

Financial Statements of the
Housing Connect
Salt Lake City, Utah
For the years ended June 30, 2019 and 2018
Including Independent Auditors' Reports,
Management's Discussion and Analysis, and
Supplemental Information





Housing Connect
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Certified Public Accountants and Business Advisors

low income housing, pension plans, business services,
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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Connect
Salt Lake City, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of Housing Connect, which comprise the Combined Statement of Net Position as of June 30, 2019 and 2018, and the related statements of Revenues, Expenses and Changes in Net Position and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Housing Connect as of June 30, 2019 and 2018, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the management's discussion and analysis on pages 3 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information to 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 of the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis as required by the Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General, and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 October 16, 2019, on our consideration of Housing Connect'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 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 Housing Connect's internal control over financial reporting and compliance.

B2a CPAs

B2a, CPAs
Bountiful, Utah
October 16, 2019



HOUSING CONNECT MANAGEMENT'S DISCUSSION AND ANALYSIS

The Housing Connect Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of Housing Connect's financial activity, (c) identify changes in Housing Connect's financial position (its ability to address the next and subsequent years' challenges), and (d) identify individual program issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with Housing Connect's financial statements (beginning on page **13**).

FINANCIAL HIGHLIGHTS

- Housing Connect's net assets decreased by \$500,000 from \$15.3 to \$14.8 million during 2019. Since Housing Connect engages only in business-type activities, the decrease is all in the category of business-type net assets. Its unrestricted net assets decreased during the year from \$5.7 million to \$4.8 million.
- Revenue increased by \$3.3 million from \$33.9 million in 2018 to \$37.2 million in 2019, a decrease of 10%. The major programs seeing increases in funding were the Housing Choice Voucher and Gateway to Housing funding, accounting for a \$2.3 million increase.
- The total expenses of all Housing Connect's programs increased from \$34.6 million in 2018 to \$37.8 million in 2019, an increase of \$3.1 million or 9%. \$2 million of the increase was due directly to housing assistance payments to landlords for low income housing.

USING THIS ANNUAL REPORT

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

MD&A

~ Management Discussion
and Analysis - pgs. **1-12**



Basic Financial Statements

- ~ Authority-wide Financial Statements – pgs. 13-15
- ~ Notes to Financial Statements – pgs. 16-23

Other Required Supplementary Information

- ~ Required Supplementary Information pgs. 24-32
(other than MD&A)

The primary focus of Housing Connect's financial statement is on both Housing Connect as a whole and the major individual programs. Both perspectives allow the user to address relevant questions, broaden a basis for comparison (year to year or Housing Connect to other housing authorities) and enhance Housing Connect's accountability.

Housing Connect-Wide Financial Statements

The Organization-wide financial statements (see pgs. 13-15) are designed to be corporate-like in that all business type activities are consolidated into columns which add to a total for Housing Connect.

These Statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for Housing Connect. The statement is presented in the format where assets, minus liabilities, equal Net Assets, formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Organization. Net Assets are reported in three broad categories:

Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.



Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

The Housing Connect-wide financial statements also include a Statement of Revenues, Expenses and Changes in Program Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Program Net Assets is the "Change in Net Assets", which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

Program Financial Statements

Housing Connect consists of exclusively Enterprise Funds which utilizes the full accrual basis of accounting and is similar to accounting utilized by private sector accounting. To more accurately report the financials and not misrepresent reported units as funds under governmental accounting, Housing Connect designates reported units as programs. The Department of Housing and Urban Development requires many of the programs maintained by Housing Connect. Others are segregated to enhance accountability and control.

Housing Connect's Programs

Business Type Programs

Low Income Public Housing – Under the Low Income Public Housing Program, Housing Connect rents units that it owns to low-income households. The Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, which provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to Housing Connect's Public Housing properties. Housing Connect's financials for the Public Housing program are reported and managed under five different Asset Management Projects.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, Housing Connect administers contracts with independent landlords that own the property. Housing



**Housing Connect
Management's Discussion and Analysis
For the Year Ending June 30, 2019**

Connect subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD, which provides Annual Contributions Funding to enable Housing Connect to structure a lease that sets the participants' rent at 30% of household income.

Central Office Cost Center – Used to account for management, accounting, human resource and other centralized functions. This program is also used as a cash flow program primarily to facilitate cash balances, investments, and accounts receivable, accounts payable, and payroll processes.

Business Activities – Represents non-HUD resources developed from a variety of activities.

Component Units - Other organizations for which the nature and significance of their relationship with the primary organization are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

State and Local Tenant-Based Rental Assistance Programs - Various grants funded by the State of Utah to provide transitional housing to very low income families and individuals of Salt Lake County.

Continuum of Care Program – Grant programs funded by the Department of Housing and Urban Development that provide rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program.

Other Non-major Programs – In addition to the major programs above, Housing Connect also maintains the following non-major programs. Non-major programs are defined as programs that have assets, liabilities, revenues, or expenses of 5% or less of Housing Connect's total assets, liabilities, revenues or expenses:

HOME Investment Partnerships Program – Grants funded by Salt Lake County providing transitional housing to very low income families of Salt Lake County that have been involved with the criminal justice system.

Resident Opportunities and Self-Sufficiency Program (ROSS) – A program for public housing residents that provides supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient.

Housing Opportunities for Persons with AIDS (HOPWA) – A grant program funded by the Department of Housing and Urban Development that provides rental assistance for low income persons medically diagnosed with HIV/AIDS and their families.



Criminal Justice Program – A program funded by the Salt Lake County Criminal Justice Department that provides short term housing for mental health court clients to help them transition back into the community.

Family Employment Housing Program - A program funded by Salt Lake County TANF funding providing housing to low income families that have been refugees.

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior years. Housing Connect is engaged only in Business-Type Activities.

TABLE 1

STATEMENT OF NET ASSETS

	2019 (millions)	2018 (millions)
Unrestricted Current Assets	\$ 7.6	\$ 6.8
Restricted Current Assets	3.1	2.0
Capital Assets	16.9	16.6
Other Non-current Assets	2.8	2.8
Total Assets	30.4	28.2
Current Liabilities	3.3	1.8
Long-Term Liabilities	12.3	11.1
Total Liabilities	15.6	12.9
Net Assets:		
Invested in Capital Assets, Net of Related Debt	7.2	8.2
Restricted	2.7	1.4
Unrestricted	4.9	5.7
Total Net Assets	\$14.8	\$15.3

For more detailed information see page 13 for the Statement of Net Assets.

Major Factors Affecting the Statement of Net Assets

Unrestricted Current Assets increased by \$800,000 during 2019. Restricted Current Assets increased by \$1,100,000 in 2019 due to an increase of \$1,200,000 in cash held in Covewood's capital reserves. Total Liabilities increased from \$12.9 million to \$15.6 million due to an increase of liabilities for Covewood's refinance of \$1.4 million. Capital Assets



increased from \$16.6 million to \$16.9 million in 2019. Total Net Assets decreased by \$500,000 in 2019. Net assets invested in capital assets, net of related debt decreased from \$8.2 million to \$7.2 million in 2019. For more detail see "Capital Assets and Debt Administration" on page 10. Restricted Net Assets increased by \$1,300,000. Unrestricted Net Assets decreased by \$800,000 in 2019.

TABLE 2

CHANGE OF UNRESTRICTED NET ASSETS

The following schedule presents details on the change in Unrestricted Net Assets

	2019 (millions)	2018 (millions)
Beginning Balance - Unrestricted Net Assets	\$ 5.7	\$5.7
Results of Operations affecting Unrestricted Net Assets	(0.6)	(0.7)
Adjustments:		
Depreciation (1)	1.3	1.3
Adjusted Results from Operations	0.7	0.6
Net Capital Expenditures (2)	(1.5)	(0.6)
Ending Balance - Unrestricted Net Assets	\$ 4.9	\$5.7

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Assets

(2) Capital Expenditures represent an outflow of unrestricted net assets, but are not treated as an expense against Results of Operations, and therefore must be deducted.

While the Results of Operations is a significant measure of Housing Connect's activities, the analysis of the changes in Unrestricted Net Assets provides a clearer change in financial wellbeing.



TABLE 3

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

The following schedule compares the revenues and expenses for the current and previous fiscal year. Housing Connect is engaged only in Business-Type Activities.

