4	Net Investment in Capital Assets	8,489,792	51,029	(516,759)	8,024,062	-	8,024,062
511.4	Restricted Net Position	-	-	468,040	468,040	-	468,040
512.4	Unrestricted Net Position	3,248,254	1,072,025	624,495	4,944,774	-	4,944,774
<b>513</b>	<b>TOTAL EQUITY - NET ASSETS/POSITION</b>	<b>11,738,046</b>	<b>1,123,054</b>	<b>575,776</b>	<b>13,436,876</b>	<b>-</b>	<b>13,436,876</b>
<b>600</b>	<b>TOTAL LIAB., DEF INFLOW OF RES., AND EQUITY-NET ASSETS/POSITION</b>	<b>13,699,142</b>	<b>1,365,007</b>	<b>2,257,875</b>	<b>17,322,024</b>	<b>-</b>	<b>17,322,024</b>

## HOUSING AUTHORITY OF COUNTY OF LEBANON

Line Item #	Account Description	TOTAL PROJECTS	TOTAL CENTRAL OFFICE COST CENTER	TOTAL PROGRAMS	TOTAL REPORTING ENTITY PRE-ELIMINATION	ELIMINATIONS	TOTAL REPORTING ENTITY
	<b>REVENUE:</b>						
70300	Net Tenant Rental Revenue	1,838,255	23,612	422,031	2,283,898	-	2,283,898
70400	Tenant Revenue - Other	74,660	-	-	74,660	-	74,660
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>1,912,915</b>	<b>23,612</b>	<b>422,031</b>	<b>2,358,558</b>	-	<b>2,358,558</b>
70600	HUD PHA Operating Grants	946,706	-	3,515,013	4,461,719	-	4,461,719
70610	Capital Grants	943,224	-	-	943,224	-	943,224
70710	Management Fee	-	358,071	-	358,071	(358,071)	-
70720	Asset Management Fee	-	48,360	-	48,360	(48,360)	-
70730	Book-Keeping Fee	-	101,811	-	101,811	(82,464)	19,347
70740	Front Line Service Fee	-	113,786	-	113,786	(113,786)	-
70750	Other Fees	-	62,522	-	62,522	-	62,522
<b>70700</b>	<b>Total Fee Revenue</b>	-	<b>684,550</b>	-	<b>684,550</b>	<b>(602,681)</b>	<b>81,869</b>
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - Unrestricted	72,439	26,550	15,337	114,326	-	114,326
71200	Mortgage Interest Income	-	-	-	-	-	-
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	800	800	-	800
71500	Other Revenue	174,127	57,423	20,427	251,977	(14,400)	237,577
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-
<b>70000</b>	<b>TOTAL REVENUE</b>	<b>4,049,411</b>	<b>792,135</b>	<b>3,973,608</b>	<b>8,815,154</b>	<b>(617,081)</b>	<b>8,198,073</b>
	<b>EXPENSES:</b>						
	<b>Administrative:</b>						
91100	Administrative Salaries	186,013	366,491	145,275	697,779	-	697,779
91200	Auditing Fees	19,233	1,172	30,656	51,061	-	51,061
91300	Management Fee	357,581	-	39,939	397,520	(358,071)	39,449
91310	Book-Keeping Fee	35,506	-	46,958	82,464	(82,464)	-
91400	Advertising and Marketing	3,722	-	845	4,567	-	4,567
91500	Employee Benefit Contributions - Administrative	63,388	110,822	64,819	239,029	-	239,029
91600	Office Expenses	229,199	52,561	34,645	316,405	(113,786)	202,619
91700	Legal Expense	3,636	2,100	1,000	6,736	-	6,736
91800	Travel	9,244	23,424	2,481	35,149	-	35,149
91810	Allocated Overhead	-	-	-	-	-	-
91900	Other	41,553	69,315	54,398	165,266	(14,400)	150,866
91000	Total Operating-Administrative	949,075	625,885	421,016	1,995,976	(568,721)	1,427,255
92000	Asset Management Fee	48,360	-	-	48,360	(48,360)	-
	<b>Tenant Services:</b>						
92100	Tenant Services - Salaries	-	-	-	-	-	-
92200	Relocation Costs	-	-	-	-	-	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-
92400	Tenant Services - Other	7,566	-	54,190	61,756	-	61,756
92500	Total Tenant Services	7,566	-	54,190	61,756	-	61,756

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	TOTAL PROJECTS	TOTAL CENTRAL OFFICE COST CENTER	TOTAL PROGRAMS	TOTAL REPORTING ENTITY PRE-ELIMINATION	ELIMINATIONS	TOTAL REPORTING ENTITY
	<b>Utilities:</b>						
93100	Water	112,216	-	7,484	119,700	-	119,700
93200	Electricity	278,417	-	51,586	330,003	-	330,003
93300	Gas	210,931	-	-	210,931	-	210,931
93400	Fuel	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-
93600	Sewer	135,992	-	18,834	154,826	-	154,826
93700	Employee Benefit Contributions - Utilities	-	-	-	-	-	-
93800	Other Utilities Expense	-	5,079	-	5,079	-	5,079
93000	Total Utilities	737,556	5,079	77,904	820,539	-	820,539
	<b>Ordinary Maintenance &amp; Operation:</b>						
94100	Ordinary Maintenance and Operation - Labor	181,268	29,995	23,547	234,810	-	234,810
94200	Ordinary Maintenance and Operation - Materials and Other	147,774	7,422	17,219	172,415	-	172,415
94300	Ordinary Maintenance and Operation - Contract Costs	381,921	-	53,341	435,262	-	435,262
94500	Employee Benefit Contributions - Ordinary Maintenance	32,247	-	-	32,247	-	32,247
94000	Total Maintenance	743,210	37,417	94,107	874,734	-	874,734
	<b>Protective Services:</b>						
95100	Protective Services - Labor	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	15,055	-	2,331	17,386	-	17,386
95300	Protective Services - Other	-	-	-	-	-	-
95500	Employee Benefit Contributions - Protective Services	-	-	-	-	-	-
95000	Total Protective Services	15,055	-	2,331	17,386	-	17,386
	<b>Insurance Premiums:</b>						
96110	Property Insurance	43,900	1,602	13,449	58,951	-	58,951
96120	Liability Insurance	38,383	-	-	38,383	-	38,383
96130	Workmen's Compensation	12,255	9,485	-	21,740	-	21,740
96140	All other Insurance	-	-	2,147	2,147	-	2,147
96000	Total Insurance Premiums	94,538	11,087	15,596	121,221	-	121,221
	<b>General Expenses:</b>						
96200	Other General Expenses	-	2,925	100,479	103,404	-	103,404
96210	Compensated Absences	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	118,601	-	-	118,601	-	118,601
96400	Bad Debt - Tenant Rents	3,784	-	1,313	5,097	-	5,097
96500	Bad Debt - Mortgages	-	-	-	-	-	-
96600	Bad Debt - Other	-	-	-	-	-	-
96800	Severance Expense	-	-	-	-	-	-
96000	Total Other General Expenses	122,385	2,925	101,792	227,102	-	227,102
	<b>Interest Expense and Amortization Cost:</b>						
96710	Interest on Mortgage (or Bonds) Payable	59,019	2,390	795	62,204	-	62,204
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	3,386	-	-	3,386	-	3,386
96700	Total Interest Expense and Amortization Cost	62,405	2,390	795	65,590	-	65,590
<b>96900</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>2,780,150</b>	<b>684,783</b>	<b>767,731</b>	<b>4,232,664</b>	<b>(617,081)</b>	<b>3,615,583</b>

