



## PIERCE COUNTY HOUSING AUTHORITY

603 South Polk Street, Tacoma, WA 98444 | 253-620-5400

### FIN-25-01 RFP AMENDMENT #1

February 10, 2025

Pierce County Housing Authority (PCHA) issues the following clarifications regarding Solicitation FIN-25-01: Accounting and Yardi Services:

#### Yardi Modules

The modules used by PCHA in the Yardi Enterprise Software System are:

- Advanced Budgeting\*
- Check Scan
- Electronic Banking
- Maintenance
- Budgeting and Forecasting\*
- Public Housing/iWait
- Affordable/Tax Credit/iWait/Home/Rural Development
- ETL
- Mobile Inspections
- Inspections
- PortfolioVMF\*
- iInspect w/Handheld
- Fixed Assets\*
- Pay Scan
- eBanking
- Minnesota\*
- New York\*
- Spreadsheet Link
- Maintenance Mobile\*
- Property Management
- Credit Card (Beta)\*
- Pay Scan 6.0
- Senior Housing\*
- Weblinks
- Yardi Job Cost\*
- Conductor

\*Items are known to be partially implemented or not implemented.

Items that are highlighted are known to be desired to be implemented in full.

PCHA holds the following licenses under Yardi's software:

- GSA: Voyager Property Management, PHA
- GSA: PHA Budgeting & Forecasting
- GSA: PHA Handheld/Mobile Inspections
- Procure to Pay
- Buffer License
- GSA: Affordable
- RentCafe PHA Online RFTA
- RentCafe PHA Portal Package
- Yardi Aspire Premium
- Payment Processing
- Yardi Bill Pay Express
- Screening Services

## Entity Structure

PCHA is a Public Housing Authority. PCHA conducts all business under its incorporation as a Public Housing Authority, but holds three LLC's - Chateau Rainier Apartments LLC, DeMark Apartments LLC, and Lakewood Village LLC – which each correspond to the ownership of one of our major apartment communities, which were refinanced under Greystone Property Holdings roughly ten years ago. PCHA does not currently own or manage any LIHTC communities, but intends to purchase a LIHTC community within the next calendar year.

## Financial Statements

Please see below for the last year's unaudited financial statement. Previous year audited statements will be available below as well.

## Types of Financial Reporting

In addition to our annual Financial Data Schedule (FDS) and audit SAO Financial and Federal Audit reporting, PCHA generates reports through the Yardi system, as shown in the financial statement below. This reporting comprises our standard monthly report to the Board of Commissioners.

## Audits

Please see below for the last two Financial and Federal audits of PCHA (2023 and 2022).

## Financial System Used

PCHA only uses Yardi for its financial system. PCHA banks with US Bank.

## Fee Structure

On page 17 of the solicitation packet for FIN-25-01, a proposed rate sheet is provided. PCHA requests that proposers submit a flat cost for item II, and hourly rates for workers along with their title and a description of their duties. However, if respondents wish to develop a rate sheet that provides additional information, that is allowable as well, as long as it contains the information requested in the rate sheet.

## Number of Transactions

PCHA processes roughly 6,200 unique payable transactions and 3,000 unique receivables per month.

**Pierce County Housing Authority  
Cash Position  
Period Ending December 2024**

Account Name	Bank	Balance		
		December	November	Variance
General Operating Accounts				
Apartments General	US Bank	2,660,334.31	2,441,566.19	218,768.12
Payroll Account	US Bank	187,826.21	187,826.21	-
General Operating	US Bank	727,093.43	857,377.74	(130,284.31)
PHA Reserve	US Bank	1,418,916.90	1,418,808.74	108.16
Homeownership	US Bank	566,465.31	567,146.66	(681.35)
Tenant Trust Accounts				
Tenant Trust Security Deposit	US Bank	472,509.86	467,604.60	4,905.26
HUD Trust Accounts				
Section 8	US Bank	2,919,866.89	1,963,898.88	955,968.01
Low Income Public Housing Management	US Bank	182,214.43	279,085.03	(96,870.60)
Low Income Public Housing Damage Security	US Bank	14,900.00	15,200.00	(300.00)
Family Self Sufficiency	US Bank	529,355.07	521,965.47	7,389.60
LIPH Family Self Sufficiency	US Bank	97,235.27	97,227.86	7.41
Low Income Public Housing Section 18	US Bank	635.80	29.13	606.67
Local Government Investment Pool	WSIB	15,194,796.78	14,046,509.11	1,148,287.67
Rural Development Funds				
Orting Reserve	US Bank	94,338.33	94,331.14	7.19
FNMA Loan Reserve Account (Restricted)				
Cash Restricted - CR Reserve for replacement	Greystone (TTE)	541,753.24	533,749.42	8,003.82
Cash Restricted - CR Reserve for restabilization	Greystone (TTE)	60,279.35	60,249.23	30.12
Cash Restricted - CR Taxes and Insurance	Greystone (TTE)	22,102.09	142,668.52	(120,566.43)
Cash Restricted - DM Reserve for replacement	Greystone (TTE)	65,687.15	65,654.32	32.83
Cash Restricted - DM Reserve for restabilization	Greystone (TTE)	19,113.00	19,103.45	9.55
Cash Restricted - DM Taxes and Insurance	Greystone (TTE)	17,801.71	60,666.42	(42,864.71)
Cash Restricted - LV Reserve for replacement	Greystone (TTE)	99,933.54	99,883.60	49.94
Cash Restricted - LV Reserve for restabilization	Greystone (TTE)	26,568.35	26,555.07	13.28
Cash Restricted - LV Taxes and Insurance	Greystone (TTE)	20,208.55	92,463.01	(72,254.46)
FNMA Reserve Total				-
TOTAL PCHA CASH		25,939,935.57	24,059,569.80	1,880,365.77

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>TOTAL PHA-WIDE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	7,047,198	7,249,734	(202,536)
Cash Restricted	3,593,776	5,551,745	(1,957,969)
Tenant Security Deposits	490,088	461,507	28,582
Investments Restricted	15,194,797	-	15,194,797
Accounts Receivable, net	1,798,470	2,018,482	(220,012)
Accounts Receivable, HUD	(109,832)	735,693	(845,525)
Other Current Assets	1,614,180	684,987	929,192
Due from intercompany	68,313	(114,184)	182,497
<b>TOTAL CURRENT ASSETS</b>	<b>29,696,990</b>	<b>16,587,964</b>	<b>13,109,026</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	530,024	590,344	(60,320)
Capital Assets, net	17,538,689	17,222,873	315,816
Other Non Current Assets	802,729	802,729	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>18,871,442</b>	<b>18,615,946</b>	<b>255,496</b>
<b>TOTAL ASSETS</b>	<b>48,568,432</b>	<b>35,203,910</b>	<b>13,364,522</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>603,564</b>	<b>603,413</b>	151
<b>CURRENT LIABILITIES</b>			
Accounts Payable	2,046,081	569,730	1,476,351
Accrued Payroll	514,047	352,203	161,844
Compensated Absences and Benefits	170,813	235,430	(64,618)
Security Deposits	515,541	461,507	54,035
Accrued Interest Payable	(72,460)	74,198	(146,658)
Notes Payable - Current Portion	391,758	370,250	21,508
Funds held for FSS	474,611	590,344	(115,733)
Other Liabilities	374,762	392,421	(17,659)
Due to Intercompany	68,313	(114,184)	182,497
Unearned Revenue	236,626	256,323	(19,697)
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,720,093</b>	<b>3,188,223</b>	<b>1,531,870</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	1,314,639	1,144,867	169,772
Compensated Absences and Benefits	25,163	34,682	(9,519)
Notes Payable, Net of Current Portion	17,534,754	15,705,956	1,828,798
SBITA Liability	152,565	152,565	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>19,027,121</b>	<b>17,038,071</b>	<b>1,989,051</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>500,847</b>	<b>500,847</b>	-
<b>TOTAL NET POSITION</b>	<b>24,923,935</b>	<b>15,080,183</b>	<b>9,843,752</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL PHA WIDE - MONTH			TOTAL PHA WIDE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	536,563	538,531	(1,968)	6,245,525	6,368,435	(122,910)
Other Tenant Revenue	(70,847)	76,059	(146,906)	1,178,632	931,345	247,287
HUD Subsidy	4,951,044	3,638,182	1,312,862	44,348,983	37,481,694	6,867,288
LIPH Operating Grant	2,104	58,200	(56,096)	653,344	498,707	154,637
Other Government Grants	-	-	-	-	180,000	(180,000)
FSS Subsidy	18,347	14,872	3,475	128,780	86,625	42,155
Admin Subsidy	259,108	278,410	(19,302)	3,164,764	3,273,906	(109,142)
<b>TOTAL OPERATING REVENUES</b>	<b>5,696,320</b>	<b>4,604,254</b>	<b>1,092,066</b>	<b>55,720,028</b>	<b>48,820,713</b>	<b>6,899,316</b>
<b>OPERATING EXPENSES</b>						
Central Administration	122,775	122,467	308	1,538,794	1,798,202	(259,407)
Utilities	191,842	133,535	58,307	1,630,303	1,598,670	31,633
Maintenance Costs	334,540	93,329	241,211	2,957,630	1,698,960	1,258,670
Wages & Benefits On Site	684,123	460,496	223,627	5,596,710	3,887,788	1,708,923
FSS Expense	5,569	5,400	169	146,289	228,077	(81,788)
Housing Assistance Payments	4,130,250	3,672,194	458,056	42,081,712	35,138,471	6,943,241
General-Taxes, Insurance	43,532	34,976	8,556	121,369	434,951	(313,582)
Independent Audit Costs	9,278	5,350	3,928	103,735	95,743	7,993
Vendor, Lender, Professional & Other Fees	469,322	187,192	282,130	510,999	253,005	257,994
<b>TOTAL OPERATING EXPENSES</b>	<b>5,991,230</b>	<b>4,714,939</b>	<b>1,276,291</b>	<b>54,687,541</b>	<b>45,133,865</b>	<b>9,553,676</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(294,910)</b>	<b>(110,685)</b>	<b>(184,225)</b>	<b>1,032,488</b>	<b>3,686,848</b>	<b>(2,654,360)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	1,033,118	641,467	391,651	11,072,879	3,074,458	7,998,422
Special Items	(5,525)	(10,267)	4,741	(242,944)	(72,869)	(170,075)
Investment/Interest Earnings	55,960	5,217	50,744	293,829	15,692	278,137
Depreciation	(111,790)	(119,600)	7,810	(1,360,364)	(1,451,035)	90,671
SBITA Amortization	(15,045)	-	(15,045)	(180,543)	(163,700)	(16,843)
Interest Expense	(13,399)	(75,417)	62,018	(771,593)	(935,677)	164,084
<b>NET OPERATING INCOME (NOI)</b>	<b>648,409</b>	<b>330,715</b>	<b>317,694</b>	<b>9,843,752</b>	<b>4,153,717</b>	<b>5,690,035</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	(41,667)	41,667	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>648,409</b>	<b>289,048</b>	<b>359,361</b>	<b>9,843,752</b>	<b>4,153,717</b>	<b>5,690,035</b>
Beginning Net Position	24,275,526	14,791,134	9,484,391	24,275,526	14,791,134	9,484,391
<b>ENDING NET POSITION</b>	<b>24,923,935</b>	<b>15,080,183</b>	<b>9,843,752</b>	<b>34,119,278</b>	<b>18,944,852</b>	<b>15,174,426</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>TOTAL AFFORDABLE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2,162,574	1,586,632	575,942
Cash Restricted	873,447	861,322	12,125
Tenant Security Deposits	466,271	414,039	52,232
Accounts Receivable, net	269,746	613,056	(343,310)
Accounts Receivable, HUD	(63,356)	(48,611)	(14,745)
Other Current Assets	774,190	386,350	387,840
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>4,482,872</b>	<b>3,812,788</b>	<b>670,084</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	10,253,773	11,281,097	(1,027,324)
Other Non Current Assets	13,434	13,434	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>10,267,207</b>	<b>11,294,531</b>	<b>(1,027,324)</b>
<b>TOTAL ASSETS</b>	<b>14,750,079</b>	<b>15,107,319</b>	<b>(357,240)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>644</b>	<b>594</b>	<b>50</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	226,370	71,923	154,447
Accrued Payroll	784	(2,741)	3,525
Compensated Absences and Benefits	19,741	29,995	(10,254)
Security Deposits	494,791	426,027	68,764
Accrued Interest Payable	(72,460)	74,198	(146,658)
Notes Payable - Current Portion	391,758	370,250	21,508
Funds held for FSS	-	-	-
Other Liabilities	32,947	127,136	(94,190)
Due to Intercompany	25,209	(10,657)	35,866
Unearned Revenue	189,117	210,209	(21,092)
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,308,257</b>	<b>1,296,340</b>	<b>11,917</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	134,605	84,605	50,000
Compensated Absences and Benefits	2,908	4,419	(1,511)
Notes Payable, Net of Current Portion	15,004,070	15,395,828	(391,758)
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>15,141,583</b>	<b>15,484,852</b>	<b>(343,269)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(8,869)</b>	<b>(8,869)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>(1,690,250)</b>	<b>(1,664,411)</b>	<b>(25,838)</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL AFFORDABLE - MONTH			TOTAL AFFORDABLE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	507,601	495,382	12,219	5,726,112	5,518,732	207,379
Other Tenant Revenue	100,513	73,347	27,166	1,045,183	876,623	168,561
HUD Subsidy	164,595	149,894	14,701	1,995,507	1,797,431	198,076
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	180,000	(180,000)
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>772,709</b>	<b>718,623</b>	<b>54,086</b>	<b>8,766,802</b>	<b>8,372,786</b>	<b>394,016</b>
<b>OPERATING EXPENSES</b>						
Central Administration	195,804	13,295	182,509	2,044,327	1,838,317	206,010
Utilities	169,736	123,558	46,178	1,456,172	1,482,124	(25,952)
Maintenance Costs	186,253	64,428	121,825	1,696,528	1,206,952	489,576
Wages & Benefits On Site	162,962	119,345	43,618	1,399,917	1,155,945	243,972
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	6,833	15,018	(8,185)	(133,691)	194,889	(328,580)
Independent Audit Costs	4,773	3,100	1,673	53,155	21,714	31,441
Vendor, Lender, Professional & Other Fees	484,082	186,225	297,857	524,692	234,629	290,063
<b>TOTAL OPERATING EXPENSES</b>	<b>1,210,444</b>	<b>524,968</b>	<b>685,475</b>	<b>7,041,100</b>	<b>6,134,570</b>	<b>906,530</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(437,734)</b>	<b>193,655</b>	<b>(631,389)</b>	<b>1,725,702</b>	<b>2,238,216</b>	<b>(512,514)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	(50)	50	(68)	(67)	(1)
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	578	508	69	6,973	5,663	1,310
Depreciation	(80,767)	(88,700)	7,933	(991,817)	(1,049,772)	57,955
SBITA Amortization	(2,843)	-	(2,843)	(34,113)	-	(34,113)
Interest Expense	-	(75,417)	75,417	(732,516)	(897,994)	165,477
<b>NET OPERATING INCOME (NOI)</b>	<b>(520,767)</b>	<b>29,996</b>	<b>(550,763)</b>	<b>(25,838)</b>	<b>296,046</b>	<b>(321,884)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(520,767)</b>	<b>29,996</b>	<b>(550,763)</b>	<b>(25,838)</b>	<b>296,046</b>	<b>(321,884)</b>
Beginning Net Position	(1,169,483)	(1,694,408)	524,925	(1,169,483)	(1,694,408)	524,925
<b>ENDING NET POSITION</b>	<b>(1,690,250)</b>	<b>(1,664,411)</b>	<b>(25,838)</b>	<b>(1,195,321)</b>	<b>(1,398,362)</b>	<b>203,041</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

HCV	December 2024	December 2023	Variance
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3,240,522	2,461,885	778,637
Cash Restricted	618,282	(632,900)	1,251,182
Tenant Security Deposits	-	(3,100)	3,100
Accounts Receivable, net	295,466	199,319	96,146
Accounts Receivable, HUD	(17,184)	814,100	(831,284)
Other Current Assets	(6,185)	546	(6,731)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>4,130,900</b>	<b>2,839,850</b>	<b>1,291,051</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	489,105	502,242	(13,137)
Capital Assets, net	12,160	22,223	(10,063)
Other Non Current Assets	274,751	274,751	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>776,016</b>	<b>799,216</b>	<b>(23,200)</b>
<b>TOTAL ASSETS</b>	<b>4,906,916</b>	<b>3,639,065</b>	<b>1,267,851</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>201,688</b>	<b>201,682</b>	<b>6</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	1,617,702	278,736	1,338,967
Accrued Payroll	33	(3,290)	3,323
Compensated Absences and Benefits	5,428	6,891	(1,463)
Security Deposits	-	300	(300)
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	432,892	502,242	(69,350)
Other Liabilities	24,743	24,743	-
Due to Intercompany	28,265	(105,766)	134,031
Unearned Revenue	15,655	10,818	4,837
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,124,719</b>	<b>714,673</b>	<b>1,410,046</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	301,997	285,051	16,946
Compensated Absences and Benefits	800	1,015	(215)
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>302,797</b>	<b>286,066</b>	<b>16,731</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>162,917</b>	<b>162,917</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>2,518,171</b>	<b>2,677,091</b>	<b>(158,920)</b>



**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL HCV - MONTH			TOTAL HCV - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	36	-	36	(296)	(158)	(138)
Other Tenant Revenue	11,376	167	11,210	83,650	23,429	60,221
HUD Subsidy	4,720,883	3,447,090	1,273,793	41,602,301	35,418,964	6,183,337
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	255,298	277,210	(21,912)	3,120,024	3,243,122	(123,098)
<b>TOTAL OPERATING REVENUES</b>	<b>4,987,594</b>	<b>3,724,467</b>	<b>1,263,127</b>	<b>44,805,679</b>	<b>38,685,357</b>	<b>6,120,322</b>
<b>OPERATING EXPENSES</b>						
Central Administration	97,079	46,158	50,921	1,322,138	1,472,925	(150,787)
Utilities	-	-	-	124	300	(176)
Maintenance Costs	833	2,008	(1,176)	30,038	22,653	7,385
Wages & Benefits On Site	156,867	107,725	49,142	1,228,251	892,034	336,217
FSS Expense	4,796	4,025	771	131,053	211,914	(80,862)
Housing Assistance Payments	4,130,250	3,670,819	459,431	42,081,712	35,122,329	6,959,383
General-Taxes, Insurance	-	-	-	-	-	-
Independent Audit Costs	2,239	1,667	572	25,649	18,882	6,767
Vendor, Lender, Professional & Other Fees	-	833	(833)	494	15,825	(15,331)
<b>TOTAL OPERATING EXPENSES</b>	<b>4,392,064</b>	<b>3,833,236</b>	<b>558,828</b>	<b>44,819,458</b>	<b>37,756,863</b>	<b>7,062,596</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>595,530</b>	<b>(108,769)</b>	<b>704,299</b>	<b>(13,779)</b>	<b>928,495</b>	<b>(942,273)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	-	4,293	(4,293)	3,128	5,131	(2,003)
Depreciation	(839)	(842)	3	(10,063)	(10,063)	0
SBITA Amortization	(11,519)	-	(11,519)	(138,233)	-	(138,233)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>583,172</b>	<b>(105,319)</b>	<b>688,490</b>	<b>(158,947)</b>	<b>923,562</b>	<b>(1,082,509)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>583,172</b>	<b>(105,319)</b>	<b>688,490</b>	<b>(158,947)</b>	<b>923,562</b>	<b>(1,082,509)</b>
Beginning Net Position	1,934,999	2,782,409	(847,410)	1,934,999	2,782,409	(847,410)
<b>ENDING NET POSITION</b>	<b>2,518,171</b>	<b>2,677,091</b>	<b>(158,920)</b>	<b>1,776,052</b>	<b>3,705,972</b>	<b>(1,929,919)</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

LIPH			
	December 2024	December 2023	Variance
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	68,174	665,832	(597,658)
Cash Restricted	21,875	3,247,301	(3,225,426)
Tenant Security Deposits	15,200	40,850	(25,650)
Investments Restricted	15,194,797	-	15,194,797
Accounts Receivable, net	193,027	189,649	3,378
Accounts Receivable, HUD	-	-	-
Other Current Assets	15,892	19,024	(3,132)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>15,508,965</b>	<b>4,162,656</b>	<b>11,346,309</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	40,916	88,102	(47,187)
Capital Assets, net	3,119,456	4,263,092	(1,143,635)
Other Non Current Assets	103,576	103,576	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>3,263,948</b>	<b>4,454,770</b>	<b>(1,190,822)</b>
<b>TOTAL ASSETS</b>	<b>18,772,913</b>	<b>8,617,426</b>	<b>10,155,487</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>77,829</b>	<b>77,811</b>	<b>18</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	98,463	111,498	(13,035)
Accrued Payroll	1,022	(502)	1,525
Compensated Absences and Benefits	13,736	17,117	(3,381)
Security Deposits	15,650	30,679	(15,029)
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	41,689	88,102	(46,414)
Other Liabilities	128,170	51,640	76,530
Due to Intercompany	10,866	2,276	8,590
Unearned Revenue	25,436	28,568	(3,132)
<b>TOTAL CURRENT LIABILITIES</b>	<b>335,033</b>	<b>329,379</b>	<b>5,654</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	133,928	115,178	18,750
Compensated Absences and Benefits	2,024	2,522	(498)
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>135,952</b>	<b>117,700</b>	<b>18,252</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>64,624</b>	<b>64,624</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>18,315,134</b>	<b>8,183,535</b>	<b>10,131,599</b>

**Pierce County Housing Authority  
Statement of Revenues, Expenses and Changes  
December 2024 and December 2023**

	TOTAL LIPH - MONTH			TOTAL LIPH - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	17,856	39,099	(21,243)	391,580	733,618	(342,039)
Other Tenant Revenue	673	1,425	(751)	37,875	17,604	20,271
HUD Subsidy	65,566	34,649	30,917	751,175	265,300	485,875
LIPH Operating Grant	2,104	58,200	(56,096)	653,344	498,707	154,637
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>86,199</b>	<b>133,373</b>	<b>(47,173)</b>	<b>1,833,974</b>	<b>1,515,229</b>	<b>318,745</b>
<b>OPERATING EXPENSES</b>						
Central Administration	62,004	20,013	41,991	807,769	632,242	175,527
Utilities	12,471	3,975	8,496	92,950	45,812	47,138
Maintenance Costs	111,925	18,350	93,575	1,007,460	275,309	732,152
Wages & Benefits On Site	61,807	36,326	25,481	479,948	405,066	74,882
FSS Expense	773	1,375	(602)	15,236	16,162	(926)
Housing Assistance Payments	-	1,375	(1,375)	-	16,142	(16,142)
General-Taxes, Insurance	57,854	1,583	56,270	73,657	18,608	55,050
Independent Audit Costs	2,266	583	1,683	24,931	6,609	18,322
Vendor, Lender, Professional & Other Fees	-	83	(83)	173	932	(759)
<b>TOTAL OPERATING EXPENSES</b>	<b>309,100</b>	<b>83,664</b>	<b>225,436</b>	<b>2,502,124</b>	<b>1,416,881</b>	<b>1,085,243</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(222,900)</b>	<b>49,709</b>	<b>(272,609)</b>	<b>(668,150)</b>	<b>98,348</b>	<b>(766,498)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	1,033,118	641,517	391,601	11,072,947	3,074,525	7,998,422
Special Items	(5,525)	(10,267)	4,741	(243,295)	(72,869)	(170,426)
Investment/Interest Earnings	55,193	157	55,036	280,502	1,856	278,646
Depreciation	(23,314)	(28,250)	4,936	(304,092)	(338,217)	34,125
SBITA Amortization	(526)	-	(526)	(6,313)	-	(6,313)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>836,046</b>	<b>652,866</b>	<b>183,179</b>	<b>10,131,599</b>	<b>2,763,642</b>	<b>7,367,957</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	(41,667)	41,667	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>836,046</b>	<b>611,200</b>	<b>224,846</b>	<b>10,131,599</b>	<b>2,763,642</b>	<b>7,367,957</b>
Beginning Net Position	17,479,088	7,572,335	9,906,753	17,479,088	7,572,335	9,906,753
<b>ENDING NET POSITION</b>	<b>18,315,134</b>	<b>8,183,535</b>	<b>10,131,599</b>	<b>27,610,687</b>	<b>10,335,977</b>	<b>17,274,710</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>BROOKRIDGE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	626,503	596,021	30,482
Cash Restricted	-	-	-
Tenant Security Deposits	56,163	36,795	19,367
Accounts Receivable, net	64,447	31,760	32,687
Accounts Receivable, HUD	(5,903)	(7,145)	1,242
Other Current Assets	2,715	3,005	(290)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>743,924</b>	<b>660,436</b>	<b>83,487</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	1,082,362	1,219,096	(136,734)
Other Non Current Assets	2,086	2,086	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,084,448</b>	<b>1,221,181</b>	<b>(136,734)</b>
<b>TOTAL ASSETS</b>	<b>1,828,372</b>	<b>1,881,618</b>	<b>(53,246)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>86</b>	<b>82</b>	<b>4</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	14,162	(4,330)	18,492
Accrued Payroll	26	(334)	360
Compensated Absences and Benefits	2,228	3,072	(844)
Security Deposits	57,921	36,924	20,997
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	-	-	-
Other Liabilities	6,907	6,907	-
Due to Intercompany	2,932	(434)	3,366
Unearned Revenue	30,524	31,274	(750)
<b>TOTAL CURRENT LIABILITIES</b>	<b>114,702</b>	<b>73,080</b>	<b>41,621</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	8,451	4,049	4,402
Compensated Absences and Benefits	328	453	(124)
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>8,779</b>	<b>4,501</b>	<b>4,278</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(1,377)</b>	<b>(1,377)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>1,706,353</b>	<b>1,805,494</b>	<b>(99,141)</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL BROOKRIDGE - MONTH			TOTAL BROOKRIDGE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	55,547	49,958	5,589	558,237	596,855	(38,618)
Other Tenant Revenue	8,075	6,042	2,033	86,020	72,760	13,260
HUD Subsidy	7,403	3,333	4,070	73,448	40,439	33,009
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>71,025</b>	<b>59,333</b>	<b>11,692</b>	<b>717,705</b>	<b>710,054</b>	<b>7,651</b>
<b>OPERATING EXPENSES</b>						
Central Administration	15,711	1,844	13,866	171,435	167,473	3,962
Utilities	7,353	9,208	(1,855)	122,574	110,108	12,465
Maintenance Costs	20,674	8,052	12,622	250,109	130,094	120,015
Wages & Benefits On Site	16,046	5,834	10,212	119,691	103,607	16,084
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	-	333	(333)	4,299	3,998	301
Independent Audit Costs	484	-	484	5,361	1,888	3,473
Vendor, Lender, Professional & Other Fees	(8,800)	61,367	(70,166)	4,123	66,477	(62,353)
<b>TOTAL OPERATING EXPENSES</b>	<b>51,468</b>	<b>86,638</b>	<b>(35,170)</b>	<b>677,592</b>	<b>583,645</b>	<b>93,947</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>19,557</b>	<b>(27,305)</b>	<b>46,862</b>	<b>40,113</b>	<b>126,409</b>	<b>(86,296)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	19	275	(257)	993	3,266	(2,273)
Depreciation	(11,300)	(12,083)	784	(136,734)	(142,489)	5,755
SBITA Amortization	(293)	-	(293)	(3,513)	-	(3,513)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>7,983</b>	<b>(39,113)</b>	<b>47,096</b>	<b>(99,141)</b>	<b>(12,815)</b>	<b>(86,327)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>7,983</b>	<b>(39,113)</b>	<b>47,096</b>	<b>(99,141)</b>	<b>(12,815)</b>	<b>(86,327)</b>
Beginning Net Position	1,698,370	1,844,608	(146,238)	1,698,370	1,844,608	(146,238)
<b>ENDING NET POSITION</b>	<b>1,706,353</b>	<b>1,805,494</b>	<b>(99,141)</b>	<b>1,599,229</b>	<b>1,831,793</b>	<b>(232,564)</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>CHATEAU RAINIER</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	1,120,076	923,352	196,724
Cash Restricted	624,135	598,499	25,636
Tenant Security Deposits	170,640	140,446	30,194
Accounts Receivable, net	152,918	223,758	(70,839)
Accounts Receivable, HUD	12,673	(5,321)	17,994
Other Current Assets	387,072	188,487	198,585
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>2,467,514</b>	<b>2,069,220</b>	<b>398,294</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	3,614,942	3,970,678	(355,736)
Other Non Current Assets	5,224	5,224	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>3,620,166</b>	<b>3,975,902</b>	<b>(355,736)</b>
<b>TOTAL ASSETS</b>	<b>6,087,680</b>	<b>6,045,122</b>	<b>42,558</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>268</b>	<b>253</b>	<b>15</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	134,883	77,139	57,744
Accrued Payroll	232	(1,300)	1,531
Compensated Absences and Benefits	12,856	19,056	(6,200)
Security Deposits	180,886	158,806	22,080
Accrued Interest Payable	(41,221)	42,210	(83,431)
Notes Payable - Current Portion	222,865	210,629	12,236
Funds held for FSS	-	-	-
Other Liabilities	19,232	95,843	(76,612)
Due to Intercompany	9,599	(3,734)	13,333
Unearned Revenue	69,847	73,865	(4,018)
<b>TOTAL CURRENT LIABILITIES</b>	<b>609,179</b>	<b>672,515</b>	<b>(63,337)</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	57,864	41,295	16,569
Compensated Absences and Benefits	1,894	2,807	(913)
Notes Payable, Net of Current Portion	8,498,605	8,721,470	(222,865)
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>8,558,362</b>	<b>8,765,571</b>	<b>(207,209)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(3,449)</b>	<b>(3,449)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>(3,076,144)</b>	<b>(3,389,263)</b>	<b>313,119</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL CHATEAU RAINIER - MONTH			TOTAL CHATEAU RAINIER - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	222,015	226,519	(4,504)	2,656,744	2,529,763	126,981
Other Tenant Revenue	37,071	31,975	5,096	425,807	393,285	32,522
HUD Subsidy	49,880	40,000	9,880	533,418	483,353	50,065
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>308,965</b>	<b>298,494</b>	<b>10,471</b>	<b>3,615,969</b>	<b>3,406,401</b>	<b>209,568</b>
<b>OPERATING EXPENSES</b>						
Central Administration	62,369	3,187	59,182	674,488	588,620	85,869
Utilities	102,718	62,583	40,135	660,791	749,807	(89,016)
Maintenance Costs	72,422	16,778	55,643	590,316	289,321	300,996
Wages & Benefits On Site	56,749	48,557	8,192	544,952	480,390	64,562
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	3,016	6,000	(2,984)	(75,667)	70,641	(146,308)
Independent Audit Costs	1,764	1,800	(36)	19,568	7,081	12,487
Vendor, Lender, Professional & Other Fees	141,332	60,683	80,649	142,775	60,308	82,467
<b>TOTAL OPERATING EXPENSES</b>	<b>440,371</b>	<b>199,589</b>	<b>240,782</b>	<b>2,557,224</b>	<b>2,246,167</b>	<b>311,057</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(131,405)</b>	<b>98,905</b>	<b>(230,310)</b>	<b>1,058,745</b>	<b>1,160,234</b>	<b>(101,488)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	(50)	50	-	(50)	50
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	365	160	205	4,014	1,656	2,358
Depreciation	(26,160)	(28,750)	2,590	(320,296)	(337,547)	17,250
SBITA Amortization	(1,052)	-	(1,052)	(12,627)	-	(12,627)
Interest Expense	-	(42,917)	42,917	(416,717)	(510,855)	94,138
<b>NET OPERATING INCOME (NOI)</b>	<b>(158,253)</b>	<b>27,349</b>	<b>(185,602)</b>	<b>313,119</b>	<b>313,437</b>	<b>(318)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(158,253)</b>	<b>27,349</b>	<b>(185,602)</b>	<b>313,119</b>	<b>313,437</b>	<b>(318)</b>
Beginning Net Position	(2,917,891)	(3,416,611)	498,721	(2,917,891)	(3,416,611)	498,721
<b>ENDING NET POSITION</b>	<b>(3,076,144)</b>	<b>(3,389,263)</b>	<b>313,119</b>	<b>(2,604,772)</b>	<b>(3,103,174)</b>	<b>498,402</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