	2019 (millions)	2018 (millions)
Revenues		
Tenant Revenue Rents	\$ 3.4	\$ 3.2
Operating Subsidies and Grants	32.4	29.6
Other Revenues	1.4	1.1
Total Revenue	37.2	34.1
Expenses		
Administrative	5.4	4.9
Tenant Services	1.4	1.2
Utilities	0.6	0.6
Maintenance	2.3	2.0
General	0.6	0.3
Casualty Losses	0.0	0.1
Housing Assistance Payments	26.0	24.0
Depreciation	1.3	1.3
Interest Expense	0.2	0.2
Total Expenses	37.8	34.6
Net Increase/(Loss)	\$ (0.6)	\$ (0.7)

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

Operating Subsidies and Grants increased in 2019 by \$2.8 million due to funding increases of \$1.4 million in the Housing Choice Vouchers program and \$900,000 in funding for the Gateway program. Other Revenues increased by \$300,000 due to higher Housing Choice Voucher unabsorbed portable vouchers. Tenant Revenue Rents increased by \$200,000 in 2019.

Total Housing Assistance Payments increased by \$2 million in 2019, with all the increase coming in the Housing Choice Voucher program of \$1 million and in the Gateway to Housing program of \$700,000. Administrative expenses increased in 2019 by \$500,000 due to higher salary and benefits. Maintenance and general expenses both increased by \$300,000 each also due to higher salary and benefits and increased property insurance costs.



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of the end of 2019, Housing Connect had \$16.9 million invested in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$300,000 (additions, deductions and depreciation) from the end of 2018.

TABLE 4

**CAPITAL ASSETS AT YEAR-END
 (NET OF DEPRECIATION IN MILLIONS)**

	2019	2018
Land and land rights	\$ 6.1	\$ 6.1
Site Improvements	5.9	5.7
Buildings	44.1	41.9
Equipment – Administrative	1.4	1.4
Accumulated Depreciation	(40.8)	(39.6)
Construction In Progress	0.2	1.1
Total	\$16.9	\$16.6

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on page 23 of the notes.

TABLE 5

CHANGE IN CAPITAL ASSETS (IN MILLIONS)

	2019	2018
Beginning Balance	\$ 16.6	\$ 17.2
Additions, Net of Retirements	1.6	0.7
Depreciation	(1.3)	(1.3)
Ending Balance	\$16.9	\$16.6

Major items effecting capital assets in 2019 were modernization of Public Housing and Owned Unit properties valued at \$1,500,000. There was also a small amount of equipment purchases.



Debt Outstanding

As of year-end, Housing Connect had \$8.6 million in debt (bonds, notes, etc.) outstanding compared to \$7.2 million in 2018. Housing Connect refinanced the Mortgage Revenue Bond for Covewood, increasing its debt by \$1.4 million.

TABLE 6

**OUTSTANDING DEBT, AT YEAR-END
(IN MILLIONS)**

	2019	2018
<u>Program Type</u>		
Enterprise - Long Term	\$8.4	\$7.0
Enterprise – Current	0.2	0.2
Total	\$ 8.6	\$ 7.2

ECONOMIC FACTORS

Significant economic factors affecting Housing Connect are as follows:

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

FINANCIAL CONTACT

The individual to be contacted regarding this report is:

Andre Bartlome
 Chief Financial Officer
 Housing Connect
 3595 South Main Street
 Salt Lake City, UT 84115
 bartlome@housingconnect.org
 (801) 284-4440



Housing Connect
Statements of Net Position
For the Years Ending June 30, 2019 and 2018

	2019	2018
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ 1,227,609	\$ 2,301,151
Investments	206,501	1,500,081
Accounts Receivable - HUD	643,622	623,078
Accounts Receivable Tenants	40,209	1,136,895
Allowance for Doubtful Accounts	(13,433)	(15,572)
Accounts Receivable - Other	5,240,407	1,011,828
Current Portion of Notes Receivable	13,300	16,340
Inventory	82,242	78,459
Other Current Assets	168,214	104,257
Total Current Assets	7,608,671	6,756,517
Restricted Assets		
Cash	2,950,194	1,726,996
Investments	192,873	249,170
Total Restricted Assets	3,143,067	1,976,166
Capital Assets		
Land	6,109,974	6,109,974
Building and Improvements	49,986,436	47,572,382
Furniture and Equipment	1,384,963	1,403,581
Construction in Progress	219,476	1,115,266
Total Capital Assets	57,700,849	56,201,203
Accumulated Depreciation	(40,837,419)	(39,614,097)
Net Capital Assets	16,863,430	16,587,106
Other Assets		
Net Pension Asset	-	-
Notes and Mortgages Receivable - Net of Current Portion	1,579,604	1,654,609
Total Other Assets	1,579,604	1,654,609
Deferred Outflow of Assets	1,232,540	1,180,306
Total Assets and Deferred Outflows of Resources	\$ 30,427,312	\$ 28,154,704
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts Payable	\$ 577,967	\$ 744,161
Tenant Security Deposits	201,163	194,169
Accrued Liabilities	385,929	319,179
Other Current Liabilities	1,748,356	66,829
Unearned Revenue	136,480	238,684
Current Portion of Notes Payable	256,864	194,014
Total Current Liabilities	3,306,759	1,757,036
Long Term Liabilities		
Notes Payable - Net of Current Portion	8,359,304	7,049,860
Accrued Pension and OPEB Liabilities	2,266,892	1,357,126
Other Long-Term Obligations	1,607,674	1,712,199
Total Long-Term Liabilities	12,233,870	10,119,185
Deferred Inflows of Resources	113,566	947,691
Total Liabilities and Deferred Inflows of Resources	15,654,195	12,823,912
Net Position		
Net Invested in Capital Assets	7,220,105	8,217,229
Restricted Net Position	2,596,312	1,460,097
Unrestricted Net Position	4,956,700	5,653,466
Total Net Position	14,773,117	15,330,792
Total Liabilities, Deferred Inflows or Resources and Net Position	\$ 30,427,312	\$ 28,154,704



Housing Connect
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2019 and 2018

	2019	2018
Operating Revenues		
Federal Subsidies	\$ 31,499,374	\$ 28,934,458
Rents	3,223,804	3,051,369
Other	1,397,763	2,688,919
Total Operating Revenue	36,120,941	34,674,746
Operating Expenses		
Administrative	5,252,464	5,828,113
Tenant Services	1,362,725	1,317,878
Utilities	581,013	579,907
Ordinary Maintenance and Operations	2,281,159	2,411,841
Insurance	352,989	225,889
General	142,794	121,124
Housing Assistance Payments	26,116,812	23,976,771
Depreciation	1,341,961	1,332,591
Fraud Losses	61,468	34,145
Total Operating Expenses	37,493,385	35,828,259
Income (Loss) from Operations	(1,372,444)	(1,153,513)
Non-Operating Income (Expenses)		
Interest Income	88,703	84,170
Interest Expense	(246,656)	(152,952)
Gain (Loss) on Sale of Capital Assets	207,274	800
Casualty Loss	(31,767)	(87,868)
Total Non-Operating Income (Expenses)	17,554	(155,850)
Capital Grants	797,215	625,063
Change in Net Position	(557,675)	(684,299)
Net Position at Beginning of Year	15,330,792	16,015,091
Prior Period Adjustment	-	-
Adjusted Net Position at Beginning of Year	\$ 14,773,117	\$ 15,330,792



Housing Connect
Statements of Cash Flows
For the Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Federal Subsidies Received	\$ 31,478,830	\$ 28,681,180
Rents Received	3,067,126	3,049,672
Other Receipts	1,397,763	2,688,919
Interest Income Received	88,703	84,170
Cash Paid for Administrative Services	(5,162,307)	(5,804,352)
Cash Paid for Tenant Services	(1,362,725)	(1,317,878)
Cash Paid for Utilities	(581,013)	(579,907)
Cash Paid for Ordinary Maintenance and Operations	(2,281,159)	(2,411,841)
Cash Paid for Insurance	(352,989)	(225,889)
Cash Paid for General Expenses	(1,829,233)	(647,402)
Cash Paid for Housing Assistance	(26,116,812)	(23,976,771)
Cash Paid for Interest	(246,656)	(152,952)
Net Cash Provided (Used) by Operating Activities	(1,900,472)	(613,051)
Cash Flows from Investing Activities		
Acquisition of Capital Assets	(1,618,556)	(739,160)
Capital Grants	797,215	625,063
Proceeds from Sale of Capital Assets	175,507	(87,067)
Retirement of Long-Term Debt	1,268,040	(1,485,985)
Net Cash Provided (Used) by Investing Activities	622,206	(1,687,149)
Cash Flows from Capital Financing Activities		
Investments Net Change	1,349,877	2,385,688
Notes Receivable Principal Payments Received	78,045	176
Loans Made	-	-
Net Cash Provided (Used) by Capital Financing Activities	1,427,922	2,385,864
Net Increase (Decrease) in Cash and Cash Equivalents	149,656	85,664
Cash and Cash Equivalents at Beginning of Year	4,028,147	3,942,483
Cash and Cash Equivalents at End of Year	\$ 4,177,803	\$ 4,028,147