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	TOTAL PROJECTS	TOTAL CENTRAL OFFICE COST CENTER	TOTAL PROGRAMS	TOTAL REPORTING ENTITY PRE-ELIMINATION	ELIMINATIONS	TOTAL REPORTING ENTITY
<b>97000</b>	<b>EXCESS OPERATING REVENUE OVER OPERATING EXPENSES</b>	1,269,261	107,352	3,205,877	4,582,490	-	4,582,490
	<b>Other Expenses:</b>						
97100	Extraordinary Maintenance	-	-	-	-	-	-
97200	Casualty Losses - Non-Capitalized	-	-	-	-	-	-
97300	Housing Assistance Payments	-	-	3,166,603	3,166,603	-	3,166,603
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation Expense	800,516	14,711	140,517	955,744	-	955,744
97500	Fraud Losses	-	-	-	-	-	-
97800	Dwelling Units Rent Expense	-	-	-	-	-	-
<b>90000</b>	<b>TOTAL EXPENSES</b>	3,580,666	699,494	4,074,851	8,355,011	(617,081)	7,737,930
	<b>Other Financing Sources (Uses)</b>						
10010	Operating Transfers In	-	-	-	-	-	-
10020	Operating Transfers Out	-	-	-	-	-	-
10030	Operating Transfers From/To Primary Government	-	-	-	-	-	-
10040	Operating Transfers From/To Component Unit	-	-	-	-	-	-
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-
10080	Special Items, Net Gain/Loss	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-
10093	Transfers between Programs and Projects - In	-	-	-	-	-	-
10094	Transfers between Programs and Projects - Out	-	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-
<b>10000</b>	<b>Excess (Deficiency) of Operating Revenue Over (Under) Expenses</b>	468,745	92,641	(101,243)	460,143	-	460,143
	<b>Memo Account Information</b>						
11020	Required Annual Debt Principal Payments	136,960	2,465	-	139,425	-	139,425
11030	Beginning Equity	11,269,301	1,030,413	677,019	12,976,733	-	12,976,733
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	209,532	209,532	-	209,532
11180	Housing Assistance Payments Equity	-	-	39,259	39,259	-	39,259
513	Ending Equity	11,738,046	1,123,054	575,776	13,436,876	-	13,436,876
11190	Unit Months Available	4,836	12	7,189	12,037	-	12,037
11210	Number of Unit Months Leased	4,711	12	7,079	11,802	-	11,802
11270	Excess Cash	2,640,334	-	-	2,640,334	-	2,640,334
11610	Land Purchases	-	-	-	-	-	-
11620	Building Purchases	743,859	-	-	743,859	-	743,859
11630	Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-
11640	Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-
11650	Leasehold Improvement Purchases	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-
13510	CFFP Debt Service Payments	199,365	-	-	199,365	-	199,365
13901	Replacement Housing Factor Funds	-	-	-	-	-	-

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	PA052000001 Total	PA052000001 Operating Fund Program	PA052000001 Capital Fund Program	PA052000002 Total	PA052000002 Operating Fund Program	PA052000002 Capital Fund Program	PA052000003 Total	PA052000003 Operating Fund Program	PA052000003 Capital Fund Program	TOTAL PROJECTS
	<b>ASSETS:</b>										
	<b>CURRENT ASSETS:</b>										
	<b>Cash:</b>										
111	Cash - Unrestricted	581,119	549,650	31,469	1,523,271	1,496,626	26,645	1,171,422	1,146,040	25,382	3,275,812
112	Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-	-	-	-
113	Cash - Other Restricted	6,069	-	6,069	-	-	-	-	-	-	6,069
114	Cash - Tenant Security Deposits	50,391	50,391	-	60,625	60,625	-	67,099	67,099	-	178,115
115	Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-	-	-	-
<b>100</b>	<b>Total Cash</b>	<b>637,579</b>	<b>600,041</b>	<b>37,538</b>	<b>1,583,896</b>	<b>1,557,251</b>	<b>26,645</b>	<b>1,238,521</b>	<b>1,213,139</b>	<b>25,382</b>	<b>3,459,996</b>
	<b>Accounts Receivables:</b>										
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	-	-	156,940	-	156,940	-	-	-	156,940
124	Accounts Receivable - Other Government	-	-	-	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	6,608	6,608	-	14,706	14,706	-	1,106	1,106	-	22,420
126	Accounts Receivable - Tenants	2,234	2,234	-	22,751	22,751	-	13,231	13,231	-	38,216
126.1	Allowance for Doubtful Accounts - Tenants	-	-	-	-	-	-	-	-	-	-
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-	-	-
127	Notes, Loans and Mortgages Receivable - Current	-	-	-	865	865	-	1,071	1,071	-	1,936
128	Fraud Recovery	-	-	-	-	-	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>8,842</b>	<b>8,842</b>	<b>-</b>	<b>195,262</b>	<b>38,322</b>	<b>156,940</b>	<b>15,408</b>	<b>15,408</b>	<b>-</b>	<b>219,512</b>
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-
135	Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	2,460	2,460	-	-	-	-	-	-	-	2,460
143	Inventories	6,418	6,418	-	14,349	14,349	-	28,054	28,054	-	48,821
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-	-	-
144	Interprogram Due From	-	-	-	-	-	-	-	-	-	-
145	Assets Held for Sale	-	-	-	-	-	-	-	-	-	-
<b>150</b>	<b>TOTAL CURRENT ASSETS</b>	<b>655,299</b>	<b>617,761</b>	<b>37,538</b>	<b>1,793,507</b>	<b>1,609,922</b>	<b>183,585</b>	<b>1,281,983</b>	<b>1,256,601</b>	<b>25,382</b>	<b>3,730,789</b>
	<b>NONCURRENT ASSETS:</b>										
	<b>Capital Assets:</b>										
161	Land	77,031	77,031	-	226,655	226,655	-	243,847	243,847	-	547,533
162	Buildings	15,271,779	15,271,779	-	5,922,865	5,922,865	-	10,303,090	10,303,090	-	31,497,734
163	Furniture, Equipment & Machinery - Dwellings	120,101	120,101	-	239,514	239,514	-	206,037	206,037	-	565,652
164	Furniture, Equipment & Machinery - Administration	88,227	88,227	-	143,783	143,783	-	114,389	114,389	-	346,399
165	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-
166	Accumulated Depreciation	(10,836,524)	(10,836,524)	-	(4,050,365)	(4,050,365)	-	(8,423,697)	(8,423,697)	-	(23,310,586)
167	Construction in Progress	-	-	-	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>4,720,614</b>	<b>4,720,614</b>	<b>-</b>	<b>2,482,452</b>	<b>2,482,452</b>	<b>-</b>	<b>2,443,666</b>	<b>2,443,666</b>	<b>-</b>	<b>9,646,732</b>
171	Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-	-	-	-
172	Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-	-	-	-	-	-
173	Grants Receivable - Non-Current	-	-	-	-	-	-	-	-	-	-
174	Other Assets	103,170	-	103,170	103,170	-	103,170	103,170	-	103,170	309,510
176	Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
<b>180</b>	<b>TOTAL NONCURRENT ASSETS</b>	<b>4,823,784</b>	<b>4,720,614</b>	<b>103,170</b>	<b>2,585,622</b>	<b>2,482,452</b>	<b>103,170</b>	<b>2,546,836</b>	<b>2,443,666</b>	<b>103,170</b>	<b>9,956,242</b>
<b>190</b>	<b>TOTAL ASSETS</b>	<b>5,479,083</b>	<b>5,338,375</b>	<b>140,708</b>	<b>4,379,129</b>	<b>4,092,374</b>	<b>286,755</b>	<b>3,828,819</b>	<b>3,700,267</b>	<b>128,552</b>	<b>13,687,031</b>
<b>200</b>	<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>4,326</b>	<b>4,326</b>	<b>-</b>	<b>4,753</b>	<b>4,753</b>	<b>-</b>	<b>3,032</b>	<b>3,032</b>	<b>-</b>	<b>12,111</b>
<b>290</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>5,483,409</b>	<b>5,342,701</b>	<b>140,708</b>	<b>4,383,882</b>	<b>4,097,127</b>	<b>286,755</b>	<b>3,831,851</b>	<b>3,703,299</b>	<b>128,552</b>	<b>13,699,142</b>