DEMARK	December 2024	December 2023	Variance
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	(422,254)	(395,385)	(26,869)
Cash Restricted	102,602	105,965	(3,363)
Tenant Security Deposits	74,640	75,136	(496)
Accounts Receivable, net	46,676	97,701	(51,025)
Accounts Receivable, HUD	(48,503)	(30,870)	(17,633)
Other Current Assets	150,668	75,864	74,804
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>(96,171)</b>	<b>(71,589)</b>	<b>(24,583)</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	1,158,633	1,285,944	(127,310)
Other Non Current Assets	2,231	2,231	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,160,864</b>	<b>1,288,174</b>	<b>(127,310)</b>
<b>TOTAL ASSETS</b>	<b>1,064,693</b>	<b>1,216,586</b>	<b>(151,893)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>106</b>	<b>94</b>	<b>12</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	27,724	3,624	24,100
Accrued Payroll	284	(740)	1,023
Compensated Absences and Benefits	1,533	3,421	(1,888)
Security Deposits	70,373	67,533	2,840
Accrued Interest Payable	(13,070)	13,384	(26,454)
Notes Payable - Current Portion	70,664	66,785	3,880
Funds held for FSS	-	-	-
Other Liabilities	(5,002)	6,854	(11,857)
Due to Intercompany	4,737	(1,228)	5,965
Unearned Revenue	55,786	62,996	(7,210)
<b>TOTAL CURRENT LIABILITIES</b>	<b>213,029</b>	<b>222,630</b>	<b>(9,601)</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	18,732	8,831	9,901
Compensated Absences and Benefits	226	504	(278)
Notes Payable, Net of Current Portion	2,694,680	2,765,344	(70,664)
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>2,713,637</b>	<b>2,774,679</b>	<b>(61,042)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(1,473)</b>	<b>(1,473)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>(1,860,395)</b>	<b>(1,779,157)</b>	<b>(81,238)</b>



**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL DEMARK - MONTH			TOTAL DEMARK - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	63,538	57,287	6,251	701,941	689,043	12,898
Other Tenant Revenue	15,202	9,617	5,585	171,560	113,138	58,423
HUD Subsidy	27,182	32,083	(4,901)	392,153	384,993	7,160
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>105,922</b>	<b>98,987</b>	<b>6,935</b>	<b>1,265,654</b>	<b>1,187,174</b>	<b>78,480</b>
<b>OPERATING EXPENSES</b>						
Central Administration	37,543	2,775	34,768	345,527	298,914	46,613
Utilities	13,580	12,100	1,480	172,559	144,798	27,761
Maintenance Costs	29,010	9,125	19,885	249,292	182,618	66,674
Wages & Benefits On Site	29,652	14,441	15,211	197,185	144,315	52,870
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	1,178	3,958	(2,780)	(28,717)	59,140	(87,857)
Independent Audit Costs	662	-	662	7,392	3,304	4,087
Vendor, Lender, Professional & Other Fees	127,234	31,383	95,850	140,163	38,009	102,154
<b>TOTAL OPERATING EXPENSES</b>	<b>238,859</b>	<b>73,783</b>	<b>165,076</b>	<b>1,083,401</b>	<b>871,100</b>	<b>212,301</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(132,937)</b>	<b>25,205</b>	<b>(158,141)</b>	<b>182,253</b>	<b>316,074</b>	<b>(133,821)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	42	29	13	684	297	387
Depreciation	(10,118)	(11,917)	1,799	(127,310)	(142,815)	15,505
SBITA Amortization	(395)	-	(395)	(4,735)	-	(4,735)
Interest Expense	-	(13,750)	13,750	(132,130)	(161,978)	29,848
<b>NET OPERATING INCOME (NOI)</b>	<b>(143,406)</b>	<b>(433)</b>	<b>(142,974)</b>	<b>(81,238)</b>	<b>11,578</b>	<b>(92,817)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(143,406)</b>	<b>(433)</b>	<b>(142,974)</b>	<b>(81,238)</b>	<b>11,578</b>	<b>(92,817)</b>
Beginning Net Position	(1,716,989)	(1,778,724)	61,735	(1,716,989)	(1,778,724)	61,735
<b>ENDING NET POSITION</b>	<b>(1,860,395)</b>	<b>(1,779,157)</b>	<b>(81,238)</b>	<b>(1,798,227)</b>	<b>(1,767,146)</b>	<b>(31,081)</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>HIDDEN VILLAGE</b>	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	(91,160)	(166,161)	75,001
Cash Restricted	-	-	-
Tenant Security Deposits	15,931	16,925	(994)
Accounts Receivable, net	617	5,298	(4,680)
Accounts Receivable, HUD	(405)	(1,328)	923
Other Current Assets	1,880	1,987	(107)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>(73,137)</b>	<b>(143,280)</b>	<b>70,142</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	214,938	280,816	(65,878)
Other Non Current Assets	526	526	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>215,465</b>	<b>281,343</b>	<b>(65,878)</b>
<b>TOTAL ASSETS</b>	<b>142,327</b>	<b>138,063</b>	<b>4,264</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>14</b>	<b>15</b>	<b>(1)</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	1,781	(5,309)	7,090
Accrued Payroll	8	-	8
Compensated Absences and Benefits	-	-	-
Security Deposits	16,400	14,525	1,875
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	-	-	-
Other Liabilities	2,877	2,877	-
Due to Intercompany	303	(927)	1,230
Unearned Revenue	2,180	1,600	580
<b>TOTAL CURRENT LIABILITIES</b>	<b>23,548</b>	<b>12,765</b>	<b>10,783</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	(1,024)	(233)	(791)
Compensated Absences and Benefits	-	-	-
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>(1,024)</b>	<b>(233)</b>	<b>(791)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(348)</b>	<b>(348)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>120,165</b>	<b>125,893</b>	<b>(5,728)</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL HIDDEN VILLAGE - MONTH			TOTAL HIDDEN VILLAGE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	19,108	18,057	1,051	205,196	181,920	23,276
Other Tenant Revenue	2,130	1,718	412	24,103	21,496	2,607
HUD Subsidy	2,942	3,333	(391)	45,559	39,421	6,138
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>24,180</b>	<b>23,109</b>	<b>1,071</b>	<b>274,858</b>	<b>242,837</b>	<b>32,021</b>
<b>OPERATING EXPENSES</b>						
Central Administration	7,520	494	7,025	83,853	79,050	4,803
Utilities	4,367	3,442	925	46,137	41,124	5,013
Maintenance Costs	3,148	2,105	1,043	52,511	44,352	8,158
Wages & Benefits On Site	474	8,181	(7,707)	18,937	22,039	(3,101)
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	-	225	(225)	2,460	2,627	(167)
Independent Audit Costs	213	200	13	2,374	944	1,430
Vendor, Lender, Professional & Other Fees	6,962	417	6,545	6,962	445	6,517
<b>TOTAL OPERATING EXPENSES</b>	<b>22,683</b>	<b>15,064</b>	<b>7,619</b>	<b>213,234</b>	<b>190,581</b>	<b>22,653</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>1,497</b>	<b>8,045</b>	<b>(6,548)</b>	<b>61,624</b>	<b>52,257</b>	<b>9,368</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	10	-	10	53	-	53
Depreciation	(5,448)	(5,608)	160	(65,878)	(67,228)	1,350
SBITA Amortization	(127)	-	(127)	(1,527)	-	(1,527)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>(4,068)</b>	<b>2,437</b>	<b>(6,505)</b>	<b>(5,728)</b>	<b>(14,971)</b>	<b>9,243</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(4,068)</b>	<b>2,437</b>	<b>(6,505)</b>	<b>(5,728)</b>	<b>(14,971)</b>	<b>9,243</b>
Beginning Net Position	124,233	123,457	776	124,233	123,457	776
<b>ENDING NET POSITION</b>	<b>120,165</b>	<b>125,893</b>	<b>(5,728)</b>	<b>118,504</b>	<b>108,486</b>	<b>10,019</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>LAKEWOOD VILLAGE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	782,407	571,013	211,394
Cash Restricted	146,710	156,859	(10,148)
Tenant Security Deposits	105,329	95,307	10,022
Accounts Receivable, net	2,297	122,178	(119,882)
Accounts Receivable, HUD	(13,099)	3,874	(16,973)
Other Current Assets	230,533	114,852	115,681
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>1,254,177</b>	<b>1,064,082</b>	<b>190,095</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	3,432,034	3,713,966	(281,933)
Other Non Current Assets	1,122	1,122	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>3,433,156</b>	<b>3,715,088</b>	<b>(281,933)</b>
<b>TOTAL ASSETS</b>	<b>4,687,333</b>	<b>4,779,171</b>	<b>(91,838)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>103</b>	<b>91</b>	<b>12</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	36,146	(20,407)	56,553
Accrued Payroll	74	(368)	442
Compensated Absences and Benefits	2,733	4,055	(1,322)
Security Deposits	120,176	96,910	23,266
Accrued Interest Payable	(18,168)	18,604	(36,773)
Notes Payable - Current Portion	98,229	92,836	5,393
Funds held for FSS	-	-	-
Other Liabilities	3,660	9,381	(5,721)
Due to Intercompany	6,493	(964)	7,458
Unearned Revenue	17,602	22,448	(4,846)
<b>TOTAL CURRENT LIABILITIES</b>	<b>266,943</b>	<b>222,494</b>	<b>44,449</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	50,623	38,189	12,434
Compensated Absences and Benefits	403	597	(195)
Notes Payable, Net of Current Portion	3,745,785	3,844,014	(98,229)
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>3,796,811</b>	<b>3,882,800</b>	<b>(85,989)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(741)</b>	<b>(741)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>624,422</b>	<b>674,708</b>	<b>(50,286)</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL LAKEWOOD VILLAGE - MONTH			TOTAL LAKEWOOD VILLAGE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	102,157	98,986	3,171	1,112,853	1,074,530	38,323
Other Tenant Revenue	24,188	18,508	5,679	252,379	209,337	43,042
HUD Subsidy	58,705	55,000	3,705	719,149	657,967	61,182
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>185,049</b>	<b>172,494</b>	<b>12,555</b>	<b>2,084,381</b>	<b>1,941,833</b>	<b>142,547</b>
<b>OPERATING EXPENSES</b>						
Central Administration	46,903	3,050	43,853	472,136	432,411	39,725
Utilities	28,977	24,767	4,211	306,159	296,260	9,899
Maintenance Costs	39,401	18,452	20,950	360,078	325,173	34,905
Wages & Benefits On Site	47,800	32,975	14,825	409,289	339,664	69,624
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	2,639	4,092	(1,453)	(39,544)	53,871	(93,415)
Independent Audit Costs	967	1,100	(133)	10,839	5,193	5,646
Vendor, Lender, Professional & Other Fees	130,931	29,442	101,490	144,246	34,567	109,680
<b>TOTAL OPERATING EXPENSES</b>	<b>297,619</b>	<b>113,877</b>	<b>183,742</b>	<b>1,663,204</b>	<b>1,487,139</b>	<b>176,065</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(112,570)</b>	<b>58,617</b>	<b>(171,187)</b>	<b>421,177</b>	<b>454,694</b>	<b>(33,517)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	(68)	(17)	(51)
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	111	43	67	1,064	444	620
Depreciation	(22,864)	(25,000)	2,136	(281,865)	(296,680)	14,815
SBITA Amortization	(577)	-	(577)	(6,924)	-	(6,924)
Interest Expense	-	(18,750)	18,750	(183,669)	(225,160)	41,491
<b>NET OPERATING INCOME (NOI)</b>	<b>(135,900)</b>	<b>14,911</b>	<b>(150,811)</b>	<b>(50,286)</b>	<b>(66,719)</b>	<b>16,434</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In/Out	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(135,900)</b>	<b>14,911</b>	<b>(150,811)</b>	<b>(50,286)</b>	<b>(66,719)</b>	<b>16,434</b>
Beginning Net Position	488,522	689,619	100,526	488,522	689,619	100,526
<b>ENDING NET POSITION</b>	<b>624,422</b>	<b>704,529</b>	<b>(50,286)</b>	<b>438,236</b>	<b>622,899</b>	<b>116,959</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>MONTGROVE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	231,113	192,416	38,697
Cash Restricted	-	-	-
Tenant Security Deposits	6,186	3,572	2,614
Accounts Receivable, net	(6,382)	2,778	(9,159)
Accounts Receivable, HUD	(14,270)	(18,466)	4,196
Other Current Assets	78	337	(260)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>216,725</b>	<b>180,636</b>	<b>36,088</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	190,563	218,474	(27,911)
Other Non Current Assets	521	521	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>191,084</b>	<b>218,994</b>	<b>(27,911)</b>
<b>TOTAL ASSETS</b>	<b>407,808</b>	<b>399,631</b>	<b>8,178</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>16</b>	<b>15</b>	<b>1</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	2,256	(2,642)	4,898
Accrued Payroll	8	-	8
Compensated Absences and Benefits	-	-	-
Security Deposits	8,219	5,307	2,911
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	-	-	-
Other Liabilities	1,846	1,846	-
Due to Intercompany	303	(1,138)	1,441
Unearned Revenue	3,932	7,355	(3,423)
<b>TOTAL CURRENT LIABILITIES</b>	<b>16,563</b>	<b>10,728</b>	<b>5,835</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	(500)	(1,580)	1,080
Compensated Absences and Benefits	-	-	-
Notes Payable, Net of Current Portion	65,000	65,000	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>64,500</b>	<b>63,420</b>	<b>1,080</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(344)</b>	<b>(344)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>327,104</b>	<b>325,841</b>	<b>1,263</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL MONTGROVE - MONTH			TOTAL MONTGROVE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	6,987	7,990	(1,003)	80,462	78,247	2,215
Other Tenant Revenue	-	75	(75)	1,386	811	575
HUD Subsidy	9,813	10,833	(1,020)	130,259	127,617	2,642
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>16,800</b>	<b>18,898</b>	<b>(2,098)</b>	<b>212,106</b>	<b>206,675</b>	<b>5,432</b>
<b>OPERATING EXPENSES</b>						
Central Administration	7,893	396	7,497	88,392	82,098	6,294
Utilities	2,153	3,133	(981)	33,627	37,168	(3,541)
Maintenance Costs	4,012	4,017	(5)	33,487	49,191	(15,704)
Wages & Benefits On Site	2,343	1,681	662	18,844	11,096	7,748
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	-	94	(94)	839	1,115	(275)
Independent Audit Costs	228	-	228	2,527	944	1,583
Vendor, Lender, Professional & Other Fees	3,745	25	3,720	3,745	275	3,469
<b>TOTAL OPERATING EXPENSES</b>	<b>20,373</b>	<b>9,346</b>	<b>11,026</b>	<b>181,460</b>	<b>181,887</b>	<b>(427)</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(3,573)</b>	<b>9,552</b>	<b>(13,124)</b>	<b>30,646</b>	<b>24,787</b>	<b>5,859</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	10	-	10	55	-	55
Depreciation	(2,305)	(2,383)	78	(27,911)	(28,165)	254
SBITA Amortization	(127)	-	(127)	(1,527)	-	(1,527)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>(5,995)</b>	<b>7,168</b>	<b>(13,163)</b>	<b>1,263</b>	<b>(3,377)</b>	<b>4,640</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(5,995)</b>	<b>7,168</b>	<b>(13,163)</b>	<b>1,263</b>	<b>(3,377)</b>	<b>4,640</b>
Beginning Net Position	333,099	318,673	14,426	333,099	318,673	14,426
<b>ENDING NET POSITION</b>	<b>327,104</b>	<b>325,841</b>	<b>1,263</b>	<b>334,362</b>	<b>315,295</b>	<b>19,067</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>OAKLEAF</b>	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	127,767	58,346	69,420
Cash Restricted	-	-	-
Tenant Security Deposits	13,020	15,389	(2,369)
Accounts Receivable, net	6,377	99,002	(92,625)
Accounts Receivable, HUD	158	(516)	674
Other Current Assets	584	805	(221)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>147,906</b>	<b>173,026</b>	<b>(25,120)</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	140,258	140,912	(654)
Other Non Current Assets	581	581	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>140,840</b>	<b>141,493</b>	<b>(654)</b>
<b>TOTAL ASSETS</b>	<b>288,746</b>	<b>314,520</b>	<b>(25,774)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>19</b>	<b>15</b>	<b>4</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	1,360	13,622	(12,262)
Accrued Payroll	7	-	7
Compensated Absences and Benefits	-	-	-
Security Deposits	12,691	13,121	(430)
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	-	-	-
Other Liabilities	1,254	1,254	-
Due to Intercompany	269	(891)	1,160
Unearned Revenue	3,837	1,706	2,131
<b>TOTAL CURRENT LIABILITIES</b>	<b>19,419</b>	<b>28,813</b>	<b>(9,395)</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	190	(3,088)	3,278
Compensated Absences and Benefits	-	-	-
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>190</b>	<b>(3,088)</b>	<b>3,278</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(384)</b>	<b>(384)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>269,540</b>	<b>289,193</b>	<b>(19,653)</b>



**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL OAKLEAF - MONTH			TOTAL OAKLEAF - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	14,400	15,125	(725)	171,179	139,947	31,232
Other Tenant Revenue	2,510	1,700	810	27,420	19,955	7,465
HUD Subsidy	2,769	1,352	1,417	27,906	16,225	11,681
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	180,000	(180,000)
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>19,679</b>	<b>18,177</b>	<b>1,502</b>	<b>226,505</b>	<b>356,127</b>	<b>(129,622)</b>
<b>OPERATING EXPENSES</b>						
Central Administration	6,804	659	6,145	78,285	74,477	3,808
Utilities	5,122	4,058	1,064	56,163	48,385	7,778
Maintenance Costs	2,367	1,779	587	55,877	67,642	(11,765)
Wages & Benefits On Site	4,397	1,755	2,642	25,432	3,355	22,077
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	-	123	(123)	1,131	1,217	(87)
Independent Audit Costs	185	-	185	2,068	944	1,124
Vendor, Lender, Professional & Other Fees	25,269	17	25,253	25,269	158	25,112
<b>TOTAL OPERATING EXPENSES</b>	<b>44,144</b>	<b>8,392</b>	<b>35,752</b>	<b>244,225</b>	<b>196,178</b>	<b>48,047</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(24,465)</b>	<b>9,785</b>	<b>(34,251)</b>	<b>(17,721)</b>	<b>159,948</b>	<b>(177,669)</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	8	-	8	45	-	45
Depreciation	(24)	(167)	142	(654)	(1,820)	1,166
SBITA Amortization	(110)	-	(110)	(1,324)	-	(1,324)
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>(24,592)</b>	<b>9,619</b>	<b>(34,211)</b>	<b>(19,653)</b>	<b>158,128</b>	<b>(177,782)</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(24,592)</b>	<b>9,619</b>	<b>(34,211)</b>	<b>(19,653)</b>	<b>158,128</b>	<b>(177,782)</b>
Beginning Net Position	294,132	279,575	14,557	294,132	279,575	14,557
<b>ENDING NET POSITION</b>	<b>269,540</b>	<b>289,193</b>	<b>(19,653)</b>	<b>274,478</b>	<b>437,703</b>	<b>(163,225)</b>

**Pierce County Housing Authority**  
**Statement of Net Position**  
**December 2024 and December 2023**

<b>VILLAGE SQUARE</b>			
	<b>December 2024</b>	<b>December 2023</b>	<b>Variance</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	(211,878)	(192,971)	(18,907)
Cash Restricted	-	-	-
Tenant Security Deposits	24,362	30,470	(6,108)
Accounts Receivable, net	1,842	30,581	(28,739)
Accounts Receivable, HUD	6,946	11,161	(4,215)
Other Current Assets	662	1,013	(352)
Due from intercompany	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>(178,066)</b>	<b>(119,746)</b>	<b>(58,320)</b>
<b>NON CURRENT ASSETS</b>			
Cash Restricted-FSS Escrow	-	-	-
Capital Assets, net	420,042	451,211	(31,169)
Other Non Current Assets	1,144	1,144	-
Investment - Equity Interest	-	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>421,186</b>	<b>452,355</b>	<b>(31,169)</b>
<b>TOTAL ASSETS</b>	<b>243,120</b>	<b>332,609</b>	<b>(89,489)</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<b>31</b>	<b>28</b>	<b>3</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	8,059	10,226	(2,167)
Accrued Payroll	145	-	145
Compensated Absences and Benefits	391	391	-
Security Deposits	28,125	32,900	(4,775)
Accrued Interest Payable	-	-	-
Notes Payable - Current Portion	-	-	-
Funds held for FSS	-	-	-
Other Liabilities	2,173	2,173	-
Due to Intercompany	572	(1,342)	1,914
Unearned Revenue	5,409	8,965	(3,556)
<b>TOTAL CURRENT LIABILITIES</b>	<b>44,874</b>	<b>53,313</b>	<b>(8,439)</b>
<b>NONCURRENT LIABILITIES</b>			
Net Pension and OPEB Liability	270	(2,857)	3,127
Compensated Absences and Benefits	58	58	-
Notes Payable, Net of Current Portion	-	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>328</b>	<b>(2,799)</b>	<b>3,127</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>(755)</b>	<b>(755)</b>	<b>-</b>
<b>TOTAL NET POSITION</b>	<b>198,705</b>	<b>282,878</b>	<b>(84,173)</b>

**Pierce County Housing Authority**  
**Statement of Revenues, Expenses and Changes**  
**December 2024 and December 2023**

	TOTAL VILLAGE SQUARE - MONTH			TOTAL VILLAGE SQUARE - YTD		
	Actual	Budget	Variance	December 2024	December 2023	Variance
<b>OPERATING REVENUES</b>						
Rental Income	23,850	21,460	2,390	239,500	228,428	11,073
Other Tenant Revenue	11,338	3,712	7,626	56,508	45,843	10,666
HUD Subsidy	5,901	3,958	1,943	73,615	47,416	26,199
LIPH Operating Grant	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
FSS Subsidy	-	-	-	-	-	-
Admin Subsidy	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>41,089</b>	<b>29,131</b>	<b>11,958</b>	<b>369,624</b>	<b>321,686</b>	<b>47,938</b>
<b>OPERATING EXPENSES</b>						
Central Administration	10,889	888	10,000	130,037	115,274	14,763
Utilities	5,465	4,267	1,199	58,163	54,473	3,689
Maintenance Costs	15,220	4,121	11,099	104,858	118,561	(13,704)
Wages & Benefits On Site	5,675	5,920	(245)	65,760	51,480	14,281
FSS Expense	-	-	-	-	-	-
Housing Assistance Payments	-	-	-	-	-	-
General-Taxes, Insurance	-	192	(192)	1,507	2,279	(771)
Independent Audit Costs	270	-	270	3,026	1,416	1,610
Vendor, Lender, Professional & Other Fees	57,408	2,892	54,517	57,408	34,390	23,018
<b>TOTAL OPERATING EXPENSES</b>	<b>94,927</b>	<b>18,279</b>	<b>76,648</b>	<b>420,759</b>	<b>377,873</b>	<b>42,886</b>
<b>PROFIT (LOSS) AFTER OPERATING COSTS</b>	<b>(53,838)</b>	<b>10,851</b>	<b>(64,690)</b>	<b>(51,135)</b>	<b>(56,187)</b>	<b>5,052</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>						
Insurance Settlement/Other	-	-	-	-	-	-
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Special Items	-	-	-	-	-	-
Investment/Interest Earnings	12	-	12	66	-	66
Depreciation	(2,548)	(2,792)	244	(31,169)	(33,029)	1,860
SBITA Amortization	(161)	-	-	(1,935)	-	-
Interest Expense	-	-	-	-	-	-
<b>NET OPERATING INCOME (NOI)</b>	<b>(56,535)</b>	<b>8,060</b>	<b>(64,433)</b>	<b>(84,173)</b>	<b>(89,216)</b>	<b>6,977</b>
Capital Contributions	-	-	-	-	-	-
Operating Transfers In(Out)	-	-	-	-	-	-
Section 8 Cares Act	-	-	-	-	-	-
Sectoin 8 Cares Act Expenses	-	-	-	-	-	-
LIPH Cares Act Funds	-	-	-	-	-	-
LIPH Cares Act Expenses	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>YTD CHANGE TO NET ASSETS</b>	<b>(56,535)</b>	<b>8,060</b>	<b>(64,433)</b>	<b>(84,173)</b>	<b>(89,216)</b>	<b>6,977</b>
Beginning Net Position	255,240	274,819	(19,740)	339,659	452,859	113,200
<b>ENDING NET POSITION</b>	<b>198,705</b>	<b>282,878</b>	<b>(84,173)</b>	<b>255,486</b>	<b>363,643</b>	<b>120,177</b>



Office of the Washington State Auditor  
Pat McCarthy

## Financial Statements and Federal Single Audit Report

# Pierce County Housing Authority

For the period January 1, 2022 through December 31, 2022

*Published September 29, 2023*

Report No. 1033391



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**Office of the Washington State Auditor  
Pat McCarthy**

September 29, 2023

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on the Pierce County Housing Authority's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Housing Authority's financial condition.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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# SCHEDULE OF FINDINGS AND QUESTIONED COSTS

## Pierce County Housing Authority January 1, 2022 through December 31, 2022

### SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Pierce County Housing Authority are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

#### Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

##### Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Housing Authority.

#### Federal Awards

##### Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Housing Authority’s compliance with requirements applicable to its major federal program.

We reported findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

## Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
14.871	Housing Voucher Cluster – Section 8 Housing Choice Vouchers

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$1,073,283.

The Housing Authority qualified as a low-risk auditee under the Uniform Guidance.

## SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

See Finding 2022-001.



## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### Pierce County Housing Authority January 1, 2022 through December 31, 2022

#### **2022-001    The Housing Authority had inadequate internal controls to ensure compliance with Housing Quality Standards inspection requirements of its Housing Voucher Cluster program.**

<b>Assistance Listing Number and Title:</b>	14.871 – Section 8 Housing Choice Vouchers
<b>Federal Grantor Name:</b>	U.S. Department of Housing and Urban Development
<b>Federal Award/Contract Number:</b>	WA054VO/ WA054AF /WA054EH
<b>Pass-through Entity Name:</b>	N/A
<b>Pass-through Award/Contract Number:</b>	N/A
<b>Known Questioned Cost Amount:</b>	\$0
<b>Prior Year Audit Finding:</b>	N/A

#### *Description of Condition*

During fiscal year 2022, the Housing Authority spent \$34,532,939 under the Housing Voucher Cluster program, which includes the Section 8 Housing Choice Vouchers program (HCVP). Of this amount, \$64,069 was spent on the Emergency Housing Vouchers award that is not subject to Housing Quality Standards (HQS) inspection requirements for 2022, and it is not included in this finding. The HCVP provides rental assistance to help families with very low incomes afford decent, safe and sanitary rental housing.

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

The Housing Authority must inspect units leased to families at least every two years to determine if they meet federal HQS. The Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) provides the U.S. Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Housing Voucher Cluster. In Notice PIH 2020-05, published on April 10, 2020, HUD exercised its authority under the CARES Act to establish waivers and administrative flexibilities to provide relief to Public Housing Agencies (PHAs) in response to the COVID-19 pandemic. Subsequent revisions PIH 2020-33 (issued in November 2020) and PIH 2021-14 (issued in May 2021) allowed PHAs to delay biennial inspections for both tenant-based and project-based voucher units. PIH 2021-14 also requires PHAs to conduct all delayed biennial inspections from calendar years 2020 and 2021 as soon as possible, but no later than June 30, 2022, and December 31, 2022, respectively.