Housing Connect
Statements of Cash Flows
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Income (Loss) from Operations	\$ (1,372,444)	\$ (1,153,513)
Adjustments to Reconcile Change in Net Position to Net Cash Provided (Used) by Operating Activities		
Depreciation	1,341,961	1,332,591
Interest Income	88,703	84,170
Interest Expense	(246,656)	(152,952)
Decrease (Increase) in Operating Assets		
Accounts Receivable - HUD	(20,544)	(253,278)
Accounts Receivable - Other	(3,134,032)	(685,942)
Inventory	(3,783)	5,371
Current Assets	(63,957)	29,553
Net Pension Asset	-	2
Deferred Outflows of Resources	(52,234)	(104,323)
Increase (Decrease) in Operating Liabilities		
Accounts Payable	(166,194)	109,069
Tenant Security Deposits	6,994	4,945
Accrued Liabilities	66,750	70,993
Other Current Liabilities	1,681,527	15,671
Unearned Income	(102,204)	27,503
OPEB Obligations	909,766	(576,809)
Deferred Inflows of Resources	(834,125)	633,898
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,900,472)</u>	<u>\$ (613,051)</u>



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND HISTORY

Housing Connect was established in 1970 for the purpose of providing affordable housing to individuals living in Salt Lake County.

Housing Connect supports a total of 3,753 housing units under 24 different housing programs. Housing Connect owns 612 units in its public housing program, of which 607 units are available for lease to low income and elderly individuals in accordance with U.S. Department of Housing and Urban Development (HUD) guidelines. Operating subsidies are received by Housing Connect directly from HUD. Housing Connect subsidizes rental expenses for 3,019 units which clients lease from private apartment owners. In addition, Housing Connect owns and operates 133 units which are not subject to HUD guidelines and for which no subsidies are received from HUD. All of these 133 units are available for lease.

INTER-PROGRAM TRANSACTIONS

Inter-program payables and receivables as of June 30, 2019 and 2018, totaling \$7,140,137 and \$7,852,010 respectively, have been eliminated from the statements of net position. Inter-program revenues and expenses for the years ending June 30, 2019 and 2018, of \$1,754,785 and \$1,528,299, respectively, have been eliminated from the statements of revenues, expenses and changes in net position.

BASIS OF PRESENTATION - FUND ACCOUNTING

Housing Connect prepares its financial statements in conformity with U.S. generally accepted accounting principles as applied to governmental entities and uses proprietary fund accounting. Proprietary fund accounting utilizes full accrual principles. Revenues are recognized as earned and expenses are recorded when incurred.

Operating income reported in the financial statements includes revenues and expenses related to the principal, continuing operations of the entity. Principal operating revenues include tenant rents and HUD grants. Principal operating expenses are the costs of providing goods or services and include administrative expenses, housing assistance payments and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

Housing Connect receives funding from a variety of sources. Certain funding sources require the observance of limitations and restrictions placed on the use of resources, appropriations, grants or contracts for various purposes. These resources are classified as restricted in accordance with those restrictions.

In accordance with HUD prescribed accounting practices, Housing Connect has adopted the Statement of Government Accounting Standards (SGAS) No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting. Also in accordance with HUD prescribed reporting practices, Housing Connect accounts for all HUD-related and non-HUD operations as a single enterprise fund.



BASIS OF ACCOUNTING

Housing Connect prepares its basic financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The accrual basis of accounting recognizes revenues at the time they are earned. Expenditures are recorded when incurred.

CLASSIFICATION OF REVENUE

Operating Revenues – Operating revenues include exchange transactions associated with providing housing and related services with federal operating subsidies and governmental grants that are directly related to Housing Connect’s mission.

Non-operating Revenues – Non-operating revenues include interest revenue, and other revenues not meeting the definition of operating.

CASH AND CASH EQUIVALENTS

Housing Connect considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. Cash and cash equivalents at June 30, 2019 and 2018 consists of cash on hand.

CAPITAL ASSETS

Capital assets are carried at historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of 3 - 40 years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and improvements are capitalized and depreciated.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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.

NOTES RECEIVABLE

Notes receivable consist of mortgages held, secured by real estate.

NET POSITION

Housing Connect’s net positions are classified as follows:

Net Investment in Capital Assets – This component of net position consists of Housing Connect’s net investment in capital assets, reduced by the outstanding debt related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.



Restricted Net Position – This component of net position consists of that portion of net position restricted by covenants or donors to be expended for specific purposes, capital assets or debt service.

Unrestricted Net Position – This component of net position consists of net position which do not meet the definition of “restricted” or “net investment in capital assets”.

Housing Connect’s policy is to utilize restricted funds first for expenditures that qualify for both unrestricted and restricted expenditures.

INVENTORY

Inventory consists of expendable supplies held for maintenance and repairs. Supplies inventory is stated at average cost and is recorded as an expense at the time the individual inventory items are used. Inventory is reported net of allowance for obsolete inventory which was \$82,242 and \$78,459 at June 30, 2019 and 2018, respectively.

UNEARNED INCOME

Unearned Income consists of federal subsidies and rents for the following fiscal years which were received by Housing Connect on or before June 30, 2019 and 2018.

ACCRUED COMPENSATED ABSENCES

The balance of accrued liabilities at June 30, 2019 and 2018 of \$385,929 and \$319,179 includes current accrued compensated absences totaling \$316,624 and \$291,502, respectively. Other long-term obligations at June 30, 2019 and 2018 of \$1,607,674 and \$1,712,199, includes non-current accrued compensated absences totaling \$16,664 and \$15,342, respectively.

SUBSEQUENT EVENTS

Subsequent events were evaluated by management through October 16, 2019, which is the date the financial statements were available to be issued. No material subsequent events required to be disclosed were noted by management.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. 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.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position

that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

RECENT ACCOUNTING DEVELOPMENTS

GASB-74 - This Statement establishes accounting and financial reporting requirements for OPEB plans and postemployment benefits (pensions and other postemployment benefits [OPEB]). Statement applies to two types of post-employment benefits, 1 – health care, 2 – death, insurance, disability or long-term care. These benefits must be outside of the regular pension plan for this Statement to apply. The provisions of this Statement apply to state and local governments. Changes are similar to GASB 68 Pension plan reporting changes. Statement replaces GASB 43 and 57 and amends parts of GASB 25 and 50. Housing Connect does not have any Other Post Retirement Benefits.

GASB 80 Component Units – This Statement requires that entity to consider, identify and include component units in the reporting entity financial statements using the blending method if the component unit is organized as a not-for profit corporation in which the primary government is the sole corporate member as identified in the component unit’s articles of incorporation or bylaws, and the component unit is included in the financial reporting entity pursuant to the provisions of Statement 14. Housing Connect considers Affordable Housing Associates and Housing Opportunities Inc. as Blended Component Units.

GASB 67 Leases - This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. Housing Connect does not have any Leases.

GASB 88 – Debt - This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. Housing Connect’s Debt Disclosures are included in a subsequent footnote.

NOTE 2 – DEPOSITS

Deposits for Housing Connect are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, “the ACT”) and by rules of the Utah Money Management Council (“the Council”). Following are discussions of Housing Connect's exposure to various risks related to its cash management activities.

CUSTODIAL CREDIT RISK

Custodial Credit Risk for deposits is the risk that in the event of bank failure, Housing Connect's deposits may not be recovered. Housing Connect's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of local government to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council. As of June 30, 2019 and 2018 all of the Authorities bank balances fall under the FDIC insurance limits or are specifically collateralized in accordance with a depository agreement signed by Housing Connect and the Bank in accordance with HUD Guidelines.