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	PA052000001 Total	PA052000001 Operating Fund Program	PA052000001 Capital Fund Program	PA052000002 Total	PA052000002 Operating Fund Program	PA052000002 Capital Fund Program	PA052000003 Total	PA052000003 Operating Fund Program	PA052000003 Capital Fund Program	TOTAL PROJECTS
	<b>LIABILITIES, DEF. INFLOWS OF RES. AND EQUITY:</b>										
	<b>LIABILITIES:</b>										
	<b>CURRENT LIABILITIES:</b>										
311	Bank Overdraft	-	-	-	-	-	-	-	-	-	-
312	Accounts Payable <= 90 Days	12,493	6,424	6,069	258,495	101,555	156,940	6,412	6,412	-	277,400
313	Accounts Payable > 90 Days Past Due	-	-	-	-	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	2,401	2,401	-	3,922	3,922	-	2,066	2,066	-	8,389
322	Accrued Compensated Absences - Current Portion	75	75	-	422	422	-	212	212	-	709
324	Accrued Contingency Liability	-	-	-	-	-	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-
332	Accounts Payable - PHA Projects	-	-	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	56,168	56,168	-	74,350	74,350	-	57,006	57,006	-	187,524
341	Tenant Security Deposits	50,391	50,391	-	60,625	60,625	-	67,099	67,099	-	178,115
342	Unearned Revenue	1,361	1,361	-	2,900	2,900	-	1,789	1,789	-	6,050
343	Current Portion of Long-Term Debt - Capital	142,739	-	142,739	-	-	-	-	-	-	142,739
344	Current Portion of Long-Term Debt - Operating Borrowings	-	-	-	-	-	-	-	-	-	-
345	Other Current Liabilities	500	500	-	-	-	-	-	-	-	500
346	Accrued Liabilities - Other	-	-	-	-	-	-	-	-	-	-
347	Interprogram - Due To	-	-	-	-	-	-	-	-	-	-
348	Loan Liability - Current	-	-	-	-	-	-	-	-	-	-
<b>310</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>266,128</b>	<b>117,320</b>	<b>148,808</b>	<b>400,714</b>	<b>243,774</b>	<b>156,940</b>	<b>134,584</b>	<b>134,584</b>	<b>-</b>	<b>801,426</b>
	<b>NONCURRENT LIABILITIES:</b>										
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage	1,014,201	-	1,014,201	-	-	-	-	-	-	1,014,201
352	Long-Term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-	-	-
353	Non-current Liabilities - Other	-	-	-	-	-	-	-	-	-	-
354	Accrued Compensated Absences - Non-Current	679	679	-	3,796	3,796	-	1,913	1,913	-	6,388
355	Loan Liability - Non-Current	-	-	-	-	-	-	-	-	-	-
356	GASB 5 Liabilities	-	-	-	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	41,102	41,102	-	45,158	45,158	-	28,805	28,805	-	115,065
<b>350</b>	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>1,055,982</b>	<b>41,781</b>	<b>1,014,201</b>	<b>48,954</b>	<b>48,954</b>	<b>-</b>	<b>30,718</b>	<b>30,718</b>	<b>-</b>	<b>1,135,654</b>
<b>300</b>	<b>TOTAL LIABILITIES</b>	<b>1,322,110</b>	<b>159,101</b>	<b>1,163,009</b>	<b>449,668</b>	<b>292,728</b>	<b>156,940</b>	<b>165,302</b>	<b>165,302</b>	<b>-</b>	<b>1,937,080</b>
<b>400</b>	<b>DEFERRED INFLOW OF RESOURCES</b>	<b>8,578</b>	<b>8,578</b>	<b>-</b>	<b>9,425</b>	<b>9,425</b>	<b>-</b>	<b>6,013</b>	<b>6,013</b>	<b>-</b>	<b>24,016</b>
	<b>EQUITY - NET ASSETS/POSITION</b>										
508.4	Net Investment in Capital Assets	3,563,674	4,720,614	(1,156,940)	2,482,452	2,482,452	-	2,443,666	2,443,666	-	8,489,792
511.4	Restricted Net Position	-	-	-	-	-	-	-	-	-	-
512.4	Unrestricted Net Position	589,047	454,408	134,639	1,442,337	1,312,522	129,815	1,216,870	1,088,318	128,552	3,248,254
<b>513</b>	<b>TOTAL EQUITY - NET ASSETS/POSITION</b>	<b>4,152,721</b>	<b>5,175,022</b>	<b>(1,022,301)</b>	<b>3,924,789</b>	<b>3,794,974</b>	<b>129,815</b>	<b>3,660,536</b>	<b>3,531,984</b>	<b>128,552</b>	<b>11,738,046</b>
<b>600</b>	<b>TOTAL LIAB., DEF. INFLOW OF RES., AND EQUITY - NET ASSETS/POSITION</b>	<b>5,483,409</b>	<b>5,342,701</b>	<b>140,708</b>	<b>4,383,882</b>	<b>4,097,127</b>	<b>286,755</b>	<b>3,831,851</b>	<b>3,703,299</b>	<b>128,552</b>	<b>13,699,142</b>