Our audit found the Housing Authority's established internal controls were ineffective for ensuring compliance with the program's HQS inspection requirements. Specifically, the Housing Authority did not perform the delayed biennial inspections by the required dates.

We consider this internal control deficiency to be a material weakness that led to material noncompliance.

### *Cause of Condition*

The Housing Authority was not able to conduct HQS inspections during 2020 and part of 2021 due to COVID-19. This resulted in a backlog of inspections, as well as an increase in failed inspections from 17 percent annually to about 50 percent, which required reinspections.

When the Housing Authority resumed inspections in accordance with HUD's notice, the number of inspections due went from 1,200 annually to 2,500, and it only had one inspector available to complete them. The Housing Authority also experienced turnover in this inspector position, as well as a software conversion, which included the HQS inspection tracking system during 2022. The Housing Authority also experienced an increased workload due to landlords' staffing and supply issues, tenants' unreported HQS violations, and deferred repairs, which further delayed the inspections.

### ***Effect of Condition***

The Housing Authority did not perform 901 delayed inspections by December 31, 2022, as required by HUD's PIH 2021-14. Because the Housing Authority did not perform inspections timely, it could not demonstrate that the housing units met HQS inspection requirements.

The Housing Authority completed all these delayed inspections as of August 2023.

### ***Recommendation***

We recommend the Housing Authority strengthen internal controls to ensure it complies with HQS inspection requirements.

### ***Housing Authority's Response***

*We concur with the findings. The waiver of inspections by HUD during COVID, together with the reinstatement with an unrealistic deadline, created an impossible challenge to overcome given staffing, past experience with outside contractors for the service, the condition of the units, and the lifting of waivers required five years of inspections to be completed in 12 months. We had internal controls and knew when HQS inspections were due. We didn't have the resources to complete inspections within the unrealistic timeline.*

*HUD was continually informed of the situation and our efforts and progress to comply. We instituted increased staffing and better quality control early on.*

### ***Auditor's Remarks***

We thank the Housing Authority for its cooperation throughout the audit and the steps it has taken to address these concerns. We will review the status of the Housing Authority's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), section 516, Audit findings, establishes reporting requirements for audit findings.

Title 2 CFR Part 200, Uniform Guidance, section 303, Internal controls, describes the requirements for auditees to maintain internal controls over federal programs and comply with federal program requirements.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11.

Notice PIH 2020-33(HA), REV-2, COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2.

Notice PIH2021-14(HA), COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 3.

Title 24 CFR Part 982, *Section 8 Tenant-Based Assistance: Housing Choice Voucher Program*, section 405, PHA initial and periodic unit inspection, establishes inspection requirements for housing quality standards.

## INDEPENDENT AUDITOR'S REPORT

### 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*

#### **Pierce County Housing Authority January 1, 2022 through December 31, 2022**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

We have audited, 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 Pierce County Housing Authority, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated September 26, 2023.

### **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Housing Authority'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 above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

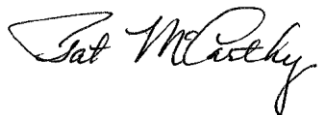
## **REPORT ON COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

September 26, 2023

## INDEPENDENT AUDITOR'S REPORT

### Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

#### **Pierce County Housing Authority January 1, 2022 through December 31, 2022**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

### **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

#### **Opinion on Each Major Federal Program**

We have audited the compliance of the Pierce County Housing Authority, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2022. The Housing Authority's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

#### **Basis for Opinion on Each Major Federal Program**

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

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

### **Responsibilities of Management for Compliance**

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the



effectiveness of the Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed; and

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

## Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Finding 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

## Housing Authority's Response to Finding

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The Housing Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

*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 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in

internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Finding 2022-01 that we consider to be a material weakness.

### **Housing Authority's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The Housing Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

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. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

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

Pat McCarthy, State Auditor

Olympia, WA

September 26, 2023

# INDEPENDENT AUDITOR'S REPORT

## Report on the Audit of the Financial Statements

### **Pierce County Housing Authority January 1, 2022 through December 31, 2022**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Pierce County Housing Authority, as of December 31, 2022, and the 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.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and

fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The accompanying Financial Data Schedule and HUD form are supplementary information required by HUD. This supplementary information is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2023 on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

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

Pat McCarthy, State Auditor

Olympia, WA

September 26, 2023

## **FINANCIAL SECTION**

### **Pierce County Housing Authority January 1, 2022 through December 31, 2022**

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Management's Discussion and Analysis – 2022

#### **BASIC FINANCIAL STATEMENTS**

Statement of Net Position – 2022

Statement of Revenues, Expenses and Changes in Net Position – 2022

Statement of Cash Flows – Proprietary Funds – 2022

Notes to Financial Statements – 2022

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Proportionate Share of Net Pension Liability – PERS 1, PERS 2/3 – 2022

Schedule of Employer Contributions – PERS 1, PERS 2/3 – 2022

Notes to Required Supplemental Information – Pension – 2022

Schedule of Changes in Total OPEB Liability and Related Ratios – PEBB – 2022

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Expenditures of Federal Awards – 2022

Notes to the Schedule of Expenditures of Federal Awards – 2022

Financial Data Schedule – 2022

Actual Modernization Cost Certificate, form HUD-53001 – 2022

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

The Housing Authority of Pierce County (Authority), doing business as the Pierce County Housing Authority (PCHA), management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

**Financial Highlights**

- The Authority's overall cash position increased by \$726 thousand (8%) during the year. Unrestricted cash and cash equivalents increased by \$565 thousand (8%) and restricted cash and cash equivalents increased by \$160 thousand (8%).
- Total assets and deferred outflows of resources of the authority exceeded total liabilities and deferred inflows of resources at December 31, 2022 by \$10.9 million, which is an increase of \$355 thousand (3%) during the year.
- Deferred outflow of resources increased by \$531 thousand (218%) during the year due to an increase in deferred outflow of resources related to pensions, while the deferred inflows of resources decreased by \$1.1 million (56%), also related to pensions.
- Total operating revenues were \$44.1 million, an increase of \$2.9 million. HUD Operating grants increased by approximately \$2.8 million (9%). Other revenues decreased \$1.3 million (70%). This is mainly due to absorption of portability vouchers, causing the revenue related to ports to decrease.
- Operating expenses were \$43.0 million and include \$32.3 million in housing assistance payments (HAP) made to landlords (75% of operating expenses). HAP increased by \$2.4 million (8%) from the previous year. Administrative expenses increased \$961 thousand (37%), largely due to an increase in pension benefit expense. Total operating expenses, other than the aforementioned, were consistent with the previous year.

**Authority Wide Financial Statements**

The focus of Authority-wide financial statements is on the overall financial position and activities of PCHA. The Authority's financial statements include a Statement of Net Position, a Statement of Revenues, Expenses & Changes in Fund Net Position, a Statement of Cash Flows, Notes to the Financial Statements and Required Supplementary Information. The financial statements are prepared using the accrual basis of accounting and conform to generally accepted accounting principles as applicable to proprietary funds of governments.

The statement of net position presents total assets and deferred outflows of resources and total liabilities and deferred inflows of resources with the difference between these reported as net position. It provides information about the nature and amounts of investments in resources (assets), consumption of resources that are applicable to future periods (deferred outflows), obligations to the Authority's creditors (liabilities) and the acquisition of resources that are applicable to a future reporting period (deferred inflows). It provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the Authority is improving or deteriorating.

The statement of revenues, expenses, and changes in fund net position presents the results of the business activities over the course of the year. This information can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and creditworthiness.

The statement of cash flows reports cash receipts, cash payments, and net changes in cash resulting from operating, financing, and investing activities over the course of the year. It presents information regarding where cash came from and what it was used for.

The notes to the financial statements provide useful information regarding the Authority's significant accounting policies, significant account balances and activities, certain material risks, estimates, obligations, commitments, contingencies, and subsequent events, if any.



**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**Condensed Comparative Financial Information**

Condensed Comparative Statement of Net Position

The following condensed statement of net position presents the assets and deferred outflow of resources of the Authority as of December 31, 2022, and 2021:

<b>Summary Statement of Net Position As of December 31, 2022 and 2021</b>				
	<b>12/31/2022</b>	<b>12/31/2021</b>	<b>Change</b>	<b>Change %</b>
Current and other assets	\$ 13,493,437	\$ 13,202,868	\$ 290,569	2%
Capital assets	18,773,764	19,606,823	(833,059)	-4%
Total assets	32,267,201	32,809,691	(542,490)	-2%
Deferred Outflows of Resources	774,877	243,904	530,973	218%
Total assets and deferred outflows of resources	33,042,078	33,053,595	(11,517)	0%
Current liabilities	2,965,111	2,472,526	492,585	20%
Long-term liabilities	18,296,307	18,059,676	236,631	1%
Total liabilities	21,261,418	20,532,202	729,216	4%
Deferred Inflows of Resources	849,415	1,945,136	(1,095,721)	-56%
Total liabilities and deferred inflows of resources	22,110,833	22,477,338	(366,505)	-2%
Net position				
Net investment in capital assets	2,320,764	2,790,751	(469,987)	-17%
Restricted	1,608,408	413,664	1,194,744	289%
Unrestricted	7,002,073	7,371,842	(369,769)	-5%
Total net position	\$ 10,931,245	\$ 10,576,257	\$ 354,988	3%

**Major Factors Affecting the Statement of Net Position**

The Statement of Net Position measures the amount by which assets exceed the corresponding liabilities or net position. Over time this may serve as a useful measure of the Authority's financial position.

The total net position of \$10.9 million is presented in three categories.

- Investment in Capital Assets represents the book value amount invested in capital assets net of depreciation and related debt. The primary changes that will occur in this category are property development, depreciation and overall debt activity, generally, the normal repayment of principal. This year the account has a decrease of \$470 thousand (17%) and is \$2.3 million at fiscal year-end. The decrease is due primarily to a decrease in capital assets, net, from normal depreciation, as well as a decrease in long-term debt. The balance has decreased because many loans are deferred and not decreasing, while the associated properties are depreciating.
- The Restricted Net Position consists of four major components: debt service reserves held by trustees to support debt service commitments, Housing Choice Voucher housing assistance payment (HAP) reserve, required reserves for replacement (maintenance reserves) and Net Pension Assets. HAP reserves are restricted and can only be used for housing assistance payments for the Housing Choice Voucher program. This category increased by \$1.2 million in fiscal year 2022 and ended the year at \$1.6 million. In addition, HAP funding continued to be greater than HAP payments during the year, increasing HAP reserves.

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

- The Unrestricted Net Position represents the Authority's unrestricted cash and investments, which comprises net position that does not fall into the first two categories. In 2022, this amount decreased by \$370 thousand and ended the year at \$7.0 million. The decrease in this category is primarily due to the increase in restricted net position.

Current and other assets increased inconsequently, 2%. Capital assets decreased due to depreciation exceeding capital asset additions.

Current liabilities increased by 20%, or \$493 thousand, primarily related to an increase in accounts payable and unearned revenue.

Condensed Comparative Statement of Revenues, Expenses & Changes in Fund Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations as well as the non-operating revenues and expenses. It is necessary to consider both operating and non-operating revenues to gauge the results of operations, as grants and subsidies which are considered non-operating revenues are essential to the funding of the Authority. The following table presents the Condensed Statement of Revenues, Expenses and Changes in Fund Net Position for the years ended on December 31, 2022, and 2021:

**Summary Statement of Revenues & Expenses and Changes in Net Position  
Years Ended December 31, 2022 and 2021**

	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>Change</u>	<u>Change %</u>
Operating revenue				
Net tenant rental revenue	\$ 8,269,283	\$ 6,909,559	\$ 1,359,724	20%
Government grants	35,290,827	32,460,187	2,830,640	9%
Other revenue	546,405	1,824,993	(1,278,588)	-70%
Total Operating Revenue	<u>44,106,516</u>	<u>41,194,739</u>	<u>2,911,777</u>	<u>7%</u>
Non-operating revenue				
Interest Income	1,436	668	768	115%
Gain or loss on disposition of capital assets	(3,723)	(7,000)	3,277	-47%
Total non-operating revenue	<u>(2,287)</u>	<u>(6,332)</u>	<u>4,045</u>	<u>-64%</u>
Total revenue	<u>44,104,229</u>	<u>41,188,407</u>	<u>2,915,822</u>	<u>7%</u>
Operating expenses	<u>42,992,841</u>	<u>39,195,248</u>	<u>3,797,593</u>	<u>10%</u>
Non-operating expenses				
Interest expense	939,558	963,172	(23,614)	-2%
Total expenses	<u>43,932,399</u>	<u>40,158,420</u>	<u>3,773,979</u>	<u>9%</u>
Change in Net Position	<u>171,830</u>	<u>1,029,987</u>	<u>(858,157)</u>	<u>-83%</u>
Net position, beginning, as previously stated	10,576,257	9,546,270	1,029,987	11%
Prior period adjustment	183,159	-	183,159	0%
Net position, beginning, as adjusted	<u>10,759,416</u>	<u>9,546,270</u>	<u>1,213,146</u>	<u>13%</u>
Net position, ending	<u>\$ 10,931,245</u>	<u>\$ 10,576,257</u>	<u>\$ 354,988</u>	<u>3%</u>

**Major Factors Affecting the Statement of Revenues, Expenses and Changes in Net Position**

Direct grants and subsidies from HUD make up 80% of the revenue received. The largest program the Authority administers is the Housing Choice Voucher program, commonly known as the Section 8 program. This program also

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

generates the Authority's largest single category of expense in the form of HAPs, which are transfer payments to private landlords to assist eligible low-income families with their rent. HAP subsidy and payments increased by approximately \$2.4 million in FY2022, affecting both operating revenues and expenses.

Operating expenses increased by \$3.8 million, or 10%. Apart from the increase in HAP Payments, the second largest contributor to this increase was an increase in administrative expenses, which increased \$961 thousand, or 37%. These increased costs are related to third-party expenses related to the software conversion and outsourcing controller duties.

Major economic conditions influencing the Authority's Statement of Revenues, Expenses and Changes in Net Position is the continued appropriation and support for these programs through Congress. In fiscal years 2022 and 2021, appropriations remained consistent, however, impacted by the rising rents and high occupancy rates within local rental market, causing the Authority to assist fewer families.

***Capital Asset and Long-Term Debt Activity***

**Capital Assets**

During the fiscal year the Authority had \$18.8 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$1.5 million from the end of last year, because of annual depreciation offset by an increase in construction in progress expenditures.

	Dec. 31, 2022	Dec. 31, 2021 (Restated)	Net Change	Net Change
Land	\$ 5,229,442	\$ 5,270,117	\$ (40,675)	-1%
Construction in Progress	98,641	31,051	67,590	218%
Total non-depreciable capital assets	5,328,083	5,301,168	26,915	1%
Buildings	36,143,290	36,062,788	80,502	0%
Equipment	3,767,356	3,742,393	24,963	1%
Total depreciable capital assets	39,910,646	39,805,181	105,465	0%
Accumulated Depreciation	(27,045,287)	(25,588,750)	(1,456,537)	6%
Total depreciable capital assets, net	12,865,359	14,216,431	(1,351,072)	6%
Intangible Software	907,722	907,722	-	0%
Accumulated Amortization	(327,400)	(163,700)	(163,700)	100%
Total amortizable capital assets, net	580,322	744,022	(163,700)	-22%
Total Capital Assets, net	\$ 18,773,764	\$ 20,261,621	\$ (1,487,857)	-7%

For more information see Note 5 of the notes to the financial statements.

**Long-Term Debt**

As of December 31, 2022, the Authority had \$16.5 million in loans, notes and mortgages. This is a decrease of approximately \$363 thousand from the prior year's balance of \$16.8 million. Debt changed due to a mix of standard principal payments occurring in 2022. This information is presented in detail in Note 6 of the notes to the financial statements.

***Economic Factors***

HUD has renewed the Housing Choice Voucher Program and estimated the funding levels for the 2023 calendar at \$35,675,701. The operating subsidy for the Low Rent Housing Program is estimated to be funded at \$317,403.

The estimated amount of funding for the 2023 calendar year for the Housing Choice Voucher Program will include the proration of administrative fees at 92% and HAP funding at 100% with an inflation factor of 8.3%.

***Request for Information***

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Pierce County Housing Authority  
Attn: Jim Stretz, Executive Director  
Tacoma, Washington

**PIERCE COUNTY HOUSING AUTHORITY  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

**Current Assets:**

Cash - Unrestricted	\$ 8,088,458
Accounts Receivable (Net of Allowance)	980,172
Prepaid items	483,870
Inventory	11,395
Restricted Assets:	
Cash - Restricted	1,873,656
Tenant Security Deposits	375,047
<b>Total Current Assets</b>	<u>11,812,600</u>

**Noncurrent Assets:**

Capital Assets	
Land	5,229,442
Construction in Progress	98,641
Other Capital Assets, Net of Depreciation and amortization	13,445,682
Total Capital Assets	<u>18,773,764</u>
Other Non-Current Assets	
Notes, Loans, and Mortgages Receivable	935,966
Net Pension Asset	744,872
Total Other Non-Current Assets	<u>1,680,838</u>
<b>Total Noncurrent Assets</b>	<u>20,454,602</u>
<b>Total Assets</b>	<u>32,267,201</u>

**Deferred Outflow of Resources**

Deferred Outflows - Pension	769,778
Deferred Outflows - OPEB	5,099
<b>Total Deferred Outflows of Resources</b>	<u>\$ 774,877</u>

See accompanying notes to the financial statements

**PIERCE COUNTY HOUSING AUTHORITY  
STATEMENT OF NET POSITION - CONTINUED  
DECEMBER 31, 2022**

**Current Liabilities:**

Accounts Payable	\$ 1,131,455
Wages/Payroll Payable	78,184
Unearned Revenue	436,116
Compensated Absences, current	147,932
Interest Payable	75,706
Tenant Security Deposits	375,047
Bonds and Notes Payable, current	382,656
Total OPEB Liability, current	5,099
FSS Escrow, current	166,759
Other Current Liabilities	166,157
<b>Total Current Liabilities</b>	<u><u>2,965,111</u></u>

**Noncurrent Liabilities:**

Compensated Absences, noncurrent	21,793
Bonds and Notes Payable, noncurrent	16,070,344
Net Pension Liability	429,767
Total OPEB Liability, noncurrent	1,268,947
FSS Escrow, noncurrent	341,757
Other Long Term Liabilities	163,700
<b>Total Noncurrent Liabilities</b>	<u><u>18,296,307</u></u>

<b>Total Liabilities</b>	<u><u>21,261,418</u></u>
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**Deferred Inflows of Resources**

Deferred Inflows - Pension	849,415
<b>Total Deferred Inflows of Resources</b>	<u><u>849,415</u></u>

**Net Position**

Net Investment in Capital Assets	2,320,764
Restricted Net Position for:	
Replacement Reserves	929,024
Net Pension Asset	679,384
Unrestricted Net Position	7,002,073
<b>Total Net Position</b>	<u><u>\$ 10,931,245</u></u>

See accompanying notes to the financial statements

**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the Year Ended DECEMBER 31, 2022**

**Operating Revenues**

Tenant Revenue	\$ 8,269,283
Operating Grants	35,290,827
Other Revenue	546,405
<b>Total Operating Revenues</b>	<u>44,106,516</u>

**Operating Expenses**

Administrative	3,590,865
Tenant Services	164,571
Utilities	909,539
Maintenance	2,831,121
Insurance/General	1,464,364
Housing Assistance Payments	32,329,711
Depreciation and Amortization	1,702,671
<b>Total Operating Expenses</b>	<u>42,992,841</u>

<b>Net Operating Income (Loss)</b>	<u>1,113,674</u>
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**Nonoperating Revenues (Expenses)**

Interest Income	1,436
Interest Expense	(939,558)
Gain or Loss on Disposition of Capital Assets	(3,723)
<b>Net Nonoperating Revenues (Expenses)</b>	<u>(941,845)</u>

<b>Change in Net Position</b>	171,830
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<b>Net Position - Beginning of Year</b>	10,576,257
Prior Period Adjustment	183,159
<b>Net Position - End of Year</b>	<u>\$ 10,931,245</u>

See accompanying notes to the financial statements

**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**For the Period Ended DECEMBER 31, 2022**

**Cash Flows from Operating Activities**

Cash received from customers	\$ 8,324,603
Cash operating grants received	35,290,827
Cash received from other operating activities	506,014
Cash payment for goods and services	(6,388,485)
Cash payments for housing assistance	(32,270,977)
Cash payments to employees	(3,165,018)
<b>Net Cash Provided in Operating Activities</b>	<u>2,296,964</u>

**Cash Flows from Investing Activities**

Interest Received	1,436
Net Cash Received on Mortgages Receivable	49,976
<b>Net Cash Provided by Investing Activities</b>	<u>51,412</u>

**Cash Flows from Capital and Financing Activities**

Interest Paid on Long Term Debt	(941,120)
Principal Reduction on Long Term Debt	(526,772)
Purchase of Capital Assets	(154,856)
<b>Net Cash Used in Financing Activities</b>	<u>(1,622,748)</u>

**Net increase (Decrease) in Cash** 725,629

Cash and Cash Equivalents - Beginning of Year	<u>9,611,533</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>10,337,162</u>

**Reconciliation to Cash Accounts:**

Cash Equivalents - Unrestricted	8,088,458
Cash Equivalents - Restricted	2,248,703
<b>Total Cash Equivalents</b>	<u>\$ 10,337,162</u>

See accompanying notes to the financial statements



**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS - CONTINUED**  
**DECEMBER 31, 2022**

**Reconciliation of Net Operating Income to Cash Provided in Operating Activities:**

Net Operating Income	\$ 1,113,674
Adjustments to Reconcile Net Income to Net Cash Provided in Operating Activities:	
Depreciation	1,702,671
Decrease (increase) in accounts receivable	(262,664)
Increase (decrease) in accounts payable	249,256
Increase (decrease) in other payables	33,712
Increase (decrease) in customer deposits	71,969
Increase (decrease) in compensated absences	21,833
Increase (decrease) in deferred revenue	205,623
Increase (decrease) in pensions and OPEB	(431,865)
Decrease (increase) in prepaid expenses	(407,244)
<b>Net Cash Provided in Operating Activities</b>	<b><u>\$ 2,296,965</u></b>

Non Cash	
AP	63,679

See accompanying notes to the financial statements

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Pierce County Housing Authority (the Authority) was organized pursuant to the laws of the State of Washington. These financial statements have been prepared in conformity with generally accepted accounting principles as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Authority's significant accounting policies are described in the following notes.

**A. Reporting Entity**

The purpose of the Authority is to provide safe, decent, sanitary and affordable housing to low income families in Pierce County, Washington, and to operate the housing programs in accordance with federal legislation administered through the U.S. Department of Housing and Urban Development (HUD) under provisions of the National Housing Act of 1937. The Authority was created in 1978 by an act of Pierce County, Washington.

The governing body of the Authority is its Board of Commissioners, which is comprised of six members, five of whom are appointed by the Pierce County Executive and ratified by the County Council and one, which is appointed by the Authority Board of Commissioners. The Board appoints an Executive Director to administer the affairs of the Authority. The Authority is not considered a component unit of Pierce County, as the Board of Commissioners independently oversees the Authority's operations and Pierce County is not financially accountable for the Authority. Financial accountability is defined as appointment of a majority of the entities board and either (a) the ability to impose the primary government's will, or (b) the Authority will provide a financial benefit to, or impose a financial burden on, the primary government.

*Discretely Presented Component Units*

On January 26, 2012, the Authority's Board of Commissioners adopted a resolution relating to the organization of a nonprofit corporation, Housing Successes, to support the Authority in its goals. On July 10, 2014, the IRS provided a final determination of the tax-exempt status of Housing Successes. While considered a component unit of the Authority, there was no fiscal activity during the year.

*Blended Component Units*

During 2014, the Authority established three separate Limited Liability Companies: Chateau Rainier Apartments LLC, DeMark Apartments LLC and Lakewood Village Apartments LLC, for the purpose of debt refunding. The refunding occurred in 2015 and the Authority transferred all assets and liabilities to these three separate legal entities. The Authority is the sole corporate member; therefore, these three legally separate entities are considered blended component units.

The accompanying financial statements include all programs, and organizations for which the Board of Commissioners is financially accountable.

**B. Basis of Accounting and Presentation**

Basis of Accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The accounting records of the Authority are maintained and reported in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW and the Federal Department of Housing and Urban Development. The Authority must report using GAAP; however, it has the option to use either the single enterprise proprietary fund or special purpose governmental fund model.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

The Authority has elected to report as a single-enterprise proprietary fund (business-type activities) and uses the accrual basis of accounting. The measurement focus is on the flow of economic resources. The proprietary fund is composed of a number of programs. These programs are designed to provide low-income individuals with housing. The operations of each entity are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, net position, revenues and expenses as appropriate. Resources are allocated to and accounted for in individual programs based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Proprietary funds are used to account for activities that are operated in a manner similar to private enterprise business. Under this method revenues are recognized when earned and expenses are recognized when incurred. Capital asset purchases are capitalized and long-term debt liabilities are accounted for in the fund. Substantially all transactions in the Affordable Housing Program are considered to be exchange type transactions. Annual HUD Contributions reflected in the Assisted Housing Program are considered to be voluntary non-exchange transactions. Revenues for such transactions are recorded when eligible payments have been earned.

The Authority presents a classified statement of net position, which distinguishes between short-term and long-term assets and liabilities. The criterion used to determine whether an asset or liability is long or short-term is one year. This means that assets that are expected to convert to cash or will benefit the ensuing year's operations are treated as current assets. Likewise, liabilities that will likely be settled within the ensuing year are treated as current liabilities. Certain liabilities, such as Unclaimed Property and Compensated Absences, are classified into current and long-term portions based upon estimates of the amounts that will be settled during the ensuing year.

For the most part, the Authority reports operating revenues as defined in GASB 9. An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. The use of this classification is based on guidance from HUD, the primary user of the financial statements and is a departure from GAAP. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Assisted Housing Programs**

This major program is used to account for the various HUD and other housing assistance programs administered by the Authority such as Section 8, Low-Income Public Housing (LIPH) and Rural Development (RD) programs.

*Public Housing:* This program accounts for low-rent public housing projects developed and operated by the Authority. HUD provided development grants to allow the Authority to purchase real estate for use in the program and provides operating subsidies and capital improvement grants for ongoing management of the projects. There are 124 single family homes being operated in this program.

*Section 8 Housing Choice Voucher Programs:* The Section 8 programs provide housing assistance payments for up to approximately 2,553 households who live in private and Authority owned housing. These programs were authorized by Section 8 of the National Housing Act and provide housing assistance payments to landlords and lenders to subsidize rental and mortgage payments for low-income persons.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

*Rural Development:* This program provides for special needs populations in rural areas. Rural Development provides both rent subsidies and interest rate subsidies for this specific project which serves 20 elderly or disabled low income households.

**Affordable Housing Program**

This major program is used to account for various business type activity programs administered by the Authority that do not have on-going federal subsidies to fund operations.

*Apartments:* The operation of 8 multi-family housing projects, consisting of 670 units that are financed and operated in a manner similar to private business enterprises are included in this group. Costs (expenses, including depreciation) of providing services to the general public, on a continuing basis, are recovered primarily through rental revenues.

*5H Homeownership:* This program accounts for the sale of public housing program homes to current residents. Homes sold under this program are transferred from the Assisted Housing Program to the Homeownership program sub-account within the Affordable Housing program at its net book value. The proceeds of the sales are a combination of cash, for privately financed first mortgages, and second mortgage notes receivable. The Authority holds a "silent second" mortgage that bears no interest. These mortgages are due upon sale of the property or at such time as the family can afford to pay at least \$50 per month in debt service as determined under program guidelines. Since the timing of repayment of these notes is uncertain, the investment in the related notes receivable have not been discounted. As such, these notes are stated at their face value in the accompanying statement of net position.

**C. Specific Assets, Liabilities and Net Position**

1. Cash, Cash Equivalents and Investments

For the purposes of the Statement of Net Position and the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, or available on demand, to be cash equivalents.

2. Restricted Assets

In accordance with loan agreements and federal contracts (and certain related agreements) separate restricted accounts are required to be established. The assets held in these accounts are restricted for specific use, including assets to be used for replacement reserves, tenant security deposits, excess HAP funding, and Family Self Sufficiency ("FSS") funds held in escrow for families who successfully fulfill the program requirements. Restricted assets also include Pension Assets.

3. Receivables

Receivables consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. The Allowance for Doubtful Accounts is determined at the end of the year by evaluating the facts and circumstances of each account included in accounts receivable. On the financial statements, the receivables are presented in a net format after deducting the current allowance amount.

Notes held by the Authority under its Homeownership and Low-Income Public Housing Programs are stated at the face value of unpaid second mortgages and unpaid rental account debt. Because the ultimate timing of receipt of these funds is uncertain, no discounting of amounts to reflect the time value of money is reflected in these financial statements. Mortgage and rental account payments that are due in 2022 are classified as current assets.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

4. Inventories

The "Inventories" account includes any material dollar amount of rental property components on hand and not installed at a particular property as of the date of the Statement of Net Position. Generally, components are ordered as needed for specific repairs and not maintained as inventory. Inventory is valued at cost and is valued using the "first in first out" (FIFO) method which approximates the market value.

5. Capital Assets

Costs in excess of \$5,000 that materially add to the productive capacity and extend the life of an asset longer than one year are capitalized, while maintenance and repair costs are expensed as incurred. All capital assets are valued at historical cost. Property, plant, and equipment donated or sold at a bargain discounted price to the Authority is recorded at the acquisition value determined at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	15 – 40 years
Equipment	5 years

The Authority has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the Authority has sufficient legal interest to accomplish the purposes for which the assets were acquired.

6. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. Vacation pay, which may be accumulated up to 120 hours annually, is payable to the employee based upon terms of the collective bargaining agreement or employment policy whichever is applicable. An employee may accrue up to a maximum of 480 hours of sick pay and is payable upon terms of the collective bargaining agreement or employment policy whichever is applicable. Vested and accumulated vacation and sick leave are reported as expenses and classified into current and long-term portions in the applicable program.

7. Family Self-Sufficiency

FSS Escrows consist of escrow accounts of tenants participating in a HUD self-sufficiency program. These accounts are held on behalf of the tenants until completion or termination of the program.

8. Unearned Revenues

The Authority has unearned revenues which arise when the cash has been received, but the potential revenue has not been earned in the current period. Unearned revenue results from ground lease payments, grants and tenant rent payments received in advance of the period in which these are considered earned. Unearned tenant rent payments were received prior to year-end before they were due; grant funding was received in advance of incurring related expense.

9. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For purposes of calculating the restricted net position related to the net pension asset, the Authority includes the net pension asset less the deferred inflows and deferred outflows related to the PERS 2/3 retirement system. For details of the Pension Plans, see Note 7.

10. Deferred Inflow/Outflow of Resources

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

A deferred outflow of resources is a consumption of net position that is applicable to future periods. Deferred inflows of resources are acquisitions of net position in one period that are applicable to future periods. These are distinguished from assets and liabilities in the statement of net position. The Authority recognizes deferred outflows and deferred inflows related to pension liability and OPEB.

**11. Net Position**

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings that have been used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**12. Capital Contributions**

Capital contributions arise from the contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

**13. Use of Estimates**

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

**14. Inter-Program Receivables and Payables**

During the normal course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “inter-program due from” or “inter-program due to” have been eliminated in the preparation of the basic financial statements. In addition, offsetting inter-program operating transfers between individual programs have also been eliminated in the preparation of the financial statements.

**NOTE 2: DEPOSITS AND INVESTMENTS**

**A. Deposits**

Custodial credit risk for deposits is the risk that, in event of a failure of a depository institution, the Authority would not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Authority’s deposits and certificates of deposit are entirely covered by the Federal Depositary Insurance Commission (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). It is the policy of the Authority, when making deposits or investing in bank market rate savings or certificates of deposit, to use banks which are qualified public depositories as designated by the Washington Public Deposit Protection Commission (PDPC) pursuant to RCW 39.58. The PDPC is a risk sharing pool whereby member banks that are designated as “qualified public depositories”, mutually insure public deposits against loss. As a result, the FDIC or PDPC insures all demand deposits and bank balances of the Authority against loss.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

The Authority does not have a deposit policy for custodial credit risk. The Authority's bank balances in the amount of \$10,440,545 were secured through federal depository insurance or collateralized securities at December 31, 2022.

**B. Investments**

The Authority's investment policy authorizes investments that meets objectives such as security, liquidity, and return on investment, while conforming to all Federal, State, and local statutes. It is the Authority's policy to invest only in instruments permitted by the U.S. Department of Housing and Urban Development.

Available excess cash or demand deposits of the Authority are invested in accordance with RCW 35.82.070(6) and the Authority's policies. Investments consist of deposits with qualified public depositories, obligations of the U.S. Treasury and agencies, banker's acceptances, commercial paper, and repurchase agreements. All restricted cash and investments held in bond trust accounts were invested in accordance with the provisions of the various trust indentures. Certain investments may meet the criteria of cash and cash equivalents but are treated as investments by the Authority because of their intended long-term use.

As of the year end, the Authority had no investments. Investments are subject to the following risks:

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's policy minimizes the risk by staggering the maturity dates of its investments as well as limiting the weighted average maturities to one year.

Credit risk

Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation. The Authority does not have a formal policy that addresses credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority does not have a formal policy for custodial credit risk. The Authority had no custodial credit risk for its investments as of December 31, 2022.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

**NOTE 3: RESTRICTED ASSETS**

The restricted assets balance consists of the following items as of December 31, 2022:

	<u>12/31/2022</u>
Tenant Security Deposits	\$ 375,047
Restricted for Replacement Reserves	929,024
FSS Escrow Deposits	341,757
Restricted for Current Liabilities	602,875
Restricted for Net Pension Asset	679,384
	<u>\$ 2,928,087</u>

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 4: ACCOUNTS RECEIVABLE**

Accounts receivable balance consists of the following items as of December 31, 2022. All loans receivable are considered collectible.

<b>Accounts Receivable Item</b>	<b>Amount</b>
HUD	\$ 316,176
Project	122,922
Tenants	851,571
Other	15,981
Fraud Recovery	156,879
Loans Receivable	60,163
Allowance for Doubtful Accounts	(543,520)
<b>Total</b>	<b>\$ 980,172</b>

**NOTE 5: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2022 is reported in the following table.

	Beginning Balance 1/1/2022	Restated Beginning Balance * 1/1/2022	Increases	Decreases	Ending Balance 12/31/2022
Capital assets not being depreciated:					
Land	\$ 5,229,442	\$ 5,229,442	\$ -	\$ -	\$ 5,229,442
Construction in progress	31,051	31,051	98,641	31,051	98,641
Total capital assets not being depreciated	5,260,493	5,260,493	98,641	31,051	5,328,083
Capital assets being depreciated					
Buildings and Improvements	36,103,463	36,103,463	49,413	9,586	36,143,290
Furniture and Equipment	3,742,393	3,742,393	99,221	74,258	3,767,356
Total capital assets being depreciated	39,845,856	39,845,856	148,634	83,844	39,910,646
Less Accumulated Depreciation for:		-			
Buildings and Improvements	(22,387,857)	(22,387,857)	(1,353,089)	(66,887)	(23,674,059)
Furniture and Equipment	(3,200,893)	(3,200,893)	(185,882)	(15,547)	(3,371,228)
Total capital assets being depreciated, net	14,257,106	14,257,106	(1,390,337)	1,410	12,865,359
Intangible Assets	89,224	907,722	-	-	907,722
Accumulated Amortization	-	(163,700)	(163,700)	-	(327,400)
Total capital assets being amortized, net	89,224	744,022	(163,700)	-	580,322
Total capital assets, net	\$ 19,606,823	\$ 20,261,621	\$ (1,455,396)	\$ 32,461	\$ 18,773,764

\*The beginning balance was restated to reclassify prepaid assets into an intangible asset less it's accumulated amortization.

**NOTE 6: LONG TERM DEBT**

The Authority has direct placement debt which may be secured by capital assets. These loans were used to acquire capital assets that provide low-income housing.



**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Schedule of Direct Placement Debt Outstanding**

Description	Original Amount	Issue Date	Fiscal Year Maturity	Interest Rate	Amount Outstanding	Other disclosures
Chateau Rainier FNMA - Refinance Debt	\$10,250,000	01/01/16	2046	5.66%	\$ 9,131,163	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Demark FNMA - Refinance Debt	3,250,000	01/01/16	2046	5.66%	2,895,244	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Lakewood Village FNMA - Refinance Debt	4,517,719	01/01/16	2046	5.66%	4,024,593	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Montgrove Manor Project	65,000	05/01/11	2041	0.00%	65,000	Secured by a promissory note and a deed of trust. Must meet low income housing requirements, and lease the units not allow any rental unit to be vacant for six months. Upon default, the entire note shall become due and payable. No prepayment penalty. Provided the Borrower is not in default hereunder or under any of the Loan
Rural Development - Acquire Apartment Complex	696,219	12/01/00	2030	6.88%	337,000	Interest of 5.88% is subsidized by rural development, making the interest rate 1%. Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment is allowed.
Total	<u>\$18,778,938</u>				<u>\$16,453,000</u>	

Mortgage debt service requirements to maturity are as following:

Year Ending	Required		
<u>12/31</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2023	\$ 382,656	\$ 899,501	\$ 1,282,157
2024	405,306	879,174	1,284,480
2025	429,302	857,666	1,286,968
2026	454,725	834,908	1,289,633
2027	481,657	810,828	1,292,485
2028-2032	2,754,481	3,641,036	6,395,517
2033-2037	3,456,245	2,790,873	6,247,118
2038-2042	4,648,751	1,663,369	6,312,120
2043-2046	\$ 3,439,877	308,392	3,748,269
	<u>16,453,000</u>	<u>\$ 12,685,747</u>	<u>\$ 29,138,747</u>

During the year ended December 31, 2022, the following changes occurred in long-term liabilities:

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Description	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct placement debt:					
Mortgages	\$ 16,816,072	\$ -	\$ 363,072	\$ 16,453,000	\$ 382,656
Total direct placement debt:	16,816,072	-	363,072	16,453,000	382,656
Accrued Interest	77,267	-	1,561	75,706	75,706
Compensated Absences	147,892	21,833	-	169,725	147,932
Net Pension Liability	171,535	258,232	-	429,767	-
OPEB Liability	1,416,154	-	142,108	1,274,046	5,099
FSS Escrow Liability	449,783	58,733	-	508,516	166,759
Contract Liabilities *	493,556	-	163,700	329,856	166,157
	<u>\$ 19,572,259</u>	<u>\$ 338,798</u>	<u>\$ 670,441</u>	<u>\$ 19,240,616</u>	<u>\$ 944,309</u>

\*The beginning balance was restated to recognize a contract payable related to intangible assets.

**NOTE 7: NET PENSION LIABILITY**

The following table represents the aggregate pension amounts for all plans for the year 2022:

<b>Aggregate Pension Amounts - All Plans</b>	
Pension liabilities	\$ 429,767
Pension assets	744,872
Deferred outflows of resources	769,778
Deferred inflows of resources	849,415
Pension expense/expenditures	(31,812)

**State Sponsored Pension Plans**

Substantially all Authority full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age

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with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for fiscal year 2022 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates</b>	<b>Employer</b>	<b>Employee*</b>
January – August 2022		
PERS Plan 1	6.36%	6.00%
Plan 1 UAAL	3.71%	
Administrative Fee	0.18%	
<b>Total</b>	<b>10.25%</b>	<b>6.00%</b>
September – December 2022		
PERS Plan 1	6.36%	6.00%
Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
<b>Total</b>	<b>10.39%</b>	<b>6.00%</b>

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute

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to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The PERS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for fiscal year 2022 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates</b>	<b>Employer 2/3</b>	<b>Employee 2*</b>
January – August 2022		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.71%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>Total</b>	<b>10.25%</b>	<b>6.36%</b>
September - December 2022		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>Total</b>	<b>10.39%</b>	<b>6.36%</b>

The Authority's actual PERS plan contributions were \$105,031 to PERS Plan 1 and \$177,783 to PERS Plan 2/3 for the year ended December 31, 2022.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2022 with a valuation date of June 30, 2021. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2013-2018 Demographic Experience Study* and the *2021 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2021 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2022. Plan liabilities were rolled forward from June 30, 2021, to June 30, 2022, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status, as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

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Methods did not change from the prior contribution rate setting June 30, 2019 Actuarial Valuation Report (AVR), however OSA introduced a temporary method change to produce asset and liability measures for the June 30, 2020 AVR. There were also the following assumption changes:

- OSA updated the Joint-and-Survivor Factors and Early Retirement Factors in the model. Those factors are used to value benefits for early retirement and survivors of members that are deceased prior to retirement. These factors match the administrative factors provided to DRS for future implementation that reflect current demographic and economic assumptions.
- OSA updated the economic assumptions based on the 2021 action of the PFC and the LEOFF Plan 2 Retirement Board. The investment return assumption was reduced from 7.5% (7.4% for LEOFF 2) to 7.0%, and the salary growth assumption was lowered from 3.5% to 3.25%. This action is a result of recommendations from OSA's biennial economic experience study.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.0 percent.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0 percent was used to determine the total liability.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.0 percent was determined using a building-block-method. In selecting this assumption, the OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMA's) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 are summarized in the table below. The inflation component used to create the table is 2.20 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% Long-Term Expected Real Rate of Return Arithmetic</b>
Fixed Income	20%	1.50%
Tangible Assets	7%	4.70%
Real Estate	18%	5.40%
Global Equity	32%	5.90%
Private Equity	23%	8.90%
	<b>100%</b>	

**Sensitivity of the Net Pension Liability/(Asset)**

The table below presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6 percent) or 1-percentage point higher (8 percent) than the current rate.

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	<b>1% Decrease 6.00%</b>	<b>Current Rate 7.00%</b>	<b>1% Increase 8.00%</b>
PERS 1	574,163	429,767	303,743
PERS 2/3	877,184	(744,872)	(2,077,493)

**Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2022, the Authority reported its proportionate share of the net pension liabilities or assets as follows

<b>Plan</b>	<b>Liability or Asset</b>
PERS 1	\$ 429,767
PERS 2/3	(744,872)

At June 30, the Authority's proportionate share of the collective net pension liabilities or assets was as follows:

	<b>Proportionate Share 6/30/21</b>	<b>Proportionate Share 6/30/22</b>	<b>Change in Proportion</b>
PERS 1	0.01405%	0.01544%	0.00139%
PERS 2/3	0.01807%	0.02008%	0.00202%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2022 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans.

**Pension Expense**

For the year ended December 31, 2022, the Authority recognized pension expense as follows:

	<b>Pension Expense</b>
PERS 1	\$ 233,578
PERS 2/3	(265,390)
<b>TOTAL</b>	<b>(31,812)</b>

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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<b>PERS 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (71,225)
Contributions subsequent to the measurement date	57,076	-
<b>TOTAL</b>	<b>\$ 57,076</b>	<b>\$ (71,225)</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 184,562	\$ (16,862)
Net difference between projected and actual investment earnings on pension plan investments	-	(550,689)
Changes of assumptions	415,163	(108,705)
Changes in proportion and differences between contributions and proportionate share of contributions	17,402	(101,934)
Contributions subsequent to the measurement date	95,575	
<b>TOTAL</b>	<b>\$ 712,702</b>	<b>\$ (778,190)</b>

<b>TOTAL ALL PLANS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 184,562	\$ (16,862)
Net difference between projected and actual investment earnings on pension plan investments	-	(621,914)
Changes of assumptions	415,163	(108,705)
Changes in proportion and differences between contributions and proportionate share of contributions	17,402	(101,934)
Contributions subsequent to the measurement date	152,651	-
<b>TOTAL</b>	<b>769,778</b>	<b>\$ (849,415)</b>

Deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended December 31:	PERS 1	PERS 2/3
2023	\$ (30,141)	\$ (190,611)
2024	(27,376)	(171,744)
2025	(34,342)	(200,596)
2026	20,634	234,845
2027	-	83,623
Thereafter	-	83,420

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS**

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB Statement 75 for the year 2022.

Aggregate OPEB amounts - All Plans	
OPEB Liabilities	\$ 1,274,046
Deferred outflows of resources	5,099
OPEB Expense	(134,296)

**Plan Description**

The Authority administers a Post-Retirement Health Care Program under a single-employer defined benefit Other Post Employment Benefit (OPEB) plan. This plan is administered by the Health Care Authority (HCA) per RCW 41.05.065, the Public Employees Benefits Board (PEBB) created within the HCA, is authorized to design benefits and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria for both active and retired employees. PEBB programs include medical, dental, life and long-term disability. Benefits are offered to retirees at a subsidized rate.

The benefits are provided in accordance with a substantive plan, in which the plan terms are understood by the employers and plan member, but not formalized in a contract or plan document. The PEBB retiree OPEB plan is available to employees who elect to continue coverage and pay the administratively established premiums at the time they retire under the provisions of the retirement system to which they belong.

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1
Active employees	41
Total	<u>42</u>

**Assumptions and Other Input**

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about retirement ages, mortality and the healthcare cost trend. The actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The Authority's total OPEB liability of \$1,274,046 was measured as of June 30, 2022, with a valuation date of



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June 30, 2022. The alternative method permitted under GASB 75 was used to calculate the liability instead of an actuarial valuation. The Entry Age actuarial cost method and the recognized immediately amortization method were used in this calculation. There are no assets in this plan, therefore, no asset valuation method was used.

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement period, unless otherwise specified:

Discount rate - Beginning of Measurement Year	2.16%
Discount Rate - End of Measurement Year	3.54%
Base Mortality Table	PubG.H-2010
Age Setback	0 years
Mortality Improvements	MP-2017-Long-Term Rates Generational
Projected Salary Changes	3.5% + service based increases
Healthcare Trend Rates	Initial rate ranges from about 2-11%, reaching an ultimate rate of approximately 4.3% in 2075.
Inflation Rate	2.75%
Post-Retirement Participation Percentage	65%
Percentage with Spouse Coverage	45%

The source of the discount rate is the Bond Buyer General Obligation 20- Bond Municipal Index.

Mortality rates were based on the Pub. H-2010 healthy and disabled tables. The Society of Actuaries publishes this document. The Washington State Actuary applied offsets to the base table and recognized future improvements in mortality by projections using RPEC MP-2017 long-term rates. No age offset was applied. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

Specific assumptions are as follows:

It was assumed that two thirds of members will select a Uniform Medical Plan (UMP) and one third will select a Kaiser Permanente (KP) plan. The specific assumptions are as follows:

- UMP pre and post Medicare costs and premiums are equal to the Uniform Medical Plan Classic.
- The KP pre-Medicare costs and premiums are 50/50 blend of KP classic and KP value.
- The KP post-Medicare costs and premiums are equal to KP WA Medicare.

The estimated retirement service for each active cohort was based on the average entry age of 35, with a maximum service of 1 year. For example, an age 47 member is assumed to have 12 years of service. Service is a component of benefit eligibility. Assumptions for retirement, disability, termination and mortality are based on the 2020 PEBB OPEB Actuarial Valuation Report (AVR). For simplicity, Plan 2 decrement rates were assumed. Additionally, all employees were assumed to be retirement eligible at age 55 and all employees retire at age 70. Based on an average expected retirement age of 65, an active mortality rate for ages less than 65 and retiree mortality rate for ages 65+ was

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applied. Each cohort is assumed to be a 50/50 male/female split. It was further assumed that eligible spouses are the same age as the primary member.

Dental benefits are not included when including the Total OPEB Liability, as dental benefits represent less than 2 percent of the accrued benefit obligations under the 2020 PEBB OPEB AVR.

**Sensitivity Rates**

GASB 75 requires an analysis of the impact of changing the Healthcare Trend and Discount rate assumptions by 100 basis points. The following tables present the total OPEB liability of the Authority at December 31, 2022, adjusted for that assumption change.

Discount Rate Sensitivity		
1% Decrease	Current Discount Rate	1% Increase
\$ 1,553,044	\$ 1,274,046	\$ 1,054,952

Health Care Trend Rate Sensitivity		
1% Decrease	Current Health Care Trend Rate	1% Increase
\$ 1,018,296	\$ 1,274,046	\$ 1,613,351

**Changes in Total OPEB Liability**

The table below presents the changes in the total OPEB liability:

Total OPEB liability - beginning	\$ 1,416,154
Service cost	93,988
Interest Cost	32,535
Changes in assumptions	(260,819)
Benefit payments	(7,812)
Net change in total OPEB liability	(142,108)
Total OPEB liability - ending	\$ 1,274,046

**NOTE 9: DEFERRED CONTRIBUTION PENSION PLAN**

The Authority's Section 457 Plan is a single-employer defined contribution plan. Plan benefit terms have been established by the Washington State Department of Retirement Deferred Compensation Program (DCP) and the Authority's personnel policy. The Authority makes matching contributions on behalf of participating employees. No assets are accumulated in trusts or equivalent arrangements by the Authority which meet the criteria in GASB 73, paragraph 101. The plan assets are administered by a third-party, which is the Washington State Department of Retirement Systems – Washington State Investment Board.

Plan assets are held in each employee's name and are the property of the employee and are 100% vested upon contribution.

Contribution rates for employees can change annually and are limited by the State of Washington DCP regulations and the IRS Section 457 limitations. Per the DCP program, the minimum contribution is \$30 per month and cannot

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exceed \$19,500 per year. The Authority matches up to 6% of wages after 12 months of employment. Pension expense and employer contributions for the Authority was \$58,826,; for the year ended December 31, 2022.

**NOTE 10: CONDENSED FINANCIAL INFORMATION**

The following condensed financial information for blended component units of the Authority has been presented for the year ending December 31, 2022.

<b>Condensed Statement of Net Position</b>			
	<b>Chateau Rainier Apartments, LLC</b>	<b>DeMark Apartments, LLC</b>	<b>Lakewood Village Apartments, LLC</b>
Current Assets	\$ 1,658,449	\$ (151,663)	\$ 1,040,630
Capital Assets	4,258,309	1,441,638	4,008,757
Total Assets	<u>5,916,758</u>	<u>1,289,975</u>	<u>5,049,387</u>
Current Liabilities	674,017	243,981	364,590
Long-Term Liabilities	8,945,440	2,836,729	3,943,370
Total Liabilities	<u>9,619,458</u>	<u>3,080,710</u>	<u>4,307,960</u>
Net Investment in Capital Assets	(4,872,856)	(1,453,609)	(15,831)
Restricted Net Position	665,324	212,593	260,835
Unrestricted Net Position	504,832	(549,719)	496,423
Total Net Position	<u>\$ (3,702,700)</u>	<u>\$ (1,790,735)</u>	<u>\$ 741,427</u>

<b>Condensed Statement of Revenues, Expenses and Changes in Net Position</b>			
	<b>Chateau Rainier Apartments, LLC</b>	<b>DeMark Apartments, LLC</b>	<b>Lakewood Village Apartments, LLC</b>
Operating Revenue	\$ 3,031,637	\$ 1,085,172	\$ 1,684,108
Operating Expenses	2,426,326	1,079,822	1,449,678
Depreciation Expense	<u>365,973</u>	<u>150,857</u>	<u>316,424</u>
Operating Income (Loss)	239,338	(145,507)	(81,994)
Nonoperating Revenues (Expenses)	<u>(1,222)</u>	<u>(89)</u>	<u>(1,865)</u>
Change in Net Position	238,116	(145,596)	(83,859)
Beginning Net Position	(3,924,215)	(1,649,762)	811,578
Prior Period Adjustments	<u>(16,600)</u>	<u>4,623</u>	<u>13,708</u>
Ending Position	<u>\$ (3,702,699)</u>	<u>\$ (1,790,734)</u>	<u>\$ 741,427</u>

**NOTE 11: CONTINGENT LIABILITIES**

The Authority receives significant financial assistance from federal, state, and local agencies in the form of grants and operating subsidies. HUD provided approximately 80% of the Authority's operating revenue in the current year. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the agreements and are subject to audit by the grantor agencies; therefore, to the extent that the Authority has not complied with rules and regulations governing the grants, if any, refunds of any money received may be required.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

Management believes there are no significant contingent liabilities relating to compliance with grant rules and regulations.

**NOTE 12: RISK MANAGEMENT**

The Authority is a member of the Housing Authorities Risk Retention Pool (HARRP), now called Synchronous Risk Management. Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 (Interlocal Cooperation Act), fifty-five public housing authorities in the states of Washington, Oregon and California originally formed HARRP in March 1987. HARRP was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. HARRP is a U.S. Department of Housing and Urban Development (HUD) approved self-insurance entity for utilization by public housing authorities. HARRP has a total of eighty-two member/owner housing authorities in the states of Washington, Oregon, California and Nevada. Thirty-five of the eighty-two members are Washington State public housing entities.

New members are underwritten at their original membership and thereafter automatically renew on an annual basis. Members may quit upon giving notice to HARRP prior to their renewal date. Members terminating membership are not eligible to rejoin HARRP for three years. HARRP can terminate the members after giving a sixty (60) day notice prior to the renewal date. Termination does not relieve a former member from its unresolved losses incurred during membership.

General and Automobile Liability Coverage is written on an occurrence basis, without member deductibles. Errors and Omissions coverage (which includes Employment Practices Liability) is written on claims made basis, and the members are responsible for 10% of the incurred costs of the claims. The Property coverage offered by HARRP is on a replacement cost basis, with deductibles ranging from \$1,000 to \$25,000. (Due to special underwriting circumstances, some members may be subject to greater deductibles and E & O co-payments). Fidelity coverage is also offered, with limits of \$100,000 (with options up to \$500,000) for employee dishonesty, forgery or alteration and \$10,000 for theft with deductibles similar to the retention of Property

Coverage limits for General Liability, as well as Errors and Omissions are \$2,000,000 per occurrence with no annual aggregate. Property limits are offered on an agreed amount, based on each structure's value. Limits for Automobile Liability are covered at \$2,000,000, with no aggregate. HARRP self-insures \$2 million of coverage for liability lines. For property, HARRP retains the first \$2 million and then purchases \$45 million of excess insurance from Munich Reinsurance for a combined total of \$47,000,000. The HARRP Board of Directors determines the limits and coverage terms, at its sole discretion.

HARRP provides loss control and claim services with in-house staff and retained third party contractors.

HARRP is fully funded by member contributions that are adjusted by the HARRP Board on the basis of independent actuarial studies. These assessments cover loss, loss adjustment expenses, excess insurance, reinsurance and other administrative expenses. HARRP does not have the right to assess the membership for any shortfall in its funding. Such shortfalls are made up through future rate adjustments.

In the past three years, no settlements exceeded insurance coverage.

**NOTE 13 – PRIOR PERIOD ADJUSTMENTS**

A prior period adjustment of \$183,159 is presented in the financial statements, \$19,459 of which represent the reconciliation and correction of accrued liabilities and expenses for the Greystone properties, which are projects financed by Fannie Mae loans. The other \$163,700 is related to one year of depreciation related to an accounting system that was not capitalized in the prior year

**NOTE 14: IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING BOARD PRONOUNCEMENTS**

At December 31, 2022, the Authority implemented GASB 97, Deferred Compensation. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

Upon implementation of this standard, the Authority added a note disclosure describing the elements of the plan.

**NOTE 15: SUBSEQUENT EVENTS**

Section 18 of the Housing Act of 1937 allows Public Housing Authorities to remove public housing units without any replacement requirement. The Pierce County Housing Authority concluded that their scattered site units are infeasible to operate and inefficient in serving the people of Pierce County. After years of planning and with HUD's approval, PCHA started to remove the remainder of its 124 public housing scattered-site housing units under the Section 18 Scattered Site Disposition Program. It will receive Section 8 Tenant Protection Vouchers (TPVs) for each unit occupied within 24 months from application approval. Once the tenant has found acceptable housing using the TPV, the home will be sold, raising an estimated \$40 million in net proceeds for new Section 8 housing for Pierce County.

**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

**Pierce County Housing Authority**

Schedule of Proportionate Share of the Net Pension Liability  
PERS 1

As of June 30  
Last Eight Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	Covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.015435%	\$ 429,767	\$ 2,536,897	16.94%	76.56%
2021	0.014046%	171,535	2,058,695	8.33%	88.74%
2020	0.013184%	465,466	2,010,369	23.15%	68.64%
2019	0.016619%	639,060	2,120,023	30.14%	67.12%
2018	0.016652%	743,684	2,263,789	32.85%	63.22%
2017	0.017061%	809,558	2,285,200	35.43%	61.24%
2016	0.017223%	924,956	2,243,004	41.24%	57.03%
2015	0.016029%	838,466	2,049,548	40.91%	59.10%

**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

**Pierce County Housing Authority**  
Schedule of Proportionate Share of the Net Pension Liability  
PERS 2/3  
As of June 30  
Last Eight Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	Covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.020084%	\$ (744,872)	\$ 2,536,897	-29.36%	106.73%
2021	0.018068%	(1,799,864)	2,058,695	-87.43%	120.29%
2020	0.017070%	218,316	2,010,369	10.86%	97.22%
2019	0.021479%	208,634	2,120,023	9.84%	97.77%
2018	0.021202%	362,005	2,263,789	15.99%	95.77%
2017	0.021945%	762,484	2,285,200	33.37%	90.97%
2016	0.022060%	1,108,992	2,243,004	49.44%	85.82%
2015	0.020716%	740,194	2,049,548	36.11%	89.20%

**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

**Pierce County Housing Authority**  
Schedule of Employer Contributions  
PERS 1  
As of December 31  
Last Eight Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2022	\$ 105,031	\$ (105,031)	\$ -	\$ 2,795,327	3.76%
2021	104,629	(104,629)	-	2,483,003	4.21%
2020	97,998	(97,998)	-	1,999,207	4.87%
2019	100,098	(100,098)	-	2,120,023	4.72%
2018	122,324	(122,324)	-	2,263,789	5.40%
2017	95,994	(95,994)	-	2,285,200	4.20%
2016	111,537	(111,537)	-	2,243,004	4.97%
2015	87,763	(87,763)	-	2,049,548	4.28%



**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

**Pierce County Housing Authority**  
Schedule of Employer Contributions  
PERS 2/3  
As of December 31  
Last Eight Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2022	\$ 177,783	\$ (177,783)	\$ -	\$ 2,795,327	6.36%
2021	171,150	(171,150)	-	2,483,003	6.89%
2020	161,287	(161,287)	-	1,999,207	8.02%
2019	154,049	(154,049)	-	2,120,023	7.27%
2018	181,388	(181,388)	-	2,263,789	8.01%
2017	133,064	(133,064)	-	2,285,200	5.82%
2016	145,676	(145,676)	-	2,243,004	6.49%
2015	112,210	(112,210)	-	2,049,548	5.47%

**Pierce County Housing Authority**  
Notes to Required Supplemental Information - Pension

As of December 31  
Last Eight Fiscal Years

**Note 1:** Information Provided

GASB 68 was implemented for the year ended September 30, 2015, therefore there is no data available for years prior to 2014.

**Note 2:** Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions.

**Note 3:** Covered payroll

Covered payroll has been presented in accordance with GASB 82, *Pension Issues*. Covered payroll includes all payroll on which a contribution is based.