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Housing Connect's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed to period of availability of the funds to be invested. Except for funds of Institutions of Higher Education acquired by gifts, grants, or the corpus of funds functioning as endowments, the Act further limits the remaining term to maturity of all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations, to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years. Rule 2 of the Utah Money Management Council does not allow the dollar-weighted average maturity of fixed-income securities to exceed ten years.

CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Housing Connect's policy for reducing its exposure to credit risk is to comply with the Act as previously discussed.

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. Housing Connect's policy for reducing this risk of loss is to comply with the rules of the Council. No more than 5 percent of all funds may be invested in securities of a corporation that has been in continuous operations for less than 3 years. No more than 5 percent of the outstanding voting securities of any one corporation may be held. In addition, Rule 2 limits investment concentration in certain types of investments.



NOTE 3 - INVESTMENTS

Investments at June 30, 2019 and 2018, totaling \$399,374 and \$1,749,251 respectively, consist of holdings in the Utah Public Treasurers' Investment Fund (PTIF). See the PTIF website for details at www.treasurer.state.ut.us.

NOTE 4 - ECONOMIC DEPENDENCY

A substantial portion of Housing Connect's revenue comes from U.S. Department of Housing and Urban Development (HUD). Operations of Housing Connect are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules, and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with the change.

NOTE 5 - RESTRICTED ASSETS

Restricted assets at June 30, 2019 and 2018 consist of the following:

June 30, 2019	Housing		COCC	Business Activities	Component Units	Total
	Public Housing	Choice Vouchers				
Cash						
Program Restricted	\$ 75,282	\$335,968	\$ -	\$1,722,435	\$ 487,505	\$ 2,621,190
Tenant Security Deposits	143,006	-	-	55,369	2,788	201,163
Restricted for Current Liabilities	-	-	-	2,516	-	2,516
Investments						
Restricted	-	-	-	34,934	157,939	192,873
Restricted for Current Liabilities	-	-	-	-	-	-
Total Restricted Assets	\$218,288	\$335,968	\$ -	\$1,815,254	\$ 648,232	\$ 3,017,742

June 30, 2018	Housing		COCC	Business Activities	Component Units	Total
	Public Housing	Choice Vouchers				
Cash						
Program Restricted	55,438	\$509,434	\$ -	\$ 477,236	\$ 488,027	\$ 1,530,135
Tenant Security Deposits	145,131	-	-	45,650	3,566	194,347
Restricted for Current Liabilities	-	-	-	2,514	-	2,514
Investments						
Restricted	-	-	-	91,231	157,939	249,170
Restricted for Current Liabilities	-	-	-	-	-	-
Total Restricted Assets	\$200,569	\$509,434	\$ -	\$ 616,631	\$ 649,532	\$ 1,976,166

When an expense is incurred for purposes for which both restricted and unrestricted assets are available Housing Connect's policy is to apply restricted assets first.

NOTE 6 - RISK MANAGEMENT

Housing Connect is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Housing Connect purchases commercial insurance to compensate for these risks. Various policies are purchased through an insurance agency to cover liability, theft, damages, and other losses. A minimal deductible applies to these policies, which Housing Connect pays in the event of any loss. Housing Connect has also purchased a workers' compensation policy.

NOTE 7 - EMPLOYER PENSION DISCLOSURE**General Information about the Pension Plan**

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System); is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants Housing Connect to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 2005, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Summary of Benefits by System

Benefits provided: URS provides retirement, disability, and death benefits. Retirement benefits are as follows:



Summary of Benefits by System

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percentage per year of service	COLA **
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

Contribution Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2018 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System:			
111 Local Government Div – Tier 2	N/A	15.54	1.15
Noncontributory System			
15 local Government Div – Tier 1	N/A	18.47	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.69	10.00

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.



For fiscal year ended June 30, 2019, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$387,651	N/A
Tier 2 Public Employees System	367,165	-
Tier 2 DC Only System	6,103	N/A
Total Contributions	\$6760,919	\$ -

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

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

At June 30, 2019, we reported a net pension asset of \$0 and a net pension liability of \$2,266,893.

	(Measurement Date): December 31, 2018				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2017	Change (Decrease)
Noncontributory System	\$0	\$2,190,467	0.2974673%	0.2985615%	(0.0089577)%
Tier 2 Public Employees System	\$0	\$76,426	0.1784486%	0.1654628%	0.0129858%
	<u>\$0</u>	<u>\$2,266,893</u>			

The net pension asset and liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2019, we recognized pension expense of \$784,290. At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$28,708	\$56,650
Changes in assumptions	\$312,594	\$1,373
Net difference between projected and actual earnings on pension plan investments	\$480,700	\$0
Changes in proportion and differences between contributions and proportionate share of contributions	\$40,159	\$55,543
Contributions subsequent to the measurement date	\$370,379	\$0
	\$1,232,540	\$113,566

\$370,379 was reported as deferred outflows of resources related to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2019	\$315,585
2020	\$130,560
2021	\$56,712
2022	\$228,218
2023	\$2,365
Thereafter	\$15,154

Actuarial assumptions: The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent	
Salary Increases	3.25 – 9.75 percent, average, including inflation	
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation	

Mortality rates were developed from actual experience and mortality tables, based on gender, occupancy and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.



These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Long Term Expected Arithmetic Basis Portfolio	Real Rate of Return
Equity securities	40.00 %	6.15 %	2.46 %
Debt securities	20.00 %	0.40 %	0.08 %
Real assets	15.00 %	5.75 %	0.86 %
Private equity	9.00 %	9.95 %	0.89 %
Absolute return	16.00 %	2.85 %	0.46 %
Cash and cash equivalents	0.00 %	0.00 %	0.00 %
Totals	100.00 %		4.75 %
Inflation			2.50 %
Expected arithmetic nominal return			7.25 %

The 6.95% assumed Investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$4,489,275	\$2,190,467	\$276,167
Tier 2 Public Employees System	306,176	76,426	(100,884)
Total	\$4,795,451	\$2,266,893	\$175,283

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.



Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401 (k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Housing Authority of SL County participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- * 401 (k) Plan
- *457(b) Plan
- * Roth IRA Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30, were as follows:

	2019	2018	2017
401(k) Plan			
Employer Contributions	\$101,620	\$43,509	\$26,998
Employee Contributions	\$221,578	\$51,337	\$1,279
457 Plan			
Employer Contributions	\$0	\$0	\$0
Employee Contributions	\$5,590	\$1,419	\$0
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$46,704	\$16,303	\$6,742



NOTE 8 - NONCURRENT LIABILITIES

Noncurrent liabilities consists of mortgages payable, deferred loans payable, a revolving loan, pooled loans, mortgage revenue bonds, and other long-term obligations. A summary of noncurrent liabilities and future maturities of debt is as follows:

Component Unit Notes Payable

	2019	2018
<p>A deferred note payable to Salt Lake County for \$315,813 with an interest rate of 0% per year. The deferred note payable is secured by a Trust Deed, whereby the Organization has pledged as security for repayment of the note all of the Organization’s right to title and interest in the Property. The loan does not have to be repaid as long as the property is used as an affordable housing development, the property is not transferred or the ownership does not change, and the ten housing units are used for individuals with disabilities.</p>	\$ 315,813	\$ 315,813
<p>A deferred note payable to the State of Utah Olene Walker Housing Trust Fund (the State) for \$198,670 with an interest rate of 0% per year. The deferred note payable is secured by a Trust Deed, whereby the Organization has pledged as security for repayment of the note all of the Organization’s right to title and interest in the Property. Repayment of the note is not required as long as the Organization is in compliance with the requirements found in the “Deed Restriction” document.</p>	198,670	198,670
<p>A deferred mortgage payable to the Department of Housing and Urban Development (HUD) for \$619,500 with an interest rate of 5.75% per year and a maturity date of June 1, 2043. The loan and the interest are not required to be repaid as long as the property is used as an affordable housing development and the ten housing units are used for individuals with disabilities for the duration of the mortgage term.</p>	619,500	619,500
Total	\$ 1,133,983	\$ 1,133,983