## HOUSING AUTHORITY OF COUNTY OF LEBANON

Line Item #	Account Description	PA052000001	PA052000001	PA052000001	PA052000002	PA052000002	PA052000002	PA052000003	PA052000003	PA052000003	TOTAL PROJECTS
		Total	Operating Fund Program	Capital Fund Program	Total	Operating Fund Program	Capital Fund Program	Total	Operating Fund Program	Capital Fund Program	
	<b>REVENUE:</b>										
70300	Net Tenant Rental Revenue	486,906	486,906	-	641,717	641,717	-	709,632	709,632	-	1,838,255
70400	Tenant Revenue - Other	880	880	-	39,866	39,866	-	33,914	33,914	-	74,660
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>487,786</b>	<b>487,786</b>	<b>-</b>	<b>681,583</b>	<b>681,583</b>	<b>-</b>	<b>743,546</b>	<b>743,546</b>	<b>-</b>	<b>1,912,915</b>
70600	HUD PHA Operating Grants	217,991	217,991	-	477,218	391,162	86,056	251,497	239,253	12,244	946,706
70610	Capital Grants	199,365	-	199,365	601,181	-	601,181	142,678	-	142,678	943,224
70710	Management Fee										
70720	Asset Management Fee										
70730	Book-Keeping Fee										
70740	Front Line Service Fee										
70750	Other Fees										
<b>70700</b>	<b>Total Fee Revenue</b>										
70800	Other Government Grants	-	-	-	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	11,545	11,545	-	36,086	36,086	-	24,808	24,808	-	72,439
71200	Mortgage Interest Income	-	-	-	-	-	-	-	-	-	-
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-	-	-	-	-
71500	Other Revenue	108,425	108,425	-	30,875	30,875	-	34,827	34,827	-	174,127
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-	-
<b>70000</b>	<b>TOTAL REVENUE</b>	<b>1,025,112</b>	<b>825,747</b>	<b>199,365</b>	<b>1,826,943</b>	<b>1,139,706</b>	<b>687,237</b>	<b>1,197,356</b>	<b>1,042,434</b>	<b>154,922</b>	<b>4,049,411</b>
	<b>EXPENSES:</b>										
	<b>Administrative:</b>										
91100	Administrative Salaries	41,190	41,190	-	98,545	98,545	-	46,278	46,278	-	186,013
91200	Auditing Fees	6,411	6,411	-	6,411	6,411	-	6,411	6,411	-	19,233
91300	Management Fee	88,837	88,837	-	171,990	85,934	86,056	96,754	84,510	12,244	357,581
91310	Book-Keeping Fee	12,165	12,165	-	11,768	11,768	-	11,573	11,573	-	35,506
91400	Advertising and Marketing	686	686	-	1,981	1,981	-	1,055	1,055	-	3,722
91500	Employee Benefit Contributions - Administrative	10,361	10,361	-	38,516	38,516	-	14,511	14,511	-	63,388
91600	Office Expenses	71,777	71,777	-	76,645	76,645	-	80,777	80,777	-	229,199
91700	Legal Expense	287	287	-	2,478	2,478	-	871	871	-	3,636
91800	Travel	3,198	3,198	-	1,349	1,349	-	4,697	4,697	-	9,244
91810	Allocated Overhead	-	-	-	-	-	-	-	-	-	-
91900	Other	12,605	12,605	-	28,948	28,948	-	-	-	-	41,553
91000	Total Operating-Administrative	247,517	247,517	-	438,631	352,575	86,056	262,927	250,683	12,244	949,075
92000	Asset Management Fee	16,560	16,560	-	16,200	16,200	-	15,600	15,600	-	48,360
	<b>Tenant Services:</b>										
92100	Tenant Services - Salaries	-	-	-	-	-	-	-	-	-	-
92200	Relocation Costs	-	-	-	-	-	-	-	-	-	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-	-	-
92400	Tenant Services - Other	7,546	7,546	-	11	11	-	9	9	-	7,566
92500	Total Tenant Services	7,546	7,546	-	11	11	-	9	9	-	7,566



## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	PA052000001 Total	PA052000001 Operating Fund Program	PA052000001 Capital Fund Program	PA052000002 Total	PA052000002 Operating Fund Program	PA052000002 Capital Fund Program	PA052000003 Total	PA052000003 Operating Fund Program	PA052000003 Capital Fund Program	TOTAL PROJECTS
	<b>Utilities:</b>										
93100	Water	13,275	13,275	-	62,808	62,808	-	36,133	36,133	-	112,216
93200	Electricity	90,550	90,550	-	85,821	85,821	-	102,046	102,046	-	278,417
93300	Gas	35,800	35,800	-	93,077	93,077	-	82,054	82,054	-	210,931
93400	Fuel	-	-	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-	-	-
93600	Sewer	15,391	15,391	-	71,971	71,971	-	48,630	48,630	-	135,992
93700	Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-	-	-
93800	Other Utilities Expense	-	-	-	-	-	-	-	-	-	-
93000	<b>Total Utilities</b>	155,016	155,016	-	313,677	313,677	-	268,863	268,863	-	737,556
	<b>Ordinary Maintenance &amp; Operation:</b>										
94100	Ordinary Maintenance and Operation - Labor	37,893	37,893	-	67,015	67,015	-	76,360	76,360	-	181,268
94200	Ordinary Maintenance and Operation - Materials and Other	40,511	40,511	-	63,207	63,207	-	44,056	44,056	-	147,774
94300	Ordinary Maintenance and Operation - Contract Costs	136,652	136,652	-	147,752	147,752	-	97,517	97,517	-	381,921
94500	Employee Benefit Contributions - Ordinary Maintenance	6,643	6,643	-	10,958	10,958	-	14,646	14,646	-	32,247
94000	<b>Total Maintenance</b>	221,699	221,699	-	288,932	288,932	-	232,579	232,579	-	743,210
	<b>Protective Services:</b>										
95100	Protective Services - Labor	-	-	-	-	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	12,190	12,190	-	2,667	2,667	-	198	198	-	15,055
95300	Protective Services - Other	-	-	-	-	-	-	-	-	-	-
95500	Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-	-	-	-
95000	<b>Total Protective Services</b>	12,190	12,190	-	2,667	2,667	-	198	198	-	15,055
	<b>Insurance Premiums:</b>										
96110	Property Insurance	9,630	9,630	-	20,996	20,996	-	13,274	13,274	-	43,900
96120	Liability Insurance	13,907	13,907	-	13,457	13,457	-	11,019	11,019	-	38,383
96130	Workmen's Compensation	3,274	3,274	-	4,472	4,472	-	4,509	4,509	-	12,255
96140	All other Insurance	-	-	-	-	-	-	-	-	-	-
96100	<b>Total Insurance Premiums</b>	26,811	26,811	-	38,925	38,925	-	28,802	28,802	-	94,538
	<b>General Expenses:</b>										
96200	Other General Expenses	-	-	-	-	-	-	-	-	-	-
96210	Compensated Absences	-	-	-	-	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	34,552	34,552	-	36,683	36,683	-	47,366	47,366	-	118,601
96400	Bad Debt - Tenant Rents	146	146	-	-	-	-	3,638	3,638	-	3,784
96500	Bad Debt - Mortgages	-	-	-	-	-	-	-	-	-	-
96600	Bad Debt - Other	-	-	-	-	-	-	-	-	-	-
96800	Severance Expense	-	-	-	-	-	-	-	-	-	-
96000	<b>Total Other General Expenses</b>	34,698	34,698	-	36,683	36,683	-	51,004	51,004	-	122,385
	<b>Interest Expense and Amortization Cost:</b>										
96710	Interest on Mortgage (or Bonds) Payable	59,019	-	59,019	-	-	-	-	-	-	59,019
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	3,386	-	3,386	-	-	-	-	-	-	3,386
96700	<b>Total Interest Expense and Amortization Cost</b>	62,405	-	62,405	-	-	-	-	-	-	62,405
<b>96900</b>	<b>TOTAL OPERATING EXPENSES</b>	784,442	722,037	62,405	1,135,726	1,049,670	86,056	859,982	847,738	12,244	2,780,150