**Note 4:** Change in contribution rate

Rates in effect during the periods covered by the Required Supplemental Information are below:

**PERS 1**

<u>From this</u>		<u>Employer</u>
<u>Date</u>	<u>Through this Date</u>	<u>Rate</u>
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	current	10.39% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

**PERS 2/3**

<u>From this</u>		<u>Employer</u>
<u>Date</u>	<u>Through this Date</u>	<u>Rate</u>
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	current	10.39% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

PIERCE COUNTY HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
WASHINGTON HEALTHY CARE AUTHORITY (HCA) PUBLIC EMPLOYEE BENEFIT BOARD PLAN  
SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED DECEMBER 31,  
LAST FIVE FISCAL YEARS

Total OPEB liability	2022	2021	2020	2019	2018
Total OPEB liability beginning	\$ 1,416,154	\$ 1,514,067	\$ 1,152,976	\$ 1,471,127	\$ 1,414,167
Service cost	93,988	104,792	76,817	93,130	110,027
Interest	32,535	35,686	42,993	60,397	54,499
Differences between expected and actual experience	(260,819)	(230,088)	244,147	(464,366)	(103,785)
Benefit payments	(7,812)	(8,303)	(2,866)	(7,312)	(3,781)
Total OPEB liability ending	<u>\$ 1,274,046</u>	<u>\$ 1,416,154</u>	<u>\$ 1,514,067</u>	<u>\$ 1,152,976</u>	<u>\$ 1,471,127</u>
Covered employee payroll	2,795,327	2,483,003	1,999,207	2,120,023	2,263,789
Total OPEB liability as a percentage of covered employee payroll	45.58%	57.03%	75.73%	54.39%	64.99%

Notes to schedule

1. Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

2. The Authority implemented GASB 75 in FY 2018, therefore no data is presented before then. Eventually, ten years of data will be presented.

3. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**Pierce County Housing Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	From Pass- Through Awards	Expenditures		Passed through to Subrecipi- ents	Note
					From Direct Awards	Total		
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Housing Loans	10.415		-	27,894	27,894	-	1,2
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Housing Loans	10.415		-	369,360	369,360	-	1,2,4
			<b>Total ALN 10.415:</b>	-	<b>397,254</b>	<b>397,254</b>	-	
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Assistance Payments	10.427		-	71,740	71,740	-	1, 2
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Public and Indian Housing	14.850		-	420,189	420,189	-	1,2,3
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Public and Indian Housing	14.850		-	9,239	9,239	-	1,2,3
			<b>Total ALN 14.850:</b>	-	<b>429,428</b>	<b>429,428</b>	-	
<b>Housing Voucher Cluster</b>								
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Section 8 Housing Choice Vouchers	14.871		-	34,532,939	34,532,939	-	1,2,3
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Section 8 Housing Choice Vouchers	14.871		-	64,069	64,069	-	1,2,3
			<b>Total Housing Voucher Cluster:</b>	-	<b>34,597,008</b>	<b>34,597,008</b>	-	

The accompanying notes are an integral part of this schedule.

ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Public Housing Capital Fund	14.872	-	186,471	186,471	-	1, 2
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Family Self-Sufficiency Program	14.896	-	94,186	94,186	-	1,2,3
<b>Total Federal Awards Expended:</b>			-	<b>35,776,087</b>	<b>35,776,087</b>	-	

**Pierce County Housing Authority**

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

**Note 1 – Basis of Accounting**

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as Pierce County Housing Authority's financial statements. Since the Federal grants are considered to be either subsidy based or cost reimbursement grants, amounts reported on the Schedule of Expenditures of Federal Awards are based on revenues, rather than expenses.

**Note 2 – Program Costs**

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Actual program costs, including the Housing Authority's portion, may be more than shown.

**Note 3 – Indirect Cost Rate**

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

**Note 4 – Rural Rental Housing Loan**

In 2014, the Authority was approved by the USDA Rural Housing Service to receive a loan totaling \$696,219 for the acquisition of an apartment complex. The amount listed on this schedule is the outstanding loan balance as of January 1, 2022, amounting to \$369,360. The balance of the Rural Rental Housing loan at December 31, 2022, was \$336,999.

HA Of Pierce County (WA054)  
Tacoma, WA  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$763,113	\$1,022,221	\$1,594	\$3,158,122	\$994,058		\$198,255	\$1,946,989	\$4,107	\$8,088,459		\$8,088,459
112 Cash - Restricted - Modernization and Development		\$515,379					\$94,132			\$609,511		\$609,511
113 Cash - Other Restricted	\$15,208	\$319,513						\$326,549	\$107,491	\$768,761		\$768,761
114 Cash - Tenant Security Deposits	\$42,350	\$262,197		\$63,600			\$6,900			\$375,047		\$375,047
115 Cash - Restricted for Payment of Current Liabilities	\$99,487	\$189,055	\$0	\$49,587	\$2,536		\$26,783	\$127,936		\$495,384		\$495,384
100 Total Cash	\$920,158	\$2,308,365	\$1,594	\$3,271,309	\$996,594	\$0	\$326,070	\$2,401,474	\$111,598	\$10,337,162	\$0	\$10,337,162
121 Accounts Receivable - PHA Projects			\$2,866	\$16,941				\$243,954		\$263,761		\$263,761
122 Accounts Receivable - HUD Other Projects								\$175,337	\$0	\$175,337		\$175,337
124 Accounts Receivable - Other Government							\$15,981			\$15,981		\$15,981
125 Accounts Receivable - Miscellaneous	\$0				\$0					\$0		\$0
126 Accounts Receivable - Tenants	\$170,870	\$402,658	\$0	\$252,074			\$15,999	\$9,969		\$851,570		\$851,570
126.1 Allowance for Doubtful Accounts - Tenants	-\$47,935	-\$162,316	\$0	-\$160,496			-\$3,630	\$0		-\$374,377		-\$374,377
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0	-\$14,760		\$0	\$0	\$0	-\$14,760		-\$14,760
127 Notes, Loans, & Mortgages Receivable - Current					\$60,163					\$60,163		\$60,163
128 Fraud Recovery								\$156,879		\$156,879		\$156,879
128.1 Allowance for Doubtful Accounts - Fraud								-\$154,383		-\$154,383		-\$154,383
129 Accrued Interest Receivable												
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$122,935	\$240,342	\$2,866	\$108,519	\$45,403	\$0	\$28,350	\$431,756	\$0	\$980,171	\$0	\$980,171
131 Investments - Unrestricted												
132 Investments - Restricted												
135 Investments - Restricted for Payment of Current Liability												
142 Prepaid Expenses and Other Assets	\$2,415	\$5,692		\$205,432			\$1,717	\$268,616		\$483,872		\$483,872
143 Inventories				\$11,395						\$11,395		\$11,395
143.1 Allowance for Obsolete Inventories				\$0						\$0		\$0
144 Inter Program Due From	\$0	\$0		\$886,371					\$0	\$886,371	-\$886,371	\$0
145 Assets Held for Sale												
150 Total Current Assets	\$1,045,508	\$2,554,399	\$4,460	\$4,483,026	\$1,041,997	\$0	\$356,137	\$3,101,846	\$111,598	\$12,698,971	-\$886,371	\$11,812,600
161 Land	\$1,980,161	\$2,010,000		\$1,151,531			\$87,750			\$5,229,442		\$5,229,442
162 Buildings	\$9,829,799	\$19,271,285		\$6,423,291			\$618,914			\$36,143,289		\$36,143,289
163 Furniture, Equipment & Machinery - Dwellings	\$565,229	\$2,001,964		\$514,000			\$30,436			\$3,111,629		\$3,111,629
164 Furniture, Equipment & Machinery - Administration	\$0	\$0		\$493,371	\$0		\$25,394	\$136,961		\$655,726		\$655,726
165 Leasehold Improvements	\$28,622	\$110,103		\$133,773	\$3,924		\$4,616	\$626,685		\$907,723		\$907,723
166 Accumulated Depreciation	-\$7,541,293	-\$13,783,288		-\$5,350,054	-\$1,570		-\$341,133	-\$355,349		-\$27,372,687		-\$27,372,687
167 Construction in Progress		\$98,641								\$98,641		\$98,641
168 Infrastructure												
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,862,518	\$9,708,705	\$0	\$3,365,912	\$2,354	\$0	\$425,977	\$408,297	\$0	\$18,773,763	\$0	\$18,773,763
171 Notes, Loans and Mortgages Receivable - Non-Current					\$935,966					\$935,966		\$935,966
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due												
173 Grants Receivable - Non-Current												
174 Other Assets	\$121,904			\$307,400				\$315,570		\$744,874		\$744,874
176 Investments in Joint Ventures												
180 Total Non-Current Assets	\$4,984,422	\$9,708,705	\$0	\$3,673,312	\$936,320	\$0	\$425,977	\$723,867	\$0	\$20,454,603	\$0	\$20,454,603
200 Deferred Outflow of Resources	\$126,503			\$320,960				\$327,413		\$774,876		\$774,876
290 Total Assets and Deferred Outflow of Resources	\$6,156,433	\$12,263,104	\$4,460	\$8,477,298	\$1,980,317	\$0	\$782,114	\$4,153,126	\$111,598	\$33,928,450	-\$886,371	\$33,042,079
311 Bank Overdraft												
312 Accounts Payable <= 90 Days	\$39,172	\$213,984	\$1,390	\$368,830			\$4,638	\$241,684	\$30,362	\$900,060		\$900,060
313 Accounts Payable >90 Days Past Due												
321 Accrued Wage/Payroll Taxes Payable				\$78,184						\$78,184		\$78,184
322 Accrued Compensated Absences - Current Portion	\$10,070	\$16,571		\$116,351				\$4,939		\$147,931		\$147,931
324 Accrued Contingency Liability												
325 Accrued Interest Payable		\$75,706								\$75,706		\$75,706
331 Accounts Payable - HUD PHA Programs												
332 Account Payable - PHA Projects												
333 Accounts Payable - Other Government												
341 Tenant Security Deposits	\$42,350	\$262,197		\$63,600			\$6,900			\$375,047		\$375,047
342 Unearned Revenue	\$58,897	\$189,055		\$49,587	\$2,536		\$26,783	\$1,767	\$107,491	\$436,116		\$436,116
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$349,922					\$32,734			\$382,656		\$382,656
344 Current Portion of Long-term Debt - Operating Borrowings												
345 Other Current Liabilities	\$46,314	\$22,130		\$10,923	\$785		\$923	\$251,506	\$335	\$332,916		\$332,916
346 Accrued Liabilities - Other	\$37,291	\$59,775		\$134,333				\$231,399		\$231,399		\$231,399
347 Inter Program - Due To	\$140,032	\$100,233	\$3,070	\$89,491	\$854		\$2,507	\$389,441	\$160,743	\$886,371	-\$886,371	\$0
348 Loan Liability - Current												
310 Total Current Liabilities	\$374,126	\$1,289,573	\$4,460	\$911,299	\$4,175	\$0	\$74,485	\$889,337	\$298,931	\$3,846,386	-\$886,371	\$2,960,015
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$15,701,078		\$65,000			\$304,266			\$16,070,344		\$16,070,344
352 Long-term Debt, Net of Current - Operating Borrowings												
353 Non-current Liabilities - Other	\$20,932	\$22,021		\$8,910	\$785		\$923	\$451,886		\$505,457		\$505,457
354 Accrued Compensated Absences - Non-Current	\$1,484	\$2,441		\$17,140				\$728		\$21,793		\$21,793
355 Loan Liability - Non-Current												
356 FASB 5 Liabilities												
357 Accrued Pension and OPEB Liabilities	\$200,986			\$997,151				\$505,677		\$1,703,814		\$1,703,814
350 Total Non-Current Liabilities	\$223,402	\$15,725,540	\$0	\$1,088,201	\$785	\$0	\$305,189	\$958,291	\$0	\$18,301,408	\$0	\$18,301,408
300 Total Liabilities	\$597,528	\$17,015,113	\$4,460	\$1,999,500	\$4,960	\$0	\$379,674	\$1,847,628	\$298,931	\$22,147,794	-\$886,371	\$21,261,423
400 Deferred Inflow of Resources	\$139,013			\$350,543				\$359,859		\$849,415		\$849,415
508.4 Net Investment in Capital Assets	\$4,862,519	-\$6,342,296		\$3,300,912	\$2,354		\$88,978	\$408,297		\$2,320,764		\$2,320,764
511.4 Restricted Net Position	\$111,186	\$834,892		\$280,374			\$94,132	\$287,825		\$1,608,409		\$1,608,409
512.4 Unrestricted Net Position	\$446,167	\$755,395	\$0	\$2,545,969	\$1,973,003	\$0	\$219,330	\$1,249,517	-\$187,333	\$7,002,068		\$7,002,068
513 Total Equity - Net Assets / Position	\$5,419,892	-\$4,752,009	\$0	\$6,127,255	\$1,975,357	\$0	\$402,440	\$1,945,639	-\$187,333	\$10,931,241	\$0	\$10,931,241
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$6,156,433	\$12,263,104	\$4,460	\$8,477,298	\$1,980,317	\$0	\$782,114	\$4,153,126	\$111,598	\$33,928,450	-\$886,371	\$33,042,079

HA Of Pierce County (WA054)  
Tacoma, WA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$761,533	\$5,026,901		\$1,297,386		\$71,740	\$100,935	\$0		\$7,258,495		\$7,258,495
70400 Tenant Revenue - Other	\$36,875	\$732,436		\$225,377			\$12,100			\$1,010,788		\$1,010,788
70500 Total Tenant Revenue	\$798,408	\$5,759,337	\$0	\$1,522,763	\$0	\$71,740	\$113,035	\$0	\$0	\$8,269,283	\$0	\$8,269,283
70600 HUD PHA Operating Grants	\$584,181		\$94,186					\$34,483,306	\$64,069	\$35,225,742		\$35,225,742
70610 Capital Grants	\$31,718									\$31,718		\$31,718
70710 Management Fee												
70720 Asset Management Fee												
70730 Book Keeping Fee												
70740 Front Line Service Fee												
70750 Other Fees												
70700 Total Fee Revenue										\$0	\$0	\$0
70800 Other Government Grants							\$33,367			\$33,367		\$33,367
71100 Investment Income - Unrestricted	\$113	\$86		\$297	\$12		\$3	\$571		\$1,082		\$1,082
71200 Mortgage Interest Income												
71300 Proceeds from Disposition of Assets Held for Sale												
71310 Cost of Sale of Assets												
71400 Fraud Recovery		\$1,219		\$953				\$68,556		\$70,728		\$70,728
71500 Other Revenue	\$6,707	\$40,360	\$4	\$17,585			\$8,540	\$402,482		\$475,678		\$475,678
71600 Gain or Loss on Sale of Capital Assets	-\$1,396	-\$3,361		\$179				\$736		-\$3,842		-\$3,842
72000 Investment Income - Restricted	\$5	\$99		\$150	\$54		\$10	\$36		\$354		\$354
70000 Total Revenue	\$1,419,736	\$5,797,740	\$94,190	\$1,545,927	\$66	\$71,740	\$154,955	\$34,955,687	\$64,069	\$44,104,110	\$0	\$44,104,110
91100 Administrative Salaries	\$218,108	\$89,223		\$962,307			\$6,165	\$710,705	\$72,121	\$2,058,629		\$2,058,629
91200 Auditing Fees	\$14,011	\$33,025		\$8,563				\$40,031		\$96,650		\$96,650
91300 Management Fee						\$15,096	\$0			\$15,096		\$15,096
91310 Book-keeping Fee												
91400 Advertising and Marketing												
91500 Employee Benefit contributions - Administrative	\$7,726	\$42,746		\$92,038			\$1,112	\$47,276	\$19,285	\$210,179		\$210,179
91600 Office Expenses	\$186,569	\$79,711	\$1,121	\$231,236			\$12,817	\$62,939	\$12,181	\$577,376		\$577,376
91700 Legal Expense	\$6,239	\$13,973		\$40,875						\$61,087		\$61,087
91800 Travel	\$2,194	\$1,865		\$11,702			\$112	\$5,056	\$263	\$21,192		\$21,192
91810 Allocated Overhead	\$298,748	\$899,698		-\$1,838,272				\$679,608		\$0		\$0
91900 Other	\$11,528	\$30,854	\$2,325	\$364,360	\$986	\$987		\$140,232	\$396	\$551,668		\$551,668
91000 Total Operating - Administrative	\$745,125	\$1,142,095	\$3,446	-\$127,175	\$986	\$16,083	\$20,006	\$1,686,065	\$104,246	\$3,590,877	\$0	\$3,590,877
92000 Asset Management Fee												
92100 Tenant Services - Salaries	\$2,343		\$61,170					\$2,343		\$65,856		\$65,856
92200 Relocation Costs												
92300 Employee Benefit Contributions - Tenant Services			\$28,331							\$28,331		\$28,331
92400 Tenant Services - Other								\$70,384		\$70,384		\$70,384
92500 Total Tenant Services	\$2,343	\$0	\$89,501	\$0	\$0	\$0	\$0	\$2,343	\$70,384	\$164,571	\$0	\$164,571
93100 Water	\$2,392	\$180,488		\$40,519			\$6,714			\$230,113		\$230,113
93200 Electricity	\$4,151	\$60,434		\$74,389			\$2,914			\$141,888		\$141,888
93300 Gas												
93400 Fuel												
93500 Labor												
93600 Sewer	\$8,230	\$386,060		\$120,789			\$15,599	\$58		\$530,716		\$530,716
93700 Employee Benefit Contributions - Utilities		\$4,436								\$4,436		\$4,436
93800 Other Utilities Expense							\$0,386			\$2,385		\$2,385
93900 Total Utilities	\$14,773	\$631,418	\$0	\$235,677	\$0	\$0	\$27,612	\$58	\$0	\$909,538	\$0	\$909,538
94100 Ordinary Maintenance and Operations - Labor	\$73,983	\$472,073		\$105,681			\$7,436	\$17,563		\$674,645		\$674,645
94200 Ordinary Maintenance and Operations - Materials and Other	\$59,039	\$294,158		\$87,377			\$469	\$861		\$441,898		\$441,898
94300 Ordinary Maintenance and Operations Contracts	\$163,225	\$617,379	\$1,198	\$432,585		\$15,268	\$1,068	\$7,326	\$574	\$1,438,623		\$1,438,623
94500 Employee Benefit Contributions - Ordinary Maintenance	\$23,283	\$190,847		\$57,975			\$2,805	\$1,000	\$45	\$275,955		\$275,955
94000 Total Maintenance	\$319,530	\$1,774,457	\$1,198	\$681,528	\$0	\$15,268	\$11,771	\$26,750	\$619	\$2,831,121	\$0	\$2,831,121
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs		\$6,327		\$2,790						\$9,117		\$9,117
95300 Protective Services - Other												
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	\$0	\$6,327	\$0	\$2,790	\$0		\$0	\$0	\$0	\$9,117	\$0	\$9,117
96110 Property Insurance	\$13,361	\$292,221		\$52,439			\$4,132			\$362,153		\$362,153
96120 Liability Insurance	\$8,421			\$42,282				\$69,818		\$140,521		\$140,521
96130 Workmen's Compensation		\$5,954		\$1,220				\$9,205		\$16,379		\$16,379
96140 All Other Insurance				\$70,439						\$70,439		\$70,439
96100 Total Insurance Premiums	\$21,782	\$298,175	\$0	\$166,380	\$0	\$0	\$4,132	\$99,023	\$0	\$589,492	\$0	\$589,492
96200 Other General Expenses	\$44,051	\$47,847	\$45	\$74,592	\$73		\$10	\$249,345		\$415,963		\$415,963
96210 Compensated Absences	\$7,037	-\$560		\$5,518				\$4,262		\$16,257		\$16,257
96300 Payments in Lieu of Taxes	\$37,290									\$37,290		\$37,290
96400 Bad debt - Tenant Rents	\$33,720	\$160,938		\$149,691			\$3,217			\$347,564		\$347,564
96500 Bad debt - Mortgages												
96600 Bad debt - Other								\$48,677		\$48,677		\$48,677
96800 Severance Expense												
96000 Total Other General Expenses	\$122,068	\$208,223	\$45	\$229,801	\$73	\$0	\$3,227	\$302,284	\$0	\$865,751	\$0	\$865,751
96710 Interest of Mortgage (or Bonds) Payable		\$917,153								\$939,558		\$939,558
96720 Interest on Notes Payable (Short and Long Term)								\$22,405				
96730 Amortization of Bond Issue Costs												
96700 Total Interest Expense and Amortization Cost	\$0	\$917,153	\$0	\$0	\$0	\$0	\$22,405	\$0	\$0	\$939,558	\$0	\$939,558
96900 Total Operating Expenses	\$1,225,651	\$4,977,848	\$94,190	\$1,189,001	\$1,059	\$31,351	\$89,153	\$2,116,523	\$175,249	\$9,900,025	\$0	\$9,900,025
97000 Excess of Operating Revenue over Operating Expenses	\$194,085	\$819,892	\$0	\$356,926	(\$993)	\$40,389	\$65,802	\$32,839,164	(\$111,180)	\$34,204,085	\$0	\$34,204,085
97100 Extraordinary Maintenance												
97200 Casualty Losses - Non-capitalized												
97300 Housing Assistance Payments	\$3,115					\$40,389	0	\$31,606,409	\$406,443	\$32,056,356		\$32,056,356
97350 HAP Portability-In								\$273,354		\$273,354		\$273,354
97400 Depreciation Expense	\$366,841	\$833,254		\$330,650	\$785		\$22,613	\$148,528		\$1,702,671		\$1,702,671
97500 Fraud Losses												
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												
97800 Dwelling Units Rent Expense												
90000 Total Expenses	\$1,595,607	\$5,811,102	\$94,190	\$1,519,661	\$1,844	\$71,740	\$111,766	\$34,144,814	\$581,692	\$43,932,406	\$0	\$43,932,406
10010 Operating Transfer In	\$186,471									\$186,471	-\$186,471	\$0
10020 Operating transfer Out	-\$186,471									-\$186,471	\$186,471	\$0



10030 Operating Transfers from/to Primary Government												
10040 Operating Transfers from/to Component Unit												
10050 Proceeds from Notes, Loans and Bonds												
10060 Proceeds from Property Sales												
10070 Extraordinary Items, Net Gain/Loss												
10080 Special Items (Net Gain/Loss)				\$119						\$119		\$119
10091 Inter Project Excess Cash Transfer In												
10092 Inter Project Excess Cash Transfer Out												
10093 Transfers between Program and Project - In												
10094 Transfers between Project and Program - Out												
10100 Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$119	\$0	\$0	\$0	\$0	\$0	\$119	\$0	\$119
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$175,871	-\$13,362	\$0	\$26,395	-\$1,775	\$0	\$43,189	\$810,873	-\$517,623	\$171,823	\$0	\$171,823
11020 Required Annual Debt Principal Payments	\$0	\$330,711	\$0	\$0	\$0	\$0	\$30,565	\$0	\$0	\$361,276		\$361,276
11030 Beginning Equity	\$5,677,416	\$4,762,399	\$0	\$6,794,864	\$1,976,350	\$0	\$358,327	\$201,609	\$330,290	\$10,576,257		\$10,576,257
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$81,653	\$23,752		-\$693,804	\$785	\$0	\$924	\$933,157	\$0	\$183,161		\$183,161
11050 Changes in Compensated Absence Balance												
11060 Changes in Contingent Liability Balance												
11070 Changes in Unrecognized Pension Transition Liability												
11080 Changes in Special Term/Severance Benefits Liability												
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents												
11100 Changes in Allowance for Doubtful Accounts - Other												
11170 Administrative Fee Equity								\$1,945,639		\$1,945,639		\$1,945,639
11180 Housing Assistance Payments Equity								\$0		\$0		\$0
11190 Unit Months Available	1488	5724		2244			240	35532	352	45580		45580
11210 Number of Unit Months Leased	1477	5384		2049			221	31116	352	40599		40599
11270 Excess Cash	\$551,622									\$551,622		\$551,622
11610 Land Purchases	\$0									\$0		\$0
11620 Building Purchases	\$106,858									\$106,858		\$106,858
11630 Furniture & Equipment - Dwelling Purchases	\$24,963									\$24,963		\$24,963
11640 Furniture & Equipment - Administrative Purchases	\$0									\$0		\$0
11650 Leasehold Improvements Purchases	\$816,498									\$816,498		\$816,498
11660 Infrastructure Purchases	\$0									\$0		\$0
13510 CFPP Debt Service Payments	\$0									\$0		\$0
13901 Replacement Housing Factor Funds	\$0									\$0		\$0

# Actual Modernization Cost Certificate

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 11/30/2023  
)

## Capital Fund Program (CFP)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number. **Do not send this form to the above address.** This collection of information requires that each Public Housing Authority (PHA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

PHA Name:

Pierce County Housing Authority

Modernization Project Number:

WA01P054501-19

The PHA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Funds Approved	\$ 278,987
B. Funds Disbursed	\$ 278,987
C. Funds Expended (Actual Modernization Cost)	\$ 278,987
D. Amount to be Recaptured (A-C)	\$ 0
E. Excess of Funds Disbursed (B-C)	\$ 0

2. That all modernization work in connection with the Modernization Grant has been completed;

3. That the entire Actual Modernization Cost or liabilities therefor incurred by the PHA have been fully paid;

4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work;

5. That the time in which such liens could be filed has expired; and

6. That for any years in which the grantee is subject to the audit requirements of the Single Audit Act, 31 U.S.C. § 7501 et seq., as amended, the grantee has or will perform an audit in compliance with said requirements.

7. Please mark one:

☒ A. This grant will be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.

☐ B. This grant will not be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.

I hereby certify all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. WARNING: Anyone who knowingly submits a false claim, or makes false statements is subject to criminal and civil penalties, including confinement for up to 5 years, fines, and civil penalties. (18 U.S.C. §§ 287, 1001 and 31 U.S.C. § 3729)

Name & Title of Authorized Signatory (type or print clearly):

James Stretz Executive Director

Signature of Executive Director (or Authorized Designee):

X

Date:

1-23-23

For HUD Use Only

The Cost Certificate is approved for audit (if box 7A is marked):

Approved for Audit (Director, Office of Public Housing)

X

Date:

2.23.23

The costs shown above agree with HUD verified costs (if box 7A or 7B is marked):

Approved: (Director, Office of Public Housing)

X

Date:

form HUD-53001 (10/96)



## **CORRECTIVE ACTION PLAN FOR FINDINGS REPORTED UNDER UNIFORM GUIDANCE**

**Pierce County Housing Authority**  
**January 1, 2022, through December 31, 2022**

This schedule presents the corrective action the Housing Authority is planning to take for findings included in this report in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

<b>Finding ref number:</b> 2022-001	<b>Finding caption:</b> The Housing Authority had inadequate internal controls for ensuring compliance with the Housing Quality Standards inspection requirements of its Housing Voucher Cluster program.
<b>Name, address, and telephone of the Housing Authority contact person:</b> Jim Stretz, 603 Polk St S Tacoma, Washington 253-620-5406	
<b>Corrective action the auditee plans to take in response to the finding:</b> <i>We applied for set aside funding from HUD for this issue as an unforeseen circumstance and awarded \$25,000. Although insufficient in amount, we added a part-time admin assistant and a full-time second HQS inspector. Both positions continue in our 2023 budget.</i>	
<b>Anticipated date to complete the corrective action:</b> <i>The corrective action was completed in the first quarter of 2023, and PCHA is in full compliance as of the second quarter of 2023.</i>	

## ABOUT THE STATE AUDITOR'S OFFICE

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We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

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Office of the Washington State Auditor  
Pat McCarthy

## Financial Statements and Federal Single Audit Report

# Pierce County Housing Authority

For the period January 1, 2023 through December 31, 2023

*Published September 30, 2024*

Report No. 1035740



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**Office of the Washington State Auditor  
Pat McCarthy**

September 30, 2024

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on the Pierce County Housing Authority's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Housing Authority's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

### Pierce County Housing Authority January 1, 2023 through December 31, 2023

#### SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Pierce County Housing Authority are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

##### Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

##### Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Housing Authority.

##### Federal Awards

##### Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Housing Authority’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).



## Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
14.871	Housing Voucher Cluster - Section 8 Housing Choice Vouchers

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$1,201,355.

The Housing Authority did not qualify as a low-risk auditee under the Uniform Guidance.

## SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.



603 Polk St. S. Bldg. A, Tacoma, WA 98444-5649  
Ph.: 253-620-5400 Fax: 253-620-5455 TTY: 253-620-5499

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### Pierce County Housing Authority January 1, 2023 through December 31, 2023

This schedule presents the status of findings reported in prior audit periods.

<b>Audit Period:</b> 1/1/2022 – 12/31/2022	<b>Report Ref. No.:</b> 1033391	<b>Finding Ref. No.:</b> 2022-001	<b>Assistance Listing Number(s):</b> 14.871
<b>Federal Program Name and Granting Agency:</b> Section 8 Housing Choice Vouchers U.S. Department of Housing and Urban Development		<b>Pass-Through Agency Name:</b> N/A	
<b>Finding Caption:</b> The Housing Authority had inadequate internal controls to ensure compliance with Housing Quality Standards inspection requirements of its Housing Voucher Cluster program.			
<b>Background:</b> The Housing Authority was not able to conduct HQS inspections during 2020 and part of 2021 due to COVID-19. This resulted in a backlog of inspections, as well as an increase in failed inspections from 17 percent annually to about 50 percent, which required reinspection. The Housing Authority did not perform 901 delayed inspections by December 31, 2022, as required by HUD's PIH 2021-14. Because the Housing Authority did not perform inspection.			
<b>Status of Corrective Action: (check one)</b> <input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid			
<b>Corrective Action Taken:</b> <i>HUD was continually informed of the situation and our efforts and progress to comply with the backlog of inspections caused by COVID. PCHA pursued and won HUD special-circumstance grants to institute increased staffing and better quality-control, necessitated by the unique burden imposed by the COVID inspection backlog deadlines. In order to ensure PCHA is prepared for future emergencies, the Housing Authority has hired 1 additional HQS Inspector and 1 administrative assistant who assists with inspection administration and scheduling. As of August 2023, we have completed all backlogged HQS inspections that were overdue after COVID and have maintained our position ahead of schedule on our due inspections, following policy and procedures under HUD regulations</i>			

## INDEPENDENT AUDITOR'S REPORT

### 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*

#### **Pierce County Housing Authority January 1, 2023 through December 31, 2023**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

We have audited, 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 Pierce County Housing Authority, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated September 30, 2024.