Central Office Cost Center Notes Payable

	2019	2018
<p>An unsecured loan from the County of Salt Lake used to finance the purchase and installation of Solar Panels at the Bud Bailey Apartments in the amount of \$467,365. Payments of \$1,503.23 are due monthly with all outstanding principal and interest due on July 1, 2022. The note carries an interest rate of 1% per annum increasing to 5% on July 1, 2019.</p>	\$ 400,509	\$ 414,468
Total	\$ 400,509	\$ 414,468



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Business Activities Notes Payable

	2019	2018
<p>The Authority issued mortgage revenue bonds for the purchase of the Covewood Apartment Complex in March 2008. The bonds issued were purchased by Zions First National Bank and are being serviced by US Bank National Association Corporate Trust Services. The bonds issued were a series of serial bonds set to mature on December 15 and June 15 from 2008 to 2017 and term bonds set to mature on December 15, 2022. The serial bonds average interest rates of 4.19% per annum while the term bonds interest rate is set at 4.50% per annum. The bonds are secured by real estate.</p>	\$ -	\$5,065,000
<p>The Authority issued mortgage revenue bonds "Housing Authority of the County of Salt Lake Refunding and Improvement Bonds (Covewood Apartments) Series 2019". The bond was used to refund the Series 2007 bond and pay for capital improvements on the Covewood Apartments. The bond is a mortgage revenue bond for a business-type activity, The bond was issued January 25, 2019 with 6,476 bonds issued and outstanding with a face value of the series of \$6,476,000. 4,405 bonds bear an interest rate of 3.79% and a maturity date of December 15, 2033. 2,071 bonds bear an interest rate of 3.2% and have an maturity date of December 15, 2038. There is a mandatory bond sinking fund deposit schedule to offset the bond over time. As of June 30, 2019, the bond sinking fund had \$135,0000 deposited. Bond balances are reflected net of bond sinking fund balances.</p>	6,341,000	-
<p>Pooled Loans - The pooled loans consist of loans from five different banking institutions. The loan proceeds have been pooled together by the Authority and loaned to qualifying individuals for home acquisition, improvements, and rehabilitation purposes. The loans are secured by real estate.</p> <p>The installment loan to the banks is payable in monthly installments averaging \$11,178 with an average annual rate of 6.24% and maturing approximately October 2019. The deferred loan to the banks is non-maturing and non-interest bearing as long as the funds are used in the pooled loan program.</p>	86,213	102,788
<p>A note payable with the state of Utah Department of Finance for the Helm project. The \$240,000 note carries an interest rate of four (4%) percent and requires monthly payments of principle and interest of \$1,145.80 paid through June 2029.</p>	112,432	121,487
<p>A note payable for the HELM Project from the Crusade for the Homeless Fund. The \$50,000 loan is deferred with a zero (0%) percent interest as long as the property is being used for transitional housing for homeless families and individuals.</p>	50,000	50,000
<p>A Note Payable to Olene Walker Housing Loan Fund in the amount of \$111,000 with an interest rate of zero percent (0%). The term was for 5 years ending June 30, 2017 but was extended through March 31, 2022. No payments are required on the loan until it matures. The note is secured by real property called the Magna House.</p>	85,633	85,633
<p>A N/P from SL county, Deferred and no payments required - Transitional Living Center</p>	137,500	137,500
<p>A Note Payable with the State of Utah in the amount of \$137,500 under the HOME Investment Partnership Program that carries an interest rate of zero (0%) per annum. The note is secured by real property located at 2895 S 500 E in SLC, a 6-plex called the Transitional Living Center. The Note is payable immediately if HACSL sells or transfers the property without the consent of the State of Utah, or ceases to rent the housing units as low rent units.</p>	137,500	137,500
Total	\$6,950,278	\$5,699,908



OTHER LONG-TERM OBLIGATIONS – CHANGE FROM PRIOR YEAR

Description	2019	2018	Net Change
Accrued Compensated Absences	\$ 16,664	\$ 15,342	\$ 1,322
Family Self Sufficiency Program	270,310	266,462	3,848
Prepaid Land Lease - Bud Bailey	1,244,768	1,374,307	(129,539)
Draper City Shelter Funding	650	650	-
Other Long-Term Obligations	75,282	55,438	19,844
Total Other Long-Term Obligations	<u>\$ 1,607,674</u>	<u>\$ 1,712,199</u>	<u>\$ (104,525)</u>

FUTURE MATURITIES OF NOTES AND MORTGAGES PAYABLE

The future annual principal and interest payments due on long-term debt are as follows:

	<u>Interest</u>	<u>Principal</u>
2020	\$ 264,962	\$ 256,864
2021	255,024	264,728
2022	243,134	638,762
2023	215,470	277,824
2024	204,988	284,033
Thereafter	1,584,273	6,893,957
Total	<u>\$ 2,767,851</u>	<u>\$ 8,616,168</u>

NOTE 9 – SCHEDULE OF CHANGES IN CAPITAL ASSETS

	06/30/18	Additions	Retirements	Transfers / Adjustments	06/30/19
Land	\$ 6,109,974	\$ -	\$ -	\$ -	\$ 6,109,974
Buildings and Improvements	41,891,515	651,946	-	1,570,939	44,114,400
Furniture and Equipment	1,403,581	50,326	(118,910)	49,966	1,384,963
Leasehold Improvements	5,680,867	160,989	-	30,180	5,872,036
Construction in Progress	1,115,266	755,295	-	(1,651,085)	219,476
Total Capital Assets	56,201,203	1,618,556	(118,910)	-	57,700,849
Accumulated Depreciation	(39,614,097)	(1,341,961)	118,639	-	(40,837,419)
Net Capital Assets	<u>\$ 16,587,106</u>				<u>\$ 16,863,430</u>

Depreciation of Property and Equipment for the years ended June 30, 2019 and 2018 was \$1,341,961 and \$1,332,591, respectively.



NOTE 10 - RELATED PARTY TRANSACTIONS

Housing Connect provides management services to several different Tax Credit Partnerships Housing Connect has a 1% or less interest in. These entities include, Frontier Transitional Housing, LLC, Special Needs Housing, LLC, Villa Charmant, LLC, Grace Mary Manor, LLC, Kelly Benson Apartments, LLC, and Bud Bailey Apartments I, LLC. Each of these entities provides housing and/or housing services to low-income individuals and families. Housing Connect has agreements with each of these entities to pay for expenditures of these entities for which the entities will repay Housing Connect. Amounts due from these related parties are recorded as other accounts receivable. Housing Connect also receives a management fee from these entities at a market rate.

During the year ended June 30, 2019 and 2018 Housing Connect earned management fee revenue of \$134,158 and \$225,406 from these entities. The following table is a summary of the Related Party Receivables at year end.

	2019	2018
Frontier	\$ 5,361	\$ 11,340
Gregson - Special Needs	5,531	1,995
Grace Mary Manor	181,785	172,799
Kelly Benson	9,341	13,145
Bud Bailey	683,462	337,099
Villa Charmant	227,307	41,144
The Hub	2,012,282	
Bodhi	76,562	
All Other	50,365	4,152
	\$ 3,251,996	\$ 581,674

All of the related parties are audited separately. Copies of the related parties’ independent audit reports are available upon request.

NOTE 11 – SHARED PROJECT

Housing Connect participates with Salt Lake City Housing Authority (the City) in the operation of a high-rise apartment complex for low-income elderly persons. Housing Connect and the City each own the apartment complex as tenants in common. Since the properties are adjacent, Housing Connect and the City share equally in the management and maintenance of the complex.

Housing Connect recognizes one-half of the expenditures incurred with this project. Housing Connect pays most of the related costs and bills the City for their share of costs.

Other information that is not required as part RSI

This information below is not required as part of GASB 68 but is provided for informational purposes. The schedule below is a summary of the Defined Contribution Savings Plans for pay periods January 1- December 31.