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	PA052000001 Total	PA052000001 Operating Fund Program	PA052000001 Capital Fund Program	PA052000002 Total	PA052000002 Operating Fund Program	PA052000002 Capital Fund Program	PA052000003 Total	PA052000003 Operating Fund Program	PA052000003 Capital Fund Program	TOTAL PROJECTS
<b>97000</b>	<b>EXCESS OPERATING REVENUE OVER OPERATING EXPENSES</b>										
		240,670	103,710	136,960	691,217	90,036	601,181	337,374	194,696	142,678	1,269,261
	<b>Other Expenses:</b>										
97100	Extraordinary Maintenance	-	-	-	-	-	-	-	-	-	-
97200	Casualty Losses - Non-Capitalized	-	-	-	-	-	-	-	-	-	-
97300	Housing Assistance Payments	-	-	-	-	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-	-	-	-	-
97400	Depreciation Expense	409,069	409,069	-	149,347	149,347	-	242,100	242,100	-	800,516
97500	Fraud Losses	-	-	-	-	-	-	-	-	-	-
97800	Dwelling Units Rent Expense	-	-	-	-	-	-	-	-	-	-
<b>90000</b>	<b>TOTAL EXPENSES</b>	1,193,511	1,131,106	62,405	1,285,073	1,199,017	86,056	1,102,082	1,089,838	12,244	3,580,666
	<b>Other Financing Sources (Uses)</b>										
10010	Operating Transfers In	-	-	-	-	-	-	-	-	-	-
10020	Operating Transfers Out	-	-	-	-	-	-	-	-	-	-
10030	Operating Transfers From/To Primary Government	-	-	-	-	-	-	-	-	-	-
10040	Operating Transfers From/To Component Unit	-	-	-	-	-	-	-	-	-	-
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-	-
10080	Special Items, Net Gain/Loss	-	-	-	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-	-	-	-
10093	Transfers between Programs and Projects - In	-	-	-	-	-	-	-	-	-	-
10094	Transfers between Programs and Projects - Out	-	-	-	-	-	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
<b>10000</b>	<b>Excess (Deficiency) of Operating Revenue</b>										
	<b>Over (Under) Expenses</b>	(168,399)	(305,359)	136,960	541,870	(59,311)	601,181	95,274	(47,404)	142,678	468,745
	<b>Memo Account Information</b>										
11020	Required Annual Debt Principal Payments	136,960	-	136,960	-	-	-	-	-	-	136,960
11030	Beginning Equity	4,321,120	5,481,035	(1,159,915)	3,382,919	3,253,757	129,162	3,565,262	3,404,904	160,358	11,269,301
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	-	(654)	654	-	600,528	(600,528)	-	174,484	(174,484)	-
11170	Administrative Fee Equity										
11180	Housing Assistance Payments Equity										
513	Ending Equity	4,152,721	5,175,022	(1,022,301)	3,924,789	3,794,974	129,815	3,660,536	3,531,984	128,552	11,738,046
11190	Unit Months Available	1,656	1,656	-	1,620	1,620	-	1,560	1,560	-	4,836
11210	Number of Unit Months Leased	1,624	1,624	-	1,548	1,548	-	1,539	1,539	-	4,711
11270	Excess Cash	308,854	308,854	-	1,283,800	1,283,800	-	1,047,680	1,047,680	-	2,640,334
11610	Land Purchases	-	-	-	-	-	-	-	-	-	-
11620	Building Purchases	601,181	-	601,181	142,678	-	142,678	-	-	-	743,859
11630	Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-	-
11640	Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-	-	-
11650	Leasehold Improvement Purchases	-	-	-	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-	-
13510	CFFP Debt Service Payments	199,365	-	199,365	-	-	-	-	-	-	199,365
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-	-