### **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Housing Authority'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 above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We noted certain other matters that we have reported to the management of the Housing Authority in a separate letter dated September 30, 2024.

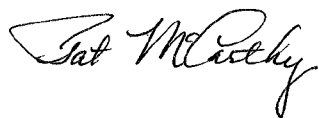
## **REPORT ON COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

September 30, 2024

## INDEPENDENT AUDITOR'S REPORT

### Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

#### **Pierce County Housing Authority January 1, 2023 through December 31, 2023**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

### **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

#### **Opinion on Each Major Federal Program**

We have audited the compliance of the Pierce County Housing Authority, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2023. The Housing Authority's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

#### **Basis for Opinion on Each Major Federal Program**

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

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

### **Responsibilities of Management for Compliance**

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;

- Obtain an understanding of the Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

## Purpose of this Report

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. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

September 30, 2024



# INDEPENDENT AUDITOR'S REPORT

## Report on the Audit of the Financial Statements

### **Pierce County Housing Authority January 1, 2023 through December 31, 2023**

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

We have audited the accompanying financial statements of the Pierce County Housing Authority, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Pierce County Housing Authority, as of December 31, 2023, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

## **Matters of Emphasis**

As discussed in Note 15 to the financial statements, in 2023, the Housing Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

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


### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The accompanying Financial Data Schedule form is supplementary information required by HUD. These schedules are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying

accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024 on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

September 30, 2024

## **FINANCIAL SECTION**

### **Pierce County Housing Authority January 1, 2023 through December 31, 2023**

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Management's Discussion and Analysis – 2023

#### **BASIC FINANCIAL STATEMENTS**

Statement of Net Position – 2023

Statement of Revenues, Expenses and Changes in Net Position – 2023

Statement of Cash Flows – Proprietary Funds – 2023

Notes to Financial Statements – 2023

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Proportionate Share of Net Pension Liability – PERS 1, PERS 2/3 – 2023

Schedule of Employer Contributions – PERS 1, PERS 2/3 – 2023

Notes to Required Supplemental Information – Pension – 2023

Schedule of Changes in Total OPEB Liability and Related Ratios – PEBB – 2023

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Expenditures of Federal Awards – 2023

Notes to the Schedule of Expenditures of Federal Awards – 2023

Financial Data Schedule – 2023

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

The Housing Authority of Pierce County (Authority), doing business as the Pierce County Housing Authority (PCHA), management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the Authority's financial activity, identify changes in the Authority's financial position, and identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

**Financial Highlights**

- The Authority's overall cash position increased by \$3.5 million (34%) during the year. Unrestricted cash and cash equivalents increased by \$603 thousand (9%) and restricted cash equivalents increased by \$2.9 million (79%). The restricted cash equivalents increase is due to sales of public housing units.
- Total assets and deferred outflows of resources of the authority exceeded total liabilities and deferred inflows of resources at December 31, 2023 by \$18.3 million, which is an increase of \$3.1 million (21%) during the year.
- Deferred outflow of resources decreased by \$171 thousand (22%) during the year due to a decrease in deferred outflow of resources related to pensions, while the deferred inflows of resources decreased by \$349 thousand (41%), also related to pensions.
- Total operating revenues were \$48.6 million, an increase of \$4.5 million. HUD Operating grants increased by approximately \$3.8 million (12%). Other revenues decreased \$618 thousand (39%). This is mainly due to absorption of portability vouchers, causing the revenue related to ports to decrease.
- Operating expenses were \$46.7 million and include \$35.4 million in housing assistance payments (HAP) made to landlords (76% of operating expenses). HAP increased by \$3.2 million (10%) from the previous year. Administrative expenses increased \$672 thousand (16%), largely due to an increase in tenant screening costs and temporary labor expense. Total operating expenses, other than the aforementioned, were consistent with the previous year.

**Authority Wide Financial Statements**

The focus of Authority-wide financial statements is on the overall financial position and activities of PCHA. The Authority's financial statements include Statement of Net Position, a Statement of Revenues, Expenses & Changes in Fund Net Position, a Statement of Cash Flows, Notes to the Financial Statements and Required Supplementary Information. The financial statements are prepared using the accrual basis of accounting and conform to generally accepted accounting principles as applicable to proprietary funds of governments.

The statement of net position presents total assets and deferred outflows of resources and total liabilities and deferred inflows of resources with the difference between these reported as net position. It provides information about the nature and amounts of investments in resources (assets), consumption of resources that are applicable to future periods (deferred outflows), obligations to the Authority's creditors (liabilities) and the acquisition of resources that are applicable to a future reporting period (deferred inflows). It provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the Authority is improving or deteriorating.

The statement of revenues, expenses, and changes in fund net position presents the results of the business activities over the course of the year. This information can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and creditworthiness.

The statement of cash flows reports cash receipts, cash payments, and net changes in cash resulting from operating, financing, and investing activities over the course of the year. It presents information regarding where cash came from and how it was used.

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

The notes to the financial statements provide useful information regarding the Authority's significant accounting policies, significant account balances and activities, certain material risks, estimates, obligations, commitments, contingencies, and subsequent events, if any.

**Condensed Comparative Financial Information**

Condensed Comparative Statement of Net Position

The following condensed statement of net position presents the assets and deferred outflow of resources of the Authority as of December 31, 2023, and 2022:

<b>Summary Statement of Net Position As of December 31, 2023 and 2022</b>				
	<b>12/31/2023</b>	<b>12/31/2022</b>	<b>Change</b>	<b>Change %</b>
Current and other assets	18,095,221	13,493,437	4,601,784	34%
Capital Assets	17,222,873	18,773,764	(1,550,891)	-8%
Total assets	35,318,094	32,267,201	3,050,893	9%
Deferred Outflows of Resources	603,413	774,877	(171,464)	-22%
Total assets and deferred outflows of resources	35,921,507	33,042,078	2,879,429	9%
Current liabilities	3,304,731	2,965,111	339,620	11%
Long-Term liabilities	17,035,747	18,296,307	(1,260,560)	-7%
Total liabilities	20,340,477	21,261,418	(920,941)	-4%
Deferred Inflows of Resources	500,847	849,415	(348,568)	-41%
Total liabilities and deferred inflows of resources	20,841,324	22,110,833	(1,269,509)	-6%
Net Position				
Net investment in capital assets	1,146,667	2,320,764	(1,174,097)	-51%
Restricted	5,607,032	1,608,408	3,998,624	249%
Unrestricted	8,326,484	7,002,073	1,324,411	19%
Total net position	15,080,183	10,931,245	4,148,938	38%

**Major Factors Affecting the Statement of Net Position**

The Statement of Net Position measures the amount by which assets exceed the corresponding liabilities or net position. Over time this may serve as a useful measure of the Authority's financial position.

The total net position of \$15 million is presented in three categories.

- Investment in Capital Assets represents the book value amount invested in capital assets net of depreciation and related debt. The primary changes that will occur in this category are property development, property disposition, depreciation, and overall debt activity, generally, the normal repayment of principal. This year the account has a decrease of \$1.1 million (51%) and is \$1.1 million at fiscal year-end. The decrease is due primarily to a disposition of public housing units, decrease in capital assets, net, from normal depreciation, as well as a decrease in long-term debt.
- The Restricted Net Position consists of three major components; required reserves for replacement (maintenance reserves), restricted federal funds, and Net Pension Assets. Reserves for replacement were \$955 million, restricted federal funds were \$3.2 million and net pension assets were \$1.4 million for a total of \$5.1 million Total Restricted Net Pension.
- The Unrestricted Net Position represents the Authority's unrestricted cash and investments, which comprises net position that does not fall into the first two categories. In 2023, this amount increased by

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

\$1.8 million and ended the year at \$8.8 million. The increase in this category is primarily due to changes in assets, liabilities, and deferred inflows/outflows that do not fall in investments in capital assets or restricted net position.

Current and other assets increased \$4.6 million, 34% as a result in cash increases associated with the sale of the Public Housing units. Capital assets decreased due to sale of Public Housing units and depreciation exceeding capital asset additions.

Current liabilities increased by 11%, or \$339 thousand, primarily related to an increase in accounts payable and unearned revenue.

**Condensed Comparative Statement of Revenues, Expenses, & Changes in Fund Net Position**

The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations as well as the non-operating revenues and expenses. It is necessary to consider both operating and non-operating revenues to gauge the results of operations, as grants and subsidies which are considered non-operating revenues are essential to the funding of the Authority. The following table presents the Condensed Statement of Revenues, Expenses and Changes in Fund Net Position for the years ended on December 31, 2023, and 2022:

**Summary Statement of Revenues, Expenses, and Changes in Net Position  
Years Ended December 31, 2023 and 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>Change</u>	<u>Change %</u>
Operating revenue				
Net tenant rental revenue	9,073,412	8,269,283	804,129	10%
Government grants	39,721,429	35,290,827	4,430,602	13%
Other revenue	25,871	546,405	(520,534)	-95%
Total Operating Revenue	<u>48,820,713</u>	<u>44,106,516</u>	<u>4,714,198</u>	<u>11%</u>
Non-operating revenue				
Interest Income	15,692	1,436	14,256	993%
Gain or loss on disposition of capital assets	3,001,589	(3,723)	3,005,312	-80723%
Total non-operating revenue	<u>3,017,281</u>	<u>(2,287)</u>	<u>3,019,568</u>	<u>-132032%</u>
Total revenue	<u>51,837,993</u>	<u>44,104,229</u>	<u>7,733,765</u>	
Operating Expenses	<u>46,748,599</u>	<u>42,992,841</u>	<u>3,755,758</u>	<u>9%</u>
Non-operating expenses				
Interest expense	935,677	939,558	(3,881)	0%
Total expenses	<u>47,684,276</u>	<u>43,932,399</u>	<u>3,751,877</u>	<u>9%</u>
Change in Net Position	<u>4,153,717</u>	<u>171,830</u>	<u>3,981,887</u>	<u>2317%</u>
Net Position, beginning, as previously stated	10,926,465	10,576,257		
Prior period adjustment	-	183,159	(183,159)	-100%
Net position, beginning, as adjusted	<u>10,926,465</u>	<u>10,759,416</u>	<u>(183,159)</u>	<u>(0)</u>
Net position, ending	<u>15,080,182</u>	<u>10,931,245</u>	<u>(366,318)</u>	<u>-3%</u>

**Major Factors Affecting the Statement of Revenues, Expenses and Changes in Net Position**

Direct grants and subsidies from HUD make up 81% of the revenue received. The largest program the Authority administers is the Housing Choice Voucher program, commonly known as the Section 8 program. This program also generates the Authority's largest single category of expenses in the form of Housing Assistance Payments (HAP), which are transfer payments to private landlords to assist eligible low-income families with their rent. HAP subsidies and payments increased by approximately \$4.4 million in FY2023, affecting both operating revenues and expenses.



**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

Operating expenses increased by \$3.7 million or 9%. Apart from the increase in HAP payments, the second largest contributor to this increase was an increase in administrative expenses, which increased \$672 thousand, or 13%. These increased costs are related to third-party expenses related to the software conversion and outsourcing controller duties.

Major economic conditions influencing the Authority's Statement of Revenues, Expenses and Changes in Net Position is the continued appropriation and support for these programs through Congress. In fiscal years 2023 and 2022, appropriation remained consistent, however, impacted by the rising rents and high occupancy rates within local rental market, causing the Authority to assist fewer families.

***Capital Asset and Long-Term Debt Activity***

**Capital Assets**

During the fiscal year the Authority had \$17.2 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$1.5 million from the end of last fiscal year, because of annual depreciation offset by an increase in construction in progress expenditures and sales of nine Public Housing units.

	Dec. 31, 2023	Dec. 31, 2022	Net Change	Net Change
Land	5,074,611	5,229,442	(154,831)	-3%
Construction in Progress	376,966	98,641	278,325	282%
Total non-depreciable capital assets	5,451,576	5,328,083	123,493	2%
Buildings	35,772,525	36,143,290	(370,765)	-1%
Equipment	3,732,461	3,767,356	(34,895)	-1%
Total depreciable capital assets	39,504,986	39,910,646	(405,660)	-1%
Accumulated Depreciation	(28,136,680)	(27,045,287)	(1,091,393)	4%
Total depreciable capital assets, net	11,368,307	12,865,359	(1,497,052)	-12%
Intangible Software	416,623	907,722	(491,099)	-54%
Subscription-Based IT Arrangement	477,465	-	477,465	100%
Accumulated Amortization	(491,099)	(327,400)	(163,699)	50%
Total amortizable capital assets, net	402,990	580,322	(177,332)	-31%
Total Capital Assets, net	17,222,873	18,773,764	(1,550,891)	-8%

For more information see Note 5 of the notes to the financial statements.

**Long-Term Debt**

As of December 31, 2023, the Authority had \$16 million in loans, notes, and mortgages. This is a decrease of approximately \$370 thousand from the prior year's balance of \$16.5 million. Debt changed due to a mix of standard principal payments occurring in 2023. This information is presented in detail in Note 6 of the notes to the financial statements.

***Economic Factors***

HUD has renewed the Housing Choice Voucher Program and estimated the funding levels for the 2024 calendar year at \$42,581,194. The operating subsidy for the Low Rent Housing Program is estimated to be funded at \$398,690.

The estimated amount of funding for the 2023 calendar year for the Housing Choice Voucher Program will include the proration of administrative fees at 90% and HAP funding at 10% with an inflation factor of 15%

**PIERCE COUNTY HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

***Request for Information***

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Pierce County Housing Authority  
Attn: Jim Stretz, Executive Director  
603 Polk Street S  
Tacoma, Washington 98444

**PIERCE COUNTY HOUSING AUTHORITY  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

**Current Assets:**

Cash - Unrestricted	\$ 7,249,734
Accounts Receivable (Net of Allowance)	1,821,917
Prepaid Items	684,987
Restricted Assets:	
Cash - Restricted	6,142,090
Tenant Security Deposits	461,507

<b>Total Current Assets</b>	<u>16,360,235</u>
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**Noncurrent Assets:**

Capital Assets	
Land	5,074,611
Construction in Progress	376,966
Other Capital Assets, Net of Depreciation and Amortization	11,771,296
Total Capital Assets	<u>17,222,873</u>
Other Non-Current Assets	
Notes, Loans, and Mortgages Receivable	932,258
Net Pension Asset	802,729
Total Other Non-Current Assets	<u>1,734,987</u>

<b>Total Non-Current Assets</b>	<u>18,957,859</u>
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<b>Total Assets</b>	<u>35,318,094</u>
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**Deferred Outflows of Resources**

Deferred Outflows - Pension	602,251
Deferred Outflows - OPEB	1,162

<b>Total Deferred Outflows of Resources</b>	<u>\$ 603,413</u>
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See accompanying notes to financial statements

**PIERCE COUNTY HOUSING AUTHORITY  
STATEMENT OF NET POSITION - CONTINUED  
DECEMBER 31, 2023**

**Current Liabilities:**

Accounts Payable	\$ 569,730
Wages/Payroll Payable	352,203
Unearned Revenue	256,323
Compensated Absences, current	235,430
Interest Payable	74,198
Tenant Security Deposits	461,507
Bonds and Notes Payable, current	370,250
Total OPEB Liability, current	2,324
FSS Escrow, current	590,344
Other Current Liabilities	392,421

<b>Total Current Liabilities</b>	<b>3,304,731</b>
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**Noncurrent Liabilities:**

Compensated Absences, noncurrent	34,682
Bonds and Notes Payable, noncurrent	15,705,956
Net Pension Liability	345,607
Total OPEB Liability, noncurrent	796,936
Other Long Term Liabilities - SBITA	152,565

<b>Total Noncurrent Liabilities</b>	<b>17,035,747</b>
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<b>Total Liabilities</b>	<b>20,340,477</b>
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**Deferred Inflows of Resources**

Deferred Inflows - Pension	500,847
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<b>Total Deferred Inflows of Resources</b>	<b>500,847</b>
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**Net Position**

Net Investment in Capital Assets	1,146,667
Restricted Net Position for:	
Section 18 Disposition funds	3,246,478
Replacement Reserves	955,574
Net Pension Asset	1,404,980
Unrestricted Net Position	8,326,484

<b>Total Net Position</b>	<b>\$ 15,080,183</b>
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See accompanying notes to financial statements

**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the Year Ended DECEMBER 31, 2023**

<b>Operating Revenues</b>	
Tenant Revenue	\$ 9,073,412
Operating Grants	39,721,429
Other Revenue	25,871
<b>Total Operating Revenues</b>	<u>48,820,713</u>
<b>Operating Expenses</b>	
Administrative	4,862,395
Tenant Services	98,836
Utilities	1,598,670
Maintenance	2,772,466
Insurance/General	434,951
Housing Assistance Payments	35,366,548
Depreciation and Amortization	1,614,734
<b>Total Operating Expenses</b>	<u>46,748,599</u>
<b>Net Operating Income (Loss)</b>	<u>2,072,114</u>
<b>Nonoperating Revenues (Expenses)</b>	
Interest Income	15,692
Interest Expense	(935,677)
Gain or Loss on Disposition of Capital Assets	3,001,589
<b>Net Nonoperating Revenues (Expenses)</b>	<u>2,081,604</u>
<b>Change in Net Position</b>	4,153,717
<b>Net Position Beginning of the Year</b>	10,931,243
Prior Period Adjustment	(4,778)
<b>Net Position End of the Year</b>	<u>\$ 15,080,182</u>

See accompanying notes to financial statements

**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF CASHFLOWS**  
**For the Period Ended DECEMBER 31, 2023**

**Cash Flows from Operating Activities**

Receipts from Customers	\$ 8,572,648
Operating grants	39,721,429
Other Receipts	25,871
Payment to Suppliers	(6,310,784)
Housing Assistance Payments	(35,366,548)
Payments to Employees	(4,344,217)
<b>Net Cash Provided in Operating Activities</b>	<b>2,298,400</b>

**Cash Flows from Investing Activities**

Interest Received	15,692
Net Cash Received on Mortgages Receivable	61,111
<b>Net Cash Provided from Investing Activities</b>	<b>76,803</b>

**Cash Flows from Capital and Financing Activities**

Interest Paid on Long Term Debt	(935,677)
Principal Payments on Long Term Debt	(376,794)
Purchase of Capital Assets	(321,580)
Purchase of SBITA	(329,856)
Proceeds from Sale of Capital Assets	3,001,589
<b>Net Cash Used In Financing Activities</b>	<b>1,037,682</b>

**Net Increase (Decrease) in Cash**

3,412,885

Cash and Cash Equivalents - Beginning of the Year	10,440,445
<b>Cash and Cash Equivalents - End of the Year</b>	<b>13,853,330</b>

**Reconciliation to Cash Accounts:**

Cash Equivalents - Unrestricted	7,249,734
Cash Equivalents - Restricted	6,603,596
<b>Total Cash Equivalents</b>	<b>\$ 13,853,330</b>

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See accompanying notes to financial statements

**PIERCE COUNTY HOUSING AUTHORITY**  
**STATEMENT OF CASHFLOWS - CONTINUED**  
**For the Period Ended DECEMBER 31, 2023**

**Reconciliation of Net Operating Income to Cash Provided in'**  
**Operating Activities:**

Operating Income (Loss)	\$	2,072,114
Adjustments to Reconcile Net Income to Net Cash Provided (Used)		
Depreciation Expense & Amortization		1,614,734
Decrease (increase) in Receivables		(841,745)
Decrease (increase) in Prepaid Expenses		(201,117)
Decrease (increase) in Net Pension Asset		(57,857)
Decrease (increase) in Deferred Outflows		171,464
Increase (decrease) in Accounts Payable		(568,607)
Increase (decrease) in Other Payables		(226,264)
Increase (decrease) in Compensated Absences		(12,889)
Increase (decrease) in Deferred Inflows		348,568
<b>Net Cash Provided in Operating Activities</b>	<b>\$</b>	<b>2,298,400</b>
		(0)

See accompanying notes to financial statements

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Pierce County Housing Authority (the Authority) was organized pursuant to the laws of the State of Washington. These financial statements have been prepared in conformity with generally accepted accounting principles as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Authority's significant accounting policies are described in the following notes.

**A. Reporting Entity**

The purpose of the Authority is to provide safe, decent, sanitary, and affordable housing to low-income families in Pierce County, Washington, and to operate the housing programs in accordance with federal legislation administered through the U.S. Department of Housing and Urban Development (HUD) under provisions of the National Housing Act of 1937. The Authority was created in 1978 by an act of Pierce County, Washington.

The governing body of the Authority is its Board of Commissioners, which is comprised of six members, five of whom are appointed by the Pierce County Executive and ratified by the County Council and one, which is appointed by the Authority Board of Commissioners. The Board appoints an Executive Director to administer the affairs of the Authority. The Authority is not considered a component unit of Pierce County, as the Board of Commissioners independently oversees the Authority's operations and Pierce County is not financially accountable for the Authority. Financial Accountability is defined as appointment of the majority of the entities board and either (a) the ability to impose the primary governments will, of (b) the Authority will provide a financial benefit to or impose a financial burden on the primary government.

*Discretely Presented Component Units*

On January 26, 2012, the Authority's Board of Commissioners adopted a resolution relating to the organization of a nonprofit corporation, Housing Successes, to support the Authority in its goals. On July 10, 2014, the IRS provided a final determination of the tax-exempt status of Housing Successes. While considered a component unit of the Authority, there was no fiscal activity during the year.

*Blended Component Units*

During 2014, the Authority established three separate Limited Liability Companies: Chateau Rainier Apartments, LLC, DeMark Apartments, LLC, and Lakewood Village Apartments, LLC, for the purpose of debt refunding. The refunding occurred in 2015 and the Authority transferred all assets and liabilities to these three separate entities. The Authority is the sole corporate member; therefore, these three legally separate entities are considered blended component units.

The accompanying financial statements include all programs and organizations for which the Board of Commissioners is financially accountable.

**B. Basis of Accounting and Presentation**

Basis of Accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The accounting records of the Authority are maintained and reported in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW and the Federal Department of Housing and Urban Development. The Authority must report using GAAP; however, it has the option to use either the single enterprise proprietary fund or special purpose governmental fund model.



**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

The Authority has elected to report as a single-enterprise proprietary fund (business-type activities) and uses the accrual basis of accounting. The measurement focus is on the flow of economic resources. The proprietary fund is composed of a number of programs. These programs are designed to provide low-income individuals with housing. The operations of each entity are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses as appropriate. Resources are allocated to and accounted for in individual programs based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Proprietary funds are used to account for activities that are operated in a manner similar to private enterprise business. Under this method revenues are recognized when earned and expenses are recognized when incurred. Capital asset purchases are capitalized, and long-term debt liabilities are accounted for in the fund. Substantially all transactions in the Affordable Housing Program are considered to be voluntary non-exchange transactions. Revenues for such transactions are recorded when eligible payments have been earned.

The Authority presents a classified statement of net position, which distinguishes between short-term and long-term assets and liabilities. The criterion used to determine whether an asset or liability is long or short-term is one year. This means that assets that are expected to convert to cash or will benefit the ensuing year's operations are treated as current assets. Likewise, liabilities that will likely be settled within the ensuing year are treated as current liabilities. Certain Liabilities, such as Compensated Absences, are classified into current and long-term portions based upon estimates of the amounts that will be settled during the ensuing year.

For the most part, the Authority reports operating revenues as defined in GASB 9. An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. The use of this classification is based on guidance from HUD, the primary user of the financial statements and is a departure from GAAP. Operating expenses for the enterprise fund include the costs of facility maintenance, housing assistance payments, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Assisted Housing Programs**

This major program is used to account for the various HUD and other housing assistance programs administered by the Authority such as Section 8, Low-Income Public Housing (LIPH) and Rural Development (RD) programs.

*Public Housing:* This program accounts for low-rent public housing projects developed and operated by the Authority. HUD provided development grants to allow the Authority to purchase real estate for use in the program and provides operating subsidies and capital improvement grants for ongoing management of the projects. There were 124 single family homes being operated in this program as of January 1, 2023. The Authority begun the Section 18 Disposition process in 2023; 115 single family homes remained as of December 31, 2023.

*Section 8 Housing Choice Voucher Program:* The Section 8 programs provide housing assistance payments for up to approximately 2,600 households who live in private and Authority owned housing. These programs were authorized by Section 8 of the National Housing Act and provide housing assistance payments to landlords and lenders to subsidize rental mortgage payments for low-income persons.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

*Rural Development:* This program provides for special needs populations in rural areas. Rural Development provides both rent subsidies and interest rate subsidies for this specific project which serves 20 elderly or disabled low-income households.

**Affordable Housing Program**

This major program is used to account for various business type activity programs administered by the Authority that do not have on-going deferral subsidies to fund operations.

*Apartments:* The operation of 8 multi-family housing projects, consisting of 670 units that are financed and operated in a manner similar to private business enterprises are included in this group. Costs (expenses, including depreciation) of providing services to the general public, on a continuing basis, are recovered primarily through rental revenues.

*5H Homeownership:* This program accounts for the sale of public housing program homes to current residents. Homes sold under this program are transferred from the Assisted Housing Program to the Homeownership program sub-account within the Affordable Housing program at its net book value. The proceeds of the sales are a combination of cash. For privately financed first mortgages, and second mortgage notes receivable. The Authority holds a “silent second” mortgage that bears no interest. These mortgages are due upon sale of the property or at such time as the family can afford to pay at least \$50 per month in debt service as determined under program guidelines. Since the timing of repayment of these notes is uncertain, the investment in the related notes receivable have not been discounted. As such, these notes are stated at their face value in the accompanying statement of net position.

**C. Specific Assets, Liabilities and Net Position or Equity**

1. Cash, Cash Equivalents and Investments

For the purposes of the Statement of Net Position and the Statement of Cash Flows, The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, or available on demand, to be cash equivalents.

2. Restricted Assets

In accordance with loan agreements and federal contracts (and certain related agreements) separate restricted accounts are required to be established. The assets held in these accounts are restricted for specific use, including assets to be used for replacement reserves, tenant security deposits, excess HAP funding, and Family Self Sufficiency (“FSS”) funds held in escrow for families who successfully fulfill the program requirements. Restricted assets also include Pension Assets.

3. Receivables

Receivables consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. The Allowance for Doubtful Accounts is determined at the end of the year by evaluating the facts and circumstances of each account included in accounts receivable. On the financial statements, the receivables are presented in a net format after deducting the current allowance amount.

Notes held by the Authority under its Homeownership and Low-Income Public Housing Programs are stated at the face value of unpaid second mortgages and unpaid rental account debt. Because the ultimate timing of receipt of these funds is uncertain, no discounting of amounts to reflect the time value of

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

money is reflected in these financial statements. Mortgage and rental account payments that are due in 2023 are classified as current assets.

4. Inventories

The “Inventories” account includes any material dollar amount of rental property components on hand and not installed at a particular property as of the date of the Statement of Net Position. Generally, components are ordered as needed for specific repairs and not maintained as inventory. Inventory is valued at cost and is valued using the “first in first out” (FIFO) method which approximates the market value.

5. Capital Assets

Costs in excess of \$5,000 that materially add to the productive capacity and extend the life of an asset longer than one year are capitalized, while maintenance and repair costs are expensed as incurred. All capital assets are valued at historical cost. Property, plant, and equipment donated or sold at a bargain discounted price to the Authority is recorded at the acquisition value determined at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	15 – 40 years
Equipment	5 years

The Authority has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the Authority has sufficient legal interest to accomplish the purposes for which the assets were acquired.

6. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. Vacation pay, which may be accumulated up to 120 hours annually, is payable to the employee based upon terms of the collective bargaining agreement or employment policy whichever is applicable. An employee may accrue up to a maximum of 480 hours of sick pay and is payable upon terms of the collective bargaining agreement or employment policy whichever is applicable. Vested and accumulated vacation and sick leave are reported as expenses and classified into current and long-term portions in the applicable program.

7. Family Self Sufficiency

FSS Escrows consist of escrow accounts of tenants participating in a HUD self-sufficiency program. These accounts are held on behalf of the tenants until completion or termination of the program.

8. Unearned Revenues

The Authority has unearned revenues which arise when the cash has been received, but the potential revenue has not been earned in the current period. Unearned revenue results from ground lease payments, grants and tenant rent payments received in advance of the period in which these are considered earned. Unearned tenant rent payments were received prior to year-end before they were due; grant funding was received in advance of incurring related expense.

**PIERCE COUNTY HOUSING AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

9. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For purposes of calculating the restricted net position related to the net pension asset, the Authority includes the net pension asset less the deferred inflows plus deferred outflows related to the PERS 2/3 retirement system. For details of the Pension Plans, see Note 7.

10. Deferred Inflow/Outflow of Resources

A deferred outflow of resources is a consumption of net position this is applicable to future periods. Deferred inflows of resources are acquisitions of net position in one period that are applicable to future periods. These are distinguished from assets and liabilities in the statement of net position. The Authority recognizes deferred outflows and deferred inflows related to pension liability and OPEB.

11. Net Position

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings that have been used for the acquisition, construction, or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

12. Capital Contributions

Capital contributions arise from the contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

13. Use of Estimates

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

14. Inter-Program Receivables and Payables

During the normal course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "inter-program due from" or "inter-program due to" have been eliminated in the preparation of the basic financial

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

statements. In addition, offsetting inter-program operating transfers between individual programs have also been eliminated in the preparation of the financial statements.

**NOTE 2: DEPOSITS AND INVESTMENTS**

**A. Deposits**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository institution, the Authority would not be able to recover deposit or will not be able to recover collateral securities that are in possession of an outside party. The Authority's deposits and certificates of deposit are entirely covered but the federal Deposit Insurance Commission (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection (PDPC). It is the policy of the Authority, when making deposit or investing in bank market rate savins or certificates of deposit., top use banks which are qualified public depositories as designated by the Washington Public Deposit Protection Comm (PDPC) pursuant to RCW 39.58. The PDPC is a risk sharing pool whereby member banks that are designated as "qualified public depositories" mutually insure public deposits against loss. As a result, the FDIC or PDPC insures all demand deposits and bank balances of the Authority against loss.