	2016	2017	2018
<u>Noncontributory Retirement System</u>			
Proportion of the Net Pension Liability (Asset)	0.3143896%	0.2985615%	0.2974673%
Proportionate Share of the Net Pension Liability (Asset)	\$1,778,969	\$1,971,130	\$ 2,190,467
Covered-Employee Payroll	\$2,430,015	\$2,316,122	\$ 2,078,054
Proportionate Share of the Net Pension Liability (asset) as a Percentage of its Covered-Employee Payroll	73.21%	82.77%	105.41%
Plan Fiduciary Net Position as a Percentage of its Covered-Employee Payroll	87.80%	87.30%	87.00%
<u>Tier 2 Public Employees Retirement System</u>			
Proportion of the Net Pension Liability (Asset)		0.1506663%	0.1784486%
Proportionate Share of the Net Pension Liability (Asset)		\$ 16,806	\$ 76,426
Covered-Employee Payroll		\$1,235,551	\$ 2,077,537
Proportionate Share of the Net Pension Liability (asset) as a Percentage of its Covered-Employee Payroll		1.36%	3.68%
Plan Fiduciary Net Position as a Percentage of its Covered-Employee Payroll		95.10%	90.80%

Changes in Assumptions:

The following actuarial assumption changes were adopted January 1, 2016. The assumed investment return assumption was decreased from 7.50% to 7.20% and the assumed inflation rate was decreased from 2.75% to 2.60%. With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased by 0.15% from the prior year's assumption.



Housing Connect
June 30, 2019

Schedule of Required Supplementary Information
 Schedule of Contributions
 HACSL – County of Salt Lake
 Utah Retirement System

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a % of covered employee payroll
Non Contributory System	2014	\$ 430,620	\$ 430,620	\$ -	\$ 2,490,570	17.29%
	2015	465,491	465,491	-	2,520,255	18.47%
	2016	435,106	435,106	-	2,355,738	18.47%
	2017	411,933	411,933	-	2,230,281	18.47%
	2018	396,779	396,779	-	2,153,586	18.42%
	2019	387,651	387,651	-	2,114,068	18.34%
Tier 2 Public Employees System*	2014	\$ 66,542	\$ 66,542	\$ -	\$ 475,638	13.99%
	2015	127,700	127,700	-	854,747	14.94%
	2016	179,102	179,102	-	1,201,225	14.91%
	2017	205,447	205,447	-	1,377,917	14.91%
	2018	259,493	259,493	-	1,717,362	15.11%
	2019	367,165	367,165	-	2,362,708	15.54%
Tier 2 Public Employees DC Only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	1,653	1,653	-	24,706	6.69%
	2018	1,881	1,881	-	28,114	6.69%

Supplemental Information

HOUSING CONNECT
HUD Financial Data Schedule - Statement of Revenues, Expenses, and Changes in Net Position by Program
As of June 30, 2019

FDS	AMP 1 High Rise	AMP 2 Valley Fair	AMP 3 East	AMP 4 West	AMP 5 Scattered	ROSS Grant	ROSS FSS	Housing Choice Voucher	Mainstream Voucher	Home Investment Partnership	HOPWA	Criminal Justice	Continuum of Care	Temporary Assistance for Needy Families	CDBG	State Funds	Business Activities	Central Office & Maintenance	Component Units	Eliminations
Line # Description	14.850 & 14.872	14.850 & 14.872	14.850 & 14.872	14.850 & 14.872	14.850 & 14.872	14.870	14.896	14.871	14.879	14.239	14.241	16.579	14.267	93.558	14.218					
Assets and Deferred Outflows of Resources																				
Current Assets																				
111	Cash and Cash Equivalents-Unrestricted	\$ 268,269	\$ 68,076	\$ 78,681	\$ 233,849	\$ 320,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,339	\$ -	\$ 12,755	\$ -
113	Cash - Other Restricted	1,200	-	8,978	8,579	56,525	-	-	335,968	125,325	-	-	-	-	-	-	1,722,435	-	487,505	-
114	Cash - Tenant Security Deposits	22,337	12,975	30,337	37,273	40,084	-	-	-	-	-	-	-	-	-	-	55,369	-	2,788	-
115	Cash - Restricted for Payments of Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,516	-	-	-
100	Total Cash	291,806	81,051	117,996	279,701	417,249	-	-	335,968	125,325	-	-	-	-	-	-	2,025,659	-	503,048	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	24,628	2,486	4,308	107,475	4,932	0	-	204,504	-	-	-	295,289	-	-	-	-	-	-	-
124	Accounts Receivable - Other Government	23,233	-	-	-	-	6,245	15,392	10,832	-	29,262	79,599	14,856	-	33,497	-	665,658	4,501	1,090	22,792
125	Accounts Receivable - Other	1,160	225	-	-	-	-	-	-	-	-	-	-	-	-	-	51,697	1,028,372	3,251,996	-
126	Accounts Receivable - Tenants	2,083	2,062	8,569	8,174	4,793	-	-	-	-	-	-	-	-	-	-	7,352	7,076	-	100
126	Allowance for Doubtful Accounts-Tenants	(233)	(462)	(1,927)	(2,893)	(1,826)	-	-	-	-	-	-	-	-	-	-	(2,525)	(3,477)	-	(90)
127	Notes, Loans & Mortgages Receivable - Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,300	-	-
128	Fraud Recovery	-	-	-	-	-	-	-	121,696	-	-	-	-	-	-	-	217	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129	Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total Accounts Receivable	50,871	4,311	10,950	112,756	7,899	6,245	15,392	337,032	-	29,262	79,599	14,856	296,459	33,497	-	722,399	1,049,772	3,253,086	22,802
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	206,501	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,934	-	157,939
142	Prepaid Expenses	464	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,753	8,611	34,303
143	Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,669	-
143.1	Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,427)	-
144	Inter Program Due From	-	-	-	-	-	-	-	-	-	-	-	-	-	-	212,579	479,347	2,069,777	4,378,434	(7,140,137)
150	Total Current Assets	343,141	85,362	128,946	392,457	425,148	6,245	15,392	673,000	125,325	29,262	79,599	14,856	296,459	33,497	212,579	1,201,746	5,181,895	7,928,874	718,092
Capital Assets																				
161	Land	3,253	360,516	671,974	289,257	1,175,154	-	-	-	-	-	-	-	-	-	-	-	3,231,254	223,786	154,780
162	Buildings	8,050,964	3,127,334	6,288,254	8,551,815	6,699,980	-	-	-	-	-	-	-	-	-	-	-	8,338,889	1,219,299	1,837,865
163	Furniture and Fixtures Dwelling	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,782
164	Furniture and Fixtures Admin	136,921	86,241	71,794	87,969	67,144	-	-	218,195	-	-	-	-	-	-	-	-	14,283	675,054	10,580
165	Leasehold Improvements	272,167	466,608	1,853,748	2,029,233	635,956	-	-	-	-	-	-	-	-	-	-	-	335,721	159,765	118,838
167	Construction in Progress	2,482	1,666	1,799	87,090	3,331	-	-	-	-	-	-	-	-	-	-	-	123,108	-	-
166	Accumulated Depreciation	(7,260,779)	(3,592,191)	(7,898,073)	(8,402,485)	(6,594,357)	-	-	(193,736)	-	-	-	-	-	-	-	-	(3,980,835)	(1,707,599)	(1,207,364)
160	Total Capital Assets Less Accumulated Depreciation	1,205,008	450,174	989,496	2,642,879	1,987,208	-	-	24,459	-	-	-	-	-	-	-	-	8,062,420	570,305	931,481
171	Notes, Loans and Mortgages Receivable-Non-Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	224,804	53,674	82,214	748,912	470,000
174	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
180	Total Assets	1,548,149	535,536	1,118,442	3,035,336	2,412,356	6,245	15,392	697,459	125,325	29,262	79,599	14,856	296,459	33,497	437,383	1,255,420	13,326,529	9,248,091	2,119,573
200	Deferred Outflow of Resources	54,883	33,837	31,089	32,998	36,990	-	-	152,555	-	-	-	-	-	-	-	-	65,753	824,435	-
190	Total Assets and Deferred Outflows of Resources	\$ 1,603,032	\$ 569,373	\$ 1,149,531	\$ 3,068,334	\$ 2,449,346	\$ 6,245	\$ 15,392	\$ 850,014	\$ 125,325	\$ 29,262	\$ 79,599	\$ 14,856	\$ 296,459	\$ 33,497	\$ 437,383	\$ 1,255,420	\$ 13,392,282	\$ 10,072,526	\$ 2,119,573
Liabilities, Deferred Inflows of Resources and Net Position																				
Current Liabilities																				
312	Accounts Payable	\$ 21,423	\$ 9,758	\$ 9,692	\$ 11,842	\$ 8,701	\$ -	\$ 7,978	\$ 35,927	\$ -	\$ 76	\$ 7	\$ -	\$ -	\$ -	\$ -	\$ 138,498	\$ 36,581	\$ 169,168	\$ 1,628
321	Accrued Wages	1,234	1,414	704	2,326	1,284	-	-	4,969	-	-	-	400	-	-	-	-	532	17,784	987
322	Accrued Compensated Absences - Current Portion	12,069	14,062	6,560	23,153	12,083	-	-	51,588	-	-	-	4,242	-	-	-	-	3,534	179,084	10,249
325	Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,671	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
333	Accounts Payable - Other Government	-	-	-	-	-	-	-	1,469	-	-	-	-	-	120,043	-	-	-	1,572	3,604
341	Tenant Security Deposits	22,337	12,975	30,337	37,273	40,084	-	-	-	-	-	-	-	-	-	-	-	55,369	-	2,788
342	Unearned Revenue	77,009	4,472	12,691	13,161	10,221	-	-	636	-	-	-	-	-	-	1,792	-	14,313	-	2,185
343	Current Portion - Long-Term Debt - Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	248,724	8,140	-
345	Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,748,356	-
347	Inter Program Due To	-	-	-	-	-	6,245	7,414	37,710	-	29,281	90,472	31,713	389,160	36,924	371,807	723,216	602,783	4,377,883	435,529
310	Total Current Liabilities	134,072	42,681	59,984	87,755	72,373	6,245	15,392	132,299	-	29,357	90,479	31,713	393,802	36,924	491,850	863,506	999,507	6,501,987	456,970
Long-Term Liabilities																				
351	Long-term Debt, Net of Current - Capital Projects/Mortga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	131,398	-	6,701,554	392,369	1,133,983
353	Other Long-Term Liabilities	1,200	-	8,978	8,579	56,525	-	-	270,310	-	-	-	-	-	-	-	-	1,244,768	650	-
354	Accrued Compensated Absences - Noncurrent	635	740	345	1,219	636	-	-	2,715	-	-	-	223	-	-	-	-	186	9,426	539
357	Accrued Pension and OPEB Liabilities	96,817	61,203	59,152	58,772	64,953	-	-	274,442	-	-	-	-	-	-	-	-	133,140	1,518,413	-
350	Total Non-Current Liabilities	98,652	61,943	68,475	68,570	122,114	-	-	547,467	-	-	-	223	-	131,398	-	-	8,079,648	1,920,858	1,134,522
300	Total Liabilities	232,724	104,624	128,459	156,325	194,487	6,245	15,392	679,766	-	29,357	90,479	31,713	394,025	36,924	623,248	863,506	9,079,155	8,422,845	1,591,492
400	Deferred Inflow of Resources	9,941	3,965	911	947	1,427	-	-	17,536	-	-	-	-	-	-	-	-	5,701	73,138	-
Net Position																				
508.4	Net Invested in Capital Assets	1,205,008	450,174	989,496	2,642,879	1,987,208	-	-	24,459	-	-	-	-	-	-	-	-	(46,413)	169,796	(202,502)
511.4	Unrestricted Net Assets	155,359	10,610	30,665	268,183	266,224	-	-	62,595	-	(95)	(10,880)	(16,857)	(97,566)	(3,427)	(185,865)	391,914	2,593,954	1,406,747	85,139
512.4	Unrestricted Net Position	-	-	-	-	-	-	-	65,658	125,325	-	-	-	-	-	-	-	1,759,885	-	645,444
513	Total Net Position	1,360,367	460,784	1,020,161	2,911,062	2,253,432	-	-	152,712	125,325	(95)	(10,880)	(16,857)	(97,566)	(3,427)	(185,865)	391,914	4,307,426	1,576,543	528,081
Total Liabilities, Deferred Inflows of Resources and Net Position																				
600	Net Position	\$ 1,603,032	\$ 569,373	\$ 1,149,531	\$ 3,068,334	\$ 2,449,346	\$ 6,245	\$ 15,392	\$ 850,014	\$ 125,325	\$ 29,262	\$ 79,599	\$ 14,856	\$ 296,459	\$ 33,497	\$ 437,383	\$ 1,255,420	\$ 13,392,282	\$ 10,072,526	\$ 2,119,573