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	Central Office Cost Center Operations	Central Office Cost Center Capital	TOTAL CENTRAL OFFICE COST CENTER	Section 8 Housing Choice Voucher	Component Units	Supportive Housing	TOTAL PROGRAMS
	<b>ASSETS:</b>							
	<b>CURRENT ASSETS:</b>							
	<b>Cash:</b>							
111	Cash - Unrestricted	1,229,666	-	1,229,666	253,518	162,232	44,058	459,808
112	Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-
113	Cash - Other Restricted	-	-	-	39,259	428,781	-	468,040
114	Cash - Tenant Security Deposits	930	-	930	-	35,193	-	35,193
115	Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-
<b>100</b>	<b>Total Cash</b>	1,230,596	-	1,230,596	292,777	626,206	44,058	963,041
	<b>Accounts Receivables:</b>							
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	-	-	-	-	520	520
124	Accounts Receivable - Other Government	-	-	-	-	-	-	-
125	Accounts Receivable - Miscellaneous	10,841	-	10,841	12,493	-	-	12,493
126	Accounts Receivable - Tenants	16,910	-	16,910	-	2,791	512	3,303
126.1	Allowance for Doubtful Accounts - Tenants	-	-	-	-	-	-	-
126.2	Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-
127	Notes, Loans and Mortgages Receivable - Current	-	-	-	-	-	-	-
128	Fraud Recovery	-	-	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-	-
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	27,751	-	27,751	12,493	2,791	1,032	16,316
131	Investments - Unrestricted	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-
135	Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	-	-	-	-	5,129	-	5,129
143	Inventories	-	-	-	-	5,788	-	5,788
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-
144	Interprogram Due From	-	-	-	-	-	-	-
145	Assets Held for Sale	-	-	-	-	-	-	-
<b>150</b>	<b>TOTAL CURRENT ASSETS</b>	1,258,347	-	1,258,347	305,270	639,914	45,090	990,274
	<b>NONCURRENT ASSETS:</b>							
	<b>Capital Assets:</b>							
161	Land	-	-	-	-	303,627	-	303,627
162	Buildings	100,496	-	100,496	-	3,804,683	-	3,804,683
163	Furniture, Equipment & Machinery - Dwellings	-	-	-	-	114,094	-	114,094
164	Furniture, Equipment & Machinery - Administration	143,172	-	143,172	42,622	167,429	-	210,051
165	Leasehold Improvements	-	-	-	-	-	-	-
166	Accumulated Depreciation	(149,588)	-	(149,588)	(42,329)	(3,358,312)	-	(3,400,641)
167	Construction in Progress	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	94,080	-	94,080	293	1,031,521	-	1,031,814
171	Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-
172	Notes, Loans and Mortgages Receivable - Non-Current - Past Due	-	-	-	-	-	-	-
173	Grants receivable - Non-Current	-	-	-	-	-	-	-
174	Other Assets	-	-	-	-	211,348	-	211,348
176	Investments in Joint Ventures	-	-	-	-	22,110	-	22,110
<b>180</b>	<b>TOTAL NONCURRENT ASSETS</b>	94,080	-	94,080	293	1,264,979	-	1,265,272
<b>190</b>	<b>TOTAL ASSETS</b>	1,352,427	-	1,352,427	305,563	1,904,893	45,090	2,255,546
<b>200</b>	<b>DEFERRED OUTFLOW OF RESOURCES</b>	12,580	-	12,580	2,329	-	-	2,329
<b>290</b>	<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	1,365,007	-	1,365,007	307,892	1,904,893	45,090	2,257,875

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	Central Office Cost Center Operations	Central Office Cost Center Capital	TOTAL CENTRAL OFFICE COST CENTER	Section 8 Housing Choice Voucher	Component Units	Supportive Housing	TOTAL PROGRAMS
	<b>LIABILITIES, DEF. INFLOW OF RES., AND EQUITY:</b>							
	<b>LIABILITIES:</b>							
	<b>CURRENT LIABILITIES:</b>							
311	Bank Overdraft	-	-	-	-	-	-	-
312	Accounts Payable < = 90 Days	1,250	-	1,250	11,953	29,232	4,131	45,316
313	Accounts Payable > 90 Days Past Due	-	-	-	-	-	-	-
321	Accrued Wage/Payroll Taxes Payable	12,639	-	12,639	6,086	-	-	6,086
322	Accrued Compensated Absences - Current Portion	3,558	-	3,558	903	-	-	903
324	Accrued Contingency Liability	-	-	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	-	-	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-
332	Accounts Payable - PHA Projects	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	4,031	-	4,031	5,282	-	4,987	10,269
341	Tenant Security Deposits	930	-	930	-	35,193	-	35,193
342	Unearned Revenue	-	-	-	-	601	281	882
343	Current Portion of Long-Term Debt - Capital	1,961	-	1,961	-	-	-	-
344	Current Portion of Long-Term Debt - Operating Borrowings	-	-	-	-	-	-	-
345	Other Current Liabilities	-	-	-	-	-	-	-
346	Accrued Liabilities - Other	-	-	-	-	-	-	-
347	Interprogram - Due To	-	-	-	-	-	-	-
348	Loan Liability - Current	-	-	-	-	-	-	-
<b>310</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>24,369</b>	<b>-</b>	<b>24,369</b>	<b>24,224</b>	<b>65,026</b>	<b>9,399</b>	<b>98,649</b>
	<b>NONCURRENT LIABILITIES:</b>							
351	Long-Term Debt, Net of Current - Capital Projects/Mortgage	41,091	-	41,091	-	1,548,573	-	1,548,573
352	Long-Term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-
353	Non-current Liabilities - Other	-	-	-	-	-	-	-
354	Accrued Compensated Absences - Non-Current	32,020	-	32,020	8,127	-	-	8,127
355	Loan Liability - Non-Current	-	-	-	-	-	-	-
356	GASB 5 Liabilities	-	-	-	-	-	-	-
357	Accrued Pension and OPEB Liabilities	119,529	-	119,529	22,130	-	-	22,130
<b>350</b>	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>192,640</b>	<b>-</b>	<b>192,640</b>	<b>30,257</b>	<b>1,548,573</b>	<b>-</b>	<b>1,578,830</b>
<b>300</b>	<b>TOTAL LIABILITIES</b>	<b>217,009</b>	<b>-</b>	<b>217,009</b>	<b>54,481</b>	<b>1,613,599</b>	<b>9,399</b>	<b>1,677,479</b>
<b>400</b>	<b>DEFERRED INFLOW OF RESOURCES</b>	<b>24,944</b>	<b>-</b>	<b>24,944</b>	<b>4,620</b>	<b>-</b>	<b>-</b>	<b>4,620</b>
	<b>EQUITY - NET ASSETS/POSITION</b>							
508.4	Net Investment in Capital Assets	51,029	-	51,029	293	(517,052)	-	(516,759)
511.4	Restricted Net Position	-	-	-	39,259	428,781	-	468,040
512.4	Unrestricted Net Position	1,072,025	-	1,072,025	209,239	379,565	35,691	624,495
<b>513</b>	<b>TOTAL EQUITY - NET ASSETS/POSITION</b>	<b>1,123,054</b>	<b>-</b>	<b>1,123,054</b>	<b>248,791</b>	<b>291,294</b>	<b>35,691</b>	<b>575,776</b>
<b>600</b>	<b>TOTAL LIAB., DEF. INFLOW OF RES., AND EQUITY - NET ASSETS/POSITION</b>	<b>1,365,007</b>	<b>-</b>	<b>1,365,007</b>	<b>307,892</b>	<b>1,904,893</b>	<b>45,090</b>	<b>2,257,875</b>