The Authority does not have a deposit policy for custodial credit risk. The Authority's bank balances in the amount of \$13,839,837 were secured through federal depository insurance or collateralized securities at December 31, 2023. This balance does not include deposits in transit at year end totaling \$266,533.

**B. Investments**

The Authority's investment policy authorized investments that meets objectives such as security, liquidity, and return on investment, while conforming to all federal, state, and local statutes. It is the Authority's policy to invest only in instruments permitted by the U.S. Department of Housing and Urban Development.

Available excess cash or demand deposits of the Authority are invested in accordance with RCW 35.82.070(6) and the Authority's policies. Investments consist of deposits with qualified public depositories, obligations of the U.S. Treasury and agencies, banker's acceptances, commercial paper, and repurchase agreements. All restricted cash and investments held in bond trust accounts were invested in accordance with the provisions of the various trust indentures. Certain investments may meet the criteria of cash and cash equivalents but are treated as investments by the Authority because of their intended long-term use. As of the year end, the Authority had no investments. Investments are subject to the following risks:

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's policy minimizes the risk by staggering the maturity of dates of its investments as well as limiting the weighted average maturities to one year.

**Credit Risk**

Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation. The Authority does not have a formal policy that addresses credit risk.

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Authority does not have a formal policy for custodial credit risk. The Authority had no custodial credit risk for its investments as of December 31, 2023.

**PIERCE COUNTY HOUSING AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

NOTE 3: RESTRICTED ASSETS

The restricted assets balance consists of the following items as of December 31, 2023:

	<u>12/31/2023</u>
Tenant Security Deposits	461,507
Restricted for Replacement Reserves	1,208,614
FSS Escrow Deposits	590,344
Restricted for Current Liabilities	1,349,693
Restricted for Section 18 Disposition	<u>3,246,478</u>
	<u>6,856,637</u>

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable balance consists of the following items as of December 31, 2023.

<b>Accounts Receivable Item</b>	<b>Amount</b>
HUD	\$ 722,735
Project	184,496
Tenants	1,468,520
Other	31,459
Fraud Recovery	64,583
Loans Receivable	2,760
Allowance for Doubtful Accounts	<u>(752,634)</u>
Total	<u>\$ 1,721,920</u>

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, is reported in the following table.

**PIERCE COUNTY HOUSING AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

	Beginning Balance 1/1/2023	Increases	Decreases	Ending Balance 12/31/2023
Capital assets not being depreciated:				
Land	5,229,442		(154,831)	5,074,611
Construction in Progress	98,641	278,325		376,966
Total capital assets not being depreciated	5,328,083	278,325	(154,831)	5,451,577
Capital assets being depreciated/amortized:				
Buildings and Improvements	36,143,290	26,663	(397,427)	35,772,526
Intangible Software	430,257		(13,634)	416,623
Furniture and Equipment	3,767,356	16,592	(51,487)	3,732,461
Subscription-Based IT Arrangement	477,465			477,465
Total capital assets being depreciated	40,818,368	43,255	(462,548)	40,399,075
Less Accumulated Depreciation for:				
Buildings and Improvements	(23,674,059)	(1,244,469)	308,852	(24,609,676)
Intangible Software	(327,400)			(327,400)
Furniture and Equipment	(3,371,228)	(206,565)	50,789	(3,527,004)
Subscription-Based IT Arrangement		(163,700)		(163,700)
Total accumulated depreciation/amortization	(27,372,687)	(1,614,734)	359,641	(28,627,779)
Total capital assets being depreciated, net	13,445,681	(1,571,479)	(102,906)	11,771,296
 Total Capital Assets, net	 18,773,764	 (1,293,154)	 (257,737)	 17,222,873

**NOTE 6: LONG TERM DEBT**

The Authority has directed placement debt which may be secured by capital assets. These loans were used to acquire capital assets that provide low-income housing.

Description	Original Amount	Fiscal Year Issue Date	Maturity	Interest Rate	Amount Outstanding	Other disclosures
Chateau Rainier FNMA - Refinance Debt	\$ 10,250,000	01/01/16	2046	5.66%	\$ 8,932,099	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Demark FNMA - Refinance Debt	3,250,000	01/01/16	2046	5.66%	2,832,129	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Lakewood Village FNMA - Refinance Debt	4,517,719	01/01/16	2046	5.66%	3,936,850	Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and accrued interest will be immediately due and payable. No prepayment penalty.
Montgrove Manor Project	65,000	05/01/11	2041	0.00%	65,000	Secured by promissory note and deed of trust. Must meet low income housing requirements, and lease the units not allow any rental unit to be vacant for six months. Upon default, the entire note shall become due and payable. No prepayment penalty.
Rural Development - Acquire Apartment Complex	696,219	12/01/00	2030	6.88%	310,128	Interest of 5.88% is subsidized by rural development, making the interest 1%. Secured by deed of trust on property. Must meet low income housing requirements. Upon default, all principal and interest will be immediately due and payable. No prepayment is allowed.
Total	\$ 18,778,938				\$ 16,076,206	

Mortgage debt service requirements to maturity are as follows:

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Year Ending 12/31	Principal	Interest	Required Debt Service
2024	411,168	879,174	1,284,480
2025	429,302	857,666	1,286,968
2026	454,725	834,908	1,289,633
2027	481,657	810,828	1,292,485
2028-2032	2,754,481	3,641,036	6,395,517
2033-2037	3,456,245	2,790,873	6,247,118
2038-2042	4,648,751	1,663,369	6,312,120
2043-2046	3,439,877	308,392	3,748,269
	<u>16,076,206</u>	<u>11,786,246</u>	<u>27,856,590</u>

During the year ended December 31, 2023, the following changes occurred in long-term liabilities:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Placement Debt:					
Mortgages	\$ 16,453,000	\$ -	\$ 376,794	\$ 16,076,206	\$ 370,250
Total direct placement debt:	16,453,000	-	376,794	16,076,206	370,250
Accrued Interest	75,706	-	1,508	74,198	74,198
Compensated Absences	169,725	100,388		270,113	235,430
Net Pension Liability	429,767		84,160	345,607	-
OPEB Liability	1,268,947		472,011	796,936	-
FSS Escrow Liability	508,516	81,828		590,344	590,344
Contract Liabilities	329,856		329,856	-	-
	<u>\$ 19,235,517</u>	<u>\$ 182,216</u>	<u>\$ 1,264,329</u>	<u>\$ 18,153,404</u>	<u>\$ 1,270,223</u>

**NOTE 7: NET PENSION LIABILITY**

The following table represents the aggregate pension amounts for all plans for the year 2023:

Aggregate Pension Amounts - All Plans	
Pension liabilities	345,606
Pension assets	802,727
Deferred outflows of resources	602,252
Deferred inflows of resources	500,847
Pension expense/expenditures	(37,017)

**State Sponsored Pension Plans**

Substantially all Authority full-time and qualifying part-time employees participate in one of the statewide retirement systems administered by the Washington State Department of Retirement Systems, under the cost-sharing, multiple-employer public employee defined benefit contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.



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The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

**Contributions**

The PERS Plan 1 member contribution rate is established by State statute at 6%. The employer contribution rate is developed by the Office of the State Actuary, adopted by the Pension Funding Council and is subject to change by the legislature. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

<b>PERS Plan 1</b>		
<b>[1] Actual Contribution Rates</b>	<b>Employer</b>	<b>Employee*</b>
January – June		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
<b>Total</b>	<b>10.39%</b>	<b>6.00%</b>
July – August		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
<b>Total</b>	<b>9.39%</b>	<b>6.00%</b>
September – December		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
<b>Total</b>	<b>9.53%</b>	<b>6.00%</b>

\* For employees participating in JBM, the contribution rate was 12.26%.

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PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member's AFC times the member's years of service for Plan 2 and 1% of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 retirement benefits are actuarially reduced if a survivor benefit is chosen. Other PERS Plan 2/3 benefits include a COLA based on the CPI, capped at 3% annually. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. Members are eligible to withdraw their defined contributions upon separation. Members have multiple withdrawal options, including purchase of an annuity. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

**Contributions**

The PERS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The rates are adopted by the Pension Funding Council, and are subject to change by the Legislature. The employer rate includes a component to address the PERS Plan 1 Unfunded Actuarial Accrued Liability (UAAL).

As established by Chapter 41.34 RCW, Plan 3 defined contribution rates are set at a minimum of 5% and a maximum of 15%. PERS Plan 3 members choose their contribution rate from six options when joining membership and can change rates only when changing employers. Employers do not contribute to the defined contribution benefits.

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The PERS Plan 2/3 defined benefit required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

<b>PERS Plan 2/3</b>			
<b>[1] Actual Contribution Rates</b>	<b>Employer 2/3</b>	<b>Employee 2*</b>	<b>Employee 3**</b>
January – June			
PERS Plan 2/3	6.36%	6.36%	Varies
PERS Plan 1 UAAL	3.85%		
Administrative Fee	0.18%		
<b>Total</b>	<b>10.39%</b>	<b>6.36%</b>	
July – August			
PERS Plan 2/3	6.36%	6.36%	Varies
PERS Plan 1 UAAL	2.85%		
Administrative Fee	0.18%		
<b>Total</b>	<b>9.39%</b>	<b>6.36%</b>	
September – December			
PERS Plan 2/3	6.36%	6.36%	Varies
PERS Plan 1 UAAL	2.97%		
Administrative Fee	0.20%		
<b>Total</b>	<b>9.53%</b>	<b>6.36%</b>	

\* For employees participating in JBM, the contribution rate was 15.90%.

\*\* For employees participating in JBM, the minimum contribution rate was 7.50%.

The Authority's actual PERS plan contributions were \$57,076 to PERS Plan 1 and \$169,782 to PERS Plan 2/3 for the year ended December 31, 2023.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2023 with a valuation date of June 30, 2022. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2013-2018 Demographic Experience Study and the 2021 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2022 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2023. Plan liabilities were rolled forward from June 30, 2022, to June 30, 2023, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- Inflation: 2.75% total economic inflation; 3.25% salary inflation
- Salary increases: In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by service-based salary increase.
- Investment rate of return: 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status (e.g. active, retiree, or survivor), as the base table. OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

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Methods did not change from the prior contribution rate setting June 30, 2021 Actuarial Valuation Report (AVR). OSA did make an assumption change to adjust TRS Plan 1 assets, LEOFF Plan 1/2 assets, and LEOFF participant data to reflect certain material changes occurring after the June 30, 2022 measurement date.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.0%.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0% was used to determine the total liability.

**Long-term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.0% was determined using a building-block-method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

**Estimated Rates of Return By Asset Class**

The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023. The inflation component used to create the table is 2.2% and represents the WSIB's most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% Long-Term Expected Real Rate of Return Arithmetic</b>
Fixed Income	20%	1.5%
Tangible Assets	7%	4.7%
Real Estate	18%	5.4%
Global Equity	32%	5.9%
Private Equity	23%	8.9%
	<b>100%</b>	

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**Sensitivity of the Net Pension Liability (Asset)**

The table below presents the Authority's proportionate share\* of the net pension liability calculated using the discount rate of 7%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6%) or 1-percentage point higher (8%) than the current rate.

Plan	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
PERS 1	482,837	345,606	225,835
PERS 2/3	873,062	(802,727)	(2,179,494)

**Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the Authority reported its proportionate share of the net pension liabilities or assets as follows:

Plan	Liability (Asset)
PERS 1	345,606
PERS 2/3	(802,727)

At June 30, The Authority's proportionate share of the collective net pension liabilities or assets was as follows:

Plan	Proportionate Share 6/30/22	Proportionate Share 6/30/23	Change in Proportion
PERS 1	0.01544%	0.01514%	-0.00030%
PERS 2/3	0.02008%	0.01959%	-0.00050%

Employer contribution transmittals received and processed but the DRS for the fiscal year ended June 30, 2023, are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedule of Employer and Nonemployer Allocations* for all plans.

**Pension Expense**

For the year ended December 31, 2023, the Authority recognized pension expense as follows:

Plan	Pension Expense
PERS 1	(59,325)
PERS 2/3	22,307

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2023, the Authority reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

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<b>PERS 1</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (38,986)
Changes in assumptions	\$ -	\$ -
Changes in proportion and differences between contributions and proportionate share of contributions	\$ -	\$ -
Contributions subsequent to the measurement date	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ (38,986)</b>

<b>PERS 2/3</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 163,515	\$ (8,969)
Net difference between projected and actual investment earnings on pension plan investments	-	(302,516)
Changes of assumptions	337,013	(73,455)
Changes in proportion and differences between contributions and proportionate share of	27,518	(76,921)
Contributions subsequent to the measurement date	74,207	-
<b>TOTAL</b>	<b>\$ 602,252</b>	<b>\$ (461,861)</b>

<b>TOTAL ALL PLANS</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 163,515	\$ (8,969)
Net difference between projected and actual investment earnings on pension plan investments	-	(341,502)
Changes of assumptions	337,013	(73,455)
Changes in proportion and differences between contributions and proportionate share of	27,518	(76,921)
Contributions subsequent to the measurement date	74,207	-
<b>TOTAL</b>	<b>\$ 602,252</b>	<b>\$ (500,847)</b>

Deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31,

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2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1	PERS 2/3
2024	\$ (26,524.30)	\$ (161,291.21)
2025	(33,357.46)	(189,338.64)
2026	20,567.69	235,275.99
2027	328.26	88,122.08
2028	-	87,654.44
Thereafter	-	5,760.83

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS**

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB Statement 75 for the year 2023.

Aggregate OPEB amounts - All Plans	
OPEB Liabilities	\$ 799,260
Deferred outflows of resources	1,162
OPEB Expense	(471,418)

**Plan Description**

The Authority administers a Post-Retirement Health Care Program under a single employer defined benefit Other Post Employment Benefit (OPEB) plan. This plan administered by the Health Care Authority (HCA) per RCW 41.05.065, the Public Employees Benefits Board (PEBB) created with the HCA, is authorized to design benefits, and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria for both active retired employees. PEBB programs include medical, dental, life and long-term disability. Benefits are offered to retirees at a subsidized rate.

The benefits are provided in accordance with a substantive plan, in which the plan terms are understood by the employers and plan members not formalized in a contract or plan document. The PEBB retiree OPEB plan is available to employees who elect to continue coverage and pay the administratively established premiums at the time they retire under the provisions of the retirement system to which they belong.

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1
Active employees	43
Total	<u>44</u>

**Assumptions and Other Input**

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about retirement ages, mortality, and healthcare cost trend. The actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The Authority's total OPEB liability of \$799,260 was measured as of June 30, 2023, with a valuation date of June 30, 2023. The alternative method permitted under GASB 75 was used to calculate the liability instead of

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an actuarial valuation. The Entry Age actuarial cost method and the recognized immediately amortization method were used in this calculation. There are no assets in this plan, therefore, no asset valuation method was used.

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement period, unless otherwise specified:

Discount rate - Beginning of Measurement Year	3.54%
Discount Rate - End of Measurement Year	3.65%
Base Mortality Table	PubG.H-2010
Age Setback	0 years
Mortality Improvements	MP-2017-Long-Term Rates Generational
Projected Salary Changes	3.5% + service based increases
Healthcare Trend Rates	Initial rate ranges from about 2-16%, reaching an ultimate rate of approximately 3.8% in 2075.
Inflation Rate	2.35%
Post-Retirement Participation Percentage	60%
Percentage with Spouse Coverage	45%

The source of the discount rate is the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the Pub. H-2010 healthy and disables tables. The Society of Actuaries publishes this document. The Washington State Actuary applied offsets to the base table and recognized future improvements in mortality projections using RPEC MP-2017 long-term rates. No age offset was applied. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

Specific assumptions are as follows:

It was assumed that two thirds of members will select a Uniform Medical Plan (UMP) and one third will select a Kaiser Permanente (KP) plan. The specific assumptions are as follows:

- UMP pre and post Medicare costs and premiums are equal to the Uniform Medical Plan Classic.
- The KP pre-Medicare costs and premiums are 50/50 blend of JP classic and KP value.
- The KP post-Medicare costs and premiums are equal to KP WA Medicare.

The estimated retirement service for each active cohort was based on the average entry age of 35, with maximum service of 1 year. For example, an age 47 member is assumed to have 12 years of service. Service is a component of benefit eligibility. Assumptions for retirement, disability, termination, and mortality are based on the 2020 PEBB OPEB Actuarial Valuation Report (AVR). For Simplicity, Plan 2 decrement rates were assumed. Additionally, all employees were assumed to be retirement eligible at age 55 and all employees retire at age 70. Based on an average expected retirement age of 65, an active mortality rate for ages less than 65 and retiree



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mortality rate for ages 65+ was applied. Each cohort is assumed to be a 50/50 male/female split. It was further assumed that eligible spouses are the same age as the primary member.

Dental benefits are not included when including the Total OPEB Liability, as dental benefits represent less than 2 percent of the accrued benefit obligations under the 2020 PEBB OPEB AVR.

**Sensitivity Rates**

GASB 75 requires an analysis of the impact of changing the Healthcare Team and Discount rate assumptions by 100 basis points. The following tables present the total OPEB liability of the Authority at December 31, 2023, adjusted for that assumption change.

Discount Rate Sensitivity		
1% Decrease	Current Discount Rate	1% Increase
\$ 984,689	\$ 799,260	\$ 654,531

Health Care Trend Rate Sensitivity		
1% Decrease	Current Health Care Trend Rate	1% Increase
\$ 626,595	\$ 799,260	\$ 1,032,158

**Changes in Total OPEB Liability**

The table below presents the changes in the total OPEB Liability:

Total OPEB liability - beginning	1,274,046
Service cost	\$ 86,455
Interest Cost	48,103
Changes in assumptions	(605,976)
Benefit payments	<u>(3,368)</u>
Net change in total OPEB liability	(474,786)
Total OPEB liability - ending	<u>\$ 799,260</u>

Deferred outflows of resources of \$1,162 resulting from payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2024.

**NOTE 9: DEFERRED CONTRIBUTION PENSION PLAN**

The Authority's Section 457 Plan is a single employer defined contribution plan. Plan benefit terms have been established by the Washington State department of Retirement Deferred Compensation Program (DCP) and the Authority's personnel policy. The Authority makes matching contributions on behalf of participating employees. No assets are accumulated in trusts or equivalent arrangements by the Authority which meet the criteria in GASB 73, paragraph 101. The plan assets are administered by a third party, which is the Washington State Department of Retirement Systems – Washington State Investment Board.

Plan assets are held in each employee's name and are the property of the employee and are 100% vested upon contribution.

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Contribution rates for employees can change annually and are limited by the State of Washington DCP regulations and IRS Section 457 limitations. Per the DCP program, the minimum contribution is \$30 per month and cannot exceed \$19,500 per year. The Authority matches up to 6% of wages after 12 months of employment. Pension expense and employer contributions for the Authority was \$47,996, for the year ended December 31, 2023.

**NOTE 10: SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)**

The Authority entered into a five-year software as a service (SaaS) subscription-based agreement with Yardi Systems, Inc. on November 18, 2020. The contract remains in full force until the 5<sup>th</sup> anniversary date of November 18, 2025 with an auto renewal in 1 year increments after the expiration of the initial five year contract unless 30 day written notice is given prior to the expiration of the initial contract. For fiscal years 2020, 2021, and 2022 the contract rate was paid at the beginning of the fiscal year and amortized over the course of the year. Beginning in fiscal year 2023 the Authority moved from monthly amortization to GASB 96 Accounting for Subscription Based Information Technology Arrangements (SBITA).

The Yardi Systems, Inc. fee schedule includes basic services covering licenses, budgeting & forecasting, mobile inspections, invoicing, rent portal, and SharePoint document management. The initial fee schedule did not include payment processing, added in fiscal year 2023, or screening services, added in fiscal year 2024, therefore the initial contract rate of \$163,699.61 was used for fiscal year 2023 and the increase rate of \$180,543.21 was used for fiscal years 2024 and 2025. The initial fee schedule consists of \$163,699.61 annually for services not including support services, tax, per use fees, or implementation costs.

The net present value of the contract was calculated using our FNMA Loan Rate of 5.66%. The amortization was calculated using the straight-line method.

The total amount of subscription assets, and the related accumulated amortization is as follows:

	Beg Bal	Increases	Decreases	End Bal
Subscription assets	477,465			477,465
Accumulated Amortization		(163,700)		(163,700)
Net Subscription asset	477,465	(163,700)		313,766

The Authority recognized variable fees of \$30,118.67 including training, conferences, and support. No termination penalties were recognized in 2023 or included in the measurement of the subscription liability.

As of December 31, 2023, the principal and interest requirements to maturity are as follows:

Year ended December 31	Principal	Interest	Total
2023	163,700		163,700
2024	161,200	9,671	170,872
2025	152,565	9,153	161,719

**NOTE 11: CONDENSED FINANCIAL INFORMATION**

The following condensed financial information for blended component units of the Authority has been presented for the year ending December 31, 2023.

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	<b>Condensed Statement of Net Position</b>		
	<b>Chateau Rainier Apartments, LLC</b>	<b>DeMark Apartments, LLC</b>	<b>Lakewood Village Apartments, LLC</b>
Current Assets	\$ 2,069,220	\$ (71,589)	\$ 1,064,082
Capital Assets	3,975,902	1,288,174	3,715,088
Total Assets	6,045,122	1,216,586	4,779,171
Deferred Outflows of Resources	253	94	91
Total assets and deferred outflows of resources	6,045,376	1,216,680	4,779,261
Current Liabilities	672,515	222,630	222,494
Long-Term Liabilities	8,765,571	2,774,679	3,882,800
Total Liabilities	9,438,087	2,997,309	4,105,294
Deferred Inflows of Resources	(3,449)	(1,473)	(741)
Total liabilities and deferred inflows of resources	9,434,638	2,995,837	4,104,554
Net Investment in Capital Assets	(4,956,197)	(1,543,955)	(221,761)
Restricted Net Position	598,499	105,965	156,859
Unrestricted Net Position	968,437	(341,166)	739,611
Total Net Position	\$ (3,389,262)	\$ (1,779,156)	\$ 674,708

	<b>Condensed Statement of Revenues, Expenses, Changes in Net Position</b>		
	<b>Chateau Rainier Apartments, LLC</b>	<b>DeMark Apartments, LLC</b>	<b>Lakewood Village Apartments, LLC</b>
Operating Revenue	\$ 3,409,815	\$ 1,187,818	\$ 1,942,741
Operating Expenses	2,757,023	1,033,078	1,712,299
Depreciation Expenses	337,597	142,815	296,697
Operating Income (Loss)	315,196	11,925	(66,255)
Nonoperating Revenues (Expenses)	(1,758)	(347)	(464)
Change in Net Position	313,437	11,578	(66,719)
Beginning Net Position	(3,702,699)	(1,790,734)	741,427
Prior Period Adjustments	-	-	-
Ending Position	\$ (3,389,262)	\$ (1,779,156)	\$ 674,708

**NOTE 12: CONTINGENT LIABILITIES**

The Authority receives significant financial assistance from federal, state, and local agencies in the form of grants and operating subsidies. HUD provided approximately 80% of the Authority's operating revenue in the current year. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the agreements and are subject to audit by the grantor agencies; therefore, to the extent that the Authority has not complied with rules and regulations governing the grants, if any, refunds of any money received may be required.

Management believes there are no significant contingent liabilities relating to compliance with grant rules and regulations.

**NOTE 13: RISK MANAGEMENT**

The Authority is a member of the Housing Authorities Risk Retention Pool (HARRP), now called Synchronous Risk Management. Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 (Interlocal Cooperation Act), fifty-five public housing authorities in the states of Washington, Oregon, California originally

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

formed HARRP in March 1987. HARRP was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. HARRP is a U.S. Department of Housing and Urban Development (HUD) approved self-insurance entity of utilization by public housing authorities. HARRP has a total of eighty-two member/owner housing authorities in the states of Washington, Oregon, California, and Nevada. Thirty-five of the eighty-two members are Washington State public housing entities.

New members are underwritten at their original membership and thereafter automatically renew on an annual basis. Members may quit upon giving notice to HARRP prior to their renewal date. Members terminating membership are not eligible to rejoin HARRP for three years. HARRP can terminate membership after giving a sixty (60) day notice prior to the renewal date. Termination does not relieve a former member from its unresolved losses incurred during membership.

General and Automobile Liability Coverage is written on an occurrence basis, without member deductibles. Errors and Omissions coverage (which includes Employer Practices Liability) is written on claims made basis, and the members are responsible for 10% of the incurred costs of the claims. The Property coverage offered by HARRP is on a replacement cost basis, with deductibles ranging from \$1,000 to \$25,000. (Due to special underwriting circumstances, some members may be subject to greater deductibles and E & O co-payments). Fidelity coverage is also offered, with limits of \$100,000 (with options up to \$500,000) for employee dishonesty, forgery, or alteration and \$10,000 for theft with deductibles similar to the retention of Property.

Coverage limits for General Liability, as well as Errors and Omissions are \$2,000,000 per occurrence with no annual aggregate. Property limits are offered on an agreed amount, based on each structure's value. Limits for Automobile Liability are covered at \$2,000,000 with no aggregate. HARRP self-insurance \$2 million of coverage for liability lines. For property, HARRP retains the first \$2 million and then purchases \$45 million of excess insurance from Munich Reinsurance for a combined total of \$47,000,000. The HARRP Board of Directors determines the limits and coverage terms, at its sole discretion.

HARRP provides loss control and claim services with in-house staff and retained third party contractors.

HARRP is fully funded by member contributions that are adjusted by the HARRP Board on the basis of independent actuarial studies. These assessments cover loss, loss adjustment expenses, excess insurance, reinsurance, and other administrative expenses. HARRP does not have the right to assess the membership for any shortfall in its funding. Such shortfalls are made up through future rate adjustments.

In the past three years, no settlements exceeded insurance coverage.

**NOTE 14: PRIOR PERIOD ADJUSTMENTS**

A prior period adjustment of (\$4,778) was made for Fiscal Year 2023. The adjustment was related to the Housing Choice Voucher program to adjust the beginning balance for Fiscal Year 2023.

**NOTE 15: IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING BOARD PRONOUNCEMENTS**

At December 31, 2023, the Authority implemented GASB 96, Subscription Based Information Technology Arrangements (SBITA). A SBITA is defined as a contract that conveys control of the right to use other party's information technology software along or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like contract. This Statement requires SBITAs for government end users to be recorded as a right-to-use subscription asset and a corresponding subscription liability. The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
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implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Upon implementation of this standard, the Authority added a note disclosure describing the software SBITA and information regarding variable payments.

There was no effect on beginning net position, however a software intangible asset was moved to a software SBITA in accordance with GASB 96.

**NOTE 16: SUBSEQUENT EVENTS**

No subsequent events.

# REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans

Pierce County Housing Authority Schedule of Proportionate Share of the Net Pension Liability (Asset) PERS1 As of June 30 Last Nine Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Employer's proportion of the net pension liability (asset)	0.015140%	0.015435%	0.014046%	0.013184%	0.016619%	0.016652%	0.017061%	0.017223%	0.016029%	
Employer's proportionate share of the net pension liability (asset)	\$ 345,606	429,767	171,535	465,466	639,060	743,684	809,558	92,456	838,466	
Covered payroll	\$ 2,878,562	\$ 2,536,897	\$ 2,058,695	\$ 2,010,369	\$ 2,120,023	\$ 2,263,789	\$ 2,285,200	\$ 2,243,004	\$ 2,049,548	
Employer's proportionate share of the net pension liability as a percentage of covered payroll	12.01%	16.94%	8.33%	23.15%	30.14%	32.85%	35.43%	41.24%	40.91%	
Plan fiduciary net position as a percentage of the total pension liability	80.16%	76.56%	88.74%	68.64%	67.12%	63.22%	61.24%	57.03%	59.10%	

## Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.

# REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans

Pierce County Housing Authority Schedule of Proportionate Share of the Net Pension Liability (Asset) PERS 2/3 As of June 30 Last Nine Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Employer's proportion of the net pension liability (asset)	0.019585%	0.020084%	0.018068%	0.017070%	0.021479%	0.021202%	0.021945%	0.022060%	0.020716%	
Employer's proportionate share of the net pension liability (asset)	\$ (802,727)	-744,872	-1,799,864	218,316	208,634	362,005	762,484	1,108,992	740,194	
Covered payroll	\$ 2,878,562	\$ 2,536,897	\$ 2,058,695	\$ 2,010,369	\$ 2,120,023	\$ 2,263,789	\$ 2,285,200	\$ 2,243,004	\$ 2,049,548	
Employer's proportionate share of the net pension liability as a percentage of covered payroll	-27.89%	-29.36%	-87.43%	10.86%	9.84%	15.99%	33.37%	49.44%	36.11%	
Plan fiduciary net position as a percentage of the total pension liability	107.02%	106.73%	120.29%	97.22%	97.77%	95.77%	90.97%	85.82%	89.20%	

## Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.

# REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans

## Pierce County Housing Authority Schedule of Employer Contributions

### PERS 1

For the year ended June 30  
Last Nine Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily or contractually required contributions									
Contributions in relation to the statutorily or contractually required contributions	\$ 97,586	105,031	104,629	97,998	100,098	122,324	95,994	111,537	87,763
Contribution deficiency (excess)	(97,586)	(105,031)	(104,629)	(97,998)	(100,098)	(122,324)	(95,994)	(111,537)	(87,763)
	0	0	0	0	0	0	0	0	0
Covered payroll	\$ 2,878,562	2,795,327	2,483,003	1,999,207	2,120,023	2,263,789	2,285,200	2,243,004	2,049,548
Contributions as a percentage of covered payroll	-3.39%	3.76%	4.21%	4.87%	4.72%	5.40%	4.20%	4.97%	4.28%

#### Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.



# REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans

Pierce County Housing Authority Schedule of Employer Contributions PERS 2/3 For the year ended June 30 Last Nine Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Statutorily or contractually required contributions	\$ 183,077	177,783	171,150	161,287	154,049	181,388	133,064	145,676	112,210	
Contributions in relation to the statutory or contractually required contributions	(183,077)	(177,783)	(171,150)	(161,287)	(154,049)	(181,388)	(133,064)	(145,676)	(112,210)	
Contribution deficiency (excess)	0	0	0	0	0	0	0	0	0	
Covered payroll	\$ 2,878,562	2,795,327	2,483,003	1,999,207	2,120,023	2,263,789	2,285,200	2,243,004	2,049,548	
Contributions as a percentage of covered payroll	-6.36%	6.36%	6.89%	8.02%	7.27%	8.01%	5.82%	6.49%	5.47%	

## Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.

**PIERCE COUNTY HOUSING AUTHORITY**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION - PENSION**  
**AS OF DECEMBER 31**  
**LAST EIGHT FISCAL YEARS**

NOTE 1: Information Provided

GASB 68 was implemented for the year ended September 30, 2015, therefore there is no data available for years prior to 2014.

NOTE 2: Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions.

NOTE 3: Covered Payroll

Covered payroll has been presented in accordance with GASB 82, *Pension Issues*. Covered payroll includes all payroll on which a contribution is based.

NOTE 4: Change in contribution rate

Rates in effect during the periods covered by the Required Supplemental Information are below:

PERS Plan 1		
Date	Through this Date	Employer Rate
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	8/31/2023	10.39%
9/1/2023	current	10.39% *

\*Employer contribution rate includes an administrative expense rate of 0.18%

PERS Plan 2/3		
Date	Through this Date	Employer Rate
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	6/30/2019	12.83%
7/1/2019	8/31/2020	12.86%
9/1/2020	6/30/2021	12.97%
7/1/2021	8/31/2022	10.25%
9/1/2022	8/31/2023	10.39%
9/1/2023	current	10.39%

\*Employer contribution rate includes an administrative expense rate of 0.18%

Pierce County Housing Authority  
Required Supplementary Information  
Washington Health Care Authority (HCA) Public Employee Benefit Board Plan  
Schedule of Changes in Total Liability and Related Ratios  
For the Year Ended December 31,  
Last Six Fiscal Years

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Total OPEB liability beginning			\$ 1,514,067	\$ 1,152,976	\$ 1,471,127	\$ 1,414,167
Service Cost	\$ 1,274,046	\$ 1,416,154	104,792	76,817	93,130	110,027
Interest	86,455	93,988	35,686	42,993	60,397	54,499
Differences between expected and actual experience	48,103	32,535	(230,088)	244,147	(464,366)	(103,785)
Benefit payments	(605,976)	(260,819)	(8,303)	(2,866)	(7,312)	(3,781)
Total OPEB liability ending	\$ 799,260	\$ 1,274,046	\$ 1,416,154	\$ 1,514,067	\$ 1,152,976	\$ 1,471,127
Covered payroll	2,878,562	2,536,897	2,058,695	2,010,369	2,120,023	2,263,789
Total OPEB liability as a percentage of covered employee payroll	27.77%	50.22%	68.79%	75.31%	54.39%	64.99%

**Notes to Schedule**

1. Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

2. The Authority implemented GASB 75 in FY 2018, therefore no data is presented before then. Eventually, ten years of data will be presented.

3. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**Pierce County Housing Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Housing Loans	10.415		-	-	-	-	1,2
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Housing Loans	10.415		-	304,266	304,266	-	1,2,4
			<b>Total ALN 10.415:</b>	-	<b>304,266</b>	<b>304,266</b>	-	
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Rural Rental Assistance Payments	10.427		-	72,564	72,564	-	1,2
<b>CDBG - Entitlement Grants Cluster</b>								
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via City of Lakewood)	Community Development Block Grants/Entitlement Grants	14.218	BM22MC53001 6	180,000	-	180,000	-	1,2
	<b>Total CDBG - Entitlement Grants Cluster:</b>			<b>180,000</b>	-	<b>180,000</b>	-	
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Public Housing Operating Fund	14.850		-	264,477	264,477	-	1,2,3
<b>Housing Voucher Cluster</b>								

*The accompanying notes are an integral part of this schedule.*

**Pierce County Housing Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2023**

		Expenditures					Passed through to Subrecipients	Note
		Federal Program	ALN Number	Other Award Number	From Pass-Through Awards	From Direct Awards	Total	
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Section 8 Housing Choice Vouchers	14.871	-	-	37,520,658	37,520,658	-	1,2,3
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Section 8 Housing Choice Vouchers	14.871	-	-	1,117,880	1,117,880	-	1,2,3
		<b>Total Housing Voucher Cluster:</b>					<b>38,638,538</b>	
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Public Housing Capital Fund	14.872	-	-	498,707	498,707	-	1,2
ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Family Self-Sufficiency Program	14.896	-	-	86,625	86,625	-	1,2,3
		<b>Total Federal Awards Expended:</b>					<b>40,045,177</b>	

The accompanying notes are an integral part of this schedule.

**PIERCE COUNTY HOUSING AUTHORITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1: Basis of Accounting

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as Pierce County Housing Authority's financial statements. Since the Federal grants are considered to be either subsidy based or cost reimbursement grants, amounts reported on the Schedule of Expenditures of Federal Awards are based on revenues, rather than expenses.

NOTE 2: Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Actual program costs, including the Housing Authority's portion, may be more than shown.

NOTE 3: Indirect Cost Rate

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

NOTE 4: Rural Rental Housing Loan

In 2014, the Authority was approved by the USDA Rural Housing Service to receive a loan totaling \$696,219 for the acquisition of an apartment complex. The amount listed on this schedule is the outstanding loan balance as of January 1, 2023, amounting to \$336,999. The balance of the Rural Rental Housing loan on December 31, 2023, was \$304,266.

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
70300 Net Tenant Rental Revenue	\$733,618	\$5,819,649		\$1,496,515	
70400 Tenant Revenue - Other	\$17,414	\$715,586		\$160,697	
70500 Total Tenant Revenue	\$751,032	\$6,535,235	\$0	\$1,657,212	\$0
70600 HUD PHA Operating Grants	\$764,007		\$86,625		
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants				\$180,000	
71100 Investment Income - Unrestricted	\$1,070			\$3,441	
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	\$191	\$173		\$1,993	
71600 Gain or Loss on Sale of Capital Assets	\$3,001,656	-\$67			
72000 Investment Income - Restricted	\$786	\$2,397		\$2,062	\$685
70000 Total Revenue	\$4,518,742	\$6,537,738	\$86,625	\$1,844,708	\$685
91100 Administrative Salaries	\$269,115	\$203,048		\$1,204,128	

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
91200 Auditing Fees	\$6,609	\$15,578		\$54,675	
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	-\$14,596	\$181,094	\$5,346	-\$118,369	
91600 Office Expenses	\$31,019	\$94,215		\$549,235	\$20
91700 Legal Expense	\$1,340			\$35,090	
91800 Travel	\$1,763			\$24,321	
91810 Allocated Overhead	\$433,244	\$1,213,472		-\$2,670,094	
91900 Other	\$19,383	\$12,258		\$416,029	
91000 Total Operating - Administrative	\$747,877	\$1,719,665	\$5,346	-\$504,985	\$20
92000 Asset Management Fee					
92100 Tenant Services - Salaries			\$67,009		
92200 Relocation Costs	\$145,493				
92300 Employee Benefit Contributions - Tenant Services			\$30,727		
92400 Tenant Services - Other	\$0				
92500 Total Tenant Services	\$145,493	\$0	\$97,736	\$0	\$0
93100 Water	\$5,465	\$232,483		\$33,516	
93200 Electricity	\$15,765	\$58,918		\$85,584	
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer	\$15,771	\$501,009		\$118,239	
93700 Employee Benefit Contributions - Utilities					



HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
93800 Other Utilities Expense	\$8,812	\$398,456		\$94,777	
93000 Total Utilities	\$45,813	\$1,190,866	\$0	\$332,116	\$0
94100 Ordinary Maintenance and Operations - Labor	\$117,474	\$387,207		\$219,907	
94200 Ordinary Maintenance and Operations - Materials and	\$44,372	\$217,324		\$123,855	
94300 Ordinary Maintenance and Operations Contracts	\$230,936	\$579,788	\$0	\$442,991	\$7
94500 Employee Benefit Contributions - Ordinary Maintenance	\$24,989	\$181,592		\$112,164	
94000 Total Maintenance	\$417,771	\$1,365,911	\$0	\$898,917	\$7
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs		\$10,338		\$6,462	
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$10,338	\$0	\$6,462	\$0
96110 Property Insurance		\$183,610		\$115,902	
96120 Liability Insurance				\$51,900	
96130 Workmen's Compensation		\$42		\$1,199	
96140 All Other Insurance					
96100 Total Insurance Premiums	\$0	\$183,652	\$0	\$169,001	\$0
96200 Other General Expenses	\$19,540	\$5,797		\$62,071	\$384
96210 Compensated Absences	\$8,085	\$11,428	\$3,734	\$74,902	
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents		\$116,750		\$93,438	
96500 Bad debt - Mortgages					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$27,625	\$133,975	\$3,734	\$230,411	\$384
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)		\$897,993		\$9,671	
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$897,993	\$0	\$9,671	\$0
96900 Total Operating Expenses	\$1,384,579	\$5,502,400	\$106,816	\$1,141,593	\$411
97000 Excess of Operating Revenue over Operating Expenses	\$3,134,163	\$1,035,338	-\$20,191	\$703,115	\$274
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$32,304				
97350 HAP Portability-In					
97400 Depreciation Expense	\$338,217	\$777,042		\$468,113	
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,755,100	\$6,279,442	\$106,816	\$1,609,706	\$411
10010 Operating Transfer In	\$498,707				
10020 Operating transfer Out	-\$498,707				

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
10030 Operating Transfers from/to Primary Government	\$0				
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$2,763,642	\$258,296	-\$20,191	\$235,002	\$274
11020 Required Annual Debt Principal Payments	\$0	\$29,780	\$0	\$0	\$0
11030 Beginning Equity	\$5,419,892	-\$4,752,009	\$0	\$6,127,255	\$1,975,357
11040 Prior Period Adjustments, Equity Transfers and					\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
11190 Unit Months Available	1488	5712	0	2304	0
11210 Number of Unit Months Leased	1376	5323	0	1882	0
11270 Excess Cash	\$539,674				
11610 Land Purchases	\$0				
11620 Building Purchases	\$0				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
70300 Net Tenant Rental Revenue	\$116,243				
70400 Tenant Revenue - Other	\$11,860				
70500 Total Tenant Revenue	\$128,103	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$37,520,655		\$1,118,580	\$23,551
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$28,012				
71100 Investment Income - Unrestricted	\$35	\$5,131			
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery		\$1,488			
71500 Other Revenue	\$2,774	\$21,083		\$0	
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted	\$85				
70000 Total Revenue	\$159,009	\$37,548,357	\$0	\$1,118,580	\$23,551
91100 Administrative Salaries	\$10,555	\$731,403		\$56,088	
91200 Auditing Fees		\$18,882			

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
91300 Management Fee	\$2,772				
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$2,803	\$78,844		\$5,600	
91600 Office Expenses	\$15,675	\$108,320		\$3,329	
91700 Legal Expense					
91800 Travel		\$3,676			
91810 Allocated Overhead		\$1,023,378			
91900 Other	\$42	\$183,678		\$1,206	
91000 Total Operating - Administrative	\$31,847	\$2,148,181	\$0	\$66,223	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$1,023		\$76	
92400 Tenant Services - Other		\$250		\$28,139	
92500 Total Tenant Services	\$0	\$1,273	\$0	\$28,215	\$0
93100 Water					
93200 Electricity	\$12,582				
93300 Gas	\$3,726	\$268		\$32	
93400 Fuel					
93500 Labor					
93600 Sewer	\$11,085				
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$2,182				

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
93000 Total Utilities	\$29,575	\$268	\$0	\$32	\$0
94100 Ordinary Maintenance and Operations - Labor	\$10,919				
94200 Ordinary Maintenance and Operations - Materials and	\$8,735	\$382			
94300 Ordinary Maintenance and Operations Contracts	\$28,299	\$21,524		\$748	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,492	\$16,761			
94000 Total Maintenance	\$50,445	\$38,667	\$0	\$748	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$4,438				
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$4,438	\$0	\$0	\$0	\$0
96200 Other General Expenses	\$260	\$163,962			
96210 Compensated Absences		\$2,240			
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
96800 Severance Expense					
96000 Total Other General Expenses	\$260	\$166,202	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable	\$28,012				
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$28,012	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$144,577	\$2,354,591	\$0	\$95,218	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$14,432	\$35,193,766	\$0	\$1,023,362	\$23,551
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$34,319,810		\$930,195	
97350 HAP Portability-In		\$57,049			
97400 Depreciation Expense	\$21,299	\$10,063			
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$165,876	\$36,741,513	\$0	\$1,025,413	\$0
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					



HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$6,867	\$806,844	\$0	\$93,167	\$23,551
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$402,440	\$1,945,639	\$0	-\$187,333	\$0
11040 Prior Period Adjustments, Equity Transfers and		-\$4,778			
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity		\$2,699,455			
11180 Housing Assistance Payments Equity		\$48,250			
11190 Unit Months Available	240	35532		744	0

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit		Fiscal Year End: 12/31/2023				
		10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
11210	Number of Unit Months Leased	240	31116		727	0
11270	Excess Cash					
11610	Land Purchases					
11620	Building Purchases					
11630	Furniture & Equipment - Dwelling Purchases					
11640	Furniture & Equipment - Administrative Purchases					
11650	Leasehold Improvements Purchases					
11660	Infrastructure Purchases					
13510	CFFP Debt Service Payments					
13901	Replacement Housing Factor Funds					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$8,166,025		\$8,166,025
70400 Tenant Revenue - Other	\$905,557		\$905,557
70500 Total Tenant Revenue	\$9,071,582		\$9,071,582
70600 HUD PHA Operating Grants	\$39,513,418		\$39,513,418
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$208,012		\$208,012
71100 Investment Income - Unrestricted	\$9,677		\$9,677
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$1,488		\$1,488
71500 Other Revenue	\$26,214		\$26,214
71600 Gain or Loss on Sale of Capital Assets	\$3,001,589		\$3,001,589
72000 Investment Income - Restricted	\$6,015		\$6,015
70000 Total Revenue	\$51,837,995		\$51,837,995
91100 Administrative Salaries	\$2,474,337		\$2,474,337
91200 Auditing Fees	\$95,744		\$95,744

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
91300 Management Fee	\$2,772		\$2,772
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$140,722		\$140,722
91600 Office Expenses	\$801,813		\$801,813
91700 Legal Expense	\$36,430		\$36,430
91800 Travel	\$29,760		\$29,760
91810 Allocated Overhead	\$0		\$0
91900 Other	\$632,596		\$632,596
91000 Total Operating - Administrative	\$4,214,174		\$4,214,174
92000 Asset Management Fee			
92100 Tenant Services - Salaries	\$67,009		\$67,009
92200 Relocation Costs	\$145,493		\$145,493
92300 Employee Benefit Contributions - Tenant Services	\$31,826		\$31,826
92400 Tenant Services - Other	\$28,389		\$28,389
92500 Total Tenant Services	\$272,717		\$272,717
93100 Water			
93200 Electricity	\$284,046		\$284,046
93300 Gas	\$164,293		\$164,293
93400 Fuel			
93500 Labor			
93600 Sewer	\$646,104		\$646,104
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$504,227		\$504,227

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
93000 Total Utilities	\$1,598,670		\$1,598,670
94100 Ordinary Maintenance and Operations - Labor	\$735,507		\$735,507
94200 Ordinary Maintenance and Operations - Materials and	\$394,668		\$394,668
94300 Ordinary Maintenance and Operations Contracts	\$1,304,293		\$1,304,293
94500 Employee Benefit Contributions - Ordinary Maintenance	\$337,998		\$337,998
94000 Total Maintenance	\$2,772,466		\$2,772,466
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs	\$16,800		\$16,800
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$16,800		\$16,800
96110 Property Insurance	\$303,950		\$303,950
96120 Liability Insurance	\$51,900		\$51,900
96130 Workmen's Compensation	\$1,241		\$1,241
96140 All Other Insurance			
96100 Total insurance Premiums	\$357,091		\$357,091
96200 Other General Expenses	\$252,014		\$252,014
96210 Compensated Absences	\$100,389		\$100,389
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents	\$210,188		\$210,188
96500 Bad debt - Mortgages			
96600 Bad debt - Other			

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
96800 Severance Expense			
96000 Total Other General Expenses	\$562,591		\$562,591
96710 Interest of Mortgage (or Bonds) Payable	\$935,676		\$935,676
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$935,676		\$935,676
96900 Total Operating Expenses	\$10,730,185		\$10,730,185
97000 Excess of Operating Revenue over Operating Expenses	\$41,107,810		\$41,107,810
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments	\$35,282,309		\$35,282,309
97350 HAP Portability-In	\$57,049		\$57,049
97400 Depreciation Expense	\$1,614,734		\$1,614,734
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$47,684,277		\$47,684,277
10010 Operating Transfer In	\$498,707		\$498,707
10020 Operating transfer Out	-\$498,707		-\$498,707
10030 Operating Transfers from/to Primary Government	\$0		\$0

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$4,153,718		\$4,153,718
11020 Required Annual Debt Principal Payments	\$29,780		\$29,780
11030 Beginning Equity	\$10,931,241		\$10,931,241
11040 Prior Period Adjustments, Equity Transfers and	-\$4,778		-\$4,778
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	\$2,699,455		\$2,699,455
11180 Housing Assistance Payments Equity	\$48,250		\$48,250
11190 Unit Months Available	46020		46020

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	40664		40664
11270 Excess Cash	\$539,674		\$539,674
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0
11650 Leasehold Improvements Purchases	\$0		\$0
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0



HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
111 Cash - Unrestricted	\$676,003	\$1,086,619		\$3,005,508	\$491,133
112 Cash - Restricted - Modernization and Development		\$610,247			
113 Cash - Other Restricted	\$3,335,403	\$251,075		\$658,714	\$664,309
114 Cash - Tenant Security Deposits	\$30,679	\$323,250		\$102,777	
115 Cash - Restricted for Payment of Current Liabilities	\$0				
100 Total Cash	\$4,042,085	\$2,271,191	\$0	\$3,766,999	\$1,155,442
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$0	\$0		\$0	
124 Accounts Receivable - Other Government			\$7,039	\$80,000	
125 Accounts Receivable - Miscellaneous	\$0				
126 Accounts Receivable - Tenants	\$237,373	\$689,312		\$377,337	
126.1 Allowance for Doubtful Accounts - Tenants	-\$47,935	-\$277,992	\$0	-\$253,933	
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	-\$14,760
127 Notes, Loans, & Mortgages Receivable - Current					\$2,760
128 Fraud Recovery	\$211				
128.1 Allowance for Doubtful Accounts - Fraud	\$0				
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$189,649	\$411,320	\$7,039	\$203,404	-\$12,000
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$19,024	\$379,201		\$276,280	
143 Inventories				\$8,317	

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
143.1 Allowance for Obsolete Inventories				\$0	
144 Inter Program Due From	\$0	\$5,926	\$0	\$4,731	\$785
145 Assets Held for Sale					
150 Total Current Assets	\$4,250,758	\$3,067,638	\$7,039	\$4,259,731	\$1,144,227
161 Land	\$1,825,330	\$2,010,000		\$1,151,531	
162 Buildings	\$9,110,048	\$19,271,286		\$6,423,291	
163 Furniture, Equipment & Machinery - Dwellings	\$542,369	\$1,980,927		\$513,514	
164 Furniture, Equipment & Machinery - Administration				\$503,473	
165 Leasehold Improvements	\$333,772	\$70,704		\$584,509	\$1,570
166 Accumulated Depreciation	-\$7,548,428	-\$14,539,360		-\$5,811,192	-\$1,570
167 Construction in Progress		\$177,031		\$199,935	
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,263,091	\$8,970,588	\$0	\$3,565,061	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0				\$932,258
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$103,576	\$8,577		\$414,973	
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$4,366,667	\$8,979,165	\$0	\$3,980,034	\$932,258
200 Deferred Outflow of Resources	\$77,811	\$6,100		\$323,453	
290 Total Assets and Deferred Outflow of Resources	\$8,695,236	\$12,052,903	\$7,030	\$8,563,218	\$2,076,485

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Project Total	6.2 Component Unit - Blended	14,896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$92,666	\$57,948	\$16,595	\$159,664	\$100,854
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable				\$215,685	
322 Accrued Compensated Absences - Current Portion	\$17,117	\$26,532	\$3,254	\$181,636	
324 Accrued Contingency Liability					
325 Accrued Interest Payable		\$74,198			
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$18,330				
341 Tenant Security Deposits	\$30,679	\$323,250		\$102,777	
342 Unearned Revenue	\$28,568	\$159,308		\$50,900	
343 Current Portion of Long-term Debt - Capital	\$0	\$370,250			
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$14,350	\$10,689		\$203,566	
346 Accrued Liabilities - Other	\$37,290	\$101,390			
347 Inter Program - Due To	\$2,276		\$1,557	\$114,184	
348 Loan Liability - Current					
310 Total Current Liabilities	\$241,276	\$1,123,565	\$21,406	\$1,028,412	\$100,854
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$15,330,828		\$65,000	
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$88,102			\$152,565	
354 Accrued Compensated Absences - Non Current	\$2,522	\$3,909	\$479	\$26,758	
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit		Fiscal Year End: 12/31/2023				
	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	8 Other Federal Program 1	
357 Accrued Pension and OPEB Liabilities	\$115,178	\$88,314	\$5,336	\$648,697		
350 Total Non-Current Liabilities	\$205,802	\$15,423,051	\$5,815	\$893,020	\$0	
300 Total Liabilities	\$447,078	\$16,546,616	\$27,221	\$1,921,432	\$100,854	
400 Deferred Inflow of Resources	\$64,624		\$9	\$279,529		
508.4 Net Investment in Capital Assets	\$4,263,091	-\$6,730,490		\$3,500,061		
511.4 Restricted Net Position	\$3,335,403	\$861,322		\$634,194		
512.4 Unrestricted Net Position	\$585,040	\$1,375,455	-\$20,191	\$2,228,002	\$1,975,631	
513 Total Equity - Net Assets / Position	\$8,183,534	-\$4,493,713	-\$20,191	\$6,362,257	\$1,975,631	
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$8,695,236	\$12,052,903	\$7,039	\$8,563,218	\$2,076,485	

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
111 Cash - Unrestricted	\$206,648	\$1,722,541		\$53,428	\$23,551
112 Cash - Restricted - Modernization and Development	\$94,252				
113 Cash - Other Restricted		\$502,242		\$25,848	
114 Cash - Tenant Security Deposits	\$4,500	\$300			
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$305,400	\$2,225,083	\$0	\$79,276	\$23,551
121 Accounts Receivable - PHA Projects		\$184,496			
122 Accounts Receivable - HUD Other Projects		\$831,500			
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$29,364			
126 Accounts Receivable - Tenants	\$12,500	\$89,532			
126.1 Allowance for Doubtful Accounts - Tenants	-\$3,630	\$0		\$0	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0			
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery		\$64,372			
128.1 Allowance for Doubtful Accounts - Fraud		-\$154,383			
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$8,870	\$1,044,881	\$0	\$0	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$1,617	\$546			
143 Inventories					
143.1 Allowance for Obsolete Inventories					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
144 Inter Program Due From	\$808	\$107,077		\$0	
145 Assets Held for Sale					
150 Total Current Assets	\$316,695	\$3,377,587	\$0	\$79,276	\$23,551
161 Land	\$87,750				
162 Buildings	\$618,914				
163 Furniture, Equipment & Machinery - Dwellings	\$29,821				
164 Furniture, Equipment & Machinery - Administration	\$25,394	\$136,961			
165 Leasehold Improvements	\$1,847	\$250,674			
166 Accumulated Depreciation	-\$361,817	-\$365,412			
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$401,909	\$22,223	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$851	\$268,125		\$12,386	
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$402,760	\$290,348	\$0	\$12,386	\$0
200 Deferred Outflow of Resources	\$599	\$201,414		\$4,642	
290 Total Assets and Deferred Outflow of Resources	\$720,054	\$3,869,349	\$0	\$96,304	\$23,551
311 Bank Overdraft					

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
312 Accounts Payable <= 90 Days	\$443			\$163,976	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$6,891			
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$4,500	\$300			
342 Unearned Revenue	\$6,728	\$10,818		\$0	
343 Current Portion of Long-term Debt - Capital	\$30,495				
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$392			\$24,744	
346 Accrued Liabilities - Other		\$142,716			
347 Inter Program - Due To				\$1,310	
348 Loan Liability - Current					
310 Total Current Liabilities	\$42,558	\$160,725	\$0	\$190,030	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$279,633				
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$502,242			
354 Accrued Compensated Absences - Non Current		\$1,015			
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$2,290	\$290,371		\$440	

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account
350 Total Non-Current Liabilities	\$281,923	\$793,628	\$0	\$440	\$0
300 Total Liabilities	\$324,481	\$954,353	\$0	\$190,470	\$0
400 Deferred Inflow of Resources		\$167,291			
508.4 Net Investment in Capital Assets	\$91,780	\$22,223		\$0	
511.4 Restricted Net Position	\$99,405	\$636,577		\$40,131	
512.4 Unrestricted Net Position	\$204,388	\$2,088,905	\$0	-\$134,297	\$23,551
513 Total Equity - Net Assets / Position	\$395,573	\$2,747,705	\$0	-\$94,166	\$23,551
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$720,054	\$3,869,349	\$0	\$91,930	\$23,551



HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$7,265,431		\$7,265,431
112 Cash - Restricted - Modernization and Development	\$704,499		\$704,499
113 Cash - Other Restricted	\$5,437,591		\$5,437,591
114 Cash - Tenant Security Deposits	\$461,506		\$461,506
115 Cash - Restricted for Payment of Current Liabilities	\$0		\$0
100 Total Cash	\$13,869,027	\$0	\$13,869,027
121 Accounts Receivable - PHA Projects	\$184,496		\$184,496
122 Accounts Receivable - HUD Other Projects	\$831,500		\$831,500
124 Accounts Receivable - Other Government	\$87,039		\$87,039
125 Accounts Receivable - Miscellaneous	\$29,364		\$29,364
126 Accounts Receivable - Tenants	\$1,406,054		\$1,406,054
126.1 Allowance for Doubtful Accounts - Tenants	-\$583,490		-\$583,490
126.2 Allowance for Doubtful Accounts - Other	-\$14,760		-\$14,760
127 Notes, Loans, & Mortgages Receivable - Current	\$2,760		\$2,760
128 Fraud Recovery	\$64,583		\$64,583
128.1 Allowance for Doubtful Accounts - Fraud	-\$154,383		-\$154,383
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,853,163	\$0	\$1,853,163
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$676,668		\$676,668
143 Inventories	\$8,317		\$8,317
143.1 Allowance for Obsolete Inventories	\$0		\$0

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
144 Inter Program Due From	\$119,327	-\$119,327	\$0
145 Assets Held for Sale			
150 Total Current Assets	\$16,526,502	-\$119,327	\$16,407,175
161 Land	\$5,074,611		\$5,074,611
162 Buildings	\$35,423,539		\$35,423,539
163 Furniture, Equipment & Machinery - Dwellings	\$3,066,631		\$3,066,631
164 Furniture, Equipment & Machinery - Administration	\$665,828		\$665,828
165 Leasehold Improvements	\$1,243,076		\$1,243,076
166 Accumulated Depreciation	-\$28,627,779		-\$28,627,779
167 Construction in Progress	\$376,966		\$376,966
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$17,222,872	\$0	\$17,222,872
171 Notes, Loans and Mortgages Receivable - Non-Current	\$932,258		\$932,258
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			
173 Grants Receivable - Non Current			
174 Other Assets	\$808,488		\$808,488
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$18,963,618	\$0	\$18,963,618
200 Deferred Outflow of Resources	\$614,019		\$614,019
290 Total Assets and Deferred Outflow of Resources	\$36,104,130	-\$119,327	\$35,984,803
311 Bank Overdraft			

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$592,146		\$592,146
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$215,685		\$215,685
322 Accrued Compensated Absences - Current Portion	\$235,430		\$235,430
324 Accrued Contingency Liability			
325 Accrued Interest Payable	\$74,198		\$74,198
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	\$18,330		\$18,330
341 Tenant Security Deposits	\$461,506		\$461,506
342 Unearned Revenue	\$256,322		\$256,322
343 Current Portion of Long-term Debt - Capital	\$400,745		\$400,745
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities	\$253,741		\$253,741
346 Accrued Liabilities - Other	\$281,396		\$281,396
347 Inter Program - Due To	\$119,327	-\$119,327	\$0
348 Loan Liability - Current			
310 Total Current Liabilities	\$2,908,826	-\$119,327	\$2,789,499
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$15,675,461		\$15,675,461
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other	\$742,909		\$742,909
354 Accrued Compensated Absences - Non Current	\$34,683		\$34,683
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities	\$1,150,626		\$1,150,626

HA Of Pierce County (WA054)  
Tacoma, WA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$17,603,679	\$0	\$17,603,679
300 Total Liabilities	\$20,512,505	-\$119,327	\$20,393,178
400 Deferred Inflow of Resources	\$511,453		\$511,453
508.4 Net Investment in Capital Assets	\$1,146,665		\$1,146,665
511.4 Restricted Net Position	\$5,607,032		\$5,607,032
512.4 Unrestricted Net Position	\$8,326,484		\$8,326,484
513 Total Equity - Net Assets / Position	\$15,080,181	\$0	\$15,080,181
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$36,099,765	-\$119,327	\$35,980,438

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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