HOUSING CONNECT
HUD Financial Data Schedule - Statement of Net Position by Program
As of June 30, 2019

FDS Line #	Description	AMP 1		AMP 2		AMP 3		AMP 4		AMP 5		ROSS Grant	ROSS FSS	Shelter Plus Care	Housing Choice Voucher	Mainstream Vouchers	Home Investment Partnership Program	HOPWA	Criminal Justice	Housing Retention Program	Continuum of Care	Temporary Assistance for Needy Families	CDBG	State Funds	Business Activities	Central Office & Maintenance		Component Units	Eliminations					
		High Rise		Valley Fair Village		East		West		Scattered																								
REVENUE		14.872	14.850	14.872	14.850	14.872	14.850	14.872	14.850	14.872	14.850	14.870	14.896	14.238	14.871	14.879	14.239	14.241	16.579	93.667	14.267	93.558	14.218											
TENANT REVENUE																																		
70300	Net Tenant Rental Revenue	\$ 495,275	\$ -	\$ 237,510	\$ -	\$ 235,401	\$ -	\$ 357,419	\$ -	\$ 406,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,246	\$ 1,283,943	\$ -	\$ -	\$ 106,486	\$ -	\$ -	\$ -			
70400	Tenant Revenue - Other	17,680	-	11,510	-	14,515	-	13,874	-	23,625	-	-	-	-	-	-	-	-	-	-	-	-	8,961	72,808	-	-	756	-	-	-				
70500	Total Tenant Revenue	512,955	-	249,020	-	249,916	-	371,293	-	430,149	-	-	-	-	-	-	-	-	-	-	-	-	110,207	1,356,751	-	-	107,242	-	-	-				
HUD PHA OPERATING GRANTS																																		
70600	HUD PHA Operating Grants	239,888	49,530	177,349	32,878	342,657	72,969	488,785	84,550	353,703	67,042	90,610	217,759	-	21,728,254	-	-	-	-	-	2,972,574	-	-	-	-	-	-	-	-	61,125	-			
70610	HUD Capital Grants	-	48,055	-	5,123	-	104,232	-	535,765	-	104,040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70710	Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70730	Book Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70740	Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70600	HUD PHA Operating Grants	239,888	97,585	177,349	38,001	342,657	177,201	488,785	620,315	353,703	171,082	90,610	217,759	-	21,728,254	-	-	-	-	-	2,972,574	-	-	-	-	-	-	-	-	1,985,992	61,125	(1,754,785)		
70800	Other Government Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	154,156	426,391	83,708	-	-	230,256	-	-	3,277,753	12,298	-	-	-	-	18,750	316,389			
71100	Investment Income - Unrestricted	3,494	-	1,279	-	1,278	-	1,838	-	2,219	-	-	-	-	3,462	-	-	-	-	-	-	-	-	-	15,915	-	-	-	-	28,581	22			
71200	Mortgage Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,433	-	-	-	-	-				
71300	Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
71400	Fraud Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
71500	Other Revenue	59,358	-	338	-	-	-	-	-	1,034	-	-	-	-	373,117	-	-	-	-	-	462	-	-	170	-	-	-	-	-	338,269	-			
71600	Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	1,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,100	-	-	-	-	51,138	6,436			
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196,974	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
70000	Total Revenue	815,695	97,585	427,986	38,001	593,851	177,201	861,916	620,315	788,305	171,082	90,610	217,759	-	22,277,338	196,974	154,156	426,391	83,708	-	2,973,036	230,256	-	3,388,130	1,761,841	-	-	-	2,084,461	492,321	(1,754,785)			
EXPENSES																																		
ADMINISTRATIVE EXPENSES																																		
91100	Administrative Salaries	76,343	-	65,684	-	67,643	-	76,379	-	81,745	-	2,100	-	-	561,457	-	-	-	-	-	175,025	29,213	-	282,800	287,661	-	-	-	945,084	16,146	-			
91200	Auditing Fees	2,644	-	1,775	-	1,916	-	2,449	-	2,325	-	-	-	-	8,371	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,600	-		
91300	Management Fees	104,406	15,278	69,231	15,278	74,172	15,277	87,877	15,278	87,583	15,278	-	-	-	349,908	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,108	(875,381)		
91310	Bookkeeping Fees	13,312	-	8,828	-	9,458	-	11,204	-	11,168	-	-	-	-	218,692	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,200	(273,862)		
91400	Advertising and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
91500	Employee Benefit Contributions - Administrative	29,652	-	31,447	-	21,903	-	29,440	-	41,412	-	-	-	-	251,917	-	-	-	-	-	66,085	11,813	-	117,996	111,219	-	-	-	-	356,595	8,396	-		
91600	Office Expenses	59,368	287	34,657	192	36,506	207	43,532	246	38,489	244	10,660	-	-	175,087	-	-	-	-	-	1,121	1,600	-	336,089	301,619	-	-	-	-	221,185	53,220	-		
91700	Legal Expenses	-	-	171	-	4,749	-	608	-	600	-	-	-	-	2,150	-	-	-	-	-	752	-	-	-	-	-	-	-	-	10,769	866	-		
91800	Travel	4,172	206	3,695	138	3,910	149	4,457	177	5,265	175	628	-	-	5,787	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,834	31	-		
91900	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
91000	Total Operating-Administrative	289,897	15,771	215,488	15,608	220,257	15,633	255,946	15,701	268,587	15,697	14,121	-	-	1,573,369	-	-	-	-	-	242,983	42,626	-	738,366	775,944	-	-	-	-	1,560,447	96,567	(1,149,243)		
TENANT SERVICES																																		
92000	Asset Management Fee	17,880	-	12,000	-	12,960	-	15,360	-	15,240	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(73,440)	
92100	Tenant Services - Salaries	-	-	-	-	-	-	-	-	-	-	48,167	141,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	189,812	-	
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-	-	-	27,029	73,052	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62,025	-	
92400	Tenant Services - Other	999	-	637	-	616	-	753	-	717	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,308	-	
92500	Total Tenant Services	18,879	-	12,637	-	13,576	-	16,113	-	15,957	-	75,196	214,862	-	-	-	-	-	-	-	1,001	37,526	-	218,786	1,227	-	-	-	-	-	274,145	(73,440)		
UTILITIES																																		
93100	Water	12,852	-	11,609	-	44,790	-	63,145	-	48,068	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,636	-	
93200	Electricity	85,539	-	12,826	-	14,682	-	17,199	-	1,781	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,446	-	
93300	Gas	35,117	-	1,071	-	2,820	-	4,416	-	2,269	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,490	-	
93600	Sewer	19,662	-	29,471	-	26,649	-	43,362	-	36,572	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,941	-	
93000	Total Utilities	153,170	-	54,977	-	88,941	-	128,122	-	88,690	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,513	-	
ORDINARY MAINTENANCE AND OPERATIONS																																		
94100	Ordinary Maintenance and Operations - Labor	88,178	-																															