## HOUSING AUTHORITY OF COUNTY OF LEBANON

Line Item #	Account Description	Central Office Cost Center Operations	Central Office Cost Center Capital	TOTAL CENTRAL OFFICE COST CENTER	Section 8 Housing Choice Voucher	Component Units	Supportive Housing	TOTAL PROGRAMS
	<b>REVENUE:</b>							
70300	Net Tenant Rental Revenue	23,612	-	23,612	-	386,492	35,539	422,031
70400	Tenant Revenue - Other	-	-	-	-	-	-	-
<b>70500</b>	<b>Total Tenant Revenue</b>	23,612	-	23,612	-	386,492	35,539	422,031
70600	HUD PHA Operating Grants	-	-	-	3,507,776	-	7,237	3,515,013
70610	Capital Grants	-	-	-	-	-	-	-
70710	Management Fee	358,071	-	358,071	-	-	-	-
70720	Asset Management Fee	48,360	-	48,360	-	-	-	-
70730	Book-Keeping Fee	101,811	-	101,811	-	-	-	-
70740	Front Line Service Fee	113,786	-	113,786	-	-	-	-
70750	Other Fees	62,522	-	62,522	-	-	-	-
<b>70700</b>	<b>Total Fee Revenue</b>	684,550	-	684,550	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-	-
71100	Investment Income - Unrestricted	26,550	-	26,550	6,668	6,982	1,687	15,337
71200	Mortgage Interest Income	-	-	-	-	-	-	-
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	800	-	-	800
71500	Other Revenue	57,423	-	57,423	6,735	5,464	8,228	20,427
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-
<b>70000</b>	<b>TOTAL REVENUE</b>	792,135	-	792,135	3,521,979	398,938	52,691	3,973,608
	<b>EXPENSES:</b>							
	<b>Administrative:</b>							
91100	Administrative Salaries	366,491	-	366,491	126,691	18,584	-	145,275
91200	Auditing Fees	1,172	-	1,172	10,259	16,266	4,131	30,656
91300	Management Fee	-	-	-	-	39,449	490	39,939
91310	Book-Keeping Fee	-	-	-	46,958	-	-	46,958
91400	Advertising and Marketing	-	-	-	82	763	-	845
91500	Employee Benefit Contributions - Administrative	110,822	-	110,822	56,780	8,039	-	64,819
91600	Office Expenses	52,561	-	52,561	27,654	6,991	-	34,645
91700	Legal Expense	2,100	-	2,100	-	1,000	-	1,000
91800	Travel	23,424	-	23,424	2,481	-	-	2,481
91810	Allocated Overhead	-	-	-	-	-	-	-
91900	Other	69,315	-	69,315	54,398	-	-	54,398
91000	Total Operating-Administrative	625,885	-	625,885	325,303	91,092	4,621	421,016
92000	Asset Management Fee	-	-	-	-	-	-	-
	<b>Tenant Services:</b>							
92100	Tenant Services - Salaries	-	-	-	-	-	-	-
92200	Relocation Costs	-	-	-	-	-	-	-
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-
92400	Tenant Services - Other	-	-	-	-	-	54,190	54,190
92500	Total Tenant Services	-	-	-	-	-	54,190	54,190

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	Central Office Cost Center Operations	Central Office Cost Center Capital	TOTAL CENTRAL OFFICE COST CENTER	Section 8 Housing Choice Voucher	Component Units	Supportive Housing	TOTAL PROGRAMS
	<b>Utilities:</b>							
93100	Water	-	-	-	-	7,484	-	7,484
93200	Electricity	-	-	-	-	43,370	8,216	51,586
93300	Gas	-	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-
93600	Sewer	-	-	-	-	18,834	-	18,834
93700	Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-
93800	Other Utilities Expense	5,079	-	5,079	-	-	-	-
93000	<b>Total Utilities</b>	<b>5,079</b>	<b>-</b>	<b>5,079</b>	<b>-</b>	<b>69,688</b>	<b>8,216</b>	<b>77,904</b>
	<b>Ordinary Maintenance &amp; Operation:</b>							
94100	Ordinary Maintenance and Operation - Labor	29,995	-	29,995	-	23,547	-	23,547
94200	Ordinary Maintenance and Operation - Materials and Other	7,422	-	7,422	-	17,219	-	17,219
94300	Ordinary Maintenance and Operation - Contract Costs	-	-	-	-	53,341	-	53,341
94500	Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	-
94000	<b>Total Maintenance</b>	<b>37,417</b>	<b>-</b>	<b>37,417</b>	<b>-</b>	<b>94,107</b>	<b>-</b>	<b>94,107</b>
	<b>Protective Services:</b>							
95100	Protective Services - Labor	-	-	-	-	-	-	-
95200	Protective Services - Other Contract Costs	-	-	-	-	2,331	-	2,331
95300	Protective Services - Other	-	-	-	-	-	-	-
95500	Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-
95000	<b>Total Protective Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,331</b>	<b>-</b>	<b>2,331</b>
	<b>Insurance Premiums:</b>							
96110	Property Insurance	1,602	-	1,602	-	13,449	-	13,449
96120	Liability Insurance	-	-	-	-	-	-	-
96130	Workmen's Compensation	9,485	-	9,485	-	-	-	-
96140	All other Insurance	-	-	-	2,147	-	-	2,147
96100	<b>Total Insurance Premiums</b>	<b>11,087</b>	<b>-</b>	<b>11,087</b>	<b>2,147</b>	<b>13,449</b>	<b>-</b>	<b>15,596</b>
	<b>General Expenses:</b>							
96200	Other General Expenses	2,925	-	2,925	52,976	45,790	1,713	100,479
96210	Compensated Absences	-	-	-	-	-	-	-
96300	Payments in Lieu of Taxes	-	-	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	-	-	-	-	1,313	1,313
96500	Bad Debt - Mortgages	-	-	-	-	-	-	-
96600	Bad Debt - Other	-	-	-	-	-	-	-
96800	Severance Expense	-	-	-	-	-	-	-
96000	<b>Total Other General Expenses</b>	<b>2,925</b>	<b>-</b>	<b>2,925</b>	<b>52,976</b>	<b>45,790</b>	<b>3,026</b>	<b>101,792</b>
	<b>Interest Expense and Amortization Cost:</b>							
96710	Interest on Mortgage (or Bonds) Payable	2,390	-	2,390	-	795	-	795
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-
96730	Amortization of Bond Issue Costs	-	-	-	-	-	-	-
96700	<b>Total Interest Expense and Amortization Cost</b>	<b>2,390</b>	<b>-</b>	<b>2,390</b>	<b>-</b>	<b>795</b>	<b>-</b>	<b>795</b>
<b>96900</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>684,783</b>	<b>-</b>	<b>684,783</b>	<b>380,426</b>	<b>317,252</b>	<b>70,053</b>	<b>767,731</b>

## HOUSING AUTHORITY OF THE COUNTY OF LEBANON

Line Item #	Account Description	Central Office Cost Center Operations	Central Office Cost Center Capital	TOTAL CENTRAL OFFICE COST CENTER	Section 8 Housing Choice Voucher	Component Units	Supportive Housing	TOTAL
<b>97000</b>	<b>EXCESS OPERATING REVENUE OVER OPERATING</b>							
	<b>EXPENSES</b>	107,352	-	107,352	3,141,553	81,686	(17,362)	3,205,877
	<b>Other Expenses:</b>							
97100	Extraordinary Maintenance	-	-	-	-	-	-	-
97200	Casualty Losses - Non-Capitalized	-	-	-	-	-	-	-
97300	Housing Assistance Payments	-	-	-	3,108,278	-	58,325	3,166,603
97350	HAP Portability-In	-	-	-	-	-	-	-
97400	Depreciation Expense	14,711	-	14,711	1,174	139,343	-	140,517
97500	Fraud Losses	-	-	-	-	-	-	-
97800	Dwelling Units Rent Expense	-	-	-	-	-	-	-
<b>90000</b>	<b>TOTAL EXPENSES</b>	699,494	-	699,494	3,489,878	456,595	128,378	4,074,851
	<b>Other Financing Sources (Uses)</b>							
10010	Operating Transfers In	-	-	-	-	-	-	-
10020	Operating Transfers Out	-	-	-	-	-	-	-
10030	Operating Transfers From/To Primary Government	-	-	-	-	-	-	-
10040	Operating Transfers From/To Component Unit	-	-	-	-	-	-	-
10070	Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-
10080	Special Items, Net Gain/Loss	-	-	-	-	-	-	-
10091	Inter Project Excess Cash Transfer In	-	-	-	-	-	-	-
10092	Inter Project Excess Cash Transfer Out	-	-	-	-	-	-	-
10093	Transfers between Programs and Projects - In	-	-	-	-	-	-	-
10094	Transfers between Programs and Projects - Out	-	-	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
<b>10000</b>	<b>Excess (Deficiency) of Operating Revenue</b>							
	<b>Over (Under) Expenses</b>	92,641	-	92,641	32,101	(57,657)	(75,687)	(101,243)
	<b>Memo Account Information</b>							
11020	Debt Principal Payments - Enterprise Funds	2,465	-	2,465	-	-	-	-
11030	Beginning Equity	1,030,413	-	1,030,413	216,690	348,951	111,378	677,019
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	209,532	-	-	209,532
11180	Housing Assistance Payments Equity	-	-	-	39,259	-	-	39,259
513	Ending Equity	1,123,054	-	1,123,054	248,791	291,294	35,691	575,776
11190	Unit Months Available	12	-	12	6,340	744	105	7,189
11210	Number of Unit Months Leased	12	-	12	6,262	712	105	7,079
11270	Excess Cash	-	-	-	-	-	-	-
11610	Land Purchases	-	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-	-
11630	Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-
11640	Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-
11650	Leasehold Improvement Purchases	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-
13510	CFFP Debt Service Payments	-	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-

# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-Through Grantor/Project Title	Federal CFDA Number	Federal Grant Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Housing and Urban Development:</b>			
Supportive Housing Program	14.235	\$ 7,237	\$ -
Public and Indian Housing	14.850	848,406	-
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	3,507,776	-
Public Housing Capital Fund	14.872	<u>1,041,524</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development		<u>5,404,943</u>	<u>-</u>
Total Expenditures of Federal Awards		<u>\$ 5,404,943</u>	<u>\$ -</u>

See accompanying notes to schedule of expenditures of federal awards.



# HOUSING AUTHORITY OF THE COUNTY OF LEBANON

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

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### **1. Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) for the year ended June 30, 2019 includes the federal grant activity of the Housing Authority of the County of Lebanon (Authority) and is presented using the accrual basis of accounting. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the net position, changes in net position, or cash flows of the Authority.

### **2. Summary of Significant Accounting Policies**

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

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.

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

**HOUSING AUTHORITY OF THE  
COUNTY OF LEBANON**

ACTUAL MODERNIZATION COST CERTIFICATE

INCEPTION THROUGH JUNE 30, 2019

Project Number	<u>PA26P05250116</u>
Funds Approved	\$ 592,537
Funds Disbursed	\$ 592,537
Funds Expended (Actual Modernization Cost)	\$ 592,537
Amount to be Recaptured	\$ -
Excess of Funds Disbursed	\$ -

**HOUSING AUTHORITY OF THE  
COUNTY OF LEBANON**

ACTUAL MODERNIZATION COST CERTIFICATE

INCEPTION THROUGH JUNE 30, 2019

Project Number	<u>PA26P05250117</u>
Funds Approved	\$ 612,523
Funds Disbursed	\$ 612,523
Funds Expended (Actual Modernization Cost)	\$ 612,523
Amount to be Recaptured	\$ -
Excess of Funds Disbursed	\$ -

**Housing Authority of the  
County of Lebanon**

Independent Auditor's Reports  
Required by the Uniform Guidance

Year Ended June 30, 2019

**Independent Auditor’s Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

**Board of Directors  
Housing Authority of  
the County of Lebanon**

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 activity and the discretely presented component unit of the Housing Authority of the County of Lebanon (Authority), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated January 14, 2020. The financial statements of the Palmyra Housing Development Corporation of Lebanon County, Inc. were not audited in accordance with *Government Auditing Standards* and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Palmyra Housing Development Corporation of Lebanon County, Inc.

## **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) to determine the 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

Board of Directors  
Housing Authority of the County of Lebanon  
Independent Auditor's Report on Internal  
Control over Financial Reporting

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 determination of financial statement amounts. 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.

*Mahe Duessel*

Harrisburg, Pennsylvania  
January 14, 2020

## Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors  
Housing Authority of  
the County of Lebanon

### Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the County of Lebanon's (Authority) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2019. The Authority's major federal programs are identified in the summary of auditor's 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.

### *Auditor's 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 June 30, 2019.

### ***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.



Board of Directors  
Housing Authority of the County of Lebanon  
Independent Auditor's Report on Compliance for  
Each Major Program

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.

*Mahe Duessel*

Harrisburg, Pennsylvania  
January 14, 2020

**HOUSING AUTHORITY OF THE  
COUNTY OF LEBANON**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

3. Noncompliance material to financial statements noted?  yes  no

4. Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

5. Type of auditor's report issued on compliance for major programs: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?  yes  no

7. Major Programs:

CFDA Number(s)

14.871

Name of Federal Program or Cluster

Housing Voucher Cluster:

Section 8 Housing Choice Vouchers

8. Dollar threshold used to distinguish between type A and type B programs: \$750,000

9. Auditee qualified as low-risk auditee?  yes  no

**HOUSING AUTHORITY OF THE  
COUNTY OF LEBANON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2019**

- II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

**No matters were reported.**

- III. Findings and questioned costs for federal awards.

**No matters were reported.**

**HOUSING AUTHORITY OF THE  
COUNTY OF LEBANON**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2019**

**NO MATTERS WERE REPORTED**