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

Board of Commissioners
Housing Connect
Salt Lake City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Housing Connect (Housing Connect), which comprise the Combined Statements Net Position as of June 30, 2019 and 2018, and the related Combined Statements of Revenues, Expenses, and Changes in Net Position, and Cash Flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 16, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

B2a CPAs

B2a, CPAs
Bountiful, Utah
October 16, 2019



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

To the Board of Commissioners
Housing Connect
Salt Lake City, Utah

Report on Compliance for Each Major Federal Program

We have audited Housing Connect's (Housing Connect) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Housing Connect's major federal programs for the year ended June 30, 2019. Housing Connect's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Housing Connect's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Compliance Supplement, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Compliance Supplement* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Housing Connect's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Housing Connect complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Compliance Supplement.

Report on Internal Control Over Compliance

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

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

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

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 OMB Compliance Supplement. Accordingly, this report is not suitable for any other purpose.

B2a CPAs

B2a, CPAs
Bountiful, Utah
October 16, 2019

**HOUSING AUTHORITY OF THE
COUNTY OF SALT LAKE
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

Federal Agency / Program Grant Title	CFDA Number	Current Year Expenditures
Department of Housing and Urban Development (HUD):		
Supportive Housing for Persons with Disabilities - (Blended Component Unit)		
Rental Assistance	14.181	\$ 377,514
Deferred Loan	14.181	619,500
Home Investment Partnership	14.239	154,156
Housing Opportunities for Persons With Aids (HOPWA) - Passed through the Department of Workforce Services)	14.241	426,391
Continuum of Care	14.267	2,972,574
Low Rent Public Housing	14.850	1,602,382
Public Housing Capital Fund	14.872	306,968
Housing Choice Vouchers	14.871	21,590,947
Mainstream Vouchers	14.879	71,649
ROSS	14.870	90,610
ROSS - Family Self Sufficiency	14.896	217,759
Department of Health and Human Services		
Temporary Assistance for Needy Families - Passed through the Department of Workforce Services	93.558	230,256
Department of Justice		
Byrne Formula Grant Program	16.579	82,996
Total Expenditures of Federal Awards		<u>\$ 28,743,702</u>

**HOUSING AUTHORITY OF THE
COUNTY OF SALT LAKE
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

NOTE 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Housing Connect and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Compliance Supplement, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Housing Connect, it is not intended to, and does not present the financial position, changes in net assets or cash flows of Housing Connect. Housing Connect reporting entity is defined in Note 1 to Housing Connect's financial statements. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. Significant Accounting Policies

The Schedule of Expenditures of Federal Awards is a summary of activities related to Housing Connect's expenditures of federal awards. The schedule has been presented on the same basis of accounting as the financial statements. Most of the awards are reimbursement based. Therefore, as expenditures of federal funds are made, revenue is recognized.

NOTE 3. Public Housing Capital Fund Detail by Grant Year

Grant Number	CFDA Number	Total Grant	Prior Year Expenditures	Current Year Expenditures	Remaining Grant
UT06900350116	14.872	758,926	697,677	61,249	-
UT06900350117	14.872	770,588	501,925	213,412	55,251
UT06900350118	14.872	1,205,110	-	799,697	405,413
Total		\$2,734,624	\$ 1,199,602	\$ 1,074,358	\$ 460,664

**HOUSING AUTHORITY OF THE
COUNTY OF SALT LAKE
Schedule of Findings and Questioned Costs
For the year ended June 30, 2019**

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant Deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Non compliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant Deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Compliance Supplement? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Housing Choice Voucher Fund
14.872	Public Housing Capital Fund
93.558	Family Employment Housing Program

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

Auditee qualified as low-risk auditee? Yes No

**HOUSING AUTHORITY OF THE
COUNTY OF SALT LAKE
Schedule of Findings and Questioned Costs
June 30, 2019**

Internal Control Over Financial Reporting

There were no findings to report for the year ended June 30, 2019.

Compliance

There were no findings to report for the year ended June 30, 2019.

**HOUSING AUTHORITY OF THE
COUNTY OF SALT LAKE
Schedule of Findings and Questioned Costs-Prior Year
June 30, 2018**

Internal Control Over Financial Reporting

There were no findings to report for the year ended June 30, 2018.

Compliance

There were no findings to report for the year ended June 30, 2018.



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROLS OVER COMPLIANCE IN ACCORDANCE
WITH THE STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

Board of Commissioners
Housing Connect
Salt Lake City, Utah

REPORT ON COMPLIANCE

We have audited Housing Connect's (Housing Connect) compliance with general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2019.

The general compliance requirements applicable to Housing Connect are identified as follows:

- Budgetary Compliance
- Fund Balance
- Utah Retirement Systems
- Restricted Taxes and Related Restricted Revenue
- Open and Public Meetings Act
- Treasurer's Bond
- Utah Public Finance Website
- Cash Management
- Special and Local Service District Board Members

Housing Connect did not receive any major State grants during the year ended June 30, 2019.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of Housing Connect's management.

Auditors' Responsibility

Our responsibility is to express an opinion on Housing Connect's compliance based upon our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on Housing Connect and its major programs occurred. An audit includes examining, on a test basis, evidence about Housing Connect's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Housing Connect's compliance with those requirements.

Opinion

In our opinion, Housing Connect complied, in all material respects, with the general compliance requirements identified above for the year ended June 30, 2019.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of Housing Connect is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In Planning and performing our audit, we considered Housing Connect's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of Housing Connect's internal control over compliance.

A deficiency in internal control over compliance 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, noncompliance on a timely basis. A material weakness in internal control over compliances is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

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

Purpose of Report

This report is intended 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 Housing Connect's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

B2a CPAs

B2a, CPAs
Bountiful, Utah
October 16, 